DEBATES

OF

THE SENATE

OF THE

DOMINION OF CANADA

1921

OFFICIAL REPORT

Editor: ALBERT HORTON

Reporters: D. J. HALPIN, H. H. EMERSON

Reserve Reporter: THOS. BENGOUGH

FIFTH SESSION—THIRTEENTH PARLIAMENT—11-12 GEORGE V

OTTAWA

THOMAS MULVEY

PRINTER TO THE KING'S MOST EXCELLENT MAJESTY

1921

18491—A½

SENATORS OF CANADA

ACCORDING TO SENIORITY

JUNE 4, 1921.

THE HONOURABLE JOSEPH BOLDUC, SPEAKER.

SENATORS.	DESIGNATION.	POST OFFICE ADDRESS.
The Honourable		
LAWRENCE GEOFFREY POWER, P.C.	Sr. M. Halifax	Halifax, N.S.
JOSEPH BOLDUC, (Speaker)	Lauzon	St. Victor de Tring Que.
PASCAL POIRIER	Acadie	Shediac, N.B.
SIR JAMES ALEXANDER LOUGHEED, K.C.M.G., P.C.	Calgary	Calgary, Alta.
HIPPOLYTE MONTPLAISIR	Shawinigan	Three Rivers, Que.
ALFRED A. THIBAUDEAU	De la Vallière	Montreal, Que.
GEORGE GERALD KING	Queens	Chipman, N.B.
RAOUL DANDURAND, P.C.	De Lorimier	Montreal, Que.
JOHN YEO	East Prince	Port Hill, P.E.I.
JOSEPH P. B. CASGRAIN	De Lanaudière	Montreal, Que.
ROBERT WATSON	Portage la Prairie	Portage la Prairie, Man.
GEORGE McHUGH	Victoria, O	Lindsay, Ont.
JOSEPH GODBOUT	La Salle	Beauceville, West, Que.
FREDERICK P. THOMPSON	Fredericton	Fredericton, N.B.

SENATORS.	DESIGNATION.	POST OFFICE ADDRESS.
The Honourable		
Frederick L. Béique	De Salaberry	Montreal, Que.
Joseph H. Legris	Repentigny	Louiseville, Que.
Jules Tessier	De la Durantaye	Quebec, Que.
William C. Edwards	Rideau	Ottawa, Ont.
James Domville, Lt.-Col	Rothesay	Rothesay, N.B
L O. David	Mille Iles	Montreal, Que
Henry J. Cloran	Victoria	Montreal, Que.
William Mitchell	Wellington	Drummondville, Que.
Hewitt Bostock	Kamloops	Monte Creek, B.C.
James H. Ross	Regina	Moosejaw, Sask.
L. George De Veber	Lethbridge	Lethbridge, Alta.
Robert Beith	Bowmanville	Bowmanville, Ont.
George C. Dessaulles	Rougemont	St. Hyacinthe, Que.
Napoleon A. Belcourt, P.C.	Ottawa	Ottawa, Ont.
Valentine Ratz	North Middlesex	New Hamburg, Ont.
Arthur Boyer	Rigaud	Montreal, Que.
Edward Matthew Farrell	Liverpool	Liverpool, N.S.
William Roche	Halifax	Halifax, N.S.
Louis Lavergne	Kennebec	Arthabaska, Que.
Amédée E. Forget	Banff	Banff, Alta.
Joseph M. Wilson	Sorel	Montreal, Que.
Benjamin C. Prowse	Charlottetown	Charlottetown, P.E.I.
Rufus Henry Pope	Bedford	Cookshire, Que.
John W. Daniel	St. John	St. John, N.B.
George Gordon	Nipissing	North Bay, Ont.
Nathaniel Curry	Amherst	Amherst, N.S.
William B. Ross	Middleton	Middleton, N.S.
Edward L. Girroir	Antigonish	Antigonish, N.S.
Patrick C. Murphy	Tignish	Tignish, P.E.I.
Ernest D. Smith	Wentworth	Winona, Ont.
Alexander McCall	Simcoe	Simcoe, Ont.
James J. Donnelly	South Bruce	Pinkerton, Ont.
William H. Thorne	St. John	St. John, N.B
John Milne	Hamilton	Hamilton, Ont.

SENATORS.	DESIGNATION.	POST OFFICE ADDRESS
The Honourable		
CHARLES PHILIPPE BEAUBIEN	Montarville	Montreal, Que.
JOHN McLEAN	Souris	Souris, P.E.I.
JOHN STEWART McLENNAN	Sydney	Sydney, N. S.
WILLIAM HENRY SHARPE	Manitou	Manitou, Man.
FREDERIC NICHOLLS	Toronto	Toronto, Ont.
GIDEON D. ROBERTSON, P.C.	Welland	Welland, Ont.
GEORGE LYNCH-STAUNTON	Hamilton	Hamilton, Ont.
CHARLES E. TANNER	Pictou	Pictou, N.S.
THOMAS JEAN BOURQUE	Richibucto	Richibucto, N.B.
HENRY W. LAIRD	Regina	Regina, Sask.
ALBERT E. PLANTA	Nanaimo	Nanaimo, B.C.
GEORGE W. FOWLER	Kings and Albert	Sussex, N.B.
RICHARD BLAIN	Peel	Brampton, Ont.
JOHN HENRY FISHER	Brant	Paris, Ont.
LENDRUM McMEANS	Winnipeg	Winnipeg, Man.
DAVID OVIDE L'ESPÉRANCE	Gulf	Quebec, Que.
GEORGE GREEN FOSTER	Alma	Montreal, Que.
RICHARD SMEATON WHITE	Inkerman	Montreal, Que.
ANGUS CLAUDE MACDONELL	Toronto South	Toronto, Ont.
AIMÉ BÉNARD	St. Boniface	Winnipeg, Man.
GEORGE HENRY BARNARD	Victoria	Victoria, B.C.
WELLINGTON B. WILLOUGHBY	Moosejaw	Moosejaw, Sask.
JAMES DAVIS TAYLOR	New Westminster	New Westminster, B.C.
FREDERIC L. SCHAFFNER	Boissevain	Boissevain, Man.
WILLIAM H. BENNETT	Simcoe, E.	Midland, Ont.
GEORGE HENRY BRADBURY	Selkirk	Selkirk, Man.
EDWARD MICHENER	Red Deer	Red Deer, Alta.
WILLIAM JAMES HARMER	Edmonton	Edmonton, Alta.
IRVING R. TODD	Milltown	Milltown, N. B.
JOHN WEBSTER	Brockville	Brockville, Ont.
ROBERT A. MULHOLLAND	Port Hope	Port Hope, Ont.
PIERRE EDOUARD BLONDIN, P.C.	Laurentides	Ottawa, Ont.

SENATORS.	DESIGNATION.	POST OFFICE ADDRESS.
The Honourable		
MICHAEL J. O'BRIEN	Renfrew	Renfrew, Ont.
JOHN G. TURRIFF	Assiniboia	Ottawa, Ont.
GERALD VERNER WHITE	Pembroke	Pembroke, Ont.
WILLIAM PROUDFOOT	Huron	Goderich, Ont.
THOMAS CHAPAIS	Granville	Quebec, Que.
LORNE C. WEBSTER	Stadacona	Montreal, Que.
JOHN ANTHONY MCDONALD	Shediac	Shediac, N.B.
JOHN STANFIELD	Colchester	Truro, N.S.

SENATORS OF CANADA

ALPHABETICAL LIST

JUNE 4, 1921.

SENATORS.	DESIGNATION.	POST OFFICE ADDRESS.
The Honourable		
BARNARD, G. H.	Victoria	Victoria, B.C.
BEAUBIEN, C. P.	Montarville	Montreal, Que.
BÉIQUE. F. L.	De Salaberry	Montreal, Que.
BEITH, R.	Bowmanville	Bowmanville, Ont.
BELCOURT, N. A., P.C.	Ottawa	Ottawa, Ont.
BÉNARD, A.	St. Boniface	Winnipeg, Man.
BENNETT, W. H.	Simcoe, E.	Midland, Ont.
BLAIN, R.	Peel	Brampton, Ont.
BLONDIN, P. E., P.C.	Laurentides	Ottawa, Ont.
BOLDUC, J., P.C. (Speaker)	Lauzon	St. Victor de Tring, Que.
BOSTOCK, H.	Kamloops	Monte Creek, B.C.
BOURQUE, T. J.	Richibucto	Richibucto, N.B.
BOYER, A.	Rigaud	Montreal, Que.
BRADBURY, G. H.	Selkirk	Selkirk, Man.
CASGRAIN, J. P. B.	De Lanaudière	Montreal, Que.
CHAPAIS, T.	Granville	Quebec, Que.
CLORAN, H. J.	Victoria	Montreal, Que.
CURRY, N.	Amherst	Amherst, N.S.
DANDURAND, R. P.C.	De Lorimier	Montreal, Que.
DANIEL, J. W.	St. John	St. John, N.B.
DAVID, L. O.	Mille Iles	Montreal, Que.
DESSAULLES, G. C.	Rougemont	St. Hyacinthe, Que.
DE VEBER, L. G.	Lethbridge	Lethbridge, Alta.

SENATORS.	DESIGNATION.	POST OFFICE ADDRESS.
The Honourable		
DOMVILLE, J. Lt.-Col	Rothesay	Rothesay, N.B.
DONNELLY, J. J	South Bruce	Pinkerton, Ont.
EDWARDS, W. C	Rideau	Ottawa, Ont.
FARRELL, E. M	Liverpool	Liverpool, N.S.
FISHER, J. H	Brant	Paris, Ont.
FORGET, A. E	Banff	Banff, Alta.
FOSTER, G. G	Alma	Montreal, Que.
FOWLER, G. W	Kings and Albert	Sussex, N.B.
GIRROIR, E. L.	Antigonish	Antigonish, N.S.
GODBOUT, J	La Salle	Beauceville, West, Que.
GORDON, G	Nipissing	North Bay, Ont.
HARMER, W. J	Edmonton	Edmonton, Alta.
KING, G. G	Queen's	Chipman, N.B.
LAIRD, H. W	Regina	Regina, Sask.
LAVERGNE, L	Kennebec	Arthabaska, Que.
LEGRIS, J. H	Repentigny	Louiseville, Que.
L'ESPÉRANCE, D. O	Gulf	Quebec, Que.
LOUGHEED, Sir JAMES A., K.C.M.G., P.C	Calgary	Calgary, Alta.
LYNCH-STAUNTON, G	Hamilton	Hamilton, Ont.
MACDONELL, A. C	Toronto, South	Toronto, Ont.
MCCALL, A	Simcoe	Simcoe, Ont.
MCDONALD, J. A	Shediac	Shediac, N.B.
MCHUGH, G	Victoria, O	Lindsay, Ont.
MCLEAN, J	Souris	Souris, P.E.I.
MCLENNAN, J. S	Sydney	Sydney, N.S.
MCMEANS, L	Winnipeg	Winnipeg, Man.
MICHENER, E	Red Deer	Red Deer, Alta.
MILNE, J	Hamilton	Hamilton, Ont.
MITCHELL, W	Wellington	Drummondville, Que.
MONTPLAISIR, H	Shawinigan	Three Rivers, Que.
MULHOLLAND, R. A	Port Hope	Port Hope, Ont.
MURPHY, P. C	Tignish	Tignish, P.E.I.
NICHOLLS, F	Toronto	Toronto, Ont.
O'BRIEN, M. J	Renfrew	Renfrew, Ont.

SENATORS.	DESIGNATION.	POST OFFICE ADDRESS.
The Honourable		
PLANTA, A. E.	Nanaimo	Nanaimo, B.C.
POIRIER, P.	Acadie	Shediac, N.B.
POPE, R. H.	Bedford	Cookshire, Que.
POWER, L. G., P.C.	Halifax	Halifax, N.S.
PROWSE, B. C.	Charlottetown	Charlottetown, P.E.I.
PROUDFOOT, W.	Huron	Goderich, Ont.
RATZ, V.	North Middlesex	New Hamburg, Ont.
ROBERTSON, G. D., P.C.	Welland	Welland, Ont.
ROCHE, W.	Halifax	Halifax, N.S.
ROSS, J. H.	Regina	Moosejaw, Sask.
ROSS, W. B.	Middleton	Middleton, N.S.
SCHAFFNER, F. L.	Boissevain	Boissevain, Man.
SHARPE, W. H.	Manitou	Manitou, Man.
SMITH, E. D.	Wentworth,	Winona, Ont.
STANFIELD, J.	Colchester	Truro, N.S.
TANNER, C. E.	Pictou	Pictou, N.S.
TAYLOR, J, D.	New Westminster	New Westminster, B.C.
TESSIER, JULES	De la Durantaye	Quebec, Que.
THIBAUDEAU, A. A.	De la Vallière	Montreal, Que.
THOMPSON, F. P.	Fredericton	Fredericton, N.B.
THORNE, W. H.	St. John	St. John, N.B.
TODD, I. R.	Milltown	Milltown, N.B.
TURRIFF, J. G.	Assiniboia	Ottawa, Ont.
WATSON, R.	Portage la Prairie	Portage la Prairie, Man.
WEBSTER, J.	Brockville	Brockville, Ont.
WEBSTER, L, C.	Stadacona	Montreal, Que.
WHITE, R. S.	Inkerman	Montreal, Que.
WHITE, G. V.	Pembroke	Pembroke, Ont.
WILLOUGHBY, W. B.	Moosejaw	Moosejaw, Sask.
WILSON, J. M.	Sorel	Montreal, Que.
YEO, J.	East Prince	Port Hill, P.E.I.

SENATORS OF CANADA

BY PROVINCES

JUNE 4, 1921

ONTARIO—24

	SENATORS.	POST OFFICE ADDRESS.
	The Honourable	
1	GEORGE MCHUGH	Lindsay.
2	WILLIAM C. EDWARDS	Ottawa.
3	ROBERT BEITH	Bowmanville.
4	NAPOLEON A. BELCOURT, P.C.	Ottawa.
5	VALENTINE RATZ	New Hamburg.
6	GEORGE GORDON	North Bay.
7	ERNEST D. SMITH	Winona.
8	ALEXANDER MCCALL	Simcoe.
9	JAMES J. DONNELLY	Pinkerton.
10	JOHN MILNE	Hamilton.
11	FREDERIC NICHOLLS	Toronto.
12	GEORGE LYNCH-STAUNTON	Hamilton.
13	GIDEON D. ROBERTSON, P.C.	Welland.
14	RICHARD BLAIN	Brampton.
15	JOHN HENRY FISHER	Paris.
16	ANGUS CLAUDE MACDONELL	Toronto.
17	WILLIAM H. BENNETT	Midland.
18	JOHN WEBSTER	Brockville.
19	ROBERT A. MULHOLLAND	Port Hope.
20	MICHAEL J. O'BRIEN	Renfrew.
21	GERALD VERNER WHITE	Pembroke.
22	WILLIAM PROUDFOOT	Goderich.
23		
24		

QUEBEC—24

SENATORS.	ELECTORAL DIVISION.	POST OFFICE ADDRESS.
The Honourable		
1 Joseph Bolduc, (Speaker)	Lauzon	St. Victor de Tring.
2 Hippolyte Montplaisir	Shawinigan	Three Rivers.
3 Alfred A. Thibaudeau	De la Vallière	Montreal.
4 Raoul Dandurand, P.C.	De Lorimier	Montreal.
5 Joseph P. B. Casgrain	De Lanaudière	Montreal.
6 Joseph Godbout	La Salle	Beauceville, West.
7 Frederick L. Béique	De Salaberry	Montreal.
8 Joseph H. Legris	Repentigny	Louiseville.
9 Jules Tessier	De la Durantaye	Quebec.
10 L. O. David	Mille Iles	Montreal.
11 Henry J. Cloran	Victoria	Montreal.
12 William Mitchell	Wellington	Drummondvilie.
13 George C. Dessaulles	Rougemont	St. Hyacinthe.
14 Arthur Boyer	Rigaud	Montreal.
15 Louis Lavergne	Kennebec	Arthabaska.
16 Joseph M. Wilson	Sorel	Montreal.
17 Rufus H. Pope	Bedford	Cookshire.
18 Charles Philippe Beaubien	Montarville	Montreal.
19 David Ovide L'Espérance	Gulf	Quebec.
20 George Green Foster	Alma	Montreal.
21 Richard Smeaton White	Inkerman	Montreal.
22 Pierre Edouard Blondin, P.C.	Laurentides	Ottawa, Ont.
23 Thomas Chapais	Granville	Quebec.
24 Lorne C. Webster	Stadacona	Montreal.

NOVA SCOTIA—10

	SENATORS.	POST OFFICE ADDRESS.
	The Honourable	
1	Lawrence Geoffrey Power, P.C.	Halifax.
2	Edward M. Farrell	Liverpool.
3	William Roche	Halifax.
4	Nathaniel Curry	Amherst.
5	William B. Ross	Middleton.
6	Edward L. Girroir	Antigonish.
7	John S. McLennan	Sydney.
8	Charles E. Tanner	Pictou.
9	John Stanfield	Truro.
10		

NEW BRUNSWICK—10

	The Honourable	
1	Pascal Poirier	Shediac.
2	George Gerald King	Chipman.
3	Frederick P. Thompson	Fredericton.
4	James Domville, Lt.-Col.	Rothesay.
5	John W. Daniel	St. John.
6	William H. Thorne	St. John.
7	Thomas Jean Bourque	Richibucto.
8	George W. Fowler	Sussex.
9	Irving R. Todd	Milltown.
10	John Anthony McDonald	Shediac.

PRINCE EDWARD ISLAND—4

	The Honourable	
1	John Yeo	Port Hill.
2	Benjamin C. Prowse	Charlottetown.
3	Patrick C. Murphy	Tignish.
4	John McLean	Souris.

BRITISH COLUMBIA—6

	SENATORS.	POST OFFICE ADDRESS.
	The Honourable	
1	HEWITT BOSTOCK	Monte Creek.
2	ALBERT E. PLANTA	Nanaimo.
3	GEORGE HENRY BARNARD	Victoria.
4	JAMES DAVIS TAYLOR	New Westminster.
5		
6		

MANITOBA—6

	The Honourable	
1	ROBERT WATSON	Portage la Prairie.
2	WILLIAM H. SHARPE	Manitou.
3	LENDRUM MCMEANS	Winnipeg.
4	AIMÉ BÉNARD	Winnipeg.
5	FREDERICK L. SCHAFFNER	Winnipeg.
6	GEORGE HENRY BRADBURY	Selkirk.

SASKATCHEWAN—6

	The Honourable	
1	JAMES H. ROSS	Regina.
2	HENRY W. LAIRD	Regina.
3	WELLINGTON B. WILLOUGHBY	Moosejaw.
4	JOHN G. TURRIFF	Ottawa.
5		
6		

ALBERTA—6

	The Honourable	
1	SIR JAMES ALEXANDER LOUGHEED, K.C.M.G., P.C.	Calgary.
2	L. GEORGE DE VEBER	Lethbridge.
3	AMÉDÉE E. FORGET	Banff.
4	EDWARD MICHENER	Red Deer.
5	WILLIAM JAMES HARMER	Edmonton.
6		

CANADA

The Debates of the Senate

OFFICIAL REPORT

THE SENATE.

MONDAY, February 14, 1921.

The Senate met at 2.30 p.m., for the first time in the Chamber of the Senate in the new Parliament Building, the Speaker in the Chair.

OPENING OF THE SESSION.

The Hon. the SPEAKER announced that he had received a communication from the Governor General's Acting Secretary informing him that His Excellency the Governor General would proceed to the Senate Chamber to open the Session of the Dominion Parliament on Monday, the 14th February, at 3 o'clock.

The Senate adjourned during pleasure.

THE SPEECH FROM THE THRONE.

At three o'clock His Excellency the Governor General proceeded to the Senate Chamber and took his seat upon the Throne. His Excellency was pleased to command the attendance of the House of Commons, and that House being come, with their Speaker, His Excellency was pleased to open the Fifth Session of the Thirteenth Parliament of the Dominion of Canada with the following Speech:

Honourable Gentlemen of the Senate:

Gentlemen of the House of Commons:

On your return to your Parliamentary duties, I am glad to be able to congratulate you on the relative prosperity of the country and its comparative freedom from the feeling of unrest which has agitated countries not so fortunately situated. Following the conditions of expansion due to the war, a period of contraction was inevitable. Restriction of credit involving a certain limitation of production and business has been universal, but this Dominion has been less affected than other countries, and a feeling of confidence prevails. A general reduction of the cost of living has set in, and the country, save in certain limited areas, has been blessed with a bountiful harvest.

In spite of this contraction, the annual revenue of the country has been well maintained, and my advisers considered that certain taxes, imposed in part to check extravagant purchasing, had fulfilled their purpose and might be withdrawn. Accordingly, with a few exceptions, these taxes have been remitted, freeing industry and business and thus promoting employment.

Unemployment, the world-wide result of the conditions to which I have referred, though less widespread in Canada than elsewhere, has received the most anxious consideration. Of the charges for the relief of general unemployment, measures have been taken to bear a substantial share, and special measures have been taken to assist disabled and partially disabled ex-service men. These will be submitted to you for approval.

An investigation is being conducted by the Department of Labour into systems of Unemployment, Insurance and Old Age Pensions.

There will be submitted to you for approval the important agreement concluded last year with the Governments of the British West Indian Colonies for the purpose of drawing still closer the trade relations between Canada and these Colonies and of improving the means of communication and intercourse.

The First Assembly of the League of Nations was recently held at Geneva. Representatives of forty-one nations, including those of Canada, met and deliberated together in a spirit of harmony that promises much for this great experiment. Much time was necessarily devoted to the work of organization, but other measures were also agreed upon which are calculated to promote stability and good will in international intercourse. Most important of these is the draft scheme for the establishment of a Permanent Court of International Justice which will be submitted to you for approval at an early date.

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 enquiry, and has secured the views of all parties and interests in every Province. The hearings necessary for this purpose have now been completed, and the conclusions founded thereon will be submitted to you in due course. It is the opinion of my advisers that in such revision regard must be had to the necessities of revenue and as well that the principle of protection to Canadian labour and legitimate Canadian industries, including agriculture, which has prevailed for more than forty years in this country, must be consistently maintained; but that the Customs duties imposed to that end should be no higher than is essential to ensure good standards of living among our working population and to retain and make possible the normal expansion of the industries in which they find employment.

A Bill for the repeal of the Conservation Act will be submitted to you, there being provision made for carrying on the essential functions of the Commission of Conservation in the appropriate Departments of the Government. This measure will, therefore, avoid very considerable duplication of services, and permit consequent saving of expense without detriment to the public advantage.

A Bill amending the Dominions Elections Act to provide for necessary revision of the electoral lists applicable to the vote shortly to be held in the Province of Ontario respecting the Canada Temperance Act will be submitted to you.

Bills relating to Copyrights, the simplification and consolidation of the Income War Tax Act, 1917, and amending Acts, Scientific Research, and other matters will be submitted to you.

Gentlemen of the House of Commons:

The accounts of the last fiscal year will be laid before you. Estimates for the next fiscal year will be submitted at an early date, making provision for the various services of government. These have been formed with a view to strict economy, having due regard to the obligations of the country and the exigencies of the public service, and any possible contraction, following the expansion of the period of the war, has been diligently sought.

Honourable Gentlemen of the Senate:

Gentlemen of the House of Commons:

In inviting your careful consideration of the important matters which will engage your attention, I pray that Divine Providence may direct and prosper all your consultations to the safety, honour, and welfare of our Sovereign and this Dominion.

His Excellency the Governor General was pleased to retire, and the House of Commons withdrew.

The sitting of the Senate was resumed.

DOMINION ELECTIONS BILL.

FIRST READING.

Bill A, an Act to amend the Dominion Elections Act.—Hon. Sir James Lougheed.

CONSIDERATION OF HIS EXCELLENCY'S SPEECH.

On motion of Hon. Sir James Lougheed, it was ordered, That the Speech of His Excellency the Governor General be taken into consideration to-morrow.

COMMITTEE ON ORDERS AND PRIVILEGES.

Hon. Sir JAMES LOUGHEED moved:

That all the Senators present during the Session be appointed a Committee to consider the Orders and Customs of the Senate and Privileges of Parliament, and that the said Committee have leave to meet in the Senate Chamber when and as often as they please.

The motion was agreed to.

COMMITTEE ON SELECTION.

On motion of Hon. Sir James Lougheed, the following Senators were appointed a Committee on Selection to nominate Senators to serve on the several Standing Committees during the present Session: Hon. Messieurs Belcourt, Bostock, Daniel, Power, Robertson, Tanner, Watson, Willoughby, and the mover.

The Senate adjourned until Tuesday, February 15, at 3 p.m.

THE SENATE.

TUESDAY, February 15, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE GOVERNOR GENERAL'S SPEECH.

ADDRESS IN REPLY.

The Senate proceeded to the consideration of His Excellency the Governor General's Speech at the opening of the session.

Hon. LORNE C. WEBSTER rose to move that an Address be presented to His Excellency the Governor General to offer the humble thanks of this House to His Excellency for the gracious Speech which he has been pleased to make to both Houses of Parliament. He said:

(Translation) Honourable gentlemen, I will not surprise anyone in this honourable House if, in the discharge of the delicate mission of moving the Address in reply to the Speech from the Throne, I express myself in French first. I owe this token of gratitude to the senatorial district of Stadacona, which I have the privilege of representing, and to the distinguished gentleman who preceded me in this seat.

Custom has it that the French language is heard in the Federal Parliament at the opening of each Session, and it cannot be said that the representative of the oldest French-speaking city in the New World has failed in his duty on that point. In the province of Quebec the two great races profess for each other deep respect and true friendship. Both keep their habits and traditions. They have respect for pacts and conventions. Nowhere else do equal rights and minorities find more zealous sponsors and more ardent admirers. It is the land of order, of bonne entente, of conciliation, of loyalty, of true and enlightened patriotism. To live there is to be content, immune from social unrest, as everyone is working in his own sphere for the development of national wealth and the conservation of the precious heritage

left by our ancestors. In the fields of either intellectual, agricultural, or industrial activities, Quebec is leading the Confederation of which it has been in the past and will remain in the future one of the pillars. Statistics place in the limelight what progress has been achieved. Beneficial emulation prevails in all ranks of society. Labour is plentiful and secure, which is a great attraction to foreign capital.

The deep upheaval of the war has hardly scratched the surface of Canada when one takes into consideration what it has done elsewhere. Quebec has weathered the storm with a serenity that is coveted by sister provinces. Her prosperity is ever increasing and her future is of the brightest. In Quebec, trade, commerce, industry, hydro-electric development, and natural resources of all descriptions have unlimited possibilities. A vast field of activity is open to the energy and initiative of all. The people know that they owe their prosperity to a régime of well-measured protection maintained by all our Governments since 1878, and I would be more than surprised if they would allow themselves to be seduced by the mirage of a different policy which could lead only to disastrous ventures.

I cannot conclude these few remarks which I have intended as a tribute of friendship for the old city of Champlain and the French-Canadian race, without invoking the leniency of my honourable colleagues for the weakness of my effort. I trust they will believe in the fullness of my sincerity and devotion.

(Text.) Honourable gentlemen, in rising to move the Address in reply to the Speech from the Throne, and again to pledge my allegiance to the Crown, in which respect I am confident I speak for every member of this Chamber, I have but few observations to make, and none of them of a novel character.

The words placed in the mouth of His Excellency by his advisers at the opening of Parliament have often been said to constitute a lean bill of fare, and it may be that the same remark will be applied by some to the Speech of this Session; but what would you have? There has been a change of men, not of methods, since we last met, to make the laws for the good government of Canada, according to our ideas. A new Chief Adviser has been selected by His Excellency, of whom I venture to say for myself no worthier can be found in Canada. We who sit in this Chamber are presumed to have neither party politics nor party prejudices, and I believe there is not so intense a partisanship here as unavoidably exists in another chamber, and when I pay tribute to the Premier as a man of outstanding ability, of high character and good purpose, I am confident I voice the opinion of his political friends, and I would add of his political enemies but for the fact that he has none, though some may disagree with him on his measures.

And what shall I say of him who for so many years, and especially during those serious years of strife, led this country in prosperity and to victory? History will give to the Right Honourable Sir Robert Borden his proper place, and I will leave to others to eulogise and honour this worthy son of Canada of whom we are all proud.

His Excellency has referred to special measures to be taken to assist disabled soldiers.

I feel it is not necessary to further discuss any of the features of the late world conflict, which will go down into history as the "greatest world war." At the same time, one cannot pass over this tragedy without giving credit to our brave boys for their wonderful victories, and their great determination to "carry on" and to "win out" for the glory of Canada and the British Empire. Ever may it be our pride that we were in it from the first and to the last.

The war has cost us over 60,000 lives and two billions in money. Canada was fortunate in having such strong and able political leaders, and in having them supported by a nation of such loyal and courageous citizens during those unfortunate years.

The work performed by the Department of Soldiers Civil Re-establishment should receive our thanks and appreciation. The work undertaken for the care of the wounded, hospitals, vocational training, the assistance granted the returned soldiers, and our pension system, have all been carefully and well considered, and should work out to the best interests of the returned soldier. It is especially pleasing and important to notice that more care, help, and re-examination where necessary will be given to the disabled and partially disabled ex-soldier men.

The war has left its hand heavily upon our exchequer, and our debts must be met. Even though Germany may be forced to

pay the demands of the Allies, it is not expected that Canada will receive a very large share of the indemnity. Normal conditions will require to be restored in Central Europe, and the Peace Treaties will require to be duly respected. As Mr. Lloyd George has said: "We entered this war because a treaty was broken; but now that it is over, we mean to see that the treaties are observed."

Honourable gentlemen, His Excellency has referred to the world unrest and the difficulties supervening upon the Great War, and to the slow and tedious restoration of things to what they were both in the victorious and the defeated countries. It is undoubtedly a grave situation with which we are confronted. As His Excellency has informed us, we are faced with contraction in credit and business activity. We may hope that the recession will not be of long duration, while we recognize that it comes as a natural sequence. Prices have fallen; prices may go yet lower. No honourable gentlemen of this Chamber can fix the date when an upward turn will come, but we can rejoice that the cost of living is being lowered, especially affecting persons of small means.

Canada reaped last year a bountiful harvest, and of greater value than ever before, and from that asset our country will thrive. If I may be permitted to drop into poetry for a moment, it will be only to differ from the sentiment of him who wrote that

> Ill fares the land, to hastening ills a prey,
> Where wealth accumulates and men decay.

We need men in Canada, but not less do we need wealth. It is from accumulated money that our taxes must be paid: it is from accumulated money that employment will be given; and it is from accumulated money, and the use of it, that business prosperity will be derived.

It is a pleasure to learn that the revenue of the country is well maintained, and I trust the Finance Minister will be able in due course to announce a surplus over expenditures and to remit further taxation. If I had advice to give to His Excellency, it would be to suggest to his advisers the abolition of the Business Profits Tax, not because it is not a revenue-producing source, but because it inevitably strains those other sources from which the Government derives its income and maintains its credit. Taxation that hampers business can never be good for the country. By recent press despatches it is noted that Mr. J. Austin Chamberlain, Chancellor of the British Exchequer, has announced that the British Excess Profits Tax will be abolished, as the conditions have changed which called forth this tax, and it would appear that its renewal was no longer necessary. This tax has tended to discourage enterprise, new industries, thrift, and appears to have been conflicting and unfair in its application. It might therefore be considered wise on the part of the Government to consider the abolishing of this tax and replacing it with some other more effective general method.

There are many topics in the interesting Speech of His Excellency, topics prompting discussion, and which I might allude to in an argumentative way, did I not fear of wearying you. If variety is the spice of life, brevity is the essence of debate, and my duty is fulfilled by simple allusion to some of the subjects we will later on be required to discuss. One of these of a very practical nature is the trade treaty with the British West Indies. Canadian intercourse with these Islands is in the way of nature and much to be desired. They produce in a tropical clime the articles we require, just as we in a northern zone produce many commodities which the Islanders must purchase abroad, and the enlarged commercial relations which the conventions promise to promote should prove of mutual advantage. Our thanks are due to the Right Honourable Sir George Foster for his work in developing and arranging trade with the British West Indies. What has been accomplished in this direction should be possible in tropical Africa, Egypt, British Honduras, the West Coast Colonies, the Gold Coast, Nigeria, etc.

But I wish to draw your attention to the mutual advantage that would result from closer co-operation with other portions of the Empire. We are privileged in belonging to the greatest Empire the world has ever seen, with a population of some five hundred millions, and it is possible to produce within ourselves everything that is required. We have been hindered in the past by various treaties, but we should be able to give to other portions of the world such treatment as to make for the entry of Canadian goods into those distant countries. As Mr. T. B. Macaulay, President of the Sun Life Assurance Company, has stated: "The more one looks into the question of trade between Canada and the West Indian Colonies,

the more one is convinced that this trade ought to be developed to the benefit of all concerned. The difficulties at present standing in the way do not seem to be serious, and with patience ought to be overcome. The precedent of a Canada-West Indies trade agreement might be followed elsewhere with advantage." Certain parts of Central and South America can use our northern goods, and while the United States may offer certain advantages, yet in these countries, with proper treaties and steamship arrangements, there is no reason why Canada should not get its proportion of this trade. British Tropical Africa has a population of forty-five millions, with enormous wealth and resources, and why should we not encourage trade to mutual advantage between ourselves? If we are to cut down the premium on American exchange, we must reduce our imports from that country, manufacture at home everything possible that we require, and purchase from other countries, preferably those in the Empire, tropical and other goods with which those countries can supply us, and supply those countries with our goods in return. We cannot overlook the fact that Canada is exclusively northern, and requires to go outside of her own boundaries for many articles. There are many articles, such as meat, flour, fish, coal, butter and cheese, vegetables, cottons, and other things which Canada is in a favourable position to export to tropical countries, but of which very little has been sent from Canada, most of those outside countries getting their supplies from the United States. The United States produces much the same class of northern agricultural products as we do, and has no need of our exports, save as to lumber, pulp, and paper. Therefore we can see the necessity of looking elsewhere for a preferential market, and not expecting any consideration through free trade with America. Our trade with the eastern nations across the Pacific, such as Japan and China, being closer to us than to the United States, should have close attention for valuable development.

It is in this connection, in seeking new markets, that the Canadian mercantile marine will, I think, find its chief usefulness. Recent months have been a trying time in shipping circles: rates have fallen heavily and a large amount of tonnage has been tied up for lack of cargo. The Canadian Government fleet cannot expect to escape the trials and tribulations common to all shipping; but there may be advantages in possessing a large fleet available for any port in the world where trade can be found, provided that the cost of the service does not exceed the subsidy a private corporation would ask. We will doubtless soon have before us full details of the operations of the Government marine, and will then be in a better position to weigh the policy and count the cost.

It is a matter of deep regret that we have been unable as yet to climb out of the bog of financial deficits which result from the operation of the National Railways, and I fear some considerable time must elapse before this great property ceases to burden the public treasury. The Prime Minister has invited those who can offer a practical solution to do so, and I can only urge upon you honourable gentlemen, and all concerned in the welfare of Canada, to give profound and constant consideration to this question, which nearly touches the credit and resources of the country, and is unquestionably one of the most serious problems confronting us.

His Excellency informs us that his advisers are convinced of the necessity for revision of the Customs Tariff, and that a measure having this purpose will be submitted to Parliament. We will presumably discuss the subject in this Chamber in due course, although the prerogative of taxation pertains to the popular branch. It is a question that has excited great interest throughout the Dominion, and seems by common consent to be the principal plank in party platforms. It is now fourteen years since the last general revision was made, and I content myself with expression of the hope that the coming revision will stabilize industry, promote manufacturing, and advance the general interests of Canada. Sane, careful, and wise judgment must be exercised on this score.

Last year there were more employed in manufacturing than ever before in our history, and probably 25 per cent of the entire population are directly or indirectly dependent upon the manufacturers of this country for their support. Greater developments may still be looked for among manufacturers in the future, with proper protection. Canadian agricultural products have also largely increased, and will continue to increase, and protective markets must be found and held. I fear any serious reductions would greatly affect our prosperity. It is a striking and I believe accurate statement that per head of population Can-

ada has the largest foreign trade of any country in the world. In the calendar year 1920 imports amounted to $1,336,921,000, and exports to $1,302,805,000, one closely balancing the other and giving a per capita foreign commerce of $310, while that of the United States in the same period was not more than $135 per head.

When Canada returns, as she is fast doing, to normal conditions the unemployment question should be more easily settled amid the prosperous conditions that shall then prevail. Those working in the best interests of Canada desire that the highest possible remuneration shall be paid to labour for an honest day's toil, and it would be unwise and unfair that any class should benefit at the expense of another.

Honourable gentlemen, there is but one other topic in the Speech from the Throne to which I shall allude. It is the League of Nations. Despite serious obstacles, not the least of which has been the failure of President Wilson to carry his country into the cause, and notwithstanding a grave situation in Europe, the League of Nations does exist and does function. The Supreme Council labours incessantly to bring order out of chaos, and slow though it be it seems to be making progress. Russia bids fair soon to resume commercial relations with the outside world, and if a basis of reparation payments can be finally arranged with Germany, the clouds that lour over Europe may be lifted. The Assembly of the League has met and legislated. A permanent Court of International Justice has been agreed upon, and we can take pride from the prominent part taken by Canadians, being Canada's representatives in the deliberations. The League of Nations is a noble conception which deserves to succeed, and should it fail our Christian principles and vaunted civilization will be as dust and ashes.

Honourable gentlemen, I beg to move the adoption of the Address in reply to His Excellency's Speech from the Throne.

Hon. GERALD V. WHITE: Honourable gentlemen, I rise with a certain amount of diffidence to second the resolution so eloquently presented by my honourable colleague from Stadacona, because I feel my inability to discharge in a fitting manner the duty which the leader of the Government has placed upon my shoulders. However, I appreciate the great honour which has been conferred upon me, and I take it as a recognition by the Government of the part played by my district in the political and industrial life of the country, and also as a tribute to the magnificent war record achieved by the people of that district.

In this connection it might not be out of place for me to emphasize the fact that the contribution of the district of Pembroke to the military and naval forces of the Empire consisted of at least 1,200 men and women, of whom more than 125 paid the supreme sacrifice. We also raised a large amount of money. According to a statement submitted to me by the Department of Finance, the district of Pembroke contributed for war purposes the enormous sum of $2,700,900. This amount was made up of subscriptions of $2,284,900 to the three Victory Loans, $256,000 to the two War Loans, and $160,000 for patriotic purposes, including the Patriotic Fund, the British Red Cross, the Canadian Red Cross, Belgian Relief, and Army Huts.

In passing, I should also like to pay a tribute to the splendid war work accomplished by the women of my district. Not content with giving their husbands, sons, and daughters to assist the Empire; they worked unceasingly from the outbreak of the war until peace was declared in an effort to supply the necessary comforts for our wounded and sick in hospitals and for the men in the trenches. Honourable gentlemen, we owe a deep debt of gratitude to the women of Canada for the splendid services which they rendered during the period of the war.

My honourable friend (Hon. Mr. Webster) has alluded in a fitting manner to the change which has taken place in the leadership of the Government of this country. Sir Robert Borden, an outstanding figure in the public life of the Empire, retired in July of last year from the premiership of Canada, after occupying this position during the most momentous period in the history of this country. Canadians of all shades of politics, recognizing the splendid service rendered by Sir Robert Borden to Canada and the Empire, will, I am sure, join with me in the hope that he may long be spared to us.

Canada is fortunate in having so worthy a successor in the person of the Right Honourable Arthur Meighen to Sir Robert Borden. Young, courageous, and brilliant, a firm believer in the future of his country, he is a man in whose hands Canadians of all classes and creeds can safely place the administration of the affairs of the country.

We have, in common with all other nations of the world, been passing through

a period of curtailment—I do not like to use the word "depression"—the inevitable aftermath of the greatest struggle in the world's history. But, in comparison with other nations who were engaged in the war, I am sure it must be a source of gratification to us to know that Canada has weathered the storm so well. This is due, no doubt, in a great measure, to the wise policy of re-establishment adopted by the Government.

Our financial institutions are on a sound basis, as shown by the statements of our banks. An evidence of the prosperity of the people is also shown by the increase in the savings deposits in our chartered banks. On the 31st of December, 1920, the amount of such deposits was $1,293,-007,488, as compared with $1,138,086,691 on the same date in the previous year. This shows, as you will see, an increase of $154,920,797, equivalent to 13.6 per cent.

In a Review of the Banking Situation in Canada for the year 1920, Mr. Clarence A. Bogert, President of the Canadian Bankers' Association, says:

> An outstanding feature in Canadian banking for the past year has been the marked increase in current loans and discounts in Canada, the total between the end of October, 1919, and the end of October, 1920, increasing from $1,105,000,000 to over $1,405,-000,000, $300,000,000 (approximately 27 per cent.), an amount without precedent in the history of Canadian banking.

Mr. Bogert points out that this great increase is accounted for in part by the higher prices of some commodities, such as coal, iron, and steel, which greatly increased in price, and in part by the greater volume of importations of raw materials and consequent greater production of manufactured articles. He also states that the various classes of loans made in the three Prairie Provinces of Canada, which are almost wholly agricultural, showed an increase during the period of approximately $90,000,000. All combined, therefore, brought about the result mentioned.

Mr. Bogert also draws attention to the cash position of the Canadian banks in these words:

> The cash position of the Canadian banks has remained strong. At the end of October, 1920, the banks had in gold and subsidiary coin, Dominion notes, deposits in the Central Gold Reserves, and in notes of other banks, $438,000,000 as against approximately $402,-000,000 a year before.

In an examination of the trade returns of the country for the period ending December 31, 1920, there unfortunately is indicated an unfavourable trade balance, as compared with the favourable trade balance during the two previous years. This is due, no doubt, in a measure at least, to conditions arising out of the cessation of hostilities. Another notable feature is the marked increase in the imports from the United States during the year just ended. But, on the other hand, it is satisfactory to note that our imports from the United Kingdom have increased from $87,659,198 in 1919 to $231,479,294 for the twelve months ending December 31, 1920.

My honourable friend (Hon. Mr. Webster) has alluded to the bountiful harvest with which we were blessed during the past year.

A matter which is mentioned in the Speech from the Throne, and one which, no doubt, is of vital interest to the people of Canada, as it is to the people of all other sections of the world, is the present industrial situation. The industrial situation is in a more or less disturbed condition the world over, and it is only natural that its effects should be reflected in certain sections of this country and among certain industries. By the end of October last year unemployment amongst members of certain trade unions had increased somewhat, owing chiefly to lack of work in the clothing, boot and shoe, and rubber industries of Ontario and Quebec, and in shipbuilding and lumbering in British Columbia, and to general slackness among carpenters and joiners. By the end of December the percentage of unemployment had increased somewhat, particularly among workers in the clothing, metals, food, and leather industries. Notwithstanding the fact that there has been a certain amount of unemployment in Canada, it is a source of congratulation that the unemployment has been much less than in any other country in the world which is affected by its industrials. No doubt, if the workman is willing, in some cases at least, to change his vocation and accept a readjustment, not necessarily a reduction, in wages, the unemployment problem can be satisfactorily dealt with. In addition to this, by the adoption of the relief measures outlined in the Speech from the Throne, the Government will be able, no doubt, to cope successfully with the unemployment situation, and the people of this country may look forward with hope to an early resumption of the prosperous condition which prevailed throughout the country prior to the war.

In connection with the League of Nations it is interesting to note that forty-seven nations in all took part in the Assembly, including the six which came in during the later days of the conference, and it is to be hoped that the other great nations of the world, who have not as yet become members of the League, will do so in the very near future; because, in order that the League may be a predominant factor in maintaining the peace of the world and thereby preventing further wars, it would seem to be essential that all the great world powers should sign the covenant. Canada sent three representatives to this conference, in the persons of the Rt. Hon. Sir George E. Foster, the Rt. Hon. Mr. Doherty and the Hon. Mr. Rowell, and I am sure it must be a source of pride to Canadians to know that Canada's representatives played a most important role in the deliberations of that great assembly and were instrumental in introducing many matters of world-wide import.

In order to bind together the component parts of this great Empire, scattered as we are throughout the four quarters of the globe, it is essential that relations which will stimulate trade and improve means of communication and intercourse between the Dominions, the Colonies, and the Mother Country should be entered into whenever possible. It is therefore satisfactory to note that the Government has been able to effect a beneficial trade agreement with the British West Indies.

As one who has always taken a deep interest in the welfare of the men and women of Canada who served overseas during the late war, I wish to place myself on record as being prepared at all times to support all reasonable measures which will be of benefit to the disabled man, especially those which will give preference to his claim for employment. And, in keeping with the finances and resources of this country, I believe that the Government cannot be too generous in its treatment of the widows and the dependents of those brave men who laid down their lives for their country, and also the disabled men who, owing to service, have become impaired physically.

In this connection, I believe the Government has demonstrated, by the legislation which it has already placed on the statute book and that which is foreshadowed in the Speech from the Throne, that it is ever mindful of the welfare of the returned men and the widows and dependents

of the fallen, notwithstanding statements to the contrary made by agitators of the Flynn type. Let me say here that I am convinced that a very large majority of the returned men are perfectly satisfied with the treatment which the Government of this country has accorded to them. They are only too anxious, I believe, to become re-established in civil life as soon as possible.

In comparison with the policy of other countries which were engaged in the war, Canada's soldiers' civil re-establishment policy is one of which she might justly feel proud. Within one year of the commencement of hostilities a commission was formed, charged with the provision of hospital care and treatment of men who were expected to return invalided from overseas, and the honourable leader of this House (Hon. Sir James Lougheed) was appointed Minister in charge. From this small beginning has grown the great organization known as the Department of Soldiers' Civil Re-establishment, the Board of Pension Commissioners, and the Soldier Settlement Board, the two latter handling distinct branches of the work of compensation and rehabilitation.

In the first place, hospitals have been provided on a scale not at first contemplated. They have been equipped with the latest improvements in the way of therapeutic apparatus and conveniences, and they have become an example for other countries to follow. Among the innovations which have been tested and the value of which have been proved may be mentioned the appointment of ward aides, specially trained in classes organized by the Department of Soldiers' Civil Re-establishment in order that they might assist men in the hospitals to utilize their idle time in the performance of some useful work. Immediately this plan was introduced the tone of the hospitals showed a marked improvement. This was particularly the case in the sanatoria for tuberculosis. Another new feature in the hospital personnel has been the introduction of dietitians. This has resulted, first, in an improvement in the food supply, and, secondly, in a lessening of the cost.

The next activity to which I desire to call attention is that of vocational training. After the close of every previous war men have been allowed to shift for themselves and no attempt has been made, except on an insignificant scale, to solve the war wastage among those suffering severe disabilities and handicaps. Early in the war

certain patriotic Frenchmen commenced vocational training schools, supported largely by public and private philanthropy, and a good work was achieved, but nothing upon a comprehensive and national scale was undertaken until the Government of Canada led the way. Vocational training has its critics, as there are bound to be a certain number of failures—there are in every line of activity—but the percentage of failure is so small when compared with that of success that it may be practically disregarded. Up to the end of January 1921, 50,683 returned soldiers had commenced training, of whom 11,576 were minors who were trained because of the fact that they enlisted under the age of 18 years and had suffered a severe interruption of their apprenticeship or education. At this time there are 37,762 graduates and 3,983 men undergoing training, the difference between those who commenced and these latter figures representing those who for various reasons preferred to discontinue their courses before completion. The greatest number of men undergoing training at any one time was at the end of February last, when the Department had on its strength 26,022.

A very excellent feature of this work is the follow-up system in force, by which the men are watched for a period after the conclusion of training. The follow-up figures indicate that approximately 72 per cent of those who have been trained are following their new line of occupation. Men have been trained in 421 occupations.

The employment section of the Department, which closed its activities in June last, except for handicapped men, placed 101,000 men in employment, the number of actual situations secured having been 174,789.

The medical branch of the Department had on its strength on the 31st December, 1920, 6,431 patients, a decrease of about 1,300 from the 31st December, 1919. The total number of out-patient treatments for the year was no less than 447,142. The medical work includes general hospital treatment, treatment for tuberculosis, and treatment for insanity.

A branch of the work which is of vital importance to many of the returned men is that which deals with the supply of orthopedic appliances. Until the Commonwealth of Australia followed suit, Canada was the only country maintaining a government factory for the manufacture of artificial limbs. Standard appliances have been designed which are giving general satisfaction. The output of this branch of the Department of Soldiers' Civil Re-establishment to the 31st December, 1920, consisted of 5,448 legs, 1,962 arms, 13,565 orthopedic boots, 11,644 pairs of glasses, 24,027 repairs, in addition to which large numbers of splints, new sockets, rubber goods, belts, etc., have been furnished. Men, while undergoing medical treatment, vocational training, or waiting for the supply or repair of orthopedic appliances, are granted special rates of allowance.

Another branch of the Department which is entitled to special mention is the Soldier Settlement Board, which has done splendid service in rehabilitating the soldier on the land, and has distributed the sum of $81,354,948 in loans for the purchase of lands, for the removal of encumbrances, for permanent improvements, and for stock and equipment. It is also worthy of mention that the total area of land taken up by soldier settlers comprises roughly 3,371,000 acres, including approximately 2,000,000 acres of free land.

The Pensions Board is another branch of the service which has carried on its work in an efficient and able manner. Canada's pension bill for the year from the 1st of September, 1920, to the 31st of August, 1921, will amount to between $33,000,000 and $34,000,000, a sum in excess of the total expenditure of the Dominion not many years ago. There are approximately 75,000 disability and dependent pensions being paid, and the total number of persons receiving benefits by way of pensions is roughly 130,000. The pension paid to a disabled man is continued as long as his disability continues to exist; it therefore may be said that the door is never closed to the man who is suffering from any handicap as a result of his war service. The pensions paid in this country are higher than those paid in any other country, with the solitary exception of that paid by the Government of the United States to a single man who is totally incapacitated.

The question of the Tariff, with which my honourable friend dealt to some extent, is one of the principal matters to be discussed at this Session of Parliament. Since the adoption of the National Policy under Sir John Macdonald in 1878 Canada has continued to maintain a protective tariff. When Sir Wilfrid Laurier came into power in 1896 he continued the policy of protection, realizing, no doubt, that any drastic

change in our fiscal policy would be detrimental to the best interests of the country. To-day, however, the platform of the Liberal party, as indicated at their recent convention, favours a lower tariff and practically free trade. The National Policy is responsible for the great development which has taken place in the industrial life of this country in recent years, and if we are to expand our trade by developing our great natural resources, if we are to give employment to labour and to build up a great and prosperous nation, we must continue a policy of adequate protection against unfair competition to the industries of the country.

Hon. Mr. BOSTOCK: Honourable gentlemen, we have listened to two very interesting speeches by the mover and the seconder of the Address; and on account of the House meeting on Monday instead of on Thursday, as is our usual custom, I ask permission to move the adjournment of the debate until to-morrow.

The motion was agreed to, and the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE.

WEDNESDAY, February 16, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

REVISION OF PUNISHMENTS BILL.

FIRST READING.

Bill B, an Act to amend the Criminal Code, so as to provide for the revision of excessive or inadequate punishments.—Hon. Mr. McMeans.

THE GOVERNOR GENERAL'S SPEECH.

ADDRESS IN REPLY.

The Senate resumed from yesterday consideration of the Address in reply to His Excellency the Governor General's Speech at the opening of the Session.

Hon. HEWITT BOSTOCK: Honourable gentleman, before addressing myself to the Speech from the Throne, I think it opportune to make a few remarks about the Chamber in which we are assembled to-day. I think we are to be congratulated upon having such a fine Chamber to meet in, and one in which I think we shall find every convenience provided for the members of the Senate. I think the Government is to be congratulated upon the decoration and furnishing of the Chamber, with the exception of the ceiling, which, to my mind, is not suitable. I think the decoration of the ceiling is too gaudy altogether. But honourable gentlemen will probably keep their eyes fixed on the members of the House, and not be looking up too often at what is above. With regard to the Chamber as a meeting place for public functions, I am afraid a big mistake has been made. It seems that the convenience of the public has not been considered as much as it might have been; but, as the Chamber has to be considered more from the point of view of members of the Senate than from the point of view of the general public, I think the Chamber is going to prove a very great success and a great convenience to the members of the Senate.

I desire to congratulate the mover and the seconder of the Address for the very able speeches to which we listened yesterday afternoon. I think the honourable gentleman from Stadacona (Hon. Mr. Webster) is to be congratulated on the fact that he is able to address this House in two languages. I regret very much that I am not able to follow the example which he set to the members of this Chamber, and which I think is a very good one. I wish also to congratulate him upon the subject-matter of his speech, which was in line with views that I hold to some extent myself on the question of trade, and to which I hope to refer later on in my speech.

The honourable member from Pembroke (Hon. Mr. White) is a new member of this House. He comes of a family that is well known and has been prominent in the public affairs of this country for a great many years. His father was a great parliamentarian, at one time Speaker of the other Chamber, and I think we are to be congratulated on being able to welcome him as a member of this House. I congratulate him on his speech of yesterday, which was so full of comment on the work that has been done by the Government during the war, and especially on the provision that they have made for the returned soldiers and the widows and orphans of the men who died in the war. I am sure that we all feel that the country cannot do too much for those who have suffered in the defence

of their country. We desire to see everything possible done to assist those who have returned in finding their places in the life of the country once again.

The Speech from the Throne dealt with certain subjects; but I think the general criticism that can be made of it is that there were a number of omissions—on points to which the country would have expected the Government to refer in the Speech from the Throne at the present time. I shall deal with those points as I proceed; but for the moment I want to refer to a matter that was also touched upon by the mover and the seconder of the Address —an event which took place just after the close of last session. I refer to the change that was made in the Government, and also the change that was made by the Conservative party. Immediately after Parliament had prorogued the Government party met and for some reason or other thought it advisable to change the name of the party to what I think is an exceedingly long name for any party to adopt—"The National Liberal and Conservative Party." They chose as Premier and leader of their party a young man who is energetic and capable. He was accepted by the Governor General as the Premier of this country. So far as he has gone in laying down the policy of his Government and of the party which he now has the honour to lead, although this party is called National, Liberal, and Conservative, the policy is more nearly in line with the old policy of the Conservative party than with anything else that I have read about in the history of this country. I fail therefore to see the necessity of attaching to the party a long name of that kind, which will be too long for anybody to use in the future. I think we shall see them come down to what I believe to be their true position, in being known as the Conservative party. The action of the Premier in assuming the reins of office without appealing to the people for a confirmation of his procedure is, I think, one that is rather questionable. The best tradition of British parliamentary practice is that when a great party which happens to be in power at the time changes its leader, when he, as in this case, loses several of the former members of the Cabinet and takes in several new members, the Government appeals to the people for a confirmation of the policy on which they intend to administer the country's affairs. But apparently the Prime Minister and his friends did not consider their duty to be along this line, and so far they have not taken any action to ascertain from the people of the country what is their opinion regarding the policy that the Government are pursuing; with the exception, of course, of certain by-elections which have been held and which some honourable gentlemen may interpret in one way and some in another. I do not intend —I do not think it is for honourable gentlemen in this Chamber—to express an opinion as to what the results of those elections may represent, but I think they indicate that the country itself may differ with the Government on the policy which they are pursuing.

The Speech from the Throne mentions the League of Nations. We know that Canada was represented at the meeting of the Assembly of the League. We know that the representatives of Canada at that meeting were energetic, and considerable attention was paid to certain things that they said there. But we have so far not heard any expression from the Government as to what the course of action of the League of Nations is and how far it may bear in any respect on the policy of Canada. Everyone, I think, must be desirous of seeing the League of Nations a success and that it should achieve a position in which it can enforce its policy and regulations on the various nations that comprise it. But we have had so far no statement showing what is the policy of the Government with regard to our action in connection with the Assembly, and I think that we ought to hear something from them along these lines. We must all wish that the League may be a success, and further, that our neighbors to the south, who have not yet taken any part in it, may soon see their way to come in and take the prominent part that a great nation such as they are should be able to take. We desire to see the peace of the world maintained, to the very great advantage of the whole world. The great danger that I see at the present time is that the unrest which to-day exists in Europe may lead to a further outbreak of trouble at no very distant date, and unfortunately there has been raised in the United States and discussed in the newspapers the question of armaments and the increase of naval forces, which may lead to a rivalry such as existed before the commencement of the war in 1914. I think it is a very serious matter that great powers like the United States and the British Empire should start any policy of rivalry of armaments, especially rivalry of naval armaments, as to which can build

the greatest navy in the world. The navies of the world, I think, should be for the purpose of maintaining peace, law, and order all over the globe, and not for the purpose of rivalling one another as to which is the greatest power and can put the largest number of ships in any part of the world at a given time.

I mentioned the question of omissions from the Speech from the Throne. One that I think is affecting the country very severely to-day, one on which the country would almost have expected the Government to make some pronouncement as to what they intended to do, is the question of freight rates on the railways. As honourable gentlemen will remember, towards the end of last year the railway commission dealt with the question of rates and practically agreed to the rate that the railway companies asked the commission to allow them to charge. The effect of those rates on the trade of the country was very serious. In the province from which I come it immediately caused the cessation of business in the lumbering trade throughout the province. The rates were found to be so high that it did not pay the lumber merchants to ship their lumber. The effect of those rates, if I am credibly informed, has been to change very seriously the course of trade of this country and cause us to do a great deal more business north and south than we formerly did. It stands to reason that, if you raise the rates on the railways to such an extent that it becomes cheaper for the people of the country to pay the duty and import from the south the goods that they wish to buy, this will seriously injure the business of the country and change the course that it has been following for a great number of years. One of the arguments that I have always heard since coming to Canada, regarding the danger of lowering the tariff between ourselves and the United States, was that it would seriously affect the business between east and west and cause business to be done north and south instead. Now, the effect of raising the railway rates to the extent to which they have been raised has been, I think, the same. I think there is no honourable gentleman in this House who will dispute the fact that it has very materially injured every branch of business throughout the country, in handicapping not only the lumbermen, but also the agriculturists and producers generally, if it has not hurt the merchants.

I may be told that it may be necessary to raise these rates in order to enable the railways to meet their expenses and pay the higher wages that they were called upon to pay when our neighbors to the south dealt with the question of wages and agreed to what was called the McAdoo award. The railway companies of this country, of course, are practically compelled to fall in line with what is done in the United States; consequently we have to suffer to some extent in being compelled to raise railway rates in this country. But I think that the Commission perhaps went too far. I should have hoped that the Government would have announced that the decision of the Commission would be reconsidered at an early date. There is no doubt that it was necessary to raise these rates in order to assist the Government roads, because, as we have seen for a considerable time in the newspapers, the deficit on the Government roads this year is going to be very much greater than it was last year and will be a very heavy burden on the country. I have seen various figures given, showing in one case that the loss on the Government railways will amount to $60,000,000, in another case $75,000,000, and I think in another case $80,000,000. I have myself no definite information as to what will be the amount of the deficit, but I have no doubt that the honourable leader of the Government will be able to enlighten us as to the condition of things, either now or at some later stage of the Session.

The increase in railway rates of course also affected the cost of living, which was beginning to be felt very seriously by people all over the country. The peak of the load of the high cost of living was practically reached by Canada in May of 1920, and from that date on the prices were gradually coming down; but I think we may say that the effect of this increase in railway rates has been to increase to a considerable extent the cost of living to the people throughout the country; and, inasmuch as it has also checked the trade of the country, it has been a very serious drawback to the people of Canada.

The Speech from the Throne deals with another question that I think is a very serious one for this country: it mentions the fact that the Government have decided to do away with the Conservation Commission. The Conservation Commission was established by Act of Parliament in 1909, with the idea that it should look into the natural resources of Canada and help to educate, not only the people, but also the various Governments and public bodies,

in the way that the natural resources of the country could best be conserved and protected. The work of that Commission has been of great service and value to the country, and I for one cannot see how that work can be taken over by any department and dealt with in the same way as it has been by the Commission. I think that the members of the Commission and its officers have done really valuable and useful service to Canada. From the fact of their being appointed on a Commission which was to a certain extent independent of the Government, they were able to take an independent view of the resources of the country and to make recommendations that could not be made by any officials working directly under a department of the Government. I do not intend to dwell upon this question long, because when the Bill comes before the Senate we can discuss it very much more fully; but I think that the Government are making a mistake in proposing to repeal the Act which established the Conservation Commission.

On the other hand, I should not have been at all surprised if the Government had suggested in the Speech from the Throne that they were going to bring in a Bill to abolish the Board of Commerce. Honourable gentlemen will remember that the Board of Commerce Bill was brought into this House in the dying days of the Session and that this Chamber at any rate had very little time or opportunity to give consideration to that legislation. I do not think that the Government or anybody else can be very well satisfied with the result of it or with the way that the affairs of that Board have been carried out. We had a very notable instance of the way in which the Board of Commerce was doing its duty last year. On the 9th of October, 1920, the sugar refiners waited upon the Government asking that cheap American sugar be not allowed to enter into Canada. I presume the refiners at that time felt that they were thoroughly justified in making such a request of the Government. Inasmuch as the Board of Commerce has endeavoured to control the price that the refiners of Canada should obtain during the war. When this qestion came before the people and they realized that an attempt was being made by the sugar refiners to keep up the price of sugar and prevent American sugar coming into this country, there was a general howl all over the country. On the 11th of October the refiners again interviewed the Government, and on the 14th day of October the Board of Commerce endeavoured to fix the price of sugar at 21 cents a pound. I think that up to that time nearly everybody in the country thought that the Board of Commerce was practically a defunct body. The chairman of the board had resigned some considerable time before, and during last Session the other two members of the board also resigned, and for the time being the gentleman who was appointed secretary of the board in the first instance was acting as chairman. I think some question was raised, and it was stated that the only object of that gentleman acting as chairman of the board was practically for the purpose of winding up the affairs of the board; and a couple of employees out of other departments of the Government were appointed to act with him for the purpose of dealing with the situation as it then existed.

As I have said, before this decision of the board was given on October 14th, I do not think anybody throughout the length and breadth of the land thought that the board was an active, live body dealing with questions that might come before it. It therefore came as a great surprise to the people from one end of the country to the other that the board should act and should try to fix the price of sugar at that time, especially when the price in the United States was falling every day, and when the people considered that we should be getting cheaper sugar in Canada at the same time.

It was stated, of course, that this action was taken by the board; but we find that on the 9th of October the sugar refiners appealed directly to the Government, when there were present the Premier and other members of the Government. Again, on the 11th of October, when the second interview was granted, the Premier and Sir George Foster and the Hon. C. J. Doherty were present, and therefore must have known exactly what the situation was and what was going to be done in regard to the matter. They, therefore, I think should be held responsible for the action of the Board of Commerce in regard to this question. On the 15th of October, somewhat to the surprise of everybody, the Cabinet suspended the Board of Commerce order pending a hearing, and from that time on sugar was practically allowed to take its ordinary course in the market the same as any other commodity.

After such an exhibition of the work of the Board of Commerce, I think that the Government would have been well advised had they proposed now to repeal the Act which was put through for the purpose

of creating the Board of Commerce. Now that the war is over we should not have any compunction in repealing restrictive measures which were only agreed to as being necessary during the war. It is only right, now that the war is over and we are getting back to more normal times, that steps should be taken to do away with such legislation and to let the trade and business of the country take its natural course, so that people will feel that they may carry on their business without any restrictions, which, in many cases, have proved very difficult to comply with and detrimental to the business of the country. Of course, I understand that all the members of the Board of Commerce have resigned, and that as far as they are concerned the Act is practically a dead letter. It would be very much better that it should be repealed.

The Speech from the Throne deals with the unemployment situation of the country at the present time. As is very truly stated, the condition of Canada to-day is considerably better than that of a large number of other countries throughout the world. It is only natural, as a result of the terrible period through which we passed during the war, that we should feel very seriously the destruction of capital and property that went on at that time. The position of Canada to-day is much better than that of other countries, because Canada was in the fortunate position of being able to supply many of the requirements of the Allied nations during the war and to ship her goods to Europe. Unlike Australia, which had a large production of wool and other products that were required for the war, but could not ship them on account of lack of vessels and means of transportation, Canada, during the years of the war, was able to export a great deal more than she imported, and the trade of the country was exceptionally favourable. That condition, I think, continued up to the end of last year: but I regret to say that a change has come, and that our trade to-day shows that we are importing a great deal more than we are exporting, and, what is still worse, that we are importing very large amounts from the United States and exporting to them not nearly sufficient to pay for the goods we are importing from them. Throughout the country to-day prices are falling, and I think it is safe to say that the farmer in selling to-day has to sell at the prices that he obtained in 1914 before the war commenced, while, on the other hand, he has to pay higher rates on the railways, higher wages, and more for certain goods that he requires than he had to pay in 1914.

The same is true as to many of the products of this country. The export of agricultural produce forms a great portion of our total exports. The exports of lumber, paper, and pulp have been very considerable, and to-day these latter make up about one-quarter of the total export of the country. But we are now face to face with the fact that the German production of paper is coming to the front again, and we will have to be prepared to meet that competition, which, of course, we had not to do during the war. This may result in our getting a considerably smaller amount per pound for the pulp and paper that we have to sell. In other ways we find that Canada to-day has not as good a market in Europe as she had in 1914. It stands to reason that with the impoverished condition of the countries of Europe the markets are not as good as they were. The people of those countries, even if they wished to buy goods from Canada, have not the money to do so, and in a large number of instances they have not the goods to exchange for the goods that we can supply to them. This puts Canada in a very different position to that which she occupied in 1914.

At the same time, we find that owing to the war the debt of the country has enormously increased. At the end of November of last year Canada's net debt was given as $2,298,784,804, and I think that, as far as one can reasonably estimate, the population of the country to-day may be taken at about nine millions of people.

Hon. Mr. BELCOURT: May I ask if those figures include the obligations assumed by the Government in the acquisition of the Grand Trunk and the Canadian Northern railways?

Hon. Mr. BOSTOCK: These figures are the net debt of the country. I assume that the railways would be taken in as assets and deducted from the gross debt, leaving the figures that I give as the net debt.

Hon. Mr. BELCOURT: The figures take no account of the railways at all?

Hon. Mr. BOSTOCK: I am afraid that I cannot give my honourable friend exactly the information he asks for. These figures were given to me as the net debt of the country at that date. Last year, as my honourable friend will remember, the Finance Minister made some revision of

the financial position of the country, and wrote off certain assets that before had been taken into acount and deducted from the gross debt of the country. I do not know whether the total value of the railways is deducted from the gross debt before this figure of the net debt is arrived at.

The comparison that I was endeavouring to make was that in the year 1914 the net debt of the country was $335,996,850 and the population 7,725,000, whereas our position to-day is such that we have an increase of the debt amounting to $1,962,787,954, and an increase in population of only 1,275,000. Therefore the burden on the people of the country to-day is very much greater than it was in 1914, and, as I have pointed out, the difficulty of carrying on business and exporting to the markets of the world is very much greater than it was at that time. This means that the people of Canada will have to put their shoulders to the wheel and struggle very hard to find the necessary revenue to pay the interest on the country's debt.

The statement was made the other day by the Prime Minister of Canada that we will require a revenue of $400,000,000. Whether or not it is going to be necessary for us to raise that amount of revenue, we cannot tell until we get the financial statement from the Finance Minister; but I presume the Premier would not have made such a statement if he had thought that our position would have been more favourable. The difficulty that we are labouring under is that with a decreasing trade we have to raise this greater revenue from a population of only nine millions of people. I shall await with a very great deal of interest the statement of the Finance Minister as to how he purposes raising the revenue required.

During the recess what is known as the Fordney Bill was brought down in the United States. That Bill, if it goes into force, is very liable to seriously injure the trade of Canada with the United States. If I understand the Bill correctly, it will increase the duty on Canadian goods going into the United States, and will very materially hamper trade between the two countries. My honourable friend the leader of the Government was interviewed in Calgary on one occasion with regard to what he considered would be the effect of the Fordney Bill, and I think I am correct in stating here, as it was stated in the Ottawa Citizen, that:

> In reply to a question as to what the feeling in Ottawa was on the subject, Sir James remarked that the Government was not at the moment concerning itself about it: "there will be time for this when the United States enacts any such legislation. It is known, however, that the Republican party will seek a higher tariff policy, and it would not come as a surprise to see legislation passed along these lines as far as Canadian imports to the States are concerned."

My honourable friend apparently thinks the only way to meet the situation, should the Bill go into effect, is to increase the duty on goods coming from the United States into Canada; but if these goods are required in the country, we may be forced to bring them in from the United States, because, I presume, to a very large extent they are goods that cannot be obtained in Canada. Therefore the increase of the duty on American goods coming into Canada will not help the Canadian people, so far as I can see.

Contrary to the view of the honourable leader of the Government in this Chamber, we had a statement the other day from the Minister of Trade and Commerce. Sir George Foster went down to New York, and, in talking to the people of that city, he asked them to trade more freely with the people of Canada. He used these words:

> We are pretty good neighbors to you. We came over from Canada in 1920 and bought $921,000,000 worth of stuff from you in the United States. This means that every man woman and child in Canada spent on an average $115 in purchasing from the United States last year. The United States, by the same statistics, came into Canada and bought $560,000,000 worth only, exactly five dollars for every man, woman and child in the United States. Let us be neighbors, buy as much from us as we have done from you and when we come down here with our good-will security, Canadian dollars, be above offering us 88 cents.

I quite agree that what we want to do is to put the exchange as between the United States and Canada into a very much better position than it is to-day, but I do not think that if the ideas of my honourable friend opposite are carried out it is going to result in an encouragement of the trade between the two countries, which apparently the Minister of Trade and Commerce thought was the best solution of the difficulty.

It is only right to point out that in that same speech the Minister of Trade and Commerce, after disclaiming any desire to meddle with public affairs in the United

States, referred to the Fordney Emergency Tariff Bill now before the Senate in Washington as a measure that would "prevent us from sending down our cattle and sheep and agricultural products in order that we may pay you." Then he went on to say: "Well, there are but two things for us to do. One is not to buy the extra $400,000,000 worth from the people of the United States. That is my appeal to the commercial portion of the United States." And, after pointing that out to the people of the United States and advising the people of Canada to buy goods in the United States to that extent, he did not go on to elaborate what the other point was that he intended to make, but he said: "It may be a good thing to think of these things before we legislate too far." He evidently held that out as a proposal to our neighbours across the line, that on both sides of the line the governments should consider very carefully before they start on this policy of increasing duties on goods coming from Canada to the United States or on goods coming from the United States into Canada. Whether Sir George Foster was prepared to go as far as my honourable friend in this House is prepared to go, and place these higher duties on goods coming into Canada from the United States, he did not say; he left it to his audience to think out for themselves what he proposed to do. But I think very much better than this policy of retaliation against the United States would be the policy that was outlined only yesterday by the honourable gentleman from Stadacona (Hon. Mr. Webster), that of trying to assist Canada in every way to find markets in other parts of the world. Canada to-day is in a position to trade with any part of the world, and there are, as the honourable gentleman pointed out, markets that are ready to take the goods that we can send them, and markets that should be developed. Honourable gentlemen may know that we have a line of steamers running from Vancouver across the Pacific. The men at the head of that line of steamers complain very bitterly that a large quantity of the goods that they require to carry to Japan and China have to be obtained in the United States. They consider that the people of Canada should make such goods and be prepared to ship them across to the market in China which is waiting for them. At the present time there is a tremendous market waiting to be opened up, and I think that the best policy for Canada to pursue is to endeavour in every possible way to open up trade with the rest of the world, on both the Atlantic and the Pacific oceans.

The Speech from the Throne deals with the question of the Treaty with the West Indies. We have not had the advantage of seeing what the terms of that Treaty were, but we hope to do so before very long. But, in regard to that Treaty, I doubt very much if the proper degree of consideration was given to the question of the development of trade on the Pacific coast of Canada at the same time as the development of trade on the Atlantic coast. I had the opportunity of talking to one or two delegates who came to Canada to be present at the negotiations in regard to this Treaty, and I was rather surprised to find that they did not seem to be aware that some of the goods that they required could be obtained on the Pacific coast of Canada just as easily as on the Atlantic, and that on the Pacific we require the sugar and other products that they can send back, just as much as they are required at St. John or Halifax. I hope that we shall find that this Treaty is as favourable to the Pacific coast of Canada as it is to the Atlantic.

Honourable gentlemen, I do not desire to take up the time of the House any longer. We are not in the habit of making long speeches in the Senate, and I think it is a very good rule to adhere to. We must consider the other matters mentioned in the Speech from the Throne when they are brought before us, and I think it is much better to leave those measures to be dealt with as they come up from time to time. I would like to express the hope, now that we are in a new Chamber and working under these pleasant conditions, that the Government will be able this Session to see their way to bringing important legislation to this Chamber before the dying hours of the Session. We have of late years had to complain on more than one occasion of the Government bringing legislation down here at the close of the Session, when the members of the Senate had not sufficient time and were not able to give to it the proper consideration. Now that we have come into our new quarters, I hope the Government will show that they are trying to treat us more favourably and give us a better opportunity to consider the legislation.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, in listening to my honourable friend opposite (Hon. Mr. Bostock) as

I always do with very great interest, on account of the courteous manner in which he not only criticises his opponents, but addresses this House, I was particularly interested in attempting to follow, afield from the Address itself, his depiction of the sins of omission and of commission of this party to which we on this side of the House have the good fortune to belong. I do not think my honourable friend omitted any of those alleged sins with which we have been charged.

Hon. Mr. BELCOURT: You recognized them all.

Hon. Sir JAMES LOUGHEED: The most censorious critic could probably not have covered the field more effectively than my honourable friend, and the refrain of the Prayer Book occurred to my mind as we listened to those sins of omission and of commission: "Lord be merciful to us miserable sinners!" However, as my honourable friend proceeded, it struck me that his remarks were really a tribute to the administration of the Government which he, in a very courteous way, has attacked.

My honourable friend, in the first place, found considerable fault with the Government for not dissolving ere this. Probably he overlooked the somewhat unimportant fact that when this Government was elected in December of 1917 it was for a term of five years, which term will not expire until December 1923. I venture to say to my honourable friend—and I say it with all confidence—that if a vote were taken to-day amongst his own party in the House of Commons, the members of the Liberal party in that Chamber would not vote for a dissolution of Parliament at the present time. I have not yet seen any evidence whatever of any attempt made to place before the country any declaration on the part of members of the House of Commons of a sincere desire for dissolution at the present time. The only two gentlemen whose voices I have heard raised in behalf of a dissolution are Mr. Flynn, of Toronto, who leads a section of the veterans in Ontario, and the leader of the Opposition in the House of Commons. Outside of those two gentlemen I have not heard the matter seriously discussed, nor have I heard of any serious demand made from other sources upon the Government or the electorate of Canada that this Government should dissolve Parliament. I am sure that my honourable friend opposite is fully convinced, as is the country, that no better Administration could possibly succeed a general election than that which is to-day charged with the administration of the affairs of this country. The Borden Administration and the Meighen Administration which followed may be said to have been a continuous Government; and since 1911 that Government has administered the affairs of Canada under circumstances that were never before paralleled in the history of this or any other country. That administration, when it came into office in 1911, inherited all the sins of my honourable friends opposite—

Hon. Mr. CASGRAIN: And their virtues.

Hon. Mr. DANDURAND: And their surplus.

Hon. Sir JAMES LOUGHEED:—sins too numerous to mention, and, I was going to say, too deadly to permit of my giving any adequate description of them. But when war broke out in Europe in 1914 this Government was charged with the most onerous duties that any Government could possibly assume. We have come through that period of the war down to the present time. We have expended no less than two billions of dollars in the prosecution of the devastating war, which almost destroyed civilization; which destroyed it in central Europe and wiped out that great northern empire, Russia. But honourable gentlemen who sit upon the opposite side of the House and who represent the Liberal party of Canada have not yet successfully challenged this Government as to the wrongful expenditure of one dollar. I say, honourable gentlemen, that is a record of which any government might be proud. During that length of time, and with that enormous expenditure, which far surpasses our conception, never have our opponents succeeded in establishing one act of corruption which could be charged against this Government. Will not my honourable friends readily accede to the statement that the people of Canada are fully aware of this fact and that they are not clamoring for a change of Government? They are not demanding a dissolution in the face of the administration with which they have been so benefited. But I may say to my honourable friend that in due time this Government will appeal to the country. It will not consult the leader of the Opposition in the House of Commons, but in due time, I may say, in order that my honourable friend may be fully aware of what we intend to do, we do purpose to dissolve and again appeal to the country,

and I am satisfied we shall appeal successfully.

My honourable friend (Hon. Mr. Bostock) referred a few moments ago to the fact that no statement was made in the Speech from the Throne in regard to the increase of freight rates. Surely my honourable friend is not serious in urging or contending that this Government was in any way responsible for the increase of freight rates. My honourable friends when in office very wisely established a railway board chargeable with regulating freight rates throughout the Dominion, and I think that Board may be complimented upon having shown up to the present time a reasonable degree of wisdom in having exercised fair discretion in regard to the rates which they have established. But my honourable friend sought to leave the impression that the initiative was taken by the Dominion Government in moving for an increase of rates on account of the Government ownership of railways. This was not the case. As my honourable friend opposite knows, the Canadian Pacific Railway Company was the active factor in demanding there should be an increase of rates, although any increase which might be given would inure to some extent to the advantage of the roads that are operated by the Government of Canada. But let it not be overlooked that there were grounds. For instance, it was established on evidence that the average annual wage of the railway employees immediately previous to the war was $756, and at the present time they will average $2,000. The operating expenses of railways are made up largely of wages of employees and the cost of materials. The prices of materials increased not merely one hundred per cent, but in many cases two hundred per cent. I need not weary the House by going into detail. It therefore was not unreasonable that the railways of Canada should be placed on a parity with those of the United States. We are so closely allied in our relations with the United States in business, commerce, and many other matters that when certain conditions prevail there they largely control similar conditions in Canada. My honourable friend (Hon. Mr. Bostock) is fully aware that the jurisdiction to regulate railway rates is exclusively with the Railway Board. True, an appeal lies to the Governor General in Council, but the effect of that appeal is not that Council revises the rate, but rather that it sends back the report with any suggestions it may have to make to the Railway Board; and in this particular case this was done. I therefore need not occupy the time of the House with subjects which are not referred to in the Speech from the Throne, except that possibly I should not overlook the statement which was made as to the Conservation Commission. I think honourable gentlemen on both sides of the House will agree that there should be the greatest economy exercised in the administration of our public affairs; that because a Commission may exist and may have been appointed by one Government or another is not necessarily a reason why there should be no change when it is found that practically the same duties which were being assumed by the Commission and carried out by them were assumed by other departments of Government long before the Commission was established. No less than four or five departments of Government are and have been doing practically the same work that the Conservation Commission was doing, and as the Session proceeds and as the Bill is brought before Parliament, if honourable gentlemen desire any evidence upon that point it will be forthcoming. I think honourable gentlemen can easily satisfy themselves that this Government will be able to save approximately $250,000 a year by the extinction of the Conservation Commission.

I have to congratulate my honourable friends who moved and seconded the Address. I listened with a degree of envy to the honourable member from Stadacona (Hon. Mr. Webster) addressing this House in both languages. Had I been able to do likewise I assure you that I should have done so with the greatest pleasure. My honourable friend is not only to be congratulated upon addressing the House in both languages equally well, but upon the sound business speech which he made, which was truly characteristic of the representative position which he occupies as a leading business man in the most metropolitan city of Canada.

I was also pleased with the speech made by my honourable friend from Pembroke (Hon. Mr. White). My honourable friend from Pembroke, like many another honourable gentleman in this House, did yeoman service in the House of Commons, and graduated from that House to this. We have to congratulate ourselves accordingly. I think the strength of this House may be said to be largely made up of honourable gentlemen who at one time as mem-

bers of another Chamber clamoured for the abolition of the Senate, but looked forward at the same time with considerable anxiety to being promoted to this body.

The Senate in acquiring these two gentlemen may congratulate itself. I hope they will be heard very often on the floor of the House, and that they will not depend for inspiration upon the atmosphere that comes from the House of Commons, but in cold reason and in cold blood will express themselves as we are moved to do on the floor of this Chamber in discussing public business.

Reference has been made to the League of Nations. Canada was represented at the recent meeting in Geneva in such a way as to reflect credit upon the representatives whom we sent to that great gathering. It is unnecessary to discuss at any length the enormous task which was imposed upon the Peace Conference at Versailles out of which grew the League of Nations. Probably never within the four corners of any document was there so great a task entered upon as to give effect to the Covenant of the League of Nations and the great objects which it had in view.

It is to be regretted that the United States did not see its way to become a party to the League. In my judgment, to make the League an absolute success, so that effect may be given to the objects which it has in view, it is indispensable that the republic to the south of us should become a party to that League. I am at a loss to understand how the League can be made a success if the United States should refuse to become a member thereof. We on this continent are particularly interested in this phase of the subject. I have no doubt that upon the Republican régime entering upon office, as they will next month, this difficulty will be overcome. It seems to me that too much attention was given to the phraseology of the League and too little to the essence of the purpose which it had in view; and if to-day the different articles of the League are of such a character as to prevent the free entry into the League of the United States or any other nations that have refused to enter, no articles or language should stand in the way of there being a League of Nations united against war and committed to the maintenance of the world's peace for all time.

There is just this further comment that I should like to make in regard to the League. There appears to be a disposition on the part of some European nations to deal with questions somewhat outside the purview of that very important body. There is a tendency to make it a kind of international parliament instead of purely a League of Nations for the maintenance of peace and the prevention of war. I feel assured that nothing will result so injuriously to the success of that great tribunal as importing into its discussions questions which are not international, and which must be dealt with exclusively by the different nations which up to the present time have entered the League. I hope, therefore, without being at all critical, that the League of Nations will hereafter confine its deliberations to questions affecting peace or war.

Reference has been made in the Speech from the Throne to the inquiry instituted into our tariff laws. This inquiry has created considerable interest in the country, and very properly so.

The Tariff has always been the most important political issue in Canada since 1878 down to the present time. When Confederation was entered into we had a continuance of the revenue tariff that obtained in the different provinces previous to that period. It only needed a few short years to demonstrate that the industries and revenues of Canada required something more than a mere revenue tariff for their support.

Upon the abrogation of the Reciprocity Treaty between the United States and Canada at the conclusion of the Civil War —an abrogation which was manifestly brought about with a view to crippling the industries which Canada had built up during the currency of that Treaty—it was thought from that time down to 1873 that Canada might possibly be able to face the hostile tariff legislation which had been passed by the United States. For some seven or eight years this struggle continued until it became apparent that Canada had to adopt tariff legislation to meet the legislative conditions of the United States, which operated most seriously against us. Between 1873 and 1878 a tariff propaganda was successfully carried on in Canada, which in the latter year resulted in the adoption of protection by an overwhelming majority and the defeat of the Government of that day. From that date down to the present time protection has been the fundamental principle of our fiscal policy.

Governments advocating free trade have succeeded Governments that advocated protection, but when faced with the responsibilities of office and the carrying on of the national affairs of this country, even

though their sympathies were not with the doctrine of protection, national conditions compelled them to follow in the footsteps of their predecessors and to maintain those principles of national policy upon which the national life of Canada rests.

The United States during its whole history has based its fiscal policy upon protection. The Republican party in that country has been its avowed advocate, whilst the Democratic party has professed opposition to high tariff principles; yet during the whole history of the Democratic party in office they maintained tariff barriers higher than ever have been maintained in Canada.

With this short historical review in mind it may therefore be said that the policy of Canada since Confederation, and likewise that of the United States, have been committed to the fundamental principles of protection as opposed to free trade.

In anticipation of every general election in Canada we are faced with the old declarations of hostility against a protective tariff, and to-day we find ourselves facing this same issue as on the many previous occasions when an appeal to the electorate was shortly to be made. We find the Liberal party adopting the same attitude as they did previous to 1896—that of all things to all men: free traders in rural districts, protectionists in the cities; boxing the compass at all points; not hesitating to sail to every wind that blows. Then, on the other hand, we find the United Farmers' organizations, avowedly free traders, committed to a condemnation of all tariffs, and advocating unique systems of taxation about which they know nothing and which are as visionary as the views they entertain upon all general questions of government.

Without entering into any lengthy disquisition upon the relative merits of the doctrine of protection or that of free trade, I take the position that the fiscal policy of any country should be based entirely upon the conditions which confront it. A country is not made for trade policies, but trade policies for the country, and in framing them every consideration should be given to the conditions which we are called upon to face. In Canada we occupy one-half of the North American continent: we have here all the resources calculated to build up a great nation—a nation which ultimately should be as virile and as great as the nation to the south of us. On our side of the line we have approximately nine millions of people; on the other side of the line they have 120 millions. Within a little more than a century they have built up one of the most powerful nations of the world; a nation which to-day largely dominates the nations of Europe. Its products and manufactures go into every part of the world and largely dictate the international relations that must be adopted by other nations in every hemisphere. While an imaginary line separates the two countries, a line made up of sea-coast and internal boundaries, without apparently any obstruction appearing to the eye between the two countries, yet they have built tariff barriers between this country and theirs that tower higher and are more formidable than if national fortifications were erected along every mile of their boundaries. To get Canada's products into the United States this country has generally been called upon to pay from twenty-five to fifty per cent on those which were exported to them. National life can only be built up upon an exchange of commodities, and if that exchange is carried on under unfair conditions, or on terms which handicap the one nation as against the other, it is manifest that it must operate to the detriment of the nation against whom it is directed. If Canada is compelled to pay 25 per cent of the value of all its products to the United States to permit of its exports crossing that boundary line to which I have referred, then it seems to me to be nothing short of national madness to contend that this should be passively allowed and that such a course of exchange is of advantage to the building up of Canada. It is incomprehensible that human reasoning could advance so preposterous a doctrine. It scarcely requires any words to point out that, if we give 120 millions of people free access to cross our boundary line with the products and manufactures of their country, two things must follow—one of which is that the revenue derivable to-day from a protective tariff must necessarily fall to the ground, and that products and manufactures of the United States must necessarily overwhelm and paralyze the efforts of nine millions against 120 millions.

If we view the situation from this standpoint, as we necessarily must, what would we have in Canada as against this condition? Canada is peculiarly an agricultural country, yet can it seriously be contended that agriculture in Canada could flourish and prosper while the products of 120 millions are being shipped to Canada under conditions which would preclude the products of our nine millions from getting into

the United States? The Fordney Bill now before the Congress of the United States reflects the policy of that country on this question. Where is the Canadian agriculturist to find his market for his products? It is manifest he cannot get into the United States; the tearing down of our tariff walls would destroy the home market in Canada, because it is manifest that industrial life in Canada would cease to function immediately our tariff walls were removed, and the home market which he has to-day would disappear. His access to the European markets is handicapped by the inferiority of his position here in competing with 120 millions to the south of our boundary, and the like access which that 120 millions have to the markets of Europe. The Canadian farmer must necessarily, therefore, become a mere cipher as a producer in thus getting access to the markets of the world.

What about the manufacturer? If our tariff walls are practically removed, in accordance with the representations of these gentlemen, we are at once overwhelmed by the products of the 120 millions to the south of us. It cannot for a moment be seriously thought that our manufactures could be built up in the face of this competition whereby the United States would have access to our markets while we are precluded from having access to theirs.

Canada is comparatively a new country. We are only on the threshold of our development; the natural resources of this country have scarcely been scratched; and yet I unhesitatingly say we have natural resources which, if developed, are capable of sustaining and will eventually build up one of the greatest of Anglo-Saxon races. Will anyone seriously contend that this development could take place in the face of such a policy as that which is advocated by those who are in opposition to the Government of to-day? This Government is committed to the policy of protection. It is the fundamental plank in its platform. It in no way equivocates or evades the issue. It knows and avows that through this policy alone can the National life of Canada be successfully developed.

Instead of manufacturing our own raw products, we are daily reducing our national wealth by the shipment of our raw products to the United states. We are purchasing from that country $1,000,000 a day of products more than we are selling to them. The balance of trade is against us. Our money, by reason thereof, is deflated in their markets to the extent of from twelve to fifteen per cent. To gain access to their markets we are to-day paying them a higher duty than we impose. We are their best customer on this continent and notwithstanding the advantages with which they are thus deriving from Canada they are to-day seriously discussing in their Congress the erection against us of hostile tariff walls so much higher as to be practically insurmountable. To-day we are seriously facing the effects of those adverse conditions, and which daily must become intensified.

The constant avowal by political parties in Canada of free trade or the lowering of the Canadian tariff between the United States and ourselves has left the impression in that country that by the adoption of hostile tariff legislation they can secure the control of our markets in Canada. They have interpreted the declarations of our opponents to our disadvantage to the extent that they believe they can cripple our industries, absorb our trade, and ultimately have at their command this northern half of the American continent. If, instead of this insidious policy of bringing about the ruination of Canada's trade, these gentlemen openly avowed annexation to the United States one could better understand it and better fight it. The logical result of the adoption of such a policy as that which is now openly advocated by the Liberal party and the United Farmers' organization, and particularly in view of the present avowed policy of the United States in increasing its tariff, can only have one outcome, namely, the reduction of Canada to be a mere dependent upon the trade policy of the republic to the south of us. When this point is reached, as it ultimately would be if our opponents had their way in tariff matters, there would be a gradual absorption of this country by the United States. It seems to me, therefore, that there are only two courses to pursue, one of which is to make this country dependent entirely upon the producing and manufacturing interests of the United States—the result of which would be the losing of our national identity; or the building up of our tariff walls to meet whatever hostile conditions the United States may impose against us, and thus preserve our identity and build up a national life worthy of a great Anglo-Saxon people.

I am not at all apprenhensive of these free trade theories becoming crystallized into legislation in Canada. I believe the

sound sense of the people of Canada, as well as the financial conditions by which we are governed, must largely dictate and maintain the fiscal policy under which this country has been practically since Confederation. It is therefore not the advocacy of those theories of free trade that is injurious to Canada, but it is this constant and continuous assault upon the tariff policy of this country. The investment of capital is ever sensitive to attack and to change: if capital is to be invested in Canada in the development of our resources, in the opening up of our trade, and in the establishment of our industries, there must be stability and continuity in the trade policy of this country. There is nothing so calculated to disturb the sense of security, which is so necessary for the building up of our trade and commerce, as those periodical attacks which are made by parties and organs from time to time in endeavouring to accomplish the defeat of the Government of the day. The cessation of those irresponsible outbursts, and attacks upon capital and trade policy, is a duty which every citizen owes to Canada. Until there is firmly embedded in the public mind a sense of security as to the trade policy of the country upon which capital has been invested and upon which the channels of trade have been worked out, there will be that lack of response to our public and national interest in the way of developing our resources and building up our trade which is indispensable to the upbuilding of our national greatness.

I feel assured that when the result of the tariff inquiry is laid before Parliament it will demonstrate more clearly than ever the impossibility of this country departing from its well-established trade principles and the necessity of maintaining a tariff sufficiently adequate for the protection of our industries and the yielding of a revenue necessary for the carrying on of Government.

Hon. Mr. BEIQUE: May I ask the honourable gentleman if the report of the Minister of Finance on the inquiry which has been made throughout the country has been tabled in the House of Commons?

Hon. Sir JAMES LOUGHEED: The tariff inquiry?

Hon. Mr. BEIQUE: Yes.

Hon. Sir JAMES LOUGHEED: I cannot tell my honourable friend. If it has not been it soon will be.

Hon. Mr. CASGRAIN: To-morrow.

Hon. Sir JAMES LOUGHEED: I can assure my honourable friends that the report will be forthcoming, and I think it will be clearly apparent from that report, when it is presented to Parliament, that there is only one thing for Canada to do, and that is to maintain the tariff which we have been advocating and will continue to support.

Hon. Mr. BEIQUE: The honourable gentleman has the advantage over other members of this House, because we are entirely in the dark.

Hon. Mr. CROSBY: You always were.

Hon. Sir JAMES LOUGHEED: I regret very much the want of knowledge on the part of my honourable friend with regard to this important subject. I can scarcely conceive that he is lying awake at night awaiting this report. I rather fancy that my honourable friend has his own opinions upon the subject, and that they do not differ greatly from mine.

Hon. Mr. BELCOURT: Judgment is rendered before the witnesses are heard.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I have to apologize for dealing so lengthily, and so warmly perhaps, with this subject. It is a matter of satisfaction that we are again in our permanent Chamber. I do not know that I agree entirely with the comments which have been made by my honourable friend opposite. True, there has been a contraction of space: this is not as spacious as the old Chamber was; but we get closer together, and it is well known that at this time there is a very commendable attempt, particularly between different parts of Canada, to come closer together so that we may discuss to greater advantage the many differences which appear at times on the sky-line. I have no doubt that we shall become accustomed more and more to the compactness of this Chamber, and as time goes on we shall appreciate its many advantages to a greater extent than we do to-day. I feel assured that we shall have a very useful and pleasant Session and that, notwithstanding the differences which may possibly mark the two sides of the House upon many questions, when we come to prorogue we shall find that the interests of Canada have been well served by the deliberations of the Senate.

Hon. W. C. EDWARDS: Honourable gentlemen, I am not going to attempt to make a speech. I could not if I would, because of my condition. I understand

that the honourable member for De Lorimier (Hon. Mr. Dandurand) was to follow my honourable friend who has just taken his seat; but, as I may be unavoidably prevented from being here later, I desire to say just a word or two with reference to the Conservation Commission. I do not desire to deal forcibly in this House with the question of tariffs, because I do not think that it is so much a question for this House; but if I were in a condition to do so, and if I were on the stump somewhere, I would discuss that question. There is just one remark I do want to make. My honourable friend from Kamloops (Hon. Mr. Bostock) holds that because of the present trade conditions existing between Canada and the United States and the Tariff Bill which has been introduced in the United States Congress it would be highly desirable for Canada to seek all the trade with any other part of the world that would be profitable to Canada. I am somewhat of a student of conditions, and it is my observation that all the other countries in the world combined are not as important to Canada as are the United States of America. Trade exists to the extent that it does between the two countries because of natural conditions, and these conditions cannot well be overcome. However, as I have said, I do not wish to dwell upon this subject at the present moment, although I would like, and I must take some occasion, perhaps, to say something to my honourable friend regarding it. But we will discuss it together, and I shall educate him somewhat on questions of this kind. Generally I would not undertake to educate him, but on the tariff and on trade questions I may be able to do so.

Now, as to the Conservation Commission. It was appointed eleven or twelve years ago. That was an appointment very desirable for Canada. The Commission was headed by the Hon. Clifford Sifton, who, as I think this House will agree, was one of the most competent organizers, if not the most competent, that Canada has ever had. My honourable friend (Hon. Sir James Lougheed) refers to the fact that four departments of Government have to do with the same subject. But I will say this to my honourable friend, that if a commission is appointed and an unbiased investigation takes place, it will be found that the Conservation Commission has done more for the welfare of Canada than all the departments operating, and has done more than the four departments to which he has referred can do in the next hundred years. And I think it would be only fair that a commission of inquiry should be appointed, and if an inquiry is made the Commission of Conservation will undoubtedly not disappear, but will be maintained. It is true that I myself, because of the resignation of Sir Clifford Sifton about three years ago, have been the acting chairman. Now, I am not speaking for myself. My desire is to relinquish that position at the earliest possible date, and the Government is aware of that fact. But in the interest of Canada I honestly say that I deplore the prospect of the wiping out of that Commission, and I do invite the Government to make a thorough inquiry before taking that action. That Commission is absolutely independent of the Government. It is only nominally under a department. I cannot here enumerate the many acts that it has done, but in the one act alone of bringing the various railways under certain provisions with regard to fire it has saved this country hundreds of millions of dollars. I think the abolition of the Commission of Conservation is a great mistake, and I regret it sincerely. I am not one of those who are desirous of criticising Governments. I do not desire to criticise the Government at all severely. They may think they are acting in the best interest of the country. But my opinion is that this is a serious blunder, and I hope that it will not be carried out.

Hon. RAOUL DANDURAND: Honourable gentlemen, I was interested to hear my honourable friend the leader of the Government (Hon. Sir James Lougheed) state that he and his colleagues felt that they had a full mandate to remain in power until the end of the ordinary term of Parliament, that is, five years. He bases his opinion upon the elections of 1917. I suppose that the members who formed the Cabinet in 1917 knew under what conditions they were entering that Government. I suppose that Messrs. Crerar, Carvell and Maclean knew under what conditions they were going in. They stated, not to a Cabinet council, but to the people of Canada, that they were going in simply for the time of the war and not with the idea of settling the fiscal policy of this country. I have here the report of a speech made by a fourth gentleman. The three whom I have named felt that their mandate was ended when the war was over, for Messrs. Crerar, Carvell and

Maclean left the Cabinet. And what was the statement made by Mr. Calder during the elections? Speaking in the presence of two of his colleagues whom I have just mentioned, he said:

> We were prepared for the time being to sink our differences of opinion in so far as many of the domestic and local problems which we have are concerned. We must do that to get union. Just imagine what would have happened if Mr. Crerar had sat down with Sir Thomas White to try and get together on questions of tariff.
>
> We would never have had Union if one of the requirements was that it had to be reached on the question of the tariff.

That is what Mr. Calder said to the people. So I wonder why my honourable friend (Hon. Sir James Lougheed) can claim a mandate for the Government to touch some of the matters that are mentioned in the Speech from the Throne, and more especially that important question to which he devoted about three-quarters of the time he spent in discussing the questions to come before this Chamber during the present Session.

It seems clear that the people of Canada in 1917 were told that the tariff question would not be taken up by the Union Government. It is clear because the Ministers themselves spoke out openly and declared that they had not formed that Government for the purpose of dealing with any of those delicate questions upon which they were at variance.

Hon. Mr. FOWLER: I would like to ask the honourable gentleman a question if he has no objection. How does he account for the fact that those three gentlemen who retired from the Cabinet retired at different times, with a considerable space of time after each retirement, if they were elected only for a certain period, or if they joined the Cabinet only for a certain period and for a certain purpose?

Hon. Mr. DANDURAND: None of those three gentlemen made a formal statement as to the reason why he was withdrawing at a particular time, except perhaps Mr. Crerar, whose statement I have in mind, and who declared that his mandate was ended. I do not remember any statement being made by Mr. Carvell or by Mr. Maclean. I know they did not leave the Cabinet at the same time, but they did leave the Cabinet and they are in it no longer. But what I emphasized more especially is the fact—

Hon. Mr. FOWLER: So much the better for the Cabinet.

Hon. Mr. DANDURAND: I suppose my honourable friend would very likely applaud the departure of some members of the present Cabinet, and we would all agree if he would press on and ask that the whole Cabinet resign or offer itself for re-election at as early a date as possible.

Hon. Mr. FOWLER: Then the honourable gentleman might come in, and that would be a misfortune.

Hon. Mr. DANDURAND: No, I have no inclination in that direction—I have not that ambition. I do not think my honourable friend will see me in any Cabinet—

Hon. Mr. FOWLER: No.

Hon. Mr. DANDURAND: —even if we have elections next week.

Hon. Mr. FOWLER: No, I think not.

Hon. Mr. DANDURAND: My honourable friend (Hon. Sir James Lougheed) said: "We have had a mandate ever since 1911." I will discuss for a moment the kind of mandate which this Government received in 1917, and, with his permission, I will revert to 1911. I think that I shall be able to demonstrate that the elections of 1917 were based on a stupendous fraud, and that the elections of 1911 were based on duplicity, or at all events insincerity.

I said the elections of 1917 had been the result of a tremendous fraud. The War-time Elections Act was before us. I made the following statement, which I take from page 1149 of the Debates of 1917:

> We have devised all kinds of penalties to prevent ballot-plugging and ballot-switching. Are we not now, by allowing the non-resident elector to switch his vote to where he pleases, making an attempt to organize the non-resident soldiers into a ballot-plugging and ballot-switching brigade?

That was, as I viewed the Act which was presented to us. I felt, as it was going on the statue book, that the whole basis of our democratic institutions was being flung to the four winds. As a result of this legislation, how did the electoral franchise work? Strangers who had never put their foot in Canada, thousands of soldiers who had been enlisted in the United States, were allowed to switch their votes to whatever county the men in power thought was in danger. Not only were those strangers allowed to switch their votes, but there was practically no limit to the number of soldiers in England and on the continent of Europe who switched their vote to whatever county the man at their elbow sug-

gested to them. We had in the very centre of the province of Quebec, 27 miles from Montreal, in the town of St. Johns, a whole regiment commanded by Colonel Melville who from the Colonel down, switched their 700 votes to the neighbouring county of Chambly Verchères in order to elect Mr. Rainville. We guarded the polls and ballot boxes as well as we could; we sent official representatives and barristers to watch operations; but those 700 votes were actually polled in Chambly-Verchères.

I shall be told that they were not allowed. Well, they were not allowed, because there was an officer in Ottawa of the name of Mr. O'Connor who was appealed to, and who, when the facts were brought before him, decided that these 700 votes should be struck out. Colonel Melville declared that he did not know where his residence was before he enlisted but after the elections, in a by-election following the resignation of Hon. Mr. Carvell, we found him as a Conservative candidate in that honourable gentleman's county. I do not know whether or not he lost his deposit, but he came very near losing it, and we in the province of Quebec felt quite happy at the punishment so quickly meted out to the leader of the regiment who had seen with his own eyes the switching of 700 votes into the county of Chambly-Verchères.

We all know of the debate which took place elsewhere on the famous telegram attributed to the present Prime Minister, Mr. Arthur Meighen, and addressed to Sir Robert Borden, on the 30th of November, 1917, which ran as follows:

Would like one thousand soldiers' votes at large for Manitoba, of which three hundred for Selkirk, balance divided between Provencher, Macdonald and Springfield, or same proportion of division no matter what our allotment may be.

We also know of a telegram addressed to Senator Tanner by Senator Sharpe, dated, Winnipeg, 4th December, 1917:

"W. I. Tupper has received a telegram from your assistant secretary and in answer would ask to divide all the votes at large equally between Provencher, Springfield, and Selkirk, for the province of Manitoba and for Saskatchewan, Saltcoats, North Battleford, Prince Albert, Swift Current, and Humboldt. This would help us very much."

The present Premier, discussing the first of these two telegrams, on the very day that it appeared in the press, could not deny sending it. That, however, is not the point that I wish to emphasize; but he affirmed that there was nothing irregular about it; he did not see that he had done an act that was blamable. He thought that was quite regular. Perhaps he was quite right, if he had it in his mind that the War-time Elections Act was to do what I predicted would be done—ballot-box stuffing and ballot-switching. It contributed to the election of a number of members of the other House who otherwise would not be sitting in that Chamber.

This is not all that infamous Act did. It deliberately selected 400,000 or 500,000 women to whom it gave the franchise for the purpose of voting in ministerial candidates. I know, and I know honourable gentlemen on the other side of the House will not deny it, that it was done with the knowledge that those 400,000 or 500,000 women would vote for the Government. They would vote for the Government because their names were on the lists of the Patriotic Fund, and on the Government pay-sheets, and they were receiving allowances which a month before the election were increased by $5 per month, and they were appealed to and asked the simple question: "Do you want to send help to your sons and husbands, or do you want to obtain furloughs for them?" The answer was self-evident. They voted: "Yes, we want to send help to the soldiers on the other side, and we want our boys to come back." These women were hand-picked and the dice were thus loaded. So I say that in 1917 there was what I call a sham election.

Hon. Mr. FOWLER: It did the trick all right.

Hon. Mr. DANDURAND: It did the trick.

Hon. Mr. BLAIN: May I ask my honourable friend a question? Were not the women voters relatives of soldiers that went overseas to fight the battles?

Hon. Mr. DANDURAND: Yes.

Hon. Mr. BLAIN: Could any other women get on the voters' list under the Act?

Hon. Mr. DANDURAND: No. All women who had a relative overseas—a father, a husband, a brother—were put on the list, and the vote being limited to that class of women, I say it was handpicked. If you had wanted to do the fair thing by the country, and had decided that the women were entitled to vote, you should have extended the vote to all the women of Canada. You could as well have said in that election that the men only who had something to do with the war could vote and then you would have made it an election of the soldiers and their relatives; but since you

allowed the males to vote who had nothing to do with the war except to stand behind and help according to their ability in civil life, why did you not give all the women the vote? I say, in order to do the fair thing you would have had to extend the vote to all the women of Canada.

I do not know whether or not members of this body know that polls were held in the United States. That country, from which we are told we should separate ourselves by building high tariff walls, was invaded by our representatives and polls were held there in order to allow voters who knew nothing of Canada to help the Conservatives in counties where they felt in need of votes.

Hon. Mr. BLAIN: May I ask one more question?

Hon. Mr. DANDURAND: You are welcome.

Hon. Mr. BLAIN: Did not the soldiers have the right to say what candidates they would vote for?

Hon. Mr. DANDURAND: Yes, if in their own county; but they had no right to vote for a candidate of whom they knew nothing, simply to help the cause.

Hon. Mr. BLAIN: Was not the soldier asked the question, what candidate he desired to vote for? I do not think my honourable friend will deny that.

Hon. Mr. DANDURAND: Of course, there were tens of thousands of votes taken. I am not prepared to say what took place when each vote was recorded, but I know what took place in St. Johns in the province of Quebec under our eyes, and I have an idea of what took place behind our backs.

Hon. Mr. SHARPE: Would my honourable friend be kind enough to tell us what took place in St. Johns in regard to the telegram that he spoke about a few minutes ago?

Hon. Mr. DANDURAND: I only know of the intention to switch votes.

Hon. Mr. SHARPE: My honourable friend is absolutely mistaken in regard to that.

Hon. Mr. DANDURAND: Of course I do not know. That telegram was published. I read it. My honourable friend will give his explanation.

I may say that people who saw the game as it was played have less contempt for Lenin and Trotzky in Russia, men who boldly and in the open seized power, than they have for those who through this hypocritical War-time Elections Act brought into power the present Administration. I shall be told by some of my friends on the other side that we are "die hards", that the War-time Elections Act did the trick for them and that by-gones should be by-gones.

Hon. Mr. FOWLER: We think you die easily.

Hon. Mr. DANDURAND: You thought you had killed us for good at that time. You will see us very much alive at the next election if you give us a chance.

Hon. Mr. FOWLER: All right.

Hon. Mr. DANDURAND: Yes, honourable gentlemen will say, "But why speak of old things?" Those old things took place yesterday, and I remind you that it is always more easy for the assailant to forget and forgive the kicks he has given than it is for the one who has received them.

It was most amusing to hear the Premier of Canada speak with haughtiness of his opponents as wreckers, anarchists, and Bolsheviki. That was his first tack. But he has come down a peg. Indeed, he is an ideal preacher of public morality, because he is holding power by the most stupendous fraud ever inflicted on a people. Honourable gentlemen express surprise that Quebec resents that treatment, because, after all, it was in a large measure directed against Quebec. Quebec decided to join the Confederation after the conference of 1864, and entered Confederation in 1867 with the full knowledge that she was losing her equality in numbers, that she would become more and more a minority. Quebec knew that, but she entered sincerely and confidently into an association knowing the contract which was embodied in the British North America Act. Have honourable gentlemen ever stopped to think for a moment that that decision meant something to the province of Quebec? To be a minority for all time is somewhat of a handicap, and some of the honourable gentlemen who hear me may remember that they themselves have at some time been a minority in their province. They were consoled by thinking that it was but a passing moment, and that the next year or in the next Parliament they would become a majority. It was not so with Quebec. We knew that we would always be a minority, but we were entitled to believe that we

would get a fair deal, that we would be dealt with honestly, and that the franchise would not be tampered with in order to surely eliminate us.

Sir George Etienne Cartier, speaking for Quebec, said that he knew the Englishman well enough to be convinced that Quebec would get a fair deal from the majority. Quebec knows that in 1917 it did not get a fair deal, and some of my honourable friends on the other side know as well as I do that the whole War-time Elections Act was for the purpose of stifling its voice and extinguishing its legitimate share of influence in Confederation.

Hon. Mr. SHARPE: Is it not the fact that this Government holds power to-day, not because of the soldiers' vote, but apart from that entirely?

Hon. Mr. DANDURAND: I have established in this Chamber by figures that without the phalanx of women who voted this Government is in a hopeless minority.

Hon. Mr. SHARPE: Those are your figures.

Hon. Mr. DANDURAND: If my honourable friend will look at my speech—I think it was in the Session of 1918—he will find the figures and he may discuss them before this debate ends.

Hon. Mr. FOWLER: We have enough to listen to.

Hon. Mr. DANDURAND: Quebec has decided that it will not shake hands with the organisers and the beneficiaries of that shameful Act of 1917. It is most amusing to see the efforts that are being made to induce Quebec to enter the Cabinet to-day. No man in Quebec, with any sense of dignity, will do that thing; they will first go to the people. Quebec knows that it is a bad thing for the province to stand as a solid block. When there were big men at the head of both political parties the people of Quebec were in the habit of dividing according to their political leanings, some being Conservatives and some Liberals; but they will first go to the polls and settle the infamy of 1917 before they shake hands with the organisers and beneficiaries of that steal. When that wound has been cleansed I hope we shall find a way again to divide so that the Conservatives of Quebec may go with the Conservatives, and the Liberals with the Liberals; but until that time arrives no self-respecting man will cross the floor of this Chamber or of the House of Commons and join hands with the beneficiaries of that stupendous fraud.

Hon. Mr. SHARPE: You are a pretty good firebrand.

Hon. Mr. DANDURAND: This Senate should not be surprised at my making that statement.

Hon. Mr. SHARPE: We are. You should be ashamed of it.

Hon. Mr. DANDURAND: No one who was in this Chamber in 1917—and I understand my honourable friend was here—could be surprised at what I say. The honourable member for Montarville (Hon. Mr. Beaubien), speaking on the other side of the House, notified his Tory friends that if Quebec was to be treated as it was being treated there would come a time sooner or later when the Tories of Ontario would turn towards Quebec for help and Quebec would not know them. I heard that statement made here to the Conservatives of this Senate. They smiled at the time. They are not smiling now. My honourable friend the leader of the Government boasts that the next election will see them in power. But the cold wind from the West has touched their spinal column. It has even penetrated Ontario. They look in vain for friends. They turn to that old-time Conservative province of Quebec for associates, and Quebec does not know them, and will not know them at the next election. I do not think that the honourable gentleman (Hon. Sir James Lougheed) should be very much scandalized at that statement. Quebec has undoubtedly a right to choose its own associates. After the next elections I hope that the people of Quebec who feel politically as does my honourable friend from Granville (Hon. Mr. Chapais) will then go on their way as Conservatives, and that Liberals will follow their own traditional lines; but not until after the next elections.

I have endeavoured to show my honourable friend (Hon. Sir James Lougheed) that he can find no mandate from the elections of 1917. At every Session I have told my honourable friend that the Province of Quebec looked upon this Government as a de facto Government. That is what the world at large calls the present Russian Government—a de facto government. My honourable friends may derive some consolation from the fact that they were elected in 1911. Yes, there was an election in 1911, in which the people of

Canada recorded their votes and the Borden Government went into power. I have nothing to say as to the regularity of the vote that was taken in 1911. But, as the effects of that vote of 1911 are of considerable importance to Canada, as they are before us at the present moment and have raised problems that we must face, is it not natural that I should revert to the elections of 1911? Those problems which arise from the elections of that year are the attitude of the Western farmers towards the manufacturers of the East, and the attitude of Washington as exemplified in the Fordney Bill. I hold that the situation which has arisen in the West and seems to have divided the country geographically on the tariff question is a natural result of the elections of 1911, as is the Fordney Bill now before Congress at Washington. I have heard with some degree of amusement my good friend the Tory and my good friend the manufacturer speak impatiently of the class movement and of the egotism of the Western farmer, who was simply looking at his own interest and not thinking of the general interests of Canada. Yes, I have listened with some amusement, because I remember the treatment the Western farmer received at the hands of the Tory party and the manufacturers of the East in 1911. A selfish class movement? Let us see who was selfish and who was insincere in 1911. I maintain, and I think I shall establish, that the stand of the farmers of the West is the logical outcome of Tory insincerity and of the manufacturers' fierce egotism and shortsightedness. It is interesting to prove it now that the United States are reacting against it.

Hon. Mr. CROSBY: The honourable gentleman can prove it to his own satisfaction, but not to the satisfaction of the House.

Hon. Mr. DANDURAND: My honourable friend (Hon. Sir James Lougheed) has referred to the Treaty of Reciprocity of 1854, which was law until 1866, and he has stated briefly what was the situation of this country after the repeal of that Treaty. In natural products only, the Reciprocity Treaty increased our trade between the United States and Canada within a few years from $20,000,000 to $80,000,000. Already in 1859 the Americans were claiming that the deal was a twenty-to-one deal against them; that we were selling twenty to one under that Reciprocity Treaty. We all know that it was repealed for one outward reason and for another, which perhaps was the determining factor, but which remained in the background. The pretext for its repeal was that in 1858-59 we in Canada had raised our duty on manufactured articles to such an extent that the Americans, who thought they could even up with us through their sale of such goods, were being very nearly shut out. The other reason, which was perhaps the determining one, but was not mentioned officially, was the fact that England and Canada, or some elements in England and Canada had shown too much sympathy for the South during the War of Secession. The mere threat of the termination of that treaty was such that the Conservative Government in 1865-66 sent Sir A. T. Galt, Mr. Howland, Mr. William A. Henry, of Nova Scotia, and Mr. A. J. Smith, of New Brunswick—although Confederation was not an actual fact—to Washington to try to prevent the abrogation of the Treaty. They met with no success. In 1868 the Sir John A. Macdonald Government inserted this clause in their Customs Act, which remained as "a standing offer to the United States." It is clause 6 of chapter 44:

> Any or all of the articles mentioned in Schedule D, when the growth and produce of the United States of America, may be imported into Canada from the said United States free of duty, or at a less rate of duty than is provided in the said schedule, upon proclamation of the Governor in Council, whenever the United States shall provide for the importation of similar articles from Canada into that country free of duty, or at a less rate of duty than is now imposed on the importation from Canada of such articles into the United States.

Schedule D mentions the articles that may be exchanged freely with the United States, by virtue of that statutory enactment, whenever the United States are pleased to reciprocate. An expression which my honourable friend (Hon. Sir James Lougheed) used comes back to my ear. He said that ever since 1866 people throughout this country have been clamouring for reciprocity or a fair deal with the United States, and he deprecated that action, for which, I surmise, he charged the Liberal party with being mainly responsible. Now, the Conservative party, to which he belonged, had brought about that statutory enactment; and the goods that might be exchanged with the United States whenever it pleased the United States to give us reciprocity were:

> Animals of all kinds.
> Fresh, smoked and salted meats.
> Green and dried fruits.
> Fish of all kinds.
> Products of fish and of all other creatures living in water.

Poultry.
Butter.
Cheese.
Lard.
Tallow.
Timber and lumber of all kinds, round, hewed, sawed, but not otherwise manufactured in whole or in part.
Fish oil.
Gypsum, ground or unground.

In 1869 Hon. John Rose—later Sir John Rose—who was then Minister of Finance, was sent to Washington to open negotiations for a wide reciprocity treaty, and he succeeded in making an arrangement; but when it was presented to the Senate of the United States it was rejected. In 1870 Sir John A. Macdonald, while attending to the making of the Washington Treaty, made the same effort, but in vain. In 1874 the Mackenzie Government negotiated a reciprocity treaty with the United States through the Hon. George Brown, but the American Senate rejected the compact. In 1878 Sir John A. Macdonald, proposing his famous National Policy resolution, added to it the following clause, which is to be found at page 854 of the House of Commons Debates of 1878:

A National policy of protection will prevent Canada from being made a sacrifice market, will encourage and develop an active interprovincial trade, and, moving as it ought to do, in the direction of reciprocity of tariffs with our neighbours so far as the varied interests of Canada may demand, will greatly tend to procure for this country eventually reciprocity of trade.

That was the famous National Policy resolution of Sir John A. Macdonald of 1878. In September, 1878, he was returned to power, and in 1879 he brought down his new tariff. Again it contained a standing statutory offer of reciprocity in natural products with the United States. Clause 6 of chapter 15 reads as follows:

Any or all of the following articles,—that is to say: animals of all kinds, green fruit, hay, straw, bran, seeds of all kinds, vegetables (including potatoes and other roots), plants, trees and shrubs, coal and coke, salt, hops, wheat, peas and beans, barley, rye, oats, Indian corn, buckwheat and all other grain, flour of wheat and flour of rye, Indian meal and oatmeal, and flour or meal of any other grain, butter, cheese, fish (salted or smoked), lard, tallow, meats (fresh, salted or smoked), and lumber, may be imported into Canada free of duty, or at a less rate of duty than is provided by this Act, upon Proclamation of the Governor in Council, which may be issued whenever it appears to his satisfaction that similar articles from Canada may be imported into the United States free of duty, or at a rate of duty not exceeding that payable on the same under such proclamation when imported into Canada.

This statutory enactment remained on the statute book until 1894, during the whole Conservative regime, and I suppose my honourable friend (Hon. Sir James Lougheed) is referring to these statements and these actions of his own party when he says there has always been since 1866 a party clamour for reciprocity with the United States.

In 1887 the question of the fisheries raised considerable discussion between the United States and Canada and commissioners were appointed to endeavour to settle it. On the Anglo-Canadian side there were Ambassador Sir Lionel Sackville-West, Mr. Joseph Chamberlain, and Sir Charles Tupper, and this is the report of the Privy Council of the 1st of February, 1887, giving a mandate to our commissioners in their dealings with the Americans:

The Government of Canada is not only ready to consent to the appointment of a commission to determine the limits of the territorial waters within which, subject to the treaty of 1818, the exclusive right of fishing belonged to Great Britain, but also to enter into such other arrangements as would extend the commercial relations existing between the two countries.

This proposition, when it was submitted to the American plenipotentiaries, was rejected by them. Mr. Bayard, the Secretary of State, and Sir Charles Tupper at that time exchanged correspondence wherein they agreed in saying that "the only way to attain a just and permanent settlement was a straightforward treatment on a liberal and statesmanlike plan of the entire commercial relations of the two countries." We have not been able to this day to learn exactly what was the offer of reciprocity that was made in 1887 by Sir Charles Tupper. It was declared, both in and out of Parliament, that he had offered unlimited reciprocity to the Americans. In the debate of 1899 Sir Wilfrid Laurier made this statement in the presence of Sir Charles Tupper. Sir Charles was the only Canadian, so far as he knew, who in negotiations with the Americans had offered to barter away certain privileges on the basis of unrestricted reciprocity. Sir Charles intervened to deny the affirmation. It was not, he said, an offer of unrestricted reciprocity he had made, but an unrestricted offer of reciprocity. And Sir Wilfrid Laurier countered by saying: "This means reciprocity without restriction."

We had in 1887 and 1888 a formidable agitation in Canada, more especially in Ontario, for greater trade facilities with the United States, mostly in natural products. A group of Canadians, among whom was an alien, that is, a Canadian who had

gone over to the United States, Erastus Wiman, made considerable of a campaign in Ontario in favour of commercial union. The Board of Trade of Toronto, being asked to make a pronouncement—Toronto, remember!—passed the following resolution:

> Resolved, That the largest possible freedom of Commercial intercourse between Canada and the United States compatible with Canada's relations to Great Britain was desirable, but that the Board could not entertain any proposal which would place Great Britain at any disadvantage as compared with the United States or which would tend in any measure however small, to weaken the bonds which bind Canada to the Empire.

I cite this resolution of the Toronto Board of Trade to show how strong was the clamour for reciprocity, even in the good city of Toronto.

In 1888 Sir Richard Cartwright moved in the House of Commons in favour of unlimited reciprocity in natural and industrial products. A somewhat lengthy debate took place on his resolution which was finally defeated by a party vote. On the 5th of March, 1891, we had a general election in this country. I suppose very few of the honourable members of this House are ignorant of what took place at that time, although I see quite a number of junior members who may not have been participants in that contest. I was very much interested in that election—and that does not make me so old, after all.

Hon. Mr. FOWLER: Were you a candidate?

Hon. Mr. DANDURAND: I was helping others. Now, what was the issue in 1891? In February of that year, when Parliament had sat for only three Sessions, Sir John A. Macdonald announced that the House was being dissolved in order to consult the people of Canada in regard to a proposal which had come from Mr. Blaine at Washington, for a reciprocity treaty in natural products. Sir John A. Macdonald at that time was facing the electors with a programme of limited reciprocity in natural products, while the Liberals, clinging to the resolution of Sir Richard Cartwright, were standing for unlimited reciprocity with the United States. The Liberal party at the time claimed that it was impossible to get limited reciprocity, that the United States had steadily refused to enter into such a bargain, but that we had to go one step further and grant them reciprocity in all products, industrial and otherwise, if we expected to secure what everyone in Canada desired, namely, reciprocity in natural products.

The campaign was not yet over when Mr. Blaine, the American Secretary of State, was written to by a member of Congress for Rochester, New York, and asked if it were true that he had offered to discuss with Canada reciprocity in natural products only. Mr. Blaine made this answer to the member for Rochester:

> I authorize to contradict rumours you refer to. There are no negotiations whatever on foot for a reciprocity treaty with Canada, and you may be assured no such scheme for reciprocity with the Dominion confined to natural products will be entertained by this Government. We know nothing of Sir Charles Tupper coming to Washington.

Yet the trick was done, and the elections were carried by Sir John Macdonald. This was one of the most extraordinary incidents in Canadian politics, and I do not know whether any member of this Chamber has ever realized the fact that for once every elector in Canada who went to the polls, Conservative, Liberal, or Independent, voted for reciprocity in natural products. That was the policy propounded by Sir John Macdonald, and upon which he was consulting the electors in contradistinction to the unlimited reciprocity which the Liberals were supporting. The Liberals voted for reciprocity in natural products inasmuch as they voted for unlimited reciprocity; so I am safe in saying that for the first time in Canada, although the Liberal party was disposed to go further, the Conservatives and Liberals agreed protanto to reciprocity in natural products. Some honourable gentlemen on the other side shake their heads in dissent, but those were the only two questions involved.

Hon. Mr. CROSBY: And I will make you shake your head before I get through, because you are not stating what is true.

Some Hon. SENATORS: Order.

Hon. Mr. DANDURAND: I am not calling upon His Honour the Speaker to ask my honourable friend to use parliamentary language; but I am stating facts. I am stating the fact that Sir John Macdonald dissolved the House in 1891 in order to give the people of Canada the opportunity of entering into negotiations with Washington for reciprocity.

Hon. Mr. CROSBY: In whatever natural products might be considered advisable; but you went to the country on unrestricted reciprocity.

Hon. Mr. DANDURAND: That is what I am saying. The Liberals went to the people on unrestricted reciprocity.

Hon. Mr. CROSBY: And we beat you.

Hon. Mr. DANDURAND: Yes, by a very few votes, only 12 or 13.

Hon. Mr. CROSBY: The province of Quebec—

Some Hon. SENATORS: Order.

Hon. Mr. DANDURAND: I am simply saying that in 1891 the whole of Canada, Conservative and Liberal, voted for reciprocity in natural products.

Hon. Mr. CROSBY: They did not.

Hon. Mr. DANDURAND: The Liberals were in favour of unrestricted reciprocity, which included reciprocity in natural products; but Sir John A. Macdonald struck an attitude and said this would lead to annexation, a British subject he was born, a British subject he had lived, and a British subject he would die.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: Very glad am I that my honourable friends show such loyalty to the policy of 1891. At that time, through reciprocity in natural products Sir John A. Macdonald was to die a Britisher; but in 1911, twenty years after, it became absolute disloyalty to propound such a policy.

Hon. Mr. CROSBY: Nothing of the kind.

Hon. Mr. BENNETT: Will the honourable gentleman allow me to interrupt for a moment, since he is reminiscing about the campaign of 1891? I have a very clear recollection of that campaign. I was a candidate at the time. Does he not remember that the presence of a celebrated letter as to annexation, written to and received by Sir Richard Cartwright, provoked a reply from Sir John A. Macdonald? Let my honourable friend brush up his memory.

Hon. Mr. DANDURAND: I think I can refresh my honourable friend's memory. It did not provoke Sir John A. Macdonald's statement, because the famous letter to which my honourable friend alludes was only disclosed after the election.

Hon. Mr. BENNETT: My honourable friend will allow an interruption, because this is rather ancient history. He will remember that a certain very distinguished gentleman, now dead, who was down at Washington on behalf of the Liberal party, wrote a letter suggesting, first, that there should be made but one bite of the cherry and that we should go in for annexation, and that Sir Richard Cartwright had hoped to congratulate him as the Senator at Washington for Ontario. I will not say how that letter became public, but it was in the hands of Sir John A. Macdonald at that famous meeting at Windsor, Ontario, where he was accompanied by Sir Charles Tupper.

Hon. Mr. DANDURAND: I remember that incident very well, and it was made very much of. But at the time, or a few months before, that gentleman, Mr. Farrer, was one of the chief writers on the Conservative paper, the Toronto Mail. He was a free lance, following his own fancy, and I was going to say at times his employer's, but perhaps that would be too harsh. He adhered to the Erastus Wiman movement, and it would carry me too far to explain the difference between the Erastus Wiman movement, which perhaps Mr. Farrer was supporting and the policy which Sir Richard Cartwright propounded in the resolution of 1888. But we remember that it was good play, it was scientific play on the part of the "old wizard," the most able politician of the time, Sir John A. Macdonald.

Now, in 1891, when Sir John A. Macdonald decided to offer the people of Canada reciprocity in natural products, it was felt that it would create somewhat of a turmoil among his manufacturing friends in Toronto and other places in Ontario; so he rushed to Toronto and called them in "confab," in what was called the Red Parlour meeting, when he said to them: "Gentlemen, you need not be afraid of my policy; it is in regard to natural products only, and does not affect industrial matters; I am not lowering the wall; keep your souls in peace; take it for granted that I am not touching you in the slightest, even with a feather; I am simply giving the people of Canada what they want, the American market for their natural products." The manufacturers were reassured, and accepted this statement, and we did not hear a wail nor see a wince during that election. They accepted the principle that Canada should have a certain degree of protection in industrial products and an open market to the south for its surplus farm products.

As it is now just about 6 o'clock, I move the adjournment of the debate.

The motion was agreed to, and the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

THURSDAY, February 17, 1921.

The Senate met at Three p.m., the Speaker in the Chair.

Prayers and routine proceedings.

STANDING COMMITTEES

REPORT OF COMMITTEE ON SELECTION.

On the Orders of the Day:

Hon. Sir JAMES LOUGHEED: May I ask the House to permit me to move concurrence in the report of the Committee of Selection before we proceed with the Orders of the Day, so that the notices involved may be sent out to the different members? There are a couple of hundred notices, I understand, to be issued.

Hon. Mr. DAVID: Will the House allow me to say that the name of the honourable gentleman from La Salle (Hon. Senator Godbout) was put by mistake in place of mine on the Private Bills Committee.

Hon. Sir JAMES LOUGHEED: I shall have much pleasure in bringing about the change suggested by my honourable friend from Mille Iles (Hon. Mr. David).

Hon. Mr. BOSTOCK: Honourable gentlemen, before the motion is put I would like to draw the attention of the House to the fact that this proceeding is a little unusual. I do not want to raise any objection, but I think it is well to call attention to this fact. As a rule we do not deal with any business until we have disposed of the Address. Probably this procedure is more convenient for honourable members of the Senate, but I do not think it should be allowed to pass without drawing attention to the change that we are making in our procedure.

Hon. Sir JAMES LOUGHEED: We always reserve that right.

Hon. Mr. DANDURAND: No precedent.

Hon. Mr. POWER: Before the honourable gentleman from De Lorimier (Hon. Mr. Dandurand) resumes the debate on the Address, I think that we should be sure that we are proceeding in the right way. I quite concur in the view expressed by the honourable gentleman on my right (Hon. Mr. Bostock). As I understand, the honourable leader of the Government asked the leave of the House to move the adoption of the report of the Committee on Selection, and the honourable gentleman from Mille Iles (Hon. Mr. David) and other honourable gentlemen thought that the report needed certain amendments. It seems to me that the correct procedure is that on the motion of the honourable leader the gentlemen who wish changes made should move those changes as amendments, and that we should not adopt the report as a whole, as I understand we are doing, and later take up the amendments piecemeal and separately. I think the business-like way is for any honourable gentleman who has an amendment to move it before the report is adopted.

Hon. Mr. DAVID: It was my intention to have an amendment moved, but I was waiting for the honourable gentleman from Ottawa (Hon. Mr. Belcourt), who is not present, as I counted upon him to make the motion.

Hon. Mr. CASGRAIN: I will move the motion, if necessary. It is only a mistake in substituting one name for another, and the honourable leader of the Government has agreed to have the change made.

Hon. Sir JAMES LOUGHEED: It will be changed accordingly.

The motion was agreed to.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY.

The Senate resumed from yesterday consideration of the Address in reply to His Excellency the Governor General's Speech at the opening of the Session.

Hon. RAOUL DANDURAND: Honourable gentlemen, when my honourable friend the leader of the Government delivered his address yesterday he stated that after 1866 there were in Canada people who were constantly clamouring for the American market, and he deprecated that attitude on the part of Canadian people. I was proceeding to establish that reciprocity in natural products was the uniform policy of both political parties in Canada up to 1911. I had reached the year 1891 and the elections that took place in that year, which were won by Sir John A. Macdonald on that issue. He presented an alleged offer of reciprocity in natural products coming, as he said, from the United States. He presented that offer to our people for endorsation, as against the Liberal programme of unrestricted reciprocity. I think I am stating clearly what was the issue in the elections of 1891.

Sir John A. Macdonald carried those elections with a slight majority, although before the close of the poll the Secretary of State of the United States, Mr. Blaine, had publicly disclaimed having made any offer of a discussion looking to reciprocity in natural products. This did not prevent Sir John A. Macdonald's Government from sending to Washington, in the month following the elections, a delegation to see if the door could not be opened. That delegation was composed of Sir Charles Tupper and the Honourable Messieurs Thompson and Foster. The situation which confronted our Canadian delegation when they reached Washington was somewhat delicate. They went to the British Ambassador to be introduced. The British Ambassador made his official request, and Mr. Blaine answered in writing to Sir Julian Pauncefote that he desired first to have it recognized by the Canadian delegates that no negotiation had been initiated by him for a treaty based on an exchange of natural products only. And Sir Charles, who led that delegation, when he returned to Canada empty handed as usual, made the statement, and wrote it in his report, that his first declaration when he entered the presence of the Secretary of State was to agree with him that it was not the United States nor himself, Mr. Blaine, that had initiated the proceedings for reciprocity in natural products. Although they had seen each other, nothing came of this visit. The situation remained as it had been since 1866. There remained on our statute book, as I have said,"a standing offer of reciprocity," covering practically every item which had formed the basis of the Reciprocity Treaty of 1854-66.

When Sir George Foster in 1894 modified the tariff, he again in the new act devoted five clauses to an effort to obtain reciprocity in natural products with the United States. These clauses in the statute of 1894, chapter 33, are the seventh, eighth, tenth, eleventh, and twelfth, fairly reproducing the standing offer that had been on our statute book from 1879. But all these pilgrimages to Washington, as well as the correspondence which passed between Canada, Great Britain, and the United States, were in vain till 1911, when Sir Wilfrid Laurier and Mr. Fielding at last succeeded where their predecessors had failed. We then saw that what up to that date had been thought pure gold for the two parties, and for the Conservative party especially, had changed to lead over night. When this policy of reciprocity in natural products was propounded by Sir John A. Macdonald and offered to the people twenty years before, it was an ideal policy, and when the election of 1891 was over and won, as I said, by all the people declaring themselves in favour of that policy, we all felt assured that we could die under the British flag. But when the Liberals succeeded in getting what the people had voted for unanimously in 1891 it became downright treason.

The campaign of 1911 was carried with the aid of a few slogans. The hoardings were covered with British and American flags, with these words underneath: "Under which flag?" Speakers in every village proclaimed that we should have no truck nor trade with the United States, and the manufacturers throughout the land were mobilized in a fierce assault against the reciprocity pact called the Taft-Fielding pact. These manufacturers were probably the same men who in the Red Parlour in Toronto had accepted the statement of Sir John A. Macdonald in 1891 that they were not touched by the arrangement—that the treaty did not affect the degree of protection which they had enjoyed up to that date; and yet, after adhering to the principles of Sir John A. Macdonald in 1891, after standing by and helping with their subscriptions, as the rumour went, in 1911 they went into hysterics and forced the Conservative party to renounce old policies and principles, and to inveigh against the dangers of restricted reciprocity with the United States in natural products.

In 1911 the manufacturers of Canada occupied exactly the same position with regard to the United States that they had occupied in 1891, and nothing justified them in assailing the Treaty and closing the American market to the products of the farm. They dictated a new policy to the Tory party. I was present in the gallery of the House of Commons when Mr. Fielding made his statement outlining the advantages which would accrue to Canada under the Treaty, and it would not have been possible to repress the Conservative members of the House who, one after another, interrupted the Minister of Finance to ask him whether a certain article in which they or their county was interested, was on the free list, and when Mr. Fielding said, "Yes, it is," they applauded and leaped with delight. I saw that happen in many instances, as the report of the debate in the House of Commons will undoubtedly show. Yet in a few days all was changed. The manufacturers, as I have said, set out to dictate

a new policy, a reversal of the policy which had been the constant policy of both the Conservative and the Liberal party—the policy of reciprocity in natural products with the United States. Is it not now amusing to hear Tories and manufacturers denouncing the farmers of Canada as egotistical, as carrying on a class movement, when it is their own selfishness which alone has created the farmers' movement?

Sir Wilfrid Laurier knew under what complex conditions the verdict of the people had been obtained in 1911 and he decided again to appeal to the people of Canada on the Taft-Fielding Reciprocity pact at the following election. I may say that in 1913 I was asked by him, as I was going to Washington, to carry a message to the new President recently installed, Mr. Woodrow Wilson, and to ask him if he was favourably inclined to the policy of reciprocity and good-will between the United States and Canada, to maintain the Act which was then on their statute book. Mr. Woodrow Wilson promised sympathetic consideration—that was all I could expect —and up to this moment that reciprocity arrangement has remained on the statute book of the United States.

In 1921 the Tory policy of estrangement has triumphed, and to-day we see the American Congress endeavouring to raise their own tariff. The Tory party and the present Tory Government should indeed be happy. Their policy of "no truck nor trade" with our neighbours to the south of us is gaining its full fruition. According to their light, the country indeed must be saved.

Their policy in 1911 was of only one kind: towards the United States it was a policy of ill will. I have told you what they did, and of the harvest they are reaping to-day. If they are sincere, if they were sincere, they must be happy indeed. If they are not, it seems to me that it would befit them to be silent in order to save their faces.

I doubt very much their sincerity, for they seem to be wincing under the blow and crying aloud. Just a few days ago Sir George Foster sang quite another tune than the "no truck nor trade" refrain of 1911. In New York, yes, in New York, because the present ministers and their predecessors have travelled very often to New York since 1911—Sir George made a speech which was cited by my honourable friend the leader of the Liberal party in this Chamber, wherein he said: "We are pretty good neighbours to you; we bought $921,000,000 worth of stuff from you in 1920, and you purchased only $560,000,000 worth from us; let us be neighbours; try and buy as much from us as we buy from you, and do not offer us 88 cents for our dollar." Sir George then referred to the Fordney Tariff Bill as a measure which would prevent Canada sending its cattle, its sheep and its agricultural products to the United States in order to pay for our purchases. He hinted at reprisals when he said: "We may have to consider reducing our purchases; it may be a good thing to think of these things before we legislate too far." The honourable gentleman did not stop to think of these things in 1911, when he and his friends refused the Reciprocity Treaty which had been signed by the United States. I venture to say that the people of Canada to-day feel that their interests were sacrificed in 1911, and sacrificed for the lust of power. Reprisals will not prevent our buying raw materials to keep our mills going; but lust of power more than loyalty to flag and country animate the Tory party. They sacrificed their principles of reciprocity for power in 1911. In 1910, when the present Postmaster General was occupied in the province of Quebec in shooting holes into the British flag in Drummond-Arthabaska—

Hon. Mr. BLONDIN: That is an absolute lie. I have denied it in the House of Commons and I deny it here, and I want the honourable gentleman to take that back right away.

Hon. Mr. DANDURAND: I understand that the honourable gentleman cited a speech—

Hon. Mr. CROSBY: Take it back.

Hon. Mr. DANDURAND: I understand that the honourable gentleman in that campaign repeated a speech which had been delivered in Lévis, in which that phrase was used.

Hon. Mr. BLONDIN: The honourable gentleman is not sure of his ground. He says he understands. First he said that I was shooting holes in the British flag; now he says he understands that I was reported as having quoted a speech that had been made at Lévis. What does the honourable gentleman mean by that?

Hon. Mr. DANDURAND: Yes or no, did the honourable gentleman repeat a speech in which such a phrase was used?

Hon. Mr. BLONDIN: Does my honourable friend know what he is talking about? Will he tell us exactly what his information is?

Hon. Mr. DANDURAND: The honourable gentleman from Arthabaska (Hon. Mr. Lavergne) tells me he was present.

Some Hon. SENATORS: Order.

Hon. Mr. BLONDIN: What did I say?

Hon. Mr. DANDURAND: The honourable gentleman from Arthabaska says he heard the Postmaster General himself say that in the past the French-Canadians had been obliged to shoot holes into the British flag in order to obtain freedom.

Hon. Mr. BLONDIN: Honourable gentlemen, I rise again to deny what the honourable gentleman from Arthabaska (Hon. Mr. Lavergne) has said. None of them know what they are saying. I defy them to quote the words which they are attributing to me.

Hon. Mr. DANDURAND: Will the honourable gentleman state under what circumstances he used that phrase?

Hon. Mr. BLONDIN: My turn will come to tell something to my honourable friend, and what I intend to say I will prove. A campaign of lies has been going on too long. It must be stopped.

Hon. Mr. DANDURAND: The honourable gentleman did not seem to fare very well, nor did his reputation, in his own county, Champlain, when out of 5,000 or 7,000 votes he gathered 400 or 700 at the most. That is how his own community and his own people judged him.

Hon. Mr. BLONDIN: Honourable gentleman, in the county where I was running I got 5,000 votes, which is more than two-thirds of what any one of the gentlemen sitting in the House of Commons ever got. My honourable friend never had the courage to face the electorate.

Hon. Mr. DANDURAND: When I faced my peers at the Bar of Montreal I generally headed the list.

Hon. Mr. BLONDIN: And when you faced your party as organizer and treasurer what did you get?

Hon. Mr. DANDURAND: I got the honour, since I am here. Apparently the honourable gentleman does not deny that he used the expression attributed to him.

Hon. Mr. BLONDIN: I do deny it, and I ask the honourable gentleman to take it back.

Hon. Mr. DANDURAND: I asked my honourable friend under what circumstances he used the words, and he has remained mum.

Hon. Mr. BLONDIN: Mr. Speaker, it is a wilful lie: I deny it. I have already stated what I said, and I am not afraid to repeat it: but the least I can ask from this honourable gentleman who is posing as an oracle here is that he should prove what he says.

Hon. Mr. DANDURAND: I have done it by the honourable member from Arthabaska.

Hon. Mr. BLONDIN: I do not want him to repeat his canard. I want him to tell the truth.

Hon. Mr. DANDURAND: Some day, honourable gentlemen—

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, if I understand anything of the practice of Parliamentary discussion, it is that if a member is charged with a particular act or a particular statement which he absolutely denies, it is the duty of the member who has made the allegation to take it back, and an ex-Speaker of this House should be one of the very first to bow to the well-established practice.

Hon. Mr. DANDURAND: Here is the expression which I used, I have no objection to saying that it was a metaphor.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. DANDURAND: I said that in 1910, when the present Postmaster General was occupied in shooting holes in the British flag in Drummond-Arthabaska—then I was interrupted. I will readily admit that the honourable gentleman had no gun in his hand, and was not shooting holes in the British flag.

Some Hon. SENATORS: Order.

Hon. Mr. DANDURAND: I will go further and say that as far as my recollection goes the honourable gentleman said elsewhere that he had not used this expression as coming from himself, but that he simply repeated a speech. I think I have the name of the honourable gentleman who did deliver the speech to which he attributed that phrase. That is my recollection as to the honourable gentleman's explanation.

Hon. Mr. BLONDIN: May be. The honourable gentleman from Arthabaska (Hon. Mr. Lavergne) was interested in that election, and I may say that I never happened to meet the honourable gentleman for DeLorimier anywhere where there was any

danger. The honourable gentleman from Arthabaska was present, he says.

Hon. Mr. LAVERGNE: Yes.

Hon. Mr. BLONDIN: I would like him to state whether he heard me, and what words he heard me utter.

Hon. Sir JAMES LOUGHEED: Honourable gentleman of this House owe it to the amenities of parliamentary debate to observe with exactitude the practice invariably followed in parliament since Confederation. My honourable friend the Postmaster General has absolutely denied the phrase or the language attributed to him by my honourable friend opposite (Hon. Mr. Dandurand) and if my honourable friend had the characteristic courtesy which has ever marked the amenities of debate in this House—and I have no doubt he has—he would not seek to evade the responsibility which is cast upon his shoulders, but would at once bow to the amenities of debate and the wishes of this House and withdraw the expression.

Hon. Mr. DANDURAND: My honourable friend, it seems to me, will admit that I have done—

Hon. Sir JAMES LOUGHEED: No, you have not.

Hon. Mr. DANDURAND:—justice to the honourable the Postmaster General. I have said that this statement needed explanation, and I gave explanation as falling from the lips of the honourable Postmaster General himself. It seems to me this was the fair thing to do. I am asking the honourable gentleman if it is not the explanation which he gave himself.

Hon. Mr. BLONDIN: What does the honourable gentleman say?

Hon. Mr. DANDURAND: I will repeat. I say that as far as my recollection goes the honourable gentleman explained that that phrase, or one similar to it, was not one that he had coined himself, but that in quoting the speech of a prominent public man in the province of Quebec he had read such a phrase.

Hon. Mr. POIRIER: Read it yourself.

Hon. Mr. DANDURAND: That is the statement which I made.

Hon. Mr. BLONDIN: The honourable gentleman knows just where he stands and knows what he means, only he has not the courage to state frankly to this Senate what will be repeated to-morrow in the Province of Quebec. When he said that the Postmaster General was shooting holes in the British flag in Arthabaska he knew very well that it meant that I had actually said those words.

Hon. Mr. DANDURAND: It is a very simple question. I am asking the honourable gentleman what explanation he gave of this incident, and I stated that my recollection is that that statement was as I have made it.

Hon. Mr. POIRIER: Take it back.

Hon. Mr. BLONDIN: The honourable gentleman is in such a pitiable position now that he has called to his help the honourable member for Arthabaska (Hon. Mr. Lavergne). If there is a witness who can be useful to the honourable member, I want him to speak and say what he has to say, and I ask him when and at what place was he present when I said the incriminating words, and what were the incriminating words. Will he please state that?

Hon. Mr. LAVERGNE: The honourable senator said those words—that he did not care if he shot through the British flag. Anyhow—I do not remember well, but he said that—

Some Hon. SENATORS: Oh, oh.

Hon. Mr. LAVERGNE (Translation): That you had shot holes through the British flag. You said that in the town of Arthabaska. And then you said: "Use every means to win the elections."

Hon. Mr. BLONDIN: The honourable gentlemen says he does not exactly remember the words.

Hon. Mr. LAVERGNE (Translation): In French; I remember them well.

Hon. Mr. BLONDIN: I am translating for those gentlemen, and I think your friends there understand English well enough to see that I am doing it honestly. The honourable gentleman says he does not exactly remember the words.

Hon. Mr. LAVERGNE (Translation): I remember well in French.

Hon. Mr. BLONDIN: And you said it was in Arthabaska?

Hon. Mr. LAVERGNE: In Arthabaska, on the hustings.

Hon. Mr. BLONDIN: And you were there?

Hon. Mr. LAVERGNE: I was sitting there; and I was not a candidate, as you know.

Hon. Mr. BLONDIN: And who was with me? Any other person?

Hon. Mr. LAVERGNE: I remember there were two or three French Canadians with you. They are not here.

Hon. Mr. BLONDIN: Well honourable gentlemen, this incident has gone far enough. I absolutely deny any report of the kind.

Hon. Mr. LAVERGNE: Oh, you deny it.

Hon. Mr. BLONDIN: And I ask that it be taken back.

Hon. Mr. LAVERGNE: I know you will deny it, but I am sure I was there and I heard you.

The Hon. the SPEAKER: This incident has lasted too long. The honourable member from De Lorimier (Hon. Mr. Dandurand) attributed to the honourable the Postmaster General an expression said to have been made outside of this House, and now the honourable the Postmaster General denies that. So I believe that the honourable member who is speaking (Hon. Mr. Dandurand) ought to withdraw the expression.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DONNELLY: Withdraw.

Hon. Mr. DANDURAND: Honourable gentlemen, the expression complained of is the following phrase: "In 1910, when the present Postmaster General was occupied in shooting holes in the British flag in Drummond-Arthabaska." That is the expression that I am asked to withdraw. I withdraw. The honourable gentleman did not shoot holes in the British flag.

Some Hon. SENATORS: Oh, oh.

An Hon. SENATOR: Play the man.

Hon. Mr. DANDURAND: After that meeting, in which the honourable the Postmaster General took part—and we have not yet heard from his own lips what were his exact words—and after the speech appeared in the Montreal papers, the Montreal Herald sent a telegram to the Acting Prime Minister of Canada, who was none other than Sir George Eulas Foster—

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I rise to a point of order. My honourable friend is only continuing and aggravating his offence. He is endeavouring to equivocate regarding a plain statement, the implication of which was that the Postmaster General made a certain remark. My honourable friend should play the game fairly and withdraw.

Some Hon. SENATORS: Withdraw.

Hon. Mr. DANDURAND: Well, surely when I declare that I withdraw the phrase which was complained of, my duty towards the Chair is done. But I say that I have not yet heard from the honourable gentleman (Hon. Mr. Blondin) exactly what explanation he gave outside—

Hon. Sir JAMES LOUGHEED: Is the honourable gentleman bound to state what he said? You make a statement and he denies that.

Hon. Mr. DANDURAND: He will have occasion to speak, and he will state what he really did say. I ask this House to suspend judgment upon the speech of my honourable friend. I was not present. The honourable gentleman from Arthabaska was present. I ask the Senate to suspend its judgment regarding the exact words which the honourable gentleman (Hon. Mr. Blondin) used, because I do not myself know what he did say.

Hon. Mr. BLONDIN: My honourable friend admits that he does not himself know what I said.

Hon. Mr. DANDURAND: No, except from what the newspapers reported and from what the honourable gentleman said himself. But that we shall have later.

Hon. Sir JAMES LOUGHEED: Oh, play the game. Take it back.

Hon. Mr. DANDURAND: Now, when that campaign was proceeding and the speech of my honourable friend and other speeches were being made in Drummond-Arthabaska, a telegram was sent by the Montreal Herald to Sir George Eulas Foster asking him if the statement of policy of the Nationalist candidate had his approval and if he had no advice to give to the electors of Drummond-Arthabaska; for there was no Conservative candidate in that fight. There was a Nationalist candidate and a Liberal candidate. Sir George Foster's answer was: "Anything is good to beat Laurier."

Hon. Mr. CROSBY: I think he was right.

Hon. Mr. FOWLER: Of two evils choose the lesser.

Hon. Mr. DANDURAND: At that moment his loyalty to the flag was for him a negligible quantity, provided Laurier was defeated. The Nationalist movement was thus started on its way with Sir George Eulas Foster's blessing.

In 1911 there was another issue: it was the navy question. It was assailed from two angles. In the English provinces the policy of building a Canadian navy was called "the tin-pot navy of the Laurier Government." That "tin-pot navy" was intended for the protection of our coasts, and in 1914 the Conservatives realized that they had again sacrificed the interests of Canada in deferring the building of ships for a Canadian navy, which would have protected our coasts both on the Pacific and on the Atlantic against the raids of the German navy. But the Conservative party are not very proud. They are now proceeding on the same lines as the Laurier Government in building and developing a Canadian navy, and they seem to be quite satisfied with the "tin-pot navy" which they assailed in 1911.

Can they boast of their 1911 mandate? They then subsidized the whole Nationalist campaign and tried to carry in Quebec the principle of "no contribution to imperial wars outside of Canada." I have had occasion to state in this Chamber that every Nationalist candidate was helped by Conservative money; that Sir Herbert Ames, representing the Conservative party, having under his charge some eighteen counties, mostly English-speaking, or English-speaking to a certain extent, had left the rest of the province of Quebec to Mr. Monk and Mr. Bourassa. That was the division in the organization of the province of Quebec. I stated in this House that Sir Herbert Ames took the list of the French Canadian electors in his eighteen counties to the office of Le Devoir and asked that Le Devoir preaching "no contribution to Imperial wars outside of Canada" be distributed during the month preceding the election in those eighteen English-speaking counties in which there were French-Canadians, and that he paid with his own cheque, "Herbert B. Ames," for the distribution of Le Devoir in those eighteen counties. I stated that that Nationalist campaign had been subsidized by the Conservative party, and I added that outside of the ordinary organization and the subsidies which were distributed during the election, the sum of $40,000 was given by Sir Hugh Graham, Lord Atholstan himself, to twenty Nationalist counties, in order to better influence their returns on the night of the elections. And Mr. Bourassa—

Hon. Mr. BLONDIN: May I ask a question?

Hon. Mr. DANDURAND: Yes.

Hon. Mr. BLONDIN: Would the honourable gentleman mind telling us who was the Liberal organizer and treasurer during that election?

Hon. Mr. DANDURAND: 1908?

Hon. Mr. BLONDIN: Yes.

Hon. Mr. DANDURAND: I will not equivocate. The honourable gentleman thinks it was myself. It was not myself.

Hon. Mr. BLONDIN: You were in that position no longer?

Hon. Mr. DANDURAND: No longer? My honourable friend takes it for granted that I had been in it before?

Hon. Mr. BLONDIN: Yes.

Hon. Mr. DANDURAND: It would take some time to explain to him the working of the organization of the Liberal party—

Hon. Mr. BLONDIN: It is very complicated.

Hon. Mr. DANDURAND: —but we are not here for that purpose. It was not complicated at all; and if I told him with how little money the Liberal party could carry on an election in the province of Quebec he would be very much surprised indeed.

Hon. Mr. BLONDIN: That was not the opinion of your friends.

Hon. Mr. MURPHY: What is the inference?

Hon. Mr. DANDURAND: I may say to the honourable gentleman that never was I the treasurer of the Liberal party in the province of Quebec. I make that clear-cut affirmation.

Hon. Mr. BLONDIN: What answer did the honourable gentleman give to the Hon. Jean Provost when certain accusations were made against him?

Hon. Mr. DANDURAND: No accusation, within my knowledge, was ever made against me by the Hon. Jean Provost.

Hon. Mr. BLONDIN: Would the honourable gentleman permit me to refresh his memory?

Hon. Mr. DANDURAND: I may tell the honourable gentleman that my memory is very clear; because if the Honourable Jean Provost had assailed my character in any manner or form, I would have taken an action against him.

Mr. Bourassa, in his paper and in a book which he published, admitted that the Nationalist movement in 1911 had been subsidized and carried on by Conservative money; and I was amused to find in the Montreal Gazette of the 7th of February instant a statement by Mr. Armand Lavergne to the same effect. In Kingston, touching on Canada's naval policy and on the question as to whether this country should have a navy to be used in foreign waters, Mr. Lavergne recalled that in the general election of 1911 the Nationalists were allied with the Tories, and he added that the alliance was financed from the loyal city of Toronto.

I have said that the election of 1917 was carried by fraud. I think I have established that the election of 1911 was carried by deception at least, to use a very mild expression. These are the sources from which spring the mandate of this Government. Luckily all the people cannot be fooled all the time. Fifteen years of Liberal rule had made for a happy and prosperous people with an overflowing treasury. The Canadian family enjoyed peace within and peace without. We had extended the hand of friendship and of neighbourly fellowship to our American cousins. Tory rule has disrupted the Canadian family, each group mistrusting the other and clamouring for its rights and for justice. Tory rule has estranged us from our neighbours to the south and we are threatened with a fiscal war and reprisals. Is it any wonder that the people of Canada are restless? They have wiped out every provincial Conservative government in the land. They are ready and anxious to sit in judgment upon this Federal Tory Government, which is ashamed to fly its real colors and to show itself under its real name.

Hon. GEORGE W. FOWLER: Honourable gentlemen, I am glad, like those who have preceded me, to pay a tribute to the excellent speeches made by the mover and the seconder of the Address. They showed an intimate knowledge of the political and general affairs of this country, and their speeches were delivered in a most acceptable manner. We had a very calm, dispassionate presentation of the case from his standpoint on the part of the honourable leader of the Opposition (Hon. Mr. Bostock). His speeches are always calm and dispassionate, without rancour, and, although from a wrong standpoint, well presented. We had also a characteristic speech from the leader of the Government —a speech that must, from its form, for what it contained, and from the manner in which it was delivered, have carried conviction into the somewhat stony and obdurate hearts of honourable gentlemen opposite.

I cannot entirely agree with the statements that have been made by honourable gentlemen who have preceded me as to this Chamber. I think it very unfortunate that this Chamber has been made so small. It is narrower than the old Chamber by about five feet, I understand. It does not afford proper accommodation for the general public. This is the only part of the Parliament Buildings which is devoted to the general public on gala days. The galleries that are here, fore and aft, are a disgrace to a Chamber of this character.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FOWLER: They would not be suitable in an ordinary country theatre. I would be almost afraid, at my age, to risk my life in climbing to those steep seats that are up there: I might have a fall and break my neck. There was no reason in the world why this Chamber should not have been extended twenty feet to the left. There is a series of dark rooms there that might very well have been omitted, and the Chamber might have been extended so as to make it spacious and fitting for this great country. We are supposed to be building here for one hundred years to come, and we have criticized the men who in 1860, I think, purchased the site for these buildings. We have said they were men without vision or they would have made the site larger—they would have extended it at least to Queen street, so as to have spacious grounds and a great avenue leading from the centre out through the city. After sixty years, with all the growth and development that this great country of ours has had in that time, and with the tremendous development which those of us who have faith in Canada believe will come in the future, it seems to me that there was a great lack of vision on the part of the men who designed this building, that they should have perpetrated this—shall I say

crime?—at least this grievous and sad mistake. It will certainly have to be changed. The general public pay the cost of this building, and the right and interest of the general public should have been considered when this Chamber was constructed. We have a very fine Parliament building here, probably the finest in the world. Being the latest building, it is the most modern and up-to-date, and it is a pity it should be spoilt by what I have pointed out as the defect in this particular Chamber. The galleries could very easily be extended by raising the roof on the outside. That might be done perhaps instead of moving the walls, because the moving of the walls might destroy the symmetry of the Chamber.

I cannot pass to other subjects without referring to this ceiling. It reminds me of nothing so much as a circus van. I think it is entirely out of place, and it shows very poor taste on the part of the architect, at least if he is responsible; and I must to some extent find fault with the honourable gentlemen who are on the Building Committee representing the Senate. They are both my good friends, and I am very sorry to have to say anything; but in a public way I am obliged to say to them that I think they have very grievously neglected their duty.

Now I come to the speech of my honourable friend from De Lorimier (Hon. Mr. Dandurand), for I do not intend to take very much time. If this were a meeting of an antiquarian society, that speech of my honourable friend's would be perhaps in place. He certainly showed great antiquarian research in preparing that speech. He must have spent sleepless nights and laborious days in compiling the material for it. He travelled back to before Confederation, and came down step by step, haltingly and slowly, to the present day, when he got into the altercation with the Postmaster General, from which he emerged pretty badly scarred. I regret that the honourable gentleman did not see fit to admit he was wrong, and to withdraw. I can understand how it might hurt his pride to admit that he was wrong, because he is a very aggressive man, and I am inclined to be a little that way myself; but surely that is the proper thing to do. We cannot conduct the affairs of Parliament unless we recognize the rules of debate. When an honourable gentleman denies a statement, the only fair thing to do is for the one making it to take it back. The honourable gentleman opposite found very great difficulty in doing that, and when he did it he did not do it in a whole-hearted way, but grudgingly and as though he was forced to do so at the point of a gun.

The honourable gentleman has charged that the elections of 1911 were won by duplicity. I do not quite know what he means by that, unless it be that the issue was clouded by the victorious party, and I cannot see how he can possibly prove that there was any clouding of the issue. It was a clear issue as to whether or not we should have reciprocity or not with the United States; in other words, whether we, the free people of Canada, should hand over the making of our tariff to the people to the south of us. That is what the whole question resolves itself into. That was the bargain made by the two eminent delegates sent to the United States to negotiate with one of the cleverest and most acute statesmen in the United States, William H. Taft, and, to use a common phrase, he "put it over them for fair." We won by a handsome majority, and the country did not suffer in any way thereby.

Then the honourable gentleman comes down to the election of 1917, and he says—I want to quote his exact words, because I was a little surprised at these particular words: "The province of Quebec will never shake hands with this Government until we have revenge for the fraud of 1917."

Hon. Mr. DANDURAND: Revenge?

Hon. Mr. FOWLER: Yes, revenge. You spoke of revenge. Here is what the honourable gentleman says: "Quebec has decided that it will not shake hands with this Government until the fraud of 1917 is wiped out." That means revenge, and the honourable gentleman spoke of revenge. What does he mean by that? Does he mean that, no matter how well the policy of this Government may suit the material interests of the province of Quebec, because of the War-time Elections Act of 1917 Quebec will not vote for this Government, but will choose rather a party with whose policy it does not agree? Is that what he says? Does the honourable gentleman mean to tell the members of this House that the people of the province of Quebec are so lost to all sense of their own interests, so lacking in foresight, so lacking in wisdom and sensibility, that for the sake of revenge they will do this?

The honourable gentleman speaks of mandates. What mandate has he from the

province of Quebec to speak so glibly for that province? As has already been pointed out by the Postmaster General, he never had a mandate of any kind from any constituency in the province of Quebec, and yet he comes here and speaks for the whole province.

Does he intend that this revenge on the part of the province of Quebec shall apply to individuals as well as to parties? Is that what we are to understand from him? How about the honourable member for Assiniboia (Hon. Mr. Turriff)? Are we to have the pain of seeing the scalp of the honourable gentleman from Assiniboia, with its silver hair all gory and dedabbled with blood, hanging on the totem pole of the wigwam of the honourable gentleman from De Lorimier?

Hon. Mr. TURRIFF: Do not worry.

Hon. Mr. FOWLER: How about Hon. Mr. Maclean of that ilk? Is he to be treated in the same way? He has crossed the floor and is sitting in the seat of the would-be mighty. Is he also to be punished because he saw his duty in a certain way at a certain time and did it? Is that what the honourable gentleman means, or is it only revenge against a party and not against individuals?

With whom is the quarrel of Quebec? From whom is the quarrel? Is it from the province of Quebec, or from the Grit party in the province of Quebec which was injured by the 1917 election, if there was any injury? As a result of the election of 1917, what was done to work harm to the province of Quebec? Whatever harm was done was done to the Grit party in the province of Quebec, and as it was fairly successful there, I fail to see how the quarrel might arise. The Grit party outside of the province of Quebec was pretty badly demoralized, but that surely should be the quarrel of the Grit party outside the province of Quebec. I venture to say that my honourable friend has no mandate to speak in this House in regard to this matter except it be from the Grit party in the province of Quebec, which at the present time seems to be fairly strong.

The honourable gentleman says that Quebec did not get a fair deal. In what way did not Quebec get a fair deal? The honourable gentleman failed in every respect to prove his point. The honourable gentleman comes to this House as a sower of discord: he resents any friendly feeling on the part of other provinces toward the province of Quebec: he wishes to make trouble. I am reminded of a scriptural incident: a leader of Israel caught foxes, tied firebrands to their tails and sent them among the enemy's property to destroy it. Who similarly decorated the honourable gentleman from De Lorimier? Who was the Samson that put the decoration upon him and sent him out, with the firebrands attached, in the same way that the foxes were sent out? I say the man that does that—I would not say he is intentionally disloyal, but his conduct, if he has any success, is as bad as if he were intentionally disloyal. We are two peoples in this country; we are of two races; and it is well, if we are going to make this a great country, that we should dwell together in amity—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FOWLER: And for my part, though of English descent, I should be glad to see the two languages taught to every boy and girl in Canada. That is the way I feel. I should like to see the two languages known, understood, and spoken by every man, woman, and child in Canada. If that were so, I think perhaps there would be a better feeling and we should understand each other better. I say that the man or the party who endeavours to raise questions which will bring about discord between the two great races of this country is doing a very great injury to the race from which he comes as well as to the race to which he is opposed.

Now we come to the War-time Elections Act. What complaint has my honourable friend to make with the War-time Elections Act? He says that men who had no interest in the country were given the vote? Who were given the vote? Soldiers who were fighting in the Canadian army for the welfare of the Canadian nation as well as for the welfare of the world. The vote was given to men who thought enough of the world interests at stake to join the Canadian army and risk their lives. Is there anything wrong about that? We did not take the vote away from the men who were working the other way, from the men who were disloyal—and there were disloyal men in Canada, and they were not confined to any particular race. But surely it was not a sin to give the vote to men who were shedding their blood and risking their lives that this country might remain the fine country that it is to-day. The honourable gentleman objects to that. He objects to the

women having the vote. Who among the women had the vote? It was the wives, the daughters, and the mothers who had said to their husbands, their fathers, and their sons: "Go and fight that the world may be free and safe for democracy." Those were the women who had the vote—intelligent women, loyal women—and what harm could possibly come from that?

Those are the charges which my honourable friend makes, and he says that those acts constitute a crime that can never be forgiven until they are wiped out by the defeat of this Government. I think my honourable friend will have difficulty in proving his point in that regard. My honourable friend has gone into ancient history; he has recounted the history of this country since, I think, 1866.

Hon. Mr. CROSBY: 1854.

Hon. Mr. FOWLER: 1854, was it? I know he began a long way back; and what has he proved? He has proved, according to his own view, that we should have accepted the pact of reciprocity with the United States which his friends negotiated in 1911. What is the use of fighting out these old issues? They were fought and decided at the polls ten years ago. Since that time much water has passed over the dam; since that time the greatest epoch in the history of the world has passed, and to-day we are face to face with other conditions. Why waste the time of this House? Why waste the time of honourable gentlemen here discussing these old issues?

It is not my purpose to follow the honourable gentleman through the tortuous course that he has pursued in that regard. I say the issues before us are sufficient without discussing those matters of the dry and musty past. Let us get together in this country. Let us forget that we are Englishmen or Irishmen, Scotchmen or Frenchmen, and let us remember that we are and should be, first of all, Canadians. That is the first thing. Then let us remember that we are partners in the greatest political organization that the world has ever seen. We ought to be proud to think that we are partners; not subordinate, but full partners—in the great British Empire which makes for everything that is good in civilization and sets its face sternly against everything that is bad. Let us forget these racial questions. I do not care whether a man is French or English, Irish or Scotch; if he is a man who does his duty by the country and tries to make himself a good citizen in order that this great country with its great extent of territory and great natural resources should be what it ought to be, this will be one of the greatest countries in the world. Some people are built upon such narrow lines that they cannot see beyond their own dooryards. Let us remember that we have one of the finest countries in the world, a country of great natural resources and great potential wealth, and that all we need is an increase of population. Let us be careful to handpick that population in order that we may have not only the greatest country in the world, but a splendid, sturdy citizenship that will make this country prosper as no country under the face of heaven shall prosper in the future.

Hon. J. P. B. CASGRAIN: Honourable gentlemen, my first duty is a very pleasant one. I want to thank and compliment the mover and the seconder of the Address, particularly the mover, coming as he does from Quebec, where he was born and brought up amongst our own people. I can tell the members of this House who do not understand French that he spoke very good French, and said very nice things in French. He went to a French school, Montmagny College, and he was then a schoolmate of the honourable gentleman from the Gulf (Hon. Mr. L'Espérance). I may also say that the mover of the Address is a man who has very large interests in this country. He is a man of great substance, and when he speaks about business matters he knows very well the full importance of what he says. As to the seconder of the Address, the honourable gentleman from Pembroke (Hon. Mr. White), he is an old parliamentarian who graduated from the other House, and it was easy for him to make a good speech, and he did it.

While complimenting the mover and the seconder of the Address, I cannot praise the Speech from the Throne. I do not think there is very much in it. It is remarkable for what is not in it. The most momentous question that we should like to hear about was not mentioned. The Speech from the Throne harks back to protection, and as the leader of the House told us in his speech, protection is forty years old. The honourable gentleman from Mille Iles (Hon. Mr. David) says: "That is nothing: I was fighting for protection in 1871, forty-nine years ago." At that time there was an exodus of our people from Montreal and the province of Quebec to the United States to work in the factories there. They

were leaving this country in droves, driven away by the nefarious policy of the Conservative Government of the time. The honourable gentleman from Mille Iles (Hon. Mr. David) and the honourable gentleman from De Salaberry (Hon. Mr. Béique) remember that very well. They said: "Why don't we have factories in Canada?" They started what they called the Parti National—the national party, and that name has now been adopted, for we have the National Liberal and Conservative party. One might write books and books about free trade and protection; everybody has his own opinion on that question; but the fact remains that if the honourable gentlemen on the other side think so much of protection they must think very highly of the people of the province of Quebec who started this policy, the support of industry. It was started in Montreal, and the first man who established a large cotton mill there was Victor Hudon. He was regarded as a visionary in establishing that large factory when cotton was grown in the South. The Hudon Cotton Mills are now part of the Dominion textile plant. But there are two kinds of protection; there is good protection and bad protection. We are in favour of good protection, the Laurier protection, whereby everyone becomes rich. That is the protection we believe in.

Let us take the Canadian Pacific railway as the financial barometer of this country. What did we find when our old friends the Tories, with their protection, were in power away back, we will say, in 1893? We are all referring back to those days; perhaps it is because we are growing old. At what was C.P.R. stock selling then? At 35. But in June 1896 a change came over this country; the sun of Sir Wilfrid Laurier's administration shone upon the land, and there followed a period of glorious prosperity. The C.P.R. stock rose with the rest, and within just a few years after Sir Wilfrid Laurier came to power it was up to 100, and by 1904 it had reached 175; then it passed 200 and went as high as 250, and was on its way to 300. That is what happened under the régime of Sir Wilfrid Laurier—under a régime of protection as I understand it, that is, the protection of industries that deserve to be protected. I went once to Right Hon. Sir Wilfrid Laurier for the purpose of obtaining from him protection for a certain industry in the province of Quebec. He said: "No; that industry has antiquated machinery; it is not well equipped; it has not sufficient capital. I will not protect an industry like that. Let them secure capital and instal good, modern machinery. Then let them come to me and I will give them good protection. But I cannot do so until they make those improvements." Then there is such a thing as prohibitive protection; that is to say, protection may be so high as to prohibit altogether the importation of certain articles, and the country receives absolutely no revenue from that high tariff: the manufacturer reaps the whole benefit, making the people pay 25, 30, 40, or 50 per cent more than they ought. That is what may be called bad protection. But the Laurier protection, the Fielding tariff, that is what makes for the prosperity of the country.

What happened after the change of Government in 1911? It is strange, but it is true, that after 1911 immigration began to decline. People did not want to come to this country. Immigration had decreased considerably by 1913, and the C.P.R. stock commenced to tumble down. Where is C.P.R. stock to-day? Why, it is tumbling like the Government majority, and it is now reduced by 50 per cent or more.

Hon. Mr. CROSBY: Will my honourable friend tell me—?

Hon. Mr. CASGRAIN: Will the honourable gentlemen please allow me to proceed?

Hon. Mr. CROSBY: How long before—?

Hon. Mr. CASGRAIN: Honourable gentlemen, I would like to proceed. I will not be long, and then the honourable gentleman from Halifax can speak for hours if he wishes.

Hon. Mr. CROSBY: I shall be able to deal with you when you take your seat; so that is just as good.

Hon. Mr. CASGRAIN: I promise my honourable friend I will not be long.

I heard the honourable leader of the Government (Hon. Sir James Lougheed) yesterday deprecate very much the adverse balance of trade and commerce between the United States and Canada. I heard him state that it was deplorable that we were buying over $900,000,000 worth from them while they were buying from us five hundred and some odd million dollars' worth; that each day we in Canada actually took one million good Canadian dollars, each worth 100 cents here, and carried them over to the United States, where we received only 88 cents' worth for them.

That is what he said. I thought he was talking for the Opposition—he an able business man and a member of the Government. I can pay him the tribute that he is a very able business man. In another place there are other able men, such as the new Prime Minister, and this is the position into which they have brought our country, that every day of the year, according to the honourable leader's own statement, we must take a million good Canadian dollars and carry them over to the United States to pay for what we buy from them over and above what they purchase from us. I blame the Government for that, and I charge them with very bad administration. The Government deserves blame for putting the country into such a state that our currency is depreciated. Our dollar was worth only 86 cents yesterday; that is the latest quotation. I say the Government must be blamed for having allowed the country to come down to such a state of affairs, and one reason why this Government should be driven from office is the adverse trade balance which the honourable leader of the Government quoted yesterday. He cannot deny it. There can be no argument about this. We heard the honourable gentleman make the statement, and everybody is aware that it is because of the way in which the Government has administered the affairs of this country that we are in such a bad position to-day. The honourable gentleman's remarks in deprecating the adverse balance would have been an excellent speech coming from the Opposition.

But let us discuss other things. I said a moment ago that the Government majority has been decreasing. It was about 70, I understand, in December of 1917 after all the soldiers' votes had been counted. What is it to-day? We shall know, I suppose, in a few days. I believe it will not be one-half of that. They talk about the duration of Parliament and when the Government will appeal to the people. Why, it may be ascertained by a simple rule of proportion: if the Government majority has been reduced by so much in three years, in so many months the Government will go down because they will not have a majority. Unless we are mistaken, the results in East Elgin and West Peterborough are not very encouraging for them.

However, let us pass on to another matter. The honourable leader of the Government said, and I was much amused at hearing the statement: "Honourable gentlemen, we have spent two billions of dollars and never has the expenditure of one dollar been challenged." The honourable gentleman got away with that statement. Now, to be absolutely parliamentary, I will make my comment in Latin: "Audaces fortuna juvat." But really and truly the honourable gentleman must have forgotten something. There must have been just some little scandal in connection with the two billions. Has he forgotten about the horses the Government bought? Does he not remember the horse that was exchanged for two ducks and one drake? That is not a big scandal, but it is a scandal, you must admit. And then what about the painted horses? And what about the horses that qualified for the Boer war, which had taken place some fifteen years before? If the honourable gentleman did not remember the horses, he must surely have remembered the appointment of a legal gentleman of very high attainments, Sir Charles Davidson, to make an inquiry into the wrongdoing in connection with the purchase of those horses and also to investigate the actions of one Nova Scotia member of Parliament—his name, I think, was Foster. Anyway, he defeated Sir Frederick Borden and came up to Ottawa. He was given $50,000.

Hon. Mr. DANDURAND: Seventy thousand.

Hon. Mr. CASGRAIN: Seventy thousand, I am told, but I will make it easier and say $50,000. That was an amount given him for the purchase of horses and not accounted for. He said he had bought plenty of horses, but when it came to an accounting he said that the man who had the receipts had gone to the United States and he could not get at them at all.

Hon. Mr. MURPHY: He was well punished.

Hon. Mr. CASGRAIN: Well, he deserved it. But it was a scandal. Yet the honourable leader says that there was absolutely no scandal in connection with the expenditure of those two billion dollars! I think Mr. Foster had to retire from the House of Commons. But there was almost a scandal in the fact that it took Sir Charles Davidson two years to make a report. By the time his report was presented all interest in those transactions had been lost; the horses were probably dead by that time, and nobody cared.

But there was another little incident that surely ought not to have been missed,

and it was missed too. There was a certain Miss McAdam who was a stenographer in one of the departments. She patented a wonderful instrument of warfare: it was a shovel. On this shovel there was to be no handle, or the handle was to be detachable. But the peculiarity of this great invention of Miss McAdam's was that in this shovel, which was to be planted in front of our warriors when they were engaged in battle, there was a little hole in which they were to place the muzzle of their rifle—the Ross rifle, I suppose—and they could lie down behind this shovel and shoot the Germans. About $40,000 was spent on that. Of course, that is nothing: still the honourable leader of the Government says there was no scandal. Well, if there was no scandal, it was certainly giving away the $40,000, for those shovels were just like any others, except that there was a hole in the middle of them, and they had no handle. The honourable leader of the Government must have forgotten about that. Of course, there was not very much love between the leader of the Government and the then Minister of Militia. However, I do not want to become involved in family affairs.

The honourable leader of the Government in this House seems to have forgotten these little affairs. But surely neither he nor anybody else can have forgotten "Glad Hand" Allison—our friend Allison from Morrisburg, Ontario. Everybody has heard of him. We have all heard of the scandal about the revolvers, and the scandal about the field-glasses, and the scandal of the member of Parliament right here in the city of Ottawa who kept a drug store and who, notwithstanding the independence of Parliament, was selling bandages and what not to the Government. An inquiry on this subject was held in another place.

Then, to cap all—for I do not want to take up the time of the House in going into further detail—in another place Mr. Kyte, one of the members from Cape Breton, took a whole day in reciting all the scandals. Still the honourable leader of the Government says there was no scandal and that not one dollar in all those millions had disappeared. Signor Lignanti, one of the musicians in the orchestra of the Ritz Carlton—I cannot be sure whether it was the flute or the piccolo he played—received no less than $50,000 for being a party to some transaction. Still there was not a scandal and in all that two billions of dollars there was never a dollar challenged!

Then there was a stenographer and typewriter who was engaged in drawing up contracts; and how much do you think she received for this wonderful work? Five thousand dollars? Ten thousand dollars? Fifteen thousand dollars? Too low. Fifty thousand dollars? Seventy-five thousand dollars? She received $100,000. They said: "Oh, my; but she must have been a fine typewriter operator to get so much money." I call that also a scandal.

Besides, there were some persons around Ottawa, fulfilling their parliamentary duities and drawing military pay at the same time. I call that a scandal. They ought to have been doing either one thing or the other.

But enough of that. I think that the honourable leader of the Government will admit that there were some scandals sometimes, and I do not wish to take up any more time on this subject.

But in the Speech from the Throne there is something that has been absolutely omitted—the most important of all the questions that are troubling not only the business men, but all the taxpayers of this country; there is no mention of the railway situation. The railway situation in this country, honourable gentlemen, is grave indeed. The honourable the Minister of Labour (Hon. Mr. Robertson) is quite familiar with this question too, and I know that he appreciates it. Now, I have thought out this matter carefully, and this is what I have to say about it. One-half the railways of Canada during the last period for which we have statistics have not paid operating expenses. It was stated the other day that the rates were too high. Well, if the railways are not paying operating expenses, surely the rates cannot be too high. If they are not high enough to pay operating expenses, who is going to cash the coupons on the debentures, and who is going to provide for betterments and renewals? This is, I claim, a most important question; yet there is no mention of it in the Speech from the Throne—not a word as to how we are going to solve this great problem.

It seems to me that the advocates of public ownership now realize that it has been a failure. In the United States it was realized that Government ownership was a failure—that the McAdoo scale of wages was such as would, if continued, drive the railways into bankruptcy; and the United

States Government has returned all the railroads to their former owners. We now realize, I think, that a mistake was made in taking over the C.N.R; that it would have been better for the Government to have honoured its obligations and kept on paying the interest on the bonds that they had guaranteed and let the other part of the railway go into a receiver's hands. But we are saddled with the burden now and it cannot be helped: the point is to make the best of it we can. But there is in my opinion no way of deriving any advantage from it except by establishing rates sufficient to pay for the service. Honourable gentlemen from the Northwest who are suffering from this railway situation to-day are really in a position to be told, "We told you so, but you would have it that way; now you have it and it cannot be helped." Not counting the Grand Trunk, which after all has not yet been taken over, there are about 14,000 miles of Government railways, and the estimated deficit will be, as a minimum, $60,000,000 during the last period, which means over $4,000 per mile. If to that you add the Grand Trunk with its 8,000 miles approximately, making 22,000 miles of railway under government ownership, you are bound to have the same result, and you will therefore have to add to the minimum deficit of $60,000,000 another $32,000,000 at least. The deficit will probably reach $100,000,000. Why, honourable gentlemen, all that the war has cost Canada is two billions of dollars, the interest on which, at 5 per cent, amounts to $100,000,000. The deficit on the railroads alone will be equal to that—equal to the amount we sacrificed in that tremendous war. Is not that a matter for serious consideration without regard to party or without determining who is to blame? But what should be done to remedy it?—that is the question. Where can the Finance Minister of this country find the money to meet the interest charges on the debt accumulated by the war, and find also the money to meet the deficit on these railways, amounting to $100,000,000?

We all know that Canada leads the world in transportation facilities. Measured by population, Canada has more railroads than any other country in the world. In Canada we have one mile of railroad for every 218 persons—men, women and children. No other country in the world has such a small population per mile of railroad. The United States, for instance, has 404 persons per mile of railroad, or just about twice as many as we have, and still their railroads, as we all know, are not in very good financial condition. The railroads having been taken over and handled by the Government, it will take a long time for private ownership to remedy the evil brought about by public ownership. In Great Britain there are 1,943 persons per mile of railway; in Germany about 1,700 persons per mile; in France there are 1,241 persons to keep up each mile of railway. The figures as to Italy are very surprising: in that country there are 8,162 persons per mile of railway, and still the Italian railways are not in a very prosperous condition. In Belgium there are 1,356 persons per mile; in Spain 1,967; in Denmark 1,105; in New Zealand—now we are coming to countries more like our own—there are 354 persons per mile of railway; in Victoria, Australia, there are 347; in New South Wales 391; and so on.

Now, these facts are suggestive. They give us a clue to a great part of our deficit, and it must be a matter of congratulation to the Canadian Pacific railway that in a sparsely-peopled country like ours they are able not only to meet their fixed charges and operating expenses, but to pay a dividend of 10 per cent. That is about all they have been able to do, but with increased rates they may be able to do better.

Our trouble is that within the last twenty years we have increased our railways by 130 per cent, while the population has increased by only 70 per cent. The honourable Mr. Drury, Prime Minister of Ontario, the other day said that we had built railways fifty years ahead of our time, and that it was high time we stopped building railways and tried to populate the country in order to help out the railways that we already have. In Canada we have, say, 38,000 miles of railroad, and in the United States they have some 250,000 miles. In Canada and the United States there is a greater mileage of railways than there is in all the rest of the world. We must have at least 10,000 miles to spare.

The great question which is agitating the public just now is whether we want to take over any more railways. There is an arbitration going on now in regard to the Grand Trunk railway, and here is a British comment which appeared in this morning's paper as to the action of the arbitrators:

British Comments Minatory in Tone. Canada's G. T. R. Policy Will be Remembered in Money Circles.

British financial comment on the action of the Grand Trunk arbitrators in refusing to consider the physical value of the system has been plentiful in the past few days, and is very minatory in tone. The threat that "this gross-

ly unfair decision," in conjunction with the fact that the Canadian Government refused to allow freight rates to be raised during the war, "will not be forgotten when the Dominion has again to enter this market as a borrower," is even made by the Money Market Review and Investors' Chronicle, while the Times speaks of the "Shylockian role" played by the Canadian Government in securing the system.

This shows us that the owners and shareholders of the Grand Trunk railway do not think they are getting fair play.

We have had enough of Government ownership: we have seen what it brings. If the members of the Senate—I am speaking to those who are friendly to the Government and the powers that be—would only get together and ask that the Grand Trunk be allowed to continue the operation of their property they would be rendering the greatest possible service to the country. Experts are coming before the arbitrators every day and saying that the Grand Trunk have a fine property, that they want to keep it. Let them have it. It may be said: "What about the Grand Trunk Pacific"? Well, we have that anyway; it is a white elephant, but we have got it; but, we do not have to take over the Grand Trunk railway if we do not want to. I believe that if the Government were approached by the members of this House who are friendly to the Government, and if it were explained what a mistake is being made, perhaps the Government would welcome the suggestion of leaving the Grand Trunk alone. A majority of this House could do it. It would be no threat to the Government; it could be done in a friendly way.

There is a rumour abroad, and I give it for what it is worth, that when the Grand Trunk is taken over and joined with the 14,000 miles that we now have, the whole system will be handed over to some corporation or institution. Well, if that institution were solvent, if it were to pay for the railroads, I would welcome such a proceeding; but I would not like to see the railroads given to people who had no money to pay for them, because as long as there is any money due on these roads—they are just like any property you may buy—you become responsible for all the mortgages and hypothecs on the property—the Government would be responsible to the last dollar if the people to whom the railroads are handed over are irresponsible, we shall be no better off. If it were a financial corporation with some ability to carry on it would be a good thing, even if we made them a free gift of the railways, because we would be relieved of the deficit.

We have heard a great deal said against the Transcontinental railway between Winnipeg and Quebec. I was very much surprised to find that the Transcontinental is developing into a very good piece of railroad. I was amazed to see the amount of traffic originating on one running mile. This is the way it figures out, and it will not take two minutes to explain it. There is any amount of pulpwood on the Transcontinental near Amos and La Sarre in the Province of Quebec near the boundary of Ontario. For about 100 miles there is a territory that grows very good pulpwood. It is of the right size, it has no branches, and it is just about the right length to make four cuts. Even in a good timber country if you get 8 or 9 or 10 cords to the acre you are doing well, but in that district it grows very thickly and they get 15 cords to the acre. Supposing you allow for the lakes, rivers, and swamps, and say that they get only 10 cords to the acre; there are 640 acres to the square mile; if you multiply that by 10 you get 6,400 acres, and if you go back 10 miles from the railroad, which is not a very great distance, you get 64,000 cords, on one side of the railroad. If the same thing is duplicated on the other side, you get 128,000 cords of pulpwood to the one mile of railway. The price of pulp wood is from $7 per cord up; so multiply 128,000 by 7, and you get $896,000 for the pulpwood subtending 1 mile of railway. Besides that $896,000 you have got the freight. Most of that pulpwood is going to United States points. The freight on pulpwood say from La Sarre to United States points is $16 a cord. Multiply $16 by the 128,000 cords subtending 1 mile of railway, and you get about $2,000,000, three-quarters of which goes to the Canadian railways and the balance to the American railways. On 1 mile of railway you have enough to pay for that road fifteen times over, even if it cost $125,000 per mile. I think this is the one ray of hope and sunshine that we have from the building of the Transcontinental railway.

There is something very strange in the way the railway mileage is divided in this country. As I have told you there are 218 persons per mile of road—I have figured it out at 217, which is very close. In Ontario there are 11,000 odd miles of railway, and a population of nearly 2,900,000 people; so you have 1 mile of railway for every 260 people. In Manitoba there are 4,168 miles of railway to a population of 553,000; so

you have only 133 persons per mile of railway. When you come to Alberta you have 4,273 miles of railway as against a population of 496,525, or 116 persons per mile.

Saskatchewan has 6,162 miles of railway as against a population of 647,835, or 105 persons per mile of railway. In British Columbia they are well supplied with railways; they have 4,247 miles for a population of 450,000 people, or a mile of railway to every 106 persons. In New Brunswick they are not quite so well off, but still they are not badly situated: they have 1,959 miles of railway as against a population of 352,000 people, or 1 mile to every 180 persons. In Nova Scotia there are very few railroads, there being only 1,428 miles to a population of 525,000, or 367 persons per mile. There is not much mileage in Prince Edward Island, where they have only 279 miles of railroad to 93,728 people, or 336 persons to the mile. Now we come to the dear old province of Quebec. How many people do you think there are per mile of railroad in that province? According to my figures the province of Quebec has 4,791 miles of railroad and a population of 2,357,566, or 492 persons per mile of railway. The local government of Quebec has just completed a municipal census, and they find the population to be 2,500,000; therefore there are 520 persons to contribute to the upkeep of 1 mile of railway in that province.

When the collector comes round to make up the deficit everyone is taxed the same amount. In the province of Quebec he collects from 520 people $7 each, and in Saskatchewan or British Columbia he collects $7 from only 105 or 106 people, and still they have the advantage of having the money spent to keep the railways in those provinces. You see, there is an average deficit of $4,000 per mile, and those provinces with a small population and a big mileage get the benefit of all the expenditure on those railways, while the other provinces with a smaller mileage and a greater population contribute a greater proportion to help the others. That was never the intention when the Confederation pact was made. In one word, Quebec has 1,371 miles of railway less than Saskatchewan—25 per cent less—although Quebec has four times the population.

Hon. Mr. FOWLER: What about your docks and wharves?

Hon. Mr. CASGRAIN: And it is Ontario and Quebec that are principally affected by that.

Now, this railway situation—and this deserves serious consideration—is an impossible one. Does anyone believe that any 105 or 106 persons, which means perhaps 25 or 30 families, can keep up 1 mile of railway? It is a physical impossibility to take that deficit of $4,000 per mile and divide it among 25 or 30 families. What must be the receipts per mile? If there is a deficit of so much, what must be the receipts for the operation, and so on?

There is one good thing about the Speech from the Throne, a thing of which I approve. Our dear old friend the Hudson Bay railroad is not mentioned. It is not stated that the road will be finished this year. The question of the Hudson Bay railroad lies in abeyance for the time being; so nothing need be said about it. However, I should like to place some photographs on the table of the Senate for inspection by some of my honourable colleagues. These photographs were taken in Hudson bay and strait during last summer. On the 14th of August, 1920, the steamer Nascopie, which I think belongs to the Hudson Bay Company, lost its screw in the ice, and the steamer had to be beached at high water. On the 14th of August! I would like to lay on the Table these various photographs, showing especially the Nascopie surrounded by ice. The dates are on the back of the photographs, and photographs cannot lie.

Hon. Sir JAMES LOUGHEED: What has the honourable gentleman to show that they are taken in Hudson bay?

Hon. Mr. CASGRAIN: They are marked.

Hon. Sir JAMES LOUGHEED: That is nothing.

Hon. Mr. CASGRAIN: I did not take the photographs and if it comes to a question of swearing to them, I must declare at once that I cannot vouch for them. But I would like to lay them on the table.

One word about the League of Nations and I am finished. There was in Geneva not very many weeks ago a great Assembly of the League of Nations. The word "nation" is there used instead of the word "states", for it was states and not nations that were represented there. For instance, there is an Irish nation, and it was not there. Canada was represented at that Assembly—oh, we were there in great shape! We had the honourable the Minister

of Justice, a very able man, and Sir George Foster, and our own Mr. Rowell from Ontario. They were there and they spoke a great deal and said a great deal, and the other nations were quite surprised to hear these colonials talking so much. There was the Hon. Arthur Balfour, with his arms folded, saying to himself, "Why did we bring the children?" Of course, those forty-one nations who were there had never read the Canadian Constitution and did not know that we had no say and no right to be there. But not only were we there, not only did they bring the big children like Canada, but they brought also the small children like South Africa. Why, in South Africa, if I am correctly informed, there are no more white people than there are in Newfoundland. Still South Africa was represented at the Assembly exactly on a par, and, as the honourable Minister of Justice stated the other day in a speech in Montreal, when the roll of nations was called, in marched our three delegates and in marched the three delegates from South Africa. Of course, South Africa would not go to the expense of buying transportation and sending delegates over, but they hired three men in London to go over and represent them, and that helped to make up the vote. But it would have been too expensive to send anybody from South Africa.

Hon. Mr. FOWLER: They had an election on.

Hon. Mr. CASGRAIN: Canada was put on a par with those Boers whom we did not think so much of about twenty years ago. It has cost Canada and is costing us every year to belong to that League about $200,000. That would take nearly all the revenue of the poor Boers. They must get their tickets and get in cheaply. They cannot possibly pay all that money. Now it appears that we are going to get back some of that $200,000. We were paying as much as England and as much as France. I would like to know why we should pay one cent in any case: we have no say. I may be alone in my opinion on this, but I claim that we have no say there. Of course we may talk, but, you know, as long as the Supreme Council agree on a question it is not referred to the Assembly at all; and when the Supreme Council does not agree the question is referred to the Assembly, in which we have as much say as the few Boers who are there—no more and no less. We have the same say as New Zealand, the same say as Australia. But I do not see any reason why we should have to pay $200,000 of good Canadian money every year to belong to that. Let those who call the tune pay the piper. We do not call the tune, and when there is a possibility of war we are not consulted as to whether we should go to war or not. It is those who make war who should be in the League of Nations. I do not believe that we should. When those diplomats who were there representing the forty odd nations go home they will say they heard a great deal from Mr. Rowell and Sir George Foster; but if they look at our Constitution they will learn that we have absolutely no right outside the four corners of the Dominion of Canada—absolutely no right, not even the right to carry a flag. They will say: "We were camouflaged by all that fine talk." But Mr. Rowell is a fine talker, the very best; and Sir George Foster is a very good talker, and while he talked, as Harry Lauder would say,

> The wedding bells were ringing,
> And all the boys were singing—

and he was very happy. Then you had Mr. Doherty: he had a big advantage over the others, because three-quarters of the time the discussions were in French. It was pretty hard for Sir George Foster to follow them, and as for Mr. Rowell, he could not follow them at all. So the Minister of Justice turned some pretty sharp corners, especially when it was proposed to place a wreath upon the tomb of some free-thinker over there. The Minister of Justice is a good Irish Roman Catholic and he was not going to approve of decorating the tomb of any free-thinker like Jean Jacques Rousseau; so he opposed it in French; and Mr. Rowell could not go and place his wreath on the tomb of Rousseau. It appears that the discussion, being in French, was over their heads.

There is another matter that we did not hear mentioned in the Speech from the Throne this year. We were going to have an ambassador at Washington. Three years ago we started to arrange for an ambassador. Sir Douglas Hazen resigned as a member of the Cabinet and was about to rent a House in Washington. Luckily for him, he did not rent it. Sir Cecil Spring-Rice, who was then British Ambassador at Washington, came up here and asked: "Who is going to be ambassador down there—Hazen or myself?" The matter was allowed to stand. But poor Hazen had resigned as a member of the Cabinet; so they made him

Chief Justice of New Brunswick, and I think he has that position yet. Apparently he does not desire to relinquish it, for he was mentioned as one who might come into the Cabinet and it appears that he would just as soon stay where he is. Last year Parliament voted $50,000 for the purpose of sending an ambassador to Washington. His name was even mentioned—Mr. Rowell. Perhaps he went to Geneva in order to qualify. However, he is not at Washington yet. Now, let us be reasonable. How could he possibly be there? You know, honourable gentlemen, that one of the elements of diplomacy is that countries must communicate with each other through their ambassadors. Now, the British Empire is one and indivisible, and there is only one ambassador of the Empire at Washington, and that is the British Ambassador. You cannot have any side-shows in connection with an embassy, and to communicate in any way except through the British Embassy would be a great breach of etiquette in the first place, and contrary to one of the commonest rules of diplomacy. Why deceive ourselves with the idea that we are going to have foreign relations, etc.? When our Constitution was given we were not authorized to raise a militia except for the defence of our territory, because otherwise we might embroil the Empire in wars. We were not authorized to raise an army to attack the United States, for instance. It was for the Imperial authorities to decide whether to go to war or not. Foreign affairs are left to them alone. If the Empire is one and indivisible, then you cannot have several embassies: it would be an absurdity. We have had for forty years or more a commissioner in Paris. Sir John Fabre resigned a senatorship and was sent to Paris. He was succeeded by another very able man, Mr. Roy. What happened? The British Embassy absolutely ignored them—would have nothing whatever to do with them. Anything to be done must be done through the proper channels.

As to the question of our having any say, do you want to know what Colonel Amery, the Under-Secretary of State for the Colonies, said? Many of you were present. The Empire Parliamentary Association gave him a luncheon at the Rideau Club, and we said that, having done what we had done in the war, we thought we should have some say as to whether in future we should have war or peace, as to what should be the relations between the colony and the Empire, and so on. We considered that we should be consulted. He made a very fine speech, and these are his very words. He said: "The colonies must first be educated to think imperially."

Hon. Mr. DAVID: Who said that?

Hon. Mr. CASGRAIN: Colonel Amery. "The colonies must first be educated to think imperially, and there can be no division of authority; there should be no change in the constitution;" and he said there had not been neither; and to make this absolutely plain, he said that it was the intention that we might have outside conversations et cetera, but the whole control must be kept in the hands of the present British Government. I for one am quite satisfied, and why my good friends the loyal Tories are talking about our being an independent nation, having ambassadors et cetera, passes my comprehension. I do not see why we are not satisfied as we are. Independent? In what position would we be if we were independent? Any pretext is good enough when there is a desire to make trouble. If we were independent, and if the United States at any time wanted to make trouble, what chance would we have to resist them, with 8,000,000 against over 100,000,000? We would have no chance at all. We do not want to be independent. Sir John Macdonald, it is said, wanted to live and die a British subject. Well, I wish to live and die a Canadian citizen, as I am to-day.

On motion of Hon. Mr. Crosby the debate was adjourned.

DOMINION ELECTIONS BILL

SECOND READING.

Hon. Sir JAMES LOUGHEED moved the second reading of Bill A, an Act to amend the Dominion Elections Act.

He said: Honourable gentlemen, it may be somewhat of an innovation to project into the discussion on the Address the motion for the second reading of this Bill, but it may be said to be an emergency Bill. It has transpired that under the Dominion Elections Act entirely new lists would have to be prepared for the plebiscite which is to be voted upon under—I suppose, the Canada Temperance Act on the 18th of April. At the last Session it was pointed out to the Government the desirability or the necessity of amending the Dominion Elections Act so as to permit of additions

to the existing lists. If new lists were to be prepared it would involve the expenditure of a substantial sum by this Government. As honourable gentlemen are aware, under the legislation which was passed at last Session or the Session before, the expenditure in taking a plebiscite in the different provinces of Canada under the Canada Temperance Act falls upon the Federal Government. It is felt that the difficulty which was pointed out can be obviated by the amendments that are now before us, their object being, as I have said, to add to the list the names of those who would be entitled to vote. I would therefore ask, honourable gentlemen, notwithstanding the fact that we have not yet disposed of the Address, that this Bill be now read the second time. When it is read the second time, I am going to ask the House to permit of the third reading, so that it may be sent down to the House of Commons. The Government is prepared, I understand, to postpone, if necessary, the debate on the Address in the House of Commons, in order to permit of the passage of this Bill. When it has passed the House of Commons, the Senate cannot adjourn as it usually does until the Royal assent is given to the Bill. With a view to bringing about an early adjournment of the Senate—for we shall not have business to occupy our time—I would ask the House to permit me to accelerate the passage of this Bill.

Hon. Mr. BOSTOCK: Honourable gentlemen, I was not aware that my honourable friend intended to deal with this matter this afternoon. We have listened to his explanation with a good deal of interest. But this procedure is all new to us. Since I have been in this Chamber, we have never, so far as I know, taken action of this kind. I infer from the remarks of my honourable friend that he apparently intended to have the committee stage of the Bill omitted.

Hon. Sir JAMES LOUGHEED: Well, I will move the House into committee if that is necessary.

Hon. Mr. BOSTOCK: I have not myself really had time to examine the Bill and do not know that I am in a position to say much about it; but if any other honourable gentleman wants to discuss the matter, I think the Bill should certainly be put into committee.

Hon. Sir JAMES LOUGHEED: I have no desire to ask the House to deal with the Bill without being thoroughly satisfied that it is a measure that ought to be passed. But I move the second reading this afternoon, and before the Address is proceeded with to-morrow, in order that we may be able to send this Bill down to the House of Commons before we rise, I shall ask that it be dealt with in its final stages then.

Hon. Mr. CASGRAIN: Cannot the honourable gentleman move that we go into committee on the Bill now? Then we can consider it.

Hon. Mr. BELCOURT: Before that is done, I desire to ask my honourable friend (Hon. Sir James Lougheed) who prepared this Bill. Is it prepared by the Government here, or is it a Bill prepared by the Ontario Government and submitted to the Dominion Government?

Hon. Sir JAMES LOUGHEED: It is prepared by the Government.

Hon. Mr. BELCOURT: This Government?

Hon. Sir JAMES LOUGHEED: Oh, yes; it is a Government Bill. It has, I understand, been prepared by the present Minister of Militia, who is Acting Solicitor General, and I understand has been submitted to the Province of Ontario as meeting the conditions which it purports to deal with.

Hon. Mr. BELCOURT: Of course, I quite understand it is a Government Bill, otherwise my honourable friend would not be handling it. But my question is whether or not the Bill is one which has been prepared by the Ontario Government and forwarded to the Minister of Justice here, with the request that it be submitted to the Federal Parliament. That is what I want to know.

Hon. Sir JAMES LOUGHEED: I cannot speak positively on that point. I was under the impression that it was specially prepared by the Acting Solicitor General, and that the province of Ontario had passed upon it. I will not speak with any definiteness upon that except to say that I understand both Governments are fully cognizant of the contents of the Bill and are satisfied that it will meet the situation we have to provide for.

Hon. Mr. PROUDFOOT: There is one question I should like to ask in connection with the Bill. Subsection b says:

> The said lists shall, subject to section 63 of this Act, be used in rural polling divisions without revision, but in urban polling divisions

shall be revised as directed by rules 11 to 20, inclusive of schedule A to section 32.

Apparently there is to be a revision in the urban municipalities but not in the rural districts. The result will be that the rural municipalities will vote on lists more than a year-and-a-half old, while in the urban portions of the province the lists will be revised up to date. I should like to know if the temperance people, who are desirous of having this legislation brought forward, are satisfied to have the vote taken in that way. It seems to me that there is no difficulty in having the whole list revised. In Ontario the lists were revised in 1919 just before the election which took place on the 20th of October in that year, so that all the machinery is provided for under rules 11 to 20 that can be made applicable to the rural municipalities as well as to the urban ones.

Hon. Sir JAMES LOUGHEED: Of course, my honourable friend is much more familiar with the Ontario Elections Act than I am; but am I wrong in the impression which I have that in the rural polling divisions names can be added to the list on application being made and passed upon by officers duly appointed under the Act?

Hon. Mr. TANNER: A person in a rural district can vote whether his name is on the list or not.

Hon. Mr. PROUDFOOT: I do not understand that they can have their names put on in that way.

Hon. Mr. TANNER: They can vote without their names being put on at all.

Hon. Mr. PROUDFOOT: I am not prepared to discuss that point.

Hon. Sir JAMES LOUGHEED: In the urban districts there might be such a congestion of applications to vote as to render it embarrassing or impossible to take the vote. My honourable friend can give some consideration to the question, and to-morrow we can dispose of the committee stage and the third reading.

Hon. Mr. PROUDFOOT: That is the reason I brought up the question.

Hon. Sir JAMES LOUGHEED: The only alternative would be to prepare new lists; but that would cost several hundred thousand dollars, I understand, and the Government is not prepared to do that.

Hon. Mr. PROUDFOOT: They are going to revise the urban lists: they are simply going to strike off and add to; and they can deal with the rural lists in the same way.

Hon. Sir JAMES LOUGHEED: If we were to hold a court of revision in every rural constituency it would put in motion the most elaborate and expensive machinery, and if what my honourable friend from Nova Scotia (Mr. Tanner) has pointed out is so, surely it is unnecessary, because the vote in the rural districts must be small in each polling division.

Hon. Mr. TANNER: There is no doubt about that under the Dominion Act, honourable gentlemen. We had some experience in Nova Scotia this year. The urban list is a closed list after application has been made to the registrar and to the revising officer—that is, the appeal officer. In the country districts the list is an open one, and any one who is not on the list can go to the poll accompanied by a neighbour and make application and have his name put on the list.

Hon. Mr. BELCOURT: The reason I made my inquiry is because I am very doubtful whether the Government of Ontario, in an important matter like this, wishes to place itself in the position of having a revision only in the cities. I have no reason to doubt, as my honourable friend says, that this Bill has met with the approval of the Ontario Government; but I must confess that I am surprised.

Hon. Sir JAMES LOUGHEED: While my honourable friend is on his feet, would he point out the utility of having a revision of the list in rural polling divisions if the list is not a closed list and can be added to?

Hon. Mr. BELCOURT: That applies tc the cities. You can add to the list in the same way; and if there is no reason for adding to the country list, I can see no reason for adding to the urban list.

Hon. Mr. PROUDFOOT: I do not understand that the country list in Ontario is an open list.

Hon. Mr. BELCOURT: It is not.

Hon. Mr. PROUDFOOT: My honourable friend says that is the case in Nova Scotia, but I do not understand it to be the case in Ontario. However, this evening I will take the opportunity of looking up that question and seeing if the same thing applies to Ontario. If it does not, then we have one portion of the country voting on one list, and another portion voting on another list that has been made up to date.

Hon. Mr. BELCOURT: The Ontario list is not an open list. The list is made for municipal purposes every year; it is revised some time in October, I think, and becomes a complete list some time in December. That is done every year, not only for the country parts, but for the cities as well. Why there should be this discrimination between the country and the cities I cannot see at all. I think if the Government of Ontario has agreed to that it has placed itself in an awkward position.

Hon. Sir JAMES LOUGHEED: We will see about that.

Hon. Mr. DANDURAND: Do I understand that the Government intends passing this Bill through the Commons before the Address is voted, as we are doing now?

Hon. Sir JAMES LOUGHEED: Yes.

The motion was agreed to, and the Bill was read the second time.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

FRIDAY, February 18, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

NEW SENATOR INTRODUCED

Hon. John Anthony McDonald, of Shediac, New Brunswick, introduced by Hon. Sir James Lougheed and Hon. Mr. Poirier.

THE SENATE CHAMBER

ACCOMMODATION FOR THE PUBLIC.

Hon. Mr. CLORAN: Honourable gentlemen, I sympathize with the honourable gentleman from Kings (Hon. Mr. Fowler) when he says that this Senate is built in such a way that it does not meet the wishes of the people. Behind the bar there is room for a large number of people, but even the leader of the Government, when he desires to consult his secretary, cannot bring him there but is obliged to go outside the Chamber. I think that the standing of the Senate should be maintained, and that we should provide chairs in that space for ladies or others who desire to come here, as we did in the old Chamber. I have been in the Senate now for eighteen years, and anyone who wanted to see me could come in and take a seat on the benches.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, my honourable friend from Victoria (Hon. Mr. Cloran) was good enough to inform me that he intended directing the attention of the Senate to the subject which he has mentioned. I must say that I sympathize very greatly with him. I think we should adhere to the practice which prevailed before we lost our former Chamber, of having visitors who chose to come on the floor of the Senate provided with seats in the lobby or in the vestibule, which is at present unoccupied. Possibly a question might arise as to the advisability of doing that at the present moment before the Senate Chamber is completed. I think honourable gentlemen have already experienced a difficulty in making themselves heard owing to the open spaces that enter upon the vestibule of the Senate. I have directed the attention of the architect to the necessity of building a screen across those three open places, similar to the screen behind His Honour the Speaker, which would be removable for any function or in the event of the House of Commons being summoned to attend His Excellency the Governor General in this Chamber. There is no reason why an artistic screen should not be constructed which would add very greatly to the acoustics of this Chamber. It seems to me that if that were done we could then with safety and with pleasure invite the public to seats on the floor of the Senate as we did in the old Chamber.

I think we are indebted to my honourable friend from Victoria for directing attention to this matter, and, if it is the judgment of the Senate that this should be done, I shall exert any efforts I can towards carrying out any suggestion along that line.

Hon. Mr. BOSTOCK: Honourable gentlemen, my honourable friend has asked whether it is the judgment of the Senate. I think I may say for gentlemen on this side of the House that they agree with what my honourable friend has said. I think it is desirable that we have accommodation in this Senate, as we have always had, for ladies or others who wish to listen to the debates.

CANADIAN NAVAL SERVICE.

MOTION FOR RETURN.

Hon. Mr. BOSTOCK moved:

That an humble Address be presented to His Excellency the Governor General praying that His Excellency will cause to be laid before the Senate all papers, documents and correspondence passed between the Canadian Government and the British Government, or between any Minister, member, or official of the Canadian Government and any member or official of the British Admiralty, or between any persons or officials thereof, since 1909, giving details and particulars as regards the negotiations on naval affairs leading up to the agreement which was arrived at after the Imperial Conference of 1911, as to the movement of vessels outside the three-mile limit and the establishment of naval stations for the ships transferred to or purchased for the Canadian Naval Service; also, copies of regulations governing the movement of vessels of the Canadian Navy at the present time.

The motion was agreed to.

REPORTS BY THE MINISTER OF FINANCE.

On the Orders of the Day:

Hon. Mr. BOSTOCK: May I draw the attention of the honourable leader of the Government to a number of reports that were presented in another place a few days ago by the Minister of Finance. I do not think they have been laid on the table of the House. Perhaps my honourable friend would inquire into the matter and have them brought down here.

Hon. Sir JAMES LOUGHEED: Yes, I will.

DOMINION ELECTIONS BILL.

CONSIDERED IN COMMITTEE—THIRD READING.

On motion of the Hon. Sir James Lougheed, the Senate went into Committee on Bill A, an Act to amend the Dominion Elections Act. Hon. Mr. Daniel in the Chair.

On paragraph a of new subsection 4 of section 101—list of voters:

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I made an explanation yesterday touching paragraph a, which may possibly require a little further explanation to-day. I informed my honourable friend from Ottawa (Hon. Mr. Belcourt) that this Bill had been prepared by the Solicitor General and I understood it had been submitted to the authorities in Ontario. I understand now, from further inquiry, that this Bill has been prepared by Mr. Biggar, who is attached as counsel to the Department of Justice, and that it has been placed in the hands of the Hon. Mr. Guthrie, the Acting Solicitor General, and meets the situation which we wish to cover. It is proposed that the Dominion Elections Act of last Session should be amended. I would direct the attention of honourable gentlemen to the last clause of that Act, that is to say, subsection 3 of section 101, which reads as follows:

Notwithstanding anything in this Act, the list of voters as finally revised and completed for use in the provincial election in the Province of Ontario held in the month of October, 1919, shall be used without revision for any vote in that Province under this section taken before the thirty-first day of December, 1920.

Apparently it was intended that the plebiscite in Ontario should be taken before the 31st of December, 1920; that the vote should be taken upon the lists which had been used in the provincial elections of that province in 1919, and, furthermore, that they should not be further revised. Circumstances have apparently delayed the taking of the vote. The consequence is that the Government has been called upon to make provision for the vote which is to be taken in that province on the 18th of April next. It is felt by the Government —and due consideration has been given to this fact—that the lists which were used in the Ontario elections of 1919 should be used for this particular vote, and that those lists should be supplemented in the way indicated in the Bill now before us. That is to say, it is proposed that we shall add to those lists as provided for in this Bill—that in polling divisions in rural districts the list, which is not a closed list, shall be open, as is already the law, to those who wish to vote. The machinery of the law is to be found in the Dominion Elections Act, which I have now before me, and which permits a voter in a rural district to tender his vote and to have his vote properly recorded.

Hon. Mr. BELCOURT: That is under section 63, is it?

Hon. Sir JAMES LOUGHEED: Yes. But in urban districts the list is a closed list: it cannot be added to in the way a list in a rural district is added to. The consequence is that there must be in urban districts a revision of the list if those who do not appear upon the list are to be given an opportunity to vote upon the question that is being submitted to the electors. It is for the purpose of making provision for this that we have the legislation which we are now considering.

I desire to point out, honourable gentlemen, that should this legislation not be

placed upon the statute book it would be incumbent upon the Dominion Government to prepare new lists upon which the vote would be taken. Those new lists would cost this country, I am informed, at least $350,000. The Government very naturally is opposed to the preparation of new lists; we regard them as unnecessary. Although a demand has been made on the part of a certain section of the voters in Ontario that the Government, at its own expense, prepare new lists, we have refused to do so. We have said that substantial justice can be done and the entire vote recorded under the machinery we have now before us, in the manner I have already indicated. I therefore move the adoption of paragraph a.

Hon. Mr. BELCOURT: I want to renew the question which I put to my honourable friend yesterday and which he has not answered—whether or not this Bill has been submitted to the Ontario Government, who are responsible for the carrying out of the plebiscite or referendum, or is this legislation proposed by the Government simply on its own initiative, without consultation with the Ontario authorities?

Hon. Sir JAMES LOUGHEED: I shall answer my honourable friend no. The Ontario Government has nothing to say upon the subject except to make such representations as it may desire. The Dominion Government, of course, is only too glad to receive any representations which may be made, and to give them every consideration; but this is a duty which is exclusively cast upon the Dominion Government. We would be only too glad if the Ontario Government or any other provincial Government would assume the responsibility of preparing the lists and of carrying out the plebiscites. I may say, and I say it unhesitatingly, that I think Parliament made a mistake in the first place in assuming the expense incident to the call of any provincial Government to submit these plebiscites, and if the matter again came before Parliament my own disposition would be against it. I do not think this is an expenditure which should be saddled upon the Dominion Government, but we have already assumed the responsibility under the statute and of course we are bound by it. Hence, as it is a matter exclusively within the authority of the Dominion Government, we have not submitted this legislation to the Ontario Government.

Hon. Mr. BELCOURT: My honourable friend says, quite properly, I think, that they would welcome any representations from the Ontario Government in regard to this; but if we pass the Bill and then ask them for representations or suggestions, it is a case of mustard after dinner. Now would be the time to ask if they have any representations to make. I quite agree that this is an expenditure which this Parliament should not have assumed; we have no right to meddle with the thing at all. The referendum is a matter to be decided wholly and exclusively by the people of the province, and why we should have anything to do with the preparing of the lists is something that I cannot understand and would be opposed to. But there is a demand from the Ontario Government to this Parliament to pass legislation in order to enable the province to have this referendum, and I submit again that it would be quite in order for this Government, before submitting the legislation to Parliament, to consult with the Ontario Government in order to ascertain whether the legislation is to their liking. What is the good of passing a Bill with which they may find fault? It seems to me that if any representations are to be asked, they should be asked before we pass the Bill.

Paragraph a was agreed to.

On paragraph b—revision:

Hon Mr. PROUDFOOT: Honourable gentlemen will see that section 63 of the Dominion Elections Act is introduced, which gives an opportunity in the rural polling subdivisions to any person who is not already on the list to come forward and tender a vote. I will read a portion of it.

> At polling stations in rural polling divisions the deputy returning officer shall, while the poll is open, if required by any person whose name is not on the voters' list and who is vouched for by an elector whose name appears upon a voters' list and who is a resident in such polling division, administer to such person an oath in Form No. 33 of Schedule One to this Act and to such other person an oath in Form No. 34 of Schedule One of this Act, and such oath having been taken by the applicant person, and by such other person the deputy returning officer shall at once cause such applicant person's name to be added to the voters' list, with the word "sworn" written thereafter.

So that anyone whose name is not on the list need not be deprived of a vote. All that one is required to do is to come forward with some other person, and his name will then be placed on the list provided he is in a position to take the oath as provided for. That was one of the difficulties I had in mind yesterday. I thought it would probably be unfair to the people in the rural municipalities if they were not permitted to vote in the same way

as those living in the urban municipalities. That difficulty having been overcome by the incorporating of section 63 in this Act—as I understand it is in force during the time of taking the referendum —removes one of the doubts I had in mind. One has to refer to the interpretation to find out what is meant by "urban polling division":

"Urban polling division" means a polling division which is wholly or partly contained within places having a population of more than one thousand persons and which places are under the provincial laws—cities, towns or incorporated villages.

There are many villages in the province of Ontario that have not a population of 1,000, so they will come under section 63, and persons not on the list will have an opportunity of coming forward and voting in the same way as people living in the country. It strikes me that if section 63 is utilized in that way no one has reason to complain—all of the people in the province who desire to vote will have an opportunity of doing so. If we do adopt the course of preparing a new list, it will mean, as the leader of the Government has stated, an expenditure of a very considerable sum of money, and in the end we would only attain the same object as the Bill will attain. Such being the case, and the expense being wholly unnecessary, I think the course proposed is the very best one under the circumstances.

Paragraphs 11 to 20 referred to in the Bill provide that the machinery of the Dominion Election Act shall be put in force, and under rule 11 of section 32 the county judges in the various counties of the province will be the chief revising officers. The rules of that Act, as they will be applied under the proposed Act, provide all the remedy that is necessary; so from that standpoint and from the standpoint of giving every person an opportunity of voting, nothing can be said against the course which it is now proposed to adopt. Some of the temperance people in the province of Ontario who have had a good deal to do with matters of this kind are satisfied with the proposed legislation; another branch are not satisfied; so it would be impossible to satisfy both parties.

It has been stated by the honourable member for Ottawa (Hon. Mr. Belcourt) that the Ontario Government should be consulted before we pass this Act. It is the Ontario Government which has asked this Parliament to submit a referendum to the voters of the province of Ontario. You will all remember that it is the Ontario Legislature that has set this law in motion. It asked us to bring about a referendum; its responsibility commenced and ended with the passage of the necessary provincial Act asking us to bring this vote about. That being so, I do not see what good purpose can be served by submitting the Act to the Ontario Government. If any good object could be attained in that way, I should be quite willing to see the legislation submitted to them. If we submit it to them they may submit it to the temperance association and cause all kinds of trouble. The legislation as it stands will give, as I have said before, a full opportunity for everyone to vote, and I think that is all we are interested in.

Paragraph b was agreed to.

Paragraph c was agreed to.

On paragraph d—residence qualification:

Hon. Mr. PROUDFOOT: I would suggest that a few words be added to this paragraph. Section 29 refers to the taking of an oath, and the form of oath is provided for, and I think that we should add to it so that it would read:

Notwithstanding the provisions of paragraph c of subsection 1 of section 29, or amendments thereto.

That would cover clause d that we are adding. The form of oath as given simply covers section 29 of the Act, and for the purpose of removing any doubts I suggest this amendment.

Hon. Mr. BELCOURT: It does not occur to me that it is at all necessary. If the section has been amended, it is referred to as amended.

Hon. Sir JAMES LOUGHEED: I think that is all right.

Paragraph d was agreed to.

Paragraph e was agreed to.

On the preamble:

Hon. W. B. ROSS: I would like to suggest an additional paragraph, which will be paragraph f. I am doing it at the instance of the honourable member from Toronto (Hon. Mr. Nicholls). He has pointed out that it would be a matter of importance to know in a matter like this how many male voters there are and how many female voters, and he asked me to make some suggestion as to the best way of ascertaining that fact.

I think there must be more reasons than one why it would be interesting to have this

information. I suggested that it might be accomplished very easily by requiring the returning officer to furnish two classes of ballots—one white and one pink, the white being for the male voters and the pink for the female voters. At the close of the poll, the returning officer would total up the number of white ballots and the number of pink ballots. The paragraph would read something in this way:

The returning officer shall cause two ballots to be prepared, one coloured white and one coloured pink; the white ballot to be given to male voters and the pink ballot to female voters. The returning officer shall make a return showing the total number of each class of vote.

Hon. Mr. BELCOURT: What good purpose will be served by that?

Hon. W. B. ROSS: You want to know whether more men than women voted, or whether more women than men.

Hon. Mr. BELCOURT: While I am not very enthusiastic about women's votes, I do not see why you should distinguish between the male and the female votes. It appears to me that it would be a violation of the secrecy of the ballot which has been adopted the world over.

Hon. W. B. ROSS: It is just as secret as ever.

Hon. Sir JAMES LOUGHEED: I would point out to the honourable gentleman from Middleton (Hon. W. B. Ross) that while it would be a very interesting study to analyze the ballot in this way, and to determine how many men and how many women had voted, yet there is the insuperable difficulty that if we had to print a new ballot the vote could not take place as has already been arranged. The ballots are all printed.

Hon. W. B. ROSS: Then I withdraw the proposed amendment.

Hon. Sir JAMES LOUGHEED: I am informed by Colonel Biggar, the returning officer for the Dominion, that it would take four months to get a new ballot.

The preamble was agreed to.

The title was agreed to.

The Bill was reported without amendment.

By leave of the House, on motion of Hon. Sir James Lougheed, the Bill was read the third time and passed.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

The Senate resumed from yesterday consideration of the Address in reply to His Excellency the Governor General's Speech at the opening of the Session.

Hon. A. B. CROSBY: Honourable gentlemen, in moving yesterday that the debate be adjourned until to-day, I overlooked the fact that to-day would be Friday. This House has been very generous to the honourable gentlemen from Quebec, and as to that I have no protest at all to make, but I now find that some of these honourable gentlemen, who preceded me in this discussion, have left the Chamber. I can quite understand their desire to do so and go to their homes rather than listen to me. At the same time I desire to make my few remarks on the Address when these honourable members are present. My reason is that during their speeches, they did not allow me to ask any questions or make any replies. I would request the House to be good enough to permit me to move the adjournment of this debate until Monday or Tuesday, or whenever the House reassembles. Then our friends will be here and I shall have a fair field in the debate and shall be able to deal with the honourable members who made statements that were not correct. I therefore move the adjournment of the debate.

The Hon. the SPEAKER: Until Monday or Tuesday?

Hon. Mr. CROSBY: I do not know, but I understand we are going to adjourn till Tuesday.

Hon. Mr. BOSTOCK: My honourable friend from Halifax (Hon. Mr. Power) was desirous of speaking this afternoon. Would the honourable gentleman object to his making his speech now?

Hon. Mr. CROSBY: Certainly not. I shall be delighted to hear it.

Hon. Mr. MURPHY: The honourable gentleman (Hon. Mr. Crosby) wants the proper auditors.

Hon. Mr. BOSTOCK: Does it make any difference?

Hon. Mr. CROSBY: On the understanding that it does not take away my right to speak.

Hon. Mr. BELCOURT: Is this going to be a precedent?

Hon. Sir JAMES LOUGHEED: Precedents are made to be broken, you know.

Hon. Mr. BELCOURT: On any Friday some honourable gentleman who felt that

his audience was not sufficiently large for him might simply move an adjournment.

Hon. Sir JAMES LOUGHEED: But this is an exceptional case. My honourable friend opposite (Hon. Mr. Bostock) has suggested that we might advantageously occupy the time this afternoon in listening to the senior member for Halifax (Hon. Mr. Power), instead of the honourable gentleman who moved the adjournment of the debate.

Hon. Mr. CROSBY: I transfer my right to him.

Hon. Mr. POWER: Honourable gentlemen, I am much obliged to the honourable members of the House for the courtesy they have extended to me. I have not very much to say.

Hon. Mr. BELCOURT: Will the honourable gentleman permit me to interrupt for one moment? There is a point of order which is rather important. I think my honourable friend from Halifax (Hon. Mr. Crosby) has lost his right to speak, under the rules. I do not want to raise the point when he stands up to speak at the next meeting of the House, but unless this question is settled now, I shall raise the point when the House does meet again. He has lost his turn.

Hon. Sir JAMES LOUGHEED: As I understand it, the honourable gentleman from Halifax on this side (Hon. Mr. Crosby), by leave of the House, asks that the senior member for Halifax (Hon. Mr. Power) be permitted to precede him in the discussion. That is all he asks, and it is done by leave of the House, the honourable gentleman reserving to himself the right to address the House when we resume.

Hon. Mr. POWER: I should be very sorry to do anything that would deprive the House of the pleasure of hearing my honourable colleague from Halifax on a future day; and, as I have mentioned, I have not very much to say. I have come to that time of life and membership when one does not care to be obliged to hold back anything in the nature of a speech to be made by himself.

I notice that the honourable gentleman from De Lorimier (Hon. Mr. Dandurand) devoted a reasonable length of time to a criticism of the Government for not providing for a dissolution. I feel this way about that matter, honourable gentlemen. The present Administration—or, at any rate, the Administration of which the present is the successor—passed an act known as the War-time Elections Act. That Act, I do not hesitate to say, is probably the most unfair and objectionable Act with respect to voting that has ever been passed in any English-speaking community. I do not feel as my honourable friend from De Lorimier does; I do not think that there is any occasion for our worrying over dissolution. The honourable gentleman from De Lorimier knows very well—better than I do—the character of the measures by which the Government secured a continuance in office after 1917; and it is perfectly safe to say that a government or party who could make use of such an instrument as the War-time Elections Act to secure office are not going to retire from office until they are obliged to do so. This position reminds me somewhat of a remark made a great many years ago, during the McKenzie administration, by Mr. Joseph Rymal, who was a member from an Ontario constituency. He said: "The she-bear robbed of her cubs is mild compared with the Liberal Conservative out of office." And the Liberal Conservative, like the leopard, has not changed his spots since.

Hon. Mr. CROSBY: The other fellows have changed several times.

Hon. Mr. POWER: I do not think, honourable gentlemen, that on an occasion of this sort, when we are dealing with the Speech from the Throne, the members are bound strictly to the limits set forth in the Speech. The practice has been, I think, always to regard the House on this occasion as a sort of committee on the state of the Dominion, every member having the right to express his views not only on the coming measures indicated in the Speech from the Throne, but also on the record of the Government during their past administration. I think that on the present occasion it is more than usually justifiable and desirable that this practice should be followed. This is an occasion when, as I have said, we should not be confined within strict limits; and this is the more true because the actions of the present Government, as anyone who examines into their record will see, do not by any means always square with their declarations of intention. Up to 1873 or 1874 there was a theory that none but a Conservative Government could administer the affairs of Canada in a satisfactory way. I do not know now

whether Sir John A Macdonald made the statement himself or not, but it was made on his behalf—that the gift of governing was confined to the Conservative party. That theory has disappeared. It disappeared very largely under the Mackenzie administration, and completely disappeared under the Laurier administration.

Now let us consider, honourable gentlemen, what the position is, if we wish to see what we are to expect. Let us consider what were the promises and undertakings of the Conservatives before they came into office, and what were their achievements afterwards. One of the first and principal promises made on behalf of the Conservative Party by their recognized leader was that if the Conservatives were placed in power the affairs of the country would be managed with much more regard to economy than they were managed under the Liberal administration. The country, influenced by these promises, placed the gentleman who promised greater economy at the head of an administration. One of the first results was that within a few months after the economists had got into office the number of Civil Servants in this country increased by nearly fifty per cent. That was the first great step in the direction of economy. That was not the only one; there was greater expenditure in every direction—expenditure for naval purposes, expenditure in shipbuilding, extravagant expenditure on docks and railroads, et cetera. So we found that with regard to the subject of economy we could not rely upon the promises of the present administration.

One of the great war cries of the Opposition in 1911 was that there should be no trade or no dealings with the republic to the south of us. Every one of us knows that hardly had the new Government been comfortably seated when they began to negotiate at Washington, and the relations between the Government of Canada and the Government at Washington were never before as intimate as they have been during the administration of these gentlemen who did not wish any truck or trade with the people to the South. So much for the second promise.

Then, honourable gentlemen, as I said a while ago, there was a theory that the Liberal Conservative Party was the only party that could carry on the Government of this country in a satisfactory way. I venture to say, honourable gentlemen, that from 1867 up to the present time there has never been any Administration so decidedly characterized by incapacity as the present Administration.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. POWER: When I say the present Administration, I mean the Administration from 1911 up to the present time. A government have some duty besides that of sitting down and looking after elections and drawing their pay. It is the duty of the Government to lay down the policy which the country is to follow. I quite agree that you cannot expect the ministers to go into every subordinate department and conduct its business, but it is clearly their duty to do two things: one is to lay down a general policy, and the next is to so supervise the work of the country that that policy will be adhered to and carried out successfully. Now, every honourable gentleman here knows that neither of those duties has been performed by the present Government. When the policy with respect to any important matter was to be settled, the Government did not decide upon it; the Government appointed a commission and left with that commission the duty of deciding upon the policy. The commission, as a rule, went out and spent months, probably, in inquiring, and they reported—reported sometimes definite opinions and sometimes not. But the general outcome with respect to the reports of commissions was that nothing was done.

Take, for instance, the Board of Commerce. A commission was appointed composed of men of very considerable ability and capacity for work, and their duty was to prevent the consumers of this country from being victimized by the profiteers. Some honourable gentlemen here read the English newspapers. You could hardly take up an English newspaper without finding that some person in business, frequently a retailer, had been brought up and fined a considerable sum for profiteering. The same thing happened in the United States: you would see that So-and-so had been fined $5,000 for charging unduly for a necessary of life. But that has not been the case in Canada. As far as I am aware, the only matter in which anything at all has been done by the Board of Commerce is the question of prices of sugar. Let me illustrate the extent to which this profiteering was carried on, if one may use the word "profiteering" in this case. It seems really to apply to something bigger, but the principle is the same. Now, I am not going to speak of any particular firm or person. I

think that on the whole the wiser plan is to take the Government. The Government appointed a commission whose object was to prevent undue profits from being made on the necessaries of life. The Government happen to control an undertaking which has to deal with the matter of food. I just give the experience that any honourable gentleman has probably met with when travelling on the Government railways. I happen to know that the Government does not pay more than 5 cents apiece for grapefruit; but on the Intercolonial in the dining-car 35 cents is charged for a half grapefruit. There is a profit of something like 700 per cent. Then, take the matter of fish. The trains from Nova Scotia to Ottawa bring large quantities of fresh fish; that fish can be bought in the market in the lower provinces for not more than 10 cents a pound. If one orders fish for breakfast in the dining car, he gets probably a quarter of a pound at the outside and is charged 50 cents for it. I do not say anything about the injury that must be done to the dining car business by the exorbitant rates that are charged; but here is the Government setting the very worst possible example to people in business. How can you expect the retailers throughout Canada to be careful not to exceed a reasonable profit on the sale of their goods when you have the Government making 700 per cent profit? I really think the excessive charges made on the Intercolonial dining cars are enough to show you what little honesty there was in connection with the Board of Commerce. And, by the way, honourable gentlemen, while it is not directly in point, I think it is to a certain extent to the purpose to say that I have learned that recently the Canadian Pacific Railway company have largely reduced the charges in their dining cars; and I think the least the Government should do is to reduce the charges on their cars to the same level.

I ventured to say just now that there was a great lack of capacity shown by the Government; but when it has been a question of keeping the Government in office or getting them into office they have shown what may, I think, be honestly and properly described as a pernicious activity. The manner in which the war-time elections were conducted showed an activity and astuteness worthy of a better cause.

I do not purpose to say much more, honourable gentlemen, about the history of this Government. But I just turn to two or three paragraphs of His Excellency's Speech. Remember, this is an economical Government—and the honourable leader of the House has pointed out within the last few minutes a saving of $300,000 as a good reason for taking certain action in respect to a measure asked by the Ontario Government. I think the honourable leader of the House is perfectly right; but this economy is something that apparently has struck the Government only lately and only struck them in spots.

We are told that an investigation is being conducted by the Department of Labour into systems of unemployment insurance and old-age pensions. Here is this Government, with a deficit this year that I do not like to mention—it is away up anyway over $50,000,000—proposing to go in for old-age pensions and unemployment insurance. Whatever may be the case in the Old Country, I think that up to the time that the late war broke out, at any rate, there was no necessity for old-age pensions in Canada. The people of Canada were, as a whole, remarkably well off—there were a few paupers, who were taken care of by the various localities—and there was no more necessity for old-age pensions in Canada before this Government came into power than there is for a fifth wheel to a coach. But the Government are proposing to give us old-age pensions and unemployment insurance, which will cost millions and millions of dollars a year. Well, if the country is fairly prosperous unemployment insurance is unnecessary, and if the unemployment results from strikes I do not think the rest of the people should be penalized to enable any section of the population to discontinue work.

The next paragraph of the Speech from the Throne which has struck me is one which states:

> The first assembly of the League of Nations was recently held at Geneva. Representatives of forty-one nations, including those of Canada, met and deliberated together in a spirit of harmony that promises much for this great experiment.

I think that is a very satisfactory statement; that whole paragraph is satisfactory. It is satisfactory to know that the three honourable gentlemen whom Canada sent over to take part in the recent meeting at Geneva distinguished themselves there by their ability, and that the line of action which they adopted will probably lead to a pretty considerable improvement in the framework of the League of Nations. Apparently the prospects are that the 10th

clause of the treaty, which has been the occasion of a good deal of justifiable criticism, is likely to be altered owing to the able and resolute attitude taken by the honourable gentlemen who went from Canada.

The next paragraph deals with the tariff and says in part:

> It is the opinion of my advisors that in such revision regard must be had to the necessities of revenue and as well that the principle of protection to Canadian labour and legitimate Canadian industries, including agriculture, which has prevailed for more than forty years in this country, must be consistently maintained; but that the customs duties imposed to that end, should be no higher than is essential to ensure good standards of living among our working population and to retain and make possible the normal expansion of the industries in which they find employment.

No one can gather from that paragraph just what is in the mind of the Government. That is all right: we shall ascertain what they mean when the Minister of Finance makes his statement. But there is this thing to be borne in mind: that while it is desirable that the necessaries of life should not be unduly enhanced in price—and I think it is admitted in this paragraph—on the other hand there is a question as to where a line should be drawn. It was shown here last Session and the Session before, I think, that in certain industries tremendous profits were made: in the textile industry, for instance, the shareholders of a concern called the Dominion Textile Company divided 300 per cent. Surely the Government do not propose to add to the duty on textiles. The people who manufacture these textiles are now making very handsome profits, and I do not think they are objects of any special consideration.

Then we are told:

> Bills relating to copyrights, the simplification and consolidation of the Income War Tax Act, 1917, and amending Acts, scientific research, and other matters will be submitted to you.

Honourable gentlemen will remember that some two or three years ago there was submitted to this House a very carefully drawn and elaborate Bill with respect to copyright. That Bill was allowed to die in committee; for some reason or other the Government decided not to proceed. There is no doubt that some measure of the kind was needed, but the Government did not proceed. Let us hope that now, having got a sort of second wind, they may go on and deal with the matter, and deal with it satisfactorily.

We were told last year, unless I am very much mistaken, that the Income War Tax Act was to be consolidated and distributed in the shape of a pamphlet. That pamphlet, as far as I am aware, has not reached the taxpayers yet, and I trust that this time we shall have better luck.

The paragraph of the Speech addressed to the members of the House of Commons, with which, I suppose, we have nothing to do, states that the Estimates have been formed with a view to strict economy. Coming from this Government, in the light of their record even for the past year, their talking of doing things with strict economy does seem rather a joke. This reminds me that the day before yesterday the honourable leader of the Government was very facetious. He laughed and almost sang, he felt so cheerful over the probable result of the coming elections —that is, when they do come; but he reminded me rather of the man who whistled to keep his courage up, because I do not think that any intelligent supporter of the Government who looks abroad over this country to-day can say that the Government and their supporters have any particular reason to be very chirpy just now. The prospects, I think, are not very favourable from their point of view.

Now, honourable gentlemen, I am thankful to you for having listened to me so patiently, and I retire.

On motion of Hon. Mr. Crosby, the debate was adjourned.

REVISION OF PUNISHMENTS BILL.

SECOND READING

Hon. Mr. McMEANS moved the second reading of Bill B, an Act to amend the Criminal Code so as to provide for the revision of excessive or inadequate punishments. He said: Honourable gentlemen, I think it is entirely unnecessary for me to advance any argument as to why this Bill should pass this House for a third time. It has already passed this honourable body on two former occasions, and has been sent to the House of Commons, but, owing to the lateness of the Session when it reached the House of Commons, it did not get a hearing. It is simply an Act to provide that, in the event of an error being made by a judge in delivering sentence, by leave of the Court of Appeal the sentence may be either increased or decreased. I could cite numerous cases in which the trial judge has erred, and in which he would have been very glad of a provision of this kind. I believe this is the only British country

in the world in which there is no provision for a court of appeal in criminal matters, or for the revision of a sentence after it has once been passed. As the Bill received the almost unanimous sanction of honourable members during the last two Sessions, I would ask that it receive its second reading without my going into the matter further.

Hon. Mr. BOSTOCK: I did not want to interrupt the honourable gentleman, but I may say that I have not a copy of the Bill on my file. Of course, I accept the honourable gentleman's statement that the Bill is exactly the same as the Bill we have passed on previous occasions. Still, it is a little irregular to proceed in this way. If the honourable gentleman wants to take the second reading to-day, he will probably put off the committee stage until the Bill is printed.

Hon. Mr. McMEANS: Certainly. The Bill is exactly the same as it was before.

The motion was agreed to, and the Bill was read the second time.

The Senate adjourned until Tuesday, February 22, at 8 p.m.

THE SENATE

TUESDAY, February 22, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

GOLD AND SILVER MARKING BILL.

FIRST READING.

Bill C, an Act to amend the Gold and Silver Marking Act.—Hon. Mr. Lynch Staunton.

THE LEAGUE OF NATIONS.

CANADIAN DELEGATES—MOTION FOR RETURN

Hon. Mr. TURRIFF moved:

That an humble Address be presented to His Excellency the Governor General; praying that His Excellency will cause to be laid before the Senate a copy of the Order in Council appointing the delegates of Canada to the meeting of the League of Nations, and also, a copy of the instructions given such delegates.

The motion was agreed to.

DEPARTMENT OF SOLDIERS CIVIL RE-ESTABLISHMENT.

On the Orders of the Day:

Hon. L. G. POWER: In some observations that I made on the Address on Friday, I expressed anything but a feeling of admiration for the administrative ability of the members of the Government. I omitted one case, which is an exceptional one—the case of the Department of Soldiers Civil Re-establishment. I think it is only fair to the honourable gentleman who leads this House to say that, as far as I am able to judge, the work in connection with that particular department has been very creditable. I do not wish, nor would the House wish me, to go into detail, but I do feel that, having said the uncomplimentary things, I should on Friday have made the complimentary remark too.

ERROR IN THE MINUTES.

Hon. J. W. DANIEL: I wish to call your attention, Mr. Speaker, to mistakes which occur on page 26 of the Minutes. They are in connection with the Joint Committee of the Library, the Joint Committee on Printing, and the Joint Committee on the Restaurant. In the first case, there are on the Committee, according to our Minutes, the names of two honourable gentlemen who we are all sorry to know will never be with us again. In the second case, there are also mentioned two names of Senators who have passed away. In the third instance, the names of the three members who were added to the Committee on the Restaurant are not mentioned at all. I have inquired and I find that these mistakes are due neither to the Clerk of the Senate nor to the Assistant Clerk of the Senate, but to the Clerk of the Minutes, a gentleman who, I believe, has nothing to do but keep the Minutes correctly. Apparently he fails to do that, and I think that gentleman should be admonished that if he cannot keep these Minutes correctly he should give place to somebody who can.

THE GOVERNOR GENERAL'S SPEECH.

ADDRESS IN REPLY

The Senate resumed from Friday, February 18, consideration of the Address in reply to His Excellency the Governor General's Speech at the opening of the Session.

Hon. A. B. CROSBY: Honourable gentlemen, it was with pleasure that I and every other honourable gentleman who was present listened to the Speech from the Throne, and, following that, the resolution which was moved by the honourable member for Stadacona (Hon. L. C. Webster). In listening to the Speech from the Throne, one realized that there was not much in it that could be opposed. The honourable

member from De Lanaudière (Hon. J. P. B. Casgrain) told us about the honourable member from Stadacona, who had moved the Address. He said that the honourable gentleman's character and standing and knowledge of business in the Dominion of Canada were such that anything he said should be taken for granted, because it would be right and could not be otherwise. At the same time the honourable gentleman, before he took his seat, gave us to understand that he was falsifying his own statement. Those of us who followed the speech of the honourable member from Stadacona, and who heard the resolution he moved, seconded in such an eloquent manner by the honourable gentleman from Pembroke (Hon. G. V. White), could not but feel that they had said all that could be said in the Speech from the Throne. But some honourable gentlemen on the other side, as is their custom, paid no heed to what was before the House. Long as they have been in this House, they are prone to do the things they should not do here, and thus they set a bad example to the younger men coming into the Senate.

My honourable friend from De Lorimier (Hon. R. Dandurand) started away back at 1854, in order that he might be able to say a few words. The honourable gentleman took up the time of this House for something like two hours talking about stealing elections and that kind of thing, and he thought he was making a success of that; but before he resumed his seat he discovered he had made a sad failure of it.

The honourable gentleman has referred to the Reciprocity Treaty of 1854, and I want to refer to that treaty for one reason and one reason only, and that is to say that if the United States had not misjudged the people of Canada and had allowed that treaty to continue, the probabilities are that there would have been no Canada to-day. We did not want that treaty abrogated, but they abrogated it, and for what? They had only one purpose in view—to try to force Canada into annexation. One cannot come to any other conclusion, though he may go over the course of history from that day to this. Who was interested in Canada at that time? Not Great Britain: she did not care very much for Canada at that time, although since then she has realized that we are her strong right arm. But at the time of which I am speaking we were only a bother to her—an encumbrance. But the United States played their cards wrong, and consequently when that treaty was abrogated the good men of this Dominion, the men who were competent, the good men from the province of Quebec, the province of Ontario, and the eastern provinces came together and agreed that they must stand together for Canada.

My honourable friend has told us: "You were always looking for reciprocity." Yes, we were looking for reciprocity, and when we got reciprocity we did not want it, because it was got at the wrong time. It was got by the Liberals, and they always do things at the wrong time. They were always wrong and will always be wrong, as they are to-day, and you must be convinced of this wherever you may look. I purpose showing that before I sit down. I will show my honourable friend that the people of Canada have very little hope or trust in the party which he tries to represent here. As I say, the big men of Canada got together in those early days of reciprocity and decided that they must stick together, couple up the provinces, make a stand for interprovincial trade, bring about a national condition and start a nation in Canada. They did so, and we then formed what is known as the Confederation, and no men took a more prominent part in that movement than the leaders from the province of Quebec.

I shall not dwell very long on that point. I want to come to the treaty of 1873, the Treaty of Washington, which was the next treaty we had. I am not sure of the date, because I have not been very well since Saturday, and have not had an opportunity of looking these matters up. That treaty gave us the right to send fish to the United States free of duty. We tried to get free entry for lumber and agricultural products. We did the best we could, but that was all we could get. But what did the United States get under that treaty? They got free access to our inshore fisheries. They said, "We will appoint a commission to decide what monetary value is to be placed upon that concession," and that commission was appointed and decided that we, with Newfoundland, were entitled to get $5,500,000, of which $1,500,000 went to Newfoundland.

While I am touching on this point, let me say that the interest on this $4,000,000 furnishes the bounty paid to the fishermen in the eastern provinces every year to the extent of about $160,000. Let me suggest this—and I commend it to the attention of the leader of the House—that that $160,000 should be paid to the inshore fishermen of

eastern Canada, every dollar of it, and that not one dollar of it should go to the deep sea fishermen. I do not mean to say that I would take away the bounty of the deep sea fishermen, but what they receive should be paid from the general revenues of Canada. If there is one man in this Dominion who should be re-established, it is the inshore fisherman, and he should get the full amount that he derives from that source. This is a very important matter, and I hope it will not be long before the Government takes it into consideration. In those days the inshore fisheries were the only fisheries we had, and even to-day they are worth a great deal to this country, although in many places they are more or less a thing of the past. So much for the Washington Treaty and my honourable friend's arguments for reciprocity. I have shown you that the United States were bound, and always have been bound, to give us nothing they could possibly keep from us.

We come then to the election of Sir John A. Macdonald and the question of the mandate, which I intend to take up later on. Sir John A. Macdonald lost his mandate and another Government had to be formed. The situation then was not as it is to-day: Sir John A. Macdonald lost his mandate, and a new Government came in under the Hon. Alexander Mackenzie; to-day the leader of the Government has the whole House behind him.

Sir John A. Macdonald inaugurated what is known as the National Policy, which is as good to-day as it was then. In 1878 the Government went to the country, and what happened? We all know what happened, so I need not tell you. Again in 1882 they appealed to the country, and I need not tell you what happened. They went to the country again in 1887, and on that occasion there was a real issue; but I need not speak of that: it is all dead and buried.

Again, in 1891, the time of which my honourable friend (Hon. Mr. Dandurand) spoke the other day, there was an appeal to the people. The honourable gentleman indicated that we had gone to the people on the question of reciprocity in natural products. That is not so. I want to put my honourable friend right. We went to the people on the National Policy, as we had done in the preceding election, and his party appealed to the electors on unrestricted reciprocity, and we knocked the "divil" out of them.

What the Conservative party did say on that occasion was this: "If we are returned, we shall be glad to send a commission down to Washington, and, if we can, make a deal with the United States with regard to some natural products, or some products as to which we feel it will be of advantage to us." They were able to do nothing, and, thank God, we were able to get along without it, for any time we need help we shall get very little from them. A United States statesman once said that he could not say that every Democrat was a horse thief, but he could say that every horse thief was a Democrat, and I defy contradiction when I say that while every Liberal is not an annexationist, wherever you find an annexationist you find him under the umbrella of the Liberal party. There are some people to-day who are talking about opening up Canada to the United States. We are side by side with the greatest nation in the world—the richest nation in land and in everything you can think of, under the earth or on top of it; their climatic conditions are wonderful; and yet we are holding our own, which proves beyond a doubt that we are a great people and that this is a great country. We, with a population of nearly 10,000,000 people, are standing alongside this rich country with a population of from 100,000,000 to 120,000,000 people, and we are holding our own and are second to no country in the world.

My honourable friend was mistaken in saying that we went to the country on reciprocity in 1891. We did not go to the country on that issue at that time. We held up the old flag, and we waved it, and we will continue to wave it as long as it is there to be waved, and that will be for all time. We always went to the country waving that flag and telling the people what we would give them.

Then we come to the election of 1896, and later on the election of 1917, of which my hon. friend spoke very strongly, saying, I think, that it had been stolen. One thing about which I have no doubt is that he said it was won by a most stupendous fraud. I do not think it is wise to go back and bring up old accusations. What we should consider is the present and the future. I am sorry to say that my Irish friends in another land—friends to whom my heart is true, and for whom no man would be better pleased to give every moment of his life—have gone wrong, and are doing themselves a great deal of injury. I am afraid the same thing is

happening in this country. We sometimes say things that we should not say. We have no right to go back and bring up things that should be forgotten.

I am sorry that my honourable friend the senior member for Halifax (Hon. Mr. Power) is not here, as I should like to say something about the election of 1896. He wrote a pamphlet on that election. I went to him and asked him if he would not be good enough to give me a copy of that pamphlet. He is a literary character, and no one has a higher appreciation of his literary merit than he has himself. My honourable friend remembers as well as I do, and better perhaps, what was done in the province of Quebec in 1896, and now the good people of that province—and they are all good people if it were not for agitating leaders—were fooled. I have heard some men say that Quebec did not do what she should have done in the war; but I say that the people of that province are to be congratulated on what they did, under the conditions that existed there.

I have nothing to say of the great leader, Sir Wilfrid Laurier, except that he was a fine man and that everyone liked him. I liked him myself. I always liked him to keep in his place, and his place was making nice speeches and not doing much in the affairs of the country. He was a fine man, and in my judgment it is a pity he did not do as many of his friends did and come into the Union Government, which was formed for the purpose of welding the people of that province with the people of the other provinces in the great undertaking which we had on hand. He did not come into the Union Government, but that was not the fault of the Conservative party.

I do not think any man can say that a greater sacrifice was ever made in this country, or in any other country, than was made by Sir Robert Borden. Everyone, no matter what his politics may be, must give Sir Robert Borden credit for the way he sacrificed every personal interest and every interest of his party for one purpose, and one purpose only, that of bringing the people of this country together to win the war. I want to say here, having had the great honour of being a colleague of that honourable gentleman, that I often felt in my heart that he was making a mistake, and that I could have done better myself, because I had studied the people and had been watching politics all my life, whereas he came into politics later in life. But I was brought around to his view the very minute I came into his presence and heard him address his followers and tell them that, no matter what the sacrifice, no matter what happened, the one thing he was desirous of doing and would do under any circumstances was to unite the people of Canada with the object of winning the war and dealing with the problems that arose out of the war.

If there ever was a time when a party could be accused of false promises it was in 1896. The province of Quebec had always been a supporter of protection, but what was the statement made to the people of the province of Quebec? The Remedial Bill did not meet the situation at all. The people were asked: "What are you going to do? Are you going to return Sir John Macdonald and elect Sir Charles Tupper, and turn down Sir Wilfrid Laurier who is of your own kin and your own religion? Is that what you are going to do? No. You are going to send him back and he will give you a remedy: he will give you all that you have a right to get, and nothing less." And, honourable gentlemen, they sent him back, giving him fifty-one or fifty-two out of the sixty-five. My honourable friend knows that is a fact. And what did Sir Wilfrid Laurier give them? I do not think he was Sir Wilfrid Laurier at that time; however, he was good enough to be called Sir. What did he give them? My friend tells me he gave them, what he always gave them, a smile—a pleasant smile. You cannot get even that from some of them now. That was one thing that Sir Wilfrid could always give them, a smile, and that is all the remedy he told them he would give them in the province of Manitoba. Now, honourable gentlemen, you sometimes can get an election carried by a false promise. That election was carried by the province of Quebec. Let my honourable friend put that down in his diary and not forget it for a while. In the election of 1900, the same thing was done. But I am not going to dwell on this point.

In the election of 1911 they brought up again their unrestricted reciprocity. I need not delay the House in telling what took place on that occasion. None of us foresaw what was ahead, but what a great thing it was that those gentlemen went down to the United States. Let me tell you a little story I heard about those gentlemen when they went down there the first time. There were Sir Wilfrid Laurier and Mr. Fielding and Mr. Patterson. Sir Wilfrid was a distinguished-looking man. Wherever he might be, someone would ask,

"Who is that splendid looking gentleman?" He was one of the most gentlemanly persons you could meet. You would always expect better things from him than you got. However, when he was leading the procession into the White House, an old Yankee who was standing by asked: "Who be those three men?" Somebody answered: "Why, there is Sir Wilfrid Laurier, the Premier of Canada, and that is Mr. Fielding, the Finance Minister of Canada, and that is Mr. Patterson, the Canadian Minister of Customs, the man who makes the biscuits over there." And the old Yankee said: "Ah, yes, that be where they have to sing 'God Save the King!' Now I understand why they have to sing that." He thought from the look of those Ministers that it would be essential to take care of the King.

Now, honourable gentlemen, I come to the election of 1917 and the War-time Elections Act. I would like to find out what my honourable friend has to say about that War-time Elections Act. If I understand it rightly, that measure was framed on the principle and with the intention that every Britisher, every Canadian, every man who was taking any part in the fight for Canada, for Britain, for the freedom of the world, was interested and should be on that electoral list if possible. That was the principle of the Act, and I ask my honourable friend if he does not think that was a proper principle?

Hon. Mr. MURPHY: He is very quiet.

Hon. Mr. CROSBY: Well, he is getting instructions from that able Whip.

Hon. Mr. MURPHY: Silence gives consent.

Hon. Sir JAMES LOUGHEED: Go on.

Hon. Mr. CROSBY: No, I am not going on. Pardon me. I have my place in this honourable House, and if those honourable gentlemen do not know enough to treat others as they are treated when they are talking, it is their fault, not mine.

Hon. Mr. CASGRAIN: Would the honourable gentleman—?

Hon. Mr. CROSBY: The honourable gentleman will do anything you ask.

Hon. Mr. CASGRAIN: We would like to know what the joke in the story was. We have not seen it.

Hon. Mr. CROSBY: It would be of no use for anybody to tell the honourable gentleman a joke, because he never could see it, unless somebody explained it to him the next day. He would never be able to have his laugh when he first heard it. What I want to say, honourable gentlemen, is this. If I understand the War-time Elections Act, it was framed for the purpose of making sure that every Britisher, every win-the-war person in Canada, would have the right to vote in the election of 1917; and I want to ask my honourable friend if that was a wrong principle.

Hon. Mr. DANDURAND: Is the honourable gentleman addressing me?

Hon. Mr. CROSBY: Yes, sir. I want to ask if that was a wrong principle

Hon. Mr. DANDURAND: I stated my views last week, before the honourable gentleman spoke.

Hon. Mr. CROSBY: The honourable gentleman may have stated his views, but nobody in this House knows what his views are. I could not make them out. I am asking him if that was a wrong principle on which to frame that Elections Act. Do not tell him, Mr. Whip. He does not need you all the time. Was it a wrong principle on which to frame that measure at a time when a war was going on, a war in which we had been engaged for three years? Was it wrong to frame that Act so that every man who was taking part in that war, every woman who was taking part in it, every woman who had a son in it, or a brother in it, should have a vote in that election? Was that a wrong principle?

Hon. Mr. DANDURAND: I do not admit that that was the principle underlying the Act.

Hon. Mr. CROSBY: Then what was the principle underlying it? More principle than my honourable friend has in dealing with anything, which is not much. But, honourable gentlemen, that was the underlying principle, and that was the proper principle, and everybody in Canada who believed in principle and fair-play voted for that; but I am sorry to say that my honourable friend's people did not vote for that principle. He may say to me that certain people were eliminated. Yes, but nothing like as many as should have been eliminated; and, if I had my way, I would eliminate a good many of them to-day and they would not vote at the next election. But this Government—this broad-minded forgiving Government, that wishes to have the country run by the people and for the people, and to give the people every oppor-

tunity of doing the right thing by themselves—gave them a franchise that eliminated nobody. But do not misunderstand me, honourable gentlemen. I am not referring to any one province in this Dominion. There were men all over Canada, and there are men all over Canada to-day, who should not have a vote, and if I had power to keep them off the voters' list, I would do so.

Speaking about the franchise, let me give you an illustration. My honourable friend is a great admirer of the Hon. Mr. Fielding, who was the Minister of Finance in the Laurier Administration, and a man who was looked upon as the next leader; and, as leaders go in that party, I think he would be all right—for that party. He was looked upon as the ablest man in the party, the man who would take the place of Sir Wilfrid Laurier. I will tell my honourable friend something about his Election Act. What do you suppose that gentleman did when he became premier of Nova Scotia? He passed an Act that eliminated every employee of the Dominion Government from the exercise of the franchise. He did not take away the franchise of the men who were engaged by the Local Government, but he took away the franchise of every Civil Servant in that province who was employed by the Dominion Government.

Hon. Mr. MURPHY: Our Liberal Government did the same thing.

Hon. Mr. CROSBY: Yes, they are all alike. But I would ask my honourable friend if he would consider that that was a fair and decent way of acting. I am sure he would not. Silence gives consent. He would say that was an outrage. But what do you suppose the Liberals did after they came into power in 1896, and before they went to the country in 1900? Did they not enfranchise the Dominion officials so that they would be able to pull them in to vote for them in 1900? Yet the honourable gentleman comes here and talks about the franchise and about the stealing of elections. Why, it is outrageous, it is unfair, it is unreasonable; and it is something which would not be expected from a man of the experience of my honourable friend from De Lorimier, because from his appearance and his personality you would expect better from him than that he would talk of matters of that kind when he himself knows that if there have been in this country any elections that have been—I was going to say, a disgrace, but perhaps that would be too strong a word—if there have been any elections misleading to the people, they are the elections with which he has been connected and in which he has been engaged head and shoulders. I have no hesitation in saying that.

My honourable friend spoke the other day about the Government going to the country. The Postmaster General (Hon. Mr. Blondin) gave us the information, which I know is true, that the honourable gentleman from De Lorimier had never tried going to the country himself, unless perhaps it were for a holiday down by a stream; that is to say, the honourable gentleman had never accepted a nomination. Whether he had ever been offered one or not, I do not know; the Postmaster General did not tell us about that. At any rate he told us the honourable member from De Lorimier had never run in an election. Why, then, is he so anxious about going to the country? Perhaps if he had to run in an election he would not be so anxious about that. Well, there were some men who went to the country, and I cannot see where the honourable gentleman would derive any consolation from the result. We had an election in the province of Nova Scotia since the Meighen government came in. The people down there did not know much about Mr. Meighen, but he came down there and when they saw him they liked him, and what he said to them they believed in, and they believe in it still. I refer to that splendid county of Colchester, a farming county second to none in the Dominion of Canada. I see my honourable friend here is smiling. I do not care whether Ontario or any other province is included; I say that the county of Colchester as a farming district is second to none in the Dominion of Canada, and if I had to go further and provide proof of that, I should be prepared to produce it. I do not mean to say that it has as many people as some other counties, but I refer to its standing in reference to its population. The Liberal party could not get a man to accept nomination and contest the election in that county; but they did throw in their whole weight, and the Labour party did the same thing. I do not want to be misunderstood about the Labour party, because I am one of the labour class myself; but, like my honourable friend from De Lorimier, the Labour men go wrong sometimes, I have no hesitation in saying. But I am as faithful to the labour interests in the Dominion of

Canada as any man in this country. However, I was not in line with the Labour men who were in Colchester, and I had the opportunity of meeting several of them there. The Labour men in Colchester, and the Farmers' party and the Liberals, joined up to defeat Mr. McCurdy, and we beat them there by fifteen hundred votes, the largest majority ever polled in that county. What consolation does that give my honourable friend? It gives him no consolation. That is the kind of consolation he will get when we go to the polls; and I hope that this Government will take care that when we do go to the polls the minds of the people will be in such a state that we shall get a fair vote, whether it is for his party or for ours, or for whatever party it may be.

But we had an election in St. John, over in the Province of New Brunswick, and the Liberals put up a candidate there, a very decent, very fine man. I know him very well. But what happened there? I need not tell you what happened: he almost lost his deposit. Where does my honourable friend get any intimation, or indication, on which to base the opinion which he gave us here the other day, unless he may have it in the Province of Quebec? He said the Province of Quebec was going to have revenge, or words to that effect. I want to say to him here that I have as warm feelings for the people of the Province of Quebec as I have for those of any other province of the Dominion. It was my good fortune in my earlier days to have had a great deal of business to do with Quebec; so I have a very warm spot in my heart for the people of that province, and I know them to some extent. I do not want to hear such a statement as that of my honourable friend. We may have our political differences, we may differ on the question of the tariff or on free trade and such matters, but I say to my honourable friend from De Lorimier that we ought to forget those unfortunate differences which have cropped up and have embittered the hearts of the people. Let us all try to overcome them. Let us all try to bring about an understanding so that the people of this great Dominion can come together and join hands and work for one common interest, the Dominion of Canada and the great British flag that flies over it. Let us forget the past and try to bring about unity.

I have spoken much longer than I intended, but I should like before taking my seat to say a few words with regard to the mandate. Speaking about that a short time ago, I pointed out that Sir John Macdonald had to give up his leadership in Parliament in 1873, because he had lost his mandate. How did he lose his mandate? Where does the mandate come from? The mandate comes, thank God, from the people of this country. It is given to the men in the different electoral districts of Canada. In every constituency a man is elected by the people and he carries the mandate to Parliament. The Premier of the country does not carry the mandate; it is carried to Parliament by the men who are elected from the constituencies. So long as the Right Honourable Mr. Meighen has that mandate behind him, as he has to-day, and as I know he will continue to have it—because the more you know him the better you like him—you cannot take it away from him. You will have to find a good many more Mackenzie Kings than you can find in Parliament to take it away from him. By that mandate, so long as it is behind him, Mr. Meighen can continue to the end of the term. He might lose it to-morrow, might lose it next Session, or at any time. It is the right of the people's representatives to forsake him; but, as I say, it is by their legal mandate that he is carrying on the government of the country. My honourable friend ought to know that; he must know that; and therefore I say that when any honourable gentleman gets up in this House or anywhere else and talks about this mandate and that mandate, if there is one man who, more than another, has no mandate, it is the man who left the Meighen Government and went over to take a seat somewhere else. I have no hesitation in referring to the honourable gentleman from our own province who was a member of the Government, and who took his seat on the other side of the House. I say he should go down to the city from which he comes and resign that mandate.

Hon. Mr. MURPHY: He is under the gangway.

Hon. Mr. CROSBY: Yes, and he is in a bad gang as well. I say that he and every other honourable gentleman who has a seat on that side of the House and who went across should have gone down to the people and said: "We believe your mandate is at an end." Is not that fair and logical? They should do that and see if they would be returned again to take their seats on the other side of the House. That seems to me, as a layman, to be the proper thing to

do. Of course, I would not expect lawyers to see it in that way; they never see anything right. Legal complications come in, and they get things mixed up, but to my mind that is the logical conclusion.

If ever anything made us suspicious of our leader, it was what the honourable gentleman from Halifax (Hon. Mr. Power) said to-night. I wanted to get some evidence on the matter, because I do not want to suspect my honourable friend the leader of the Government. I look upon him as one of the ablest men in Canada, and I do not want to change my view on that point.

I want to say to the leader of the Opposition that I was pleased with his speech. He looked at the Speech from the Throne—and I do not want anyone to be suspicious of me because I am going to fraternize with my honourable friend. Really, he should be over here on this side of the House. It is some kind of a mistake that he is where he is—one of those accidents that happen in the best-regulated families. He is not at home on the other side of the House and never seems just where he would like to be. The honourable gentleman did not say anything about the Speech from the Throne. He looked it over, and he knew he would have to go somewhere else if he was going to say anything about it. I want to say to him and to the honourable gentlemen on the other side of the House—because there seem to be two sides to the House, no matter what we try to do to make it only one side—that if there ever was a time in the history of Canada or the history of the world when every man who is a man was called to put forward the best that is in him, this is the time. This is a time to support Conservative policies. If there ever was a time to go slow and to be careful and to try to pull together to make this one of the best and greatest countries and our people one of the finest people in the world, this is the time. Is it not the duty of every fair-minded man, every honest Canadian, to join hands and do what he can to bring about such a condition in this country that when the next election comes round—and I hope it will not be too soon—the party that the people desire may be put into power? I am not going to say anything about the Liberal party, because no one can tell from one week to another what they are going to do. I want to see such a condition that when the people next go to the polls they will be in such a state of mind that they will vote for one of the parties, and that the party they desire will govern them for the next term of office. Let me say this as a workingman, as a man familiar with the working class; that the minds of the people to-day are not in such a condition that they are ready for an election. The farmers are not ready for an election; they think they are ready, but they are not. Nobody in the Dominion of Canada is ready for an election to-day. The people who have the good of this Dominion at heart are hoping that an election will not be brought on until the people are ready to give an unbiased and fair mandate to the next Government. I trust that the honourable leader that we have to-day will live that long, and I feel sure that God will be good enough to permit him to do so—and I hope he will be the man to carry the colours of the National Liberal and Conservative party to the country; and if he does I am sure he will sweep the country from the Atlantic to the Pacific.

Hon. P. E. BLONDIN: Honourable gentlemen, my honourable friend the member for Assiniboia (Hon. Mr. Turriff) intended to move the adjournment of this debate, but, as the remarks which I intend to make will be very short, he has agreed to permit me to speak before him and after my speech to move the adjournment of the debate.

I wish to join with the speakers who have preceded me in congratulating the mover and the seconder of the Address in reply to the Speech from the Throne. Both of them have performed a delicate and difficult task with talent, broad-mindedness and thought such as one looks for in the members of this House. I should like particularly to congratulate my honourable friend the member for Stadacona (Hon. L. C. Webster) on the portion of his speech which he made in French. There was a time in Canada when some people thought the ideal motto for a united Canada was: "One flag and one language." The ideal contained in the last part of the sentence I am sure exists no longer, or, if it does, I have no doubt in my own mind that the achievements of the honourable member for Stadacona in every walk of life are a substantial proof that a knowledge of both the French and English languages is an instrument which every Canadian ought to acquire. May I go further and say that it seems to me that those who have charge of the education of the younger generation do not appear to have realized how great is the ability of young people to learn nearly as many languages as they like when they

are in the prime of their youth, and that so far, not only in Canada, but in the whole world of pedagogy, no adequate system has yet been devised for developing in children, to the extent of which it could be developed, this wonderful aptitude which disappears with age. Ever since it has been my privilege to sit in this honourable assembly I have been impressed by the dignified way in which its proceedings have been carried on, and I am sure that I shall disappoint those who think that I rise to-night in a spirit of revenge for any attack that may have been directed personally at me. The best policy is to try to forget and forgive, but certain matters have been placed before this House in words of bitterness which, in spite of my reluctance to deal with them, I feel it my duty to present in their true light.

The first one is the self-given mandate which my honourable friend from De Lorimier (Hon. Mr. Dandurand) seems to have been assuming. For the last three years I have seen him here talking as the mouthpiece, the authorized mandatory, for the province of Quebec. Any such impression is contrary to the fact. My honourable friend has not the least authority to speak for a single man in the province of Quebec. When the honourable gentleman was looking down at me with his splendid contempt—his kingly contempt for the poor little thing that he thinks I am—I was surveying him and trying to find in his life any reason why he is here. No one in the province of Quebec ever knew of any reason for his being here. He never was elected—not only was he never elected, but he never ran, nor was he ever offered the honour of being a candidate, in any constituency. A certain politician used to say that he could have his own horse chosen as a candidate. Well, as a matter of fact, my honourable friend never was a candidate anywhere in the province of Quebec. He is a fighter only here from his seat between these thick walls. He is not known in the province of Quebec. This is not an insult, but a real, hard fact. He had never been known before he was made a Senator. I should like to find someone in Montreal who would tell me that he is a lawyer of any competency or prominence. Judging from his speeches, he cannot have great ability before the courts, where logic counts for something. He has become a very powerful, rich man; I am a poor man: is it for that reason that he looks at me with contempt? I do not know; but let me tell him that he has no mandate to speak here for the province of Quebec, but that I know, and maybe some of the honourable gentlemen around him know, as a large proportion of the people know, that he has not even a mandate to speak for his own party. The real fact is, honourable gentlemen, that this gentleman, who has presumed to have a mandate to speak for the province of Quebec, is among the rank and file of his own party the most execrated man on earth. If the honourable gentleman wants to contradict what I say, let him go outside, and ask the members of the House of Commons to sign a certificate for him.

I dislike to say what I am saying, honourable gentlemen, but for three years I have been sitting here not uttering a word, whilst the honourable gentleman was taking advantage of my silence, thinking that he had a sneaking dog to deal with, as he once called me. I waited and waited, thinking that the day might come when he would see that he had no justification for acting in that way and mend his ways. But apparently the honourable gentleman has to fight a bulldog before he learns that a dog will defend himself.

That is not all. The honourable gentleman asks what reason I have for being in the Cabinet to represent my province. I will tell him in a few words. In a county where I had been twice elected, after a very hard fight in which I fought single-handed, I was the third time elected by acclamation. It happened under most extraordinary circumstances which I will explain in a moment. The honourable member who spoke before me spoke the truth: I was elected in the face of menaces and threats of the use of dynamite, on advice given by the leaders of the Liberal organization, to set fire to the places of those who had the audacity to stand for the Government. In the face of all that, honourable gentlemen, I am proud to say that 300 fathers of families exposed the lives of their dear ones to come and vote for me; that is, 300 votes more than the honourable gentleman ever got in his life or ever will get. At the same time, I was running in the constituency of Laurier-Outremont, and there, I think I am pretty safe in saying I received at least 5,000 votes; that is, 5,000 votes more than the honourable gentleman will ever be able to get. Still he asks me by what right I am here speaking in the name of the Province of Quebec? Well, honourable gentlemen, I never claimed to have any mandate to speak here for the

whole of the Province of Quebec; but were I here only to represent those who had the courage to stand up and vote for the Government at the last election, I think I would have reason enough to be here.

My honourable friend from De Lorimier likes to refer to the honourable member for Montarville (Hon. Mr. Beaubien). He has a fine way of making people believe that he is in the secrets of those who sit on this side of the House; that he knows all that is going on. He mentioned the honourable Senator from Montarville the other day as the prophet of the fall of this Government. But I know one thing: on the very eve of the day on which the honourable senator for Montarville was going to address this Senate on the question of conscription, sticks of dynamite were placed around his house. That is a fine way to educate people to the faith of Liberalism! My honourable friend spoke of the system of Trotsky and Lenine, but Trotsky and Lenine might have learned something from my friend's friend during the elections of 1917. It was a shame to see intelligent, learned, responsible men, men who knew they were hurting their province and the good name of their people, but were not manly enough to face the situation and tell our fine, intelligent, honest, brave people of the Province of Quebec what their duty was.

This is the first opportunity I have to thank my honourable friend for having been kind enough to appear with me in Montreal when I started a recruiting campaign. We were unfortunate: we did not succeed. I admit that I was the object of the hatred that seemed to prevail among a certain crowd of young men in the upper part of the hall. It is true that the honourable gentleman made quite a good speech there. He did not go so far as his leader, the Right Hon. Sir Wilfrid Laurier, who said that we were in this war to the last cent and the last man; but on the whole he said it was not a bad thing to do this for France, or something to that effect. It is not with the intention of casting any reproach upon the honourable gentleman that I mention this fact; but the point that I want to make is this, that that very night the few persons who prevented the meeting from going on were members of an organized political club. There were in the hall many thousands of people who were anxious to hear both sides of the question; but the Liberal organization had decreed that no men ought to be heard in the Province of Quebec who were trying to explain the questions of the hour. We were not allowed to speak. And I say this, that history will show that if the Liberal party had consented to play its part fairly, the province which would have led in the application of military service would have been my province. It is too bad to have to say that I personally know the names of men of high standing, Liberals, some honourable gentlemen, who were advising young men anxious to enlist not to make fools of themselves, but to stay at home. Speakers who appeared on the hustings were threatened with death.

As an instance of this, the editor of L'Evenement, of Quebec, was surrounded by a mob when he persisted in trying to address a meeting, and he escaped lynching only by a hair's breadth—under the smile of the present Prime Minister of the province of Quebec. Honourable gentlemen, the people of the province of Quebec have a tremendous reserve of calm patience, common sense and coolness. I wonder whether in any other province, under similar circumstances, the people could have stood the test as well as my people did.

I said I would not speak very long. I wanted to tell my honourable friend in the first place that he cannot make us believe that he is in any sense authorized to speak for the province of Quebec. Let that be clearly understood for the future. In the second place I wanted to tell him that when I accepted a cabinet position I did so primarily in order to represent in the cabinet those who voted for the Government. Remember, honourable gentlemen, there were hundreds of thousands of French Canadians who voted for the Government in spite of everything. And, if you admit that those people have a right to be represented here, I wonder who is the more qualified to represent them—this honourable gentleman or myself.

There is another point. From Lafontaine and Morin to Cartier and Laurier there has been only one creed: it is that isolation means death for the province of Quebec. I believe in that creed. Were I alone in the province of Quebec in believing in it, I would stand alone till death. But there are hundreds of thousands; not only the immense majority, but the entire population of Quebec believe in it. I think that in being in the Cabinet I am representing those people.

Why does the honourable gentleman look upon me with such contempt? Why does he address me with such insults? Is it because he is my senior in age and in this

House? If that be so, I would take the liberty of advising him to meditate on certain quotations that I shall read for his benefit. The honourable gentleman likes to make quotations. Oh, he has a beautiful voice, just as agreeable as it is high-pitched. He likes to make his voice heard, but does not care very much for the poor audience. He reads his speeches—quotes all that can be quoted, and even quotes himself. Well, just to cope with those quotations, here is one that I would advise my honourable friend to place just in front of the quotation of himself that he gave last year. This is an extract from the debates of the British House of Commons of 1740. It contains some of the advice that a man younger than I am took the liberty of offering to one of his elders. Amongst other things he said:

> One should learn to reason rather than to declaim, and to prefer justness of argument and an accurate knowledge of facts to sounding epithets and splendid superlatives, which may disturb the imagination for the moment, but leave no lasting impression on the mind.
>
> That to accuse and prove are very different, and that reproaches unsupported by evidence affect only the character of him that utters them.
>
> That one should endeavor to be one of those whose follies may cease with their youth, and not of that number who are ignorant in spite of experience.
>
> That surely age may become justly contemptible if the opportunities which it brings have passed away without improvement, and vice appears to prevail when the passions have subsided. The wretch that, after having seen the consequences of a thousand errors, continues still to blunder, and whose age has only added obstinacy to stupidity, is surely the object of either abhorrence or contempt, and deserves not that his grey head should secure him from insults.
>
> Much more, Sir, is he to be abhorred who, as he has advanced in age, has receded from virtue and spends the remains of his life in the ruin of his country.

My hon. friend likes to say things which are disagreeable to me, though they seem to be pleasant for him. May I add this word of wisdom, in order that he may meditate upon it also:

> No more lamentable spectacle can offer, if we except that of genius reduced to misery, than that of contented fatuity.

My honourable friend seems to have laid special stress on the War-time Elections Act.

Hon. N. A. BELCOURT: Will my honourable friend permit me, before he takes up that question? Would he tell me if he knows who gave the money to buy the dynamite of which he spoke, and which was used in Montreal?

Hon. Mr. BLONDIN: I know one thing, only one thing, and a very sure thing—that it was only the supporters of the Government who were blown up.

Hon. Mr. BELCOURT: Will my honourable friend allow me to say—?

Hon. Mr. BLONDIN: Certainly.

Hon. Mr. BELCOURT: —and I think my honourable friend must know, that it was proven in court that a Government detective by the name of Desjardins, employed by the Government in Montreal, paid $25 to the people who used the dynamite to which my honourable friend refers.

Hon. Mr. BLONDIN: Well, I understand—

Hon. Mr. BELCOURT: It is a fair question.

Hon. Mr. BLONDIN: Oh, yes, I understand my honourable friend now. He is absolutely right. I should not like to convey the impression that during those troublous times people of all kinds did not often act in the name of one party or the other. But what my honourable friend cannot deny is that this sort of thing was general in the whole province of Quebec.

Hon. Mr. BELCOURT: Oh, no, no, no. I certainly deny that absolutely, and everybody will deny it. Dynamite general throughout the province of Quebec? Does the honourable gentleman know what he is saying?

Hon. Mr. BLONDIN: Yes, I do. How many barns were burned, and how many times was dynamite used in the district of Quebec?

Hon. Mr. BELCOURT: I do not know.

Hon. Mr. CASGRAIN: Only when the Government paid for it.

Hon. Mr. BLONDIN: They were very convincing arguments anyway. Well, facts are facts, and the honourable gentlemen may say what they like, but I repeat that there is only one party who can be held responsible if we were not allowed to go to the people of the province of Quebec and explain to them what the law was; it is the Liberal party. And I wish to say this, honourable gentlemen: every man in this country who enlisted is entitled to the respect of all, but remember that while it was a very difficult thing in the other provinces not to enlist, it took a doubly heroic man in my province to enlist, because he

was exposed to the abuse of the Liberals anywhere and at any time.

Honourable gentlemen, I did not intend to deal at such length with this matter, but it must be admitted that we are all men, and that when you start a row you never know where it will end.

Hon. Mr. BELCOURT: It looks like that. does it not?

Hon. Mr. BLONDIN: Yes. The other day I interrupted the honourable gentleman when he was quoting a certain phrase which has been used by the members from the province of Quebec. But mark you, that during the whole election of 1917 the entire press, save two newspapers, were in the hands of these gentlemen—I am forgetting one, Le Devoir, Mr. Bourassa's organ.

Hon. Mr. BELCOURT: Your old leader.

Hon. Mr. BLONDIN: There is one thing I want to say about Mr. Bourassa: I respected him, I believed in him, and I followed him; and when I followed him I did not stay in a private office to attend to the organization; I slept in the cold and faced the electors on the stump and fought for him. The day came when we did not see eye to eye, and I left him; but I know whom I have left. I know what Mr. Bourassa thinks, and I know he is not afraid of saying what he thinks. It is strange that so long as he is fighting the Liberal party—and when I refer to the Liberal party I want to say that I am not referring to the Liberal party of the Dominion of Canada, for there is a great difference between the real Liberals and the Liberals of the province of Quebec. So long as Mr. Bourassa is attacking them he is the worst man in the world; they have nothing dirty enough to say against him; but whenever Mr. Bourassa happens to play in their hands, what a great man he is! It is my firm belief that it was not Mr. Bourassa who was responsible for the troubles of 1917: it was the Liberal party. Had Sir Wilfrid Laurier and his party honestly played the game in Quebec, there was no Bourassa and nobody else to prevent the people from understanding what the issue was, and there would have been no trouble in my province.

I was reported to have said a certain thing at a certain time. The war is over, and we are facing the consequences of the war: we are looking for reorganization —reorganization in our financial and industrial life; reorganization in our manner of thinking and in the political field; reorganization everywhere. That is the question of to-day; that is the question of to-morrow. I do not care, honourable gentlemen, what I said two years, three years, or ten years ago. If I am reported some day as having been the very devil himself, I am willing to admit it; but I want my opponents to report me exactly and to tell me where I was. That is all there is to it. I am reported as having made a speech at twenty different places. I heard the honourable gentleman from Arthabaska (Hon. Mr. Lavergne) state that the speech was made on the hustings at Arthabaska. Is that correct?

Hon. Mr. LAVERGNE: Go on.

Hon. Mr. BLONDIN: I want to know that.

Hon. Mr. LAVERGNE: Go on. I have nothing to say now. I will speak after you.

Hon. Mr. BLONDIN: Was it made at Arthabaska?

Hon. Mr. CASGRAIN: You ought to know yourself.

Hon. Mr. BLONDIN: I do know it myself, and I tell you honourable gentlemen who report me wrongly that you do not know what you say. I am not ashamed of what I said, and even if I said awful things I am not worried about them. The only thing that worries me is that I should do my duty to-day and be wiser to-day than I was yesterday. Not long ago my honourable friends of the province of Quebec attended a Liberal conference in Ottawa, and what was the great, the special title of the present leader of the Opposition in the House of Commons? To commend himself to the people of the province of Quebec it was stated that he was a grandson of the Hon. William Lyon Mackenzie, who—well, was a kind of rebellious personage. Even if my honourable friend were to prove that I have been a rebel, I could reply that even the Hon. William Lyon Mackenzie and Sir George Etienne Cartier had a price put on their heads, and it would not strengthen his case. But the only thing the Canadian people care for to-day is to know where the honourable gentlemen who call themselves the Liberal party stand on the tariff question—whether they are in favour of protection or whether they are against it; whether they are free traders or whether they are protectionists.

This Government has proved its mettle. We have been at war for practically five

years—at war four years, and the year following was as bad as being at war. What has this Government done? Well, it would take too long to give the history of what the Government has done during that period.

Hon. Mr. BELCOURT: Do you mean its crimes?

Hon. Mr. BLONDIN: I will speak of that in two words; from the first day of organizing regiments to send them overseas to the last day of organizing the settlement of soldiers on the land, and organizing the re-establishment of our credit—in a word, settling the whole heritage of the war—billions of dollars have been handled by this Government. During four or five years time, more money has been handled by this Government, perhaps, than by all the Governments which have ruled in the Dominion since Confederation. And yet how many scandals have you discovered? How many inquiries have been asked for? The doors of every department have always been open; inquiries were offered. Two or three or four were held, and they all showed the honesty of the Government. I was a witness, and heard the honourable leader of the Liberal party contend in the House of Commons on the day before prorogation that we ought to be put out of office; and he made a charge that will certainly be used in the next general election, namely, that the Board of Commerce was the greatest scandal he had ever known. The Board of Commerce, which had been created to investigate the rise of prices and the profits made by those who were called profiteers. It was a terrible scandal. Can you believe it, honourable gentlemen, the man who thinks he is fit to take the responsibility which lies upon the shoulders of the Prime Minister of the country did not even dare to make this charge and ask for an inquiry. He just said it was an awful thing—that the greatest scandal since Confederation had been committed by the Government; but he had not the courage to stand up and say, "We will investigate." When you investigate all the acts of this Government, the conclusion you have to come to is that the charges preferred are false.

And these gentlemen do not pay to the people of this country the compliment of saying what they think of the tariff. They just say to them: "Well, you know how well we fooled you in the past; believe us, we will fool you in the same way in the future." That is the only guarantee they can give; that is the mettle of which they are made.

I never saw the honourable gentleman from De Lorimier (Hon. Mr. Dandurand) on the hustings, but he has heard his chief, as I have, talk about free trade as they have it in England. What did they do when they came to power—these men who so easily call others traitors? What did they prove to be during their long administration? If it were not so late and if that story were not so well known by every honourable gentleman in this House, I would relate the hundreds of scandals that have been proven. They are the people who are responsible for the railway policy of which my honourable friend (Hon. Mr. Casgrain) is so well qualified to speak, and which the present Prime Minister spoke of as "a night of intoxication, the result of which we are feeling to-day." They ask to be put into power, thinking that the people of the Dominion and the people of my province do not know what the duty of the hour is. Well and good. In the past the Liberals may have well played the game of being free traders in opposition but protectionists in power; but serious people do not believe in that to-day. The Liberal party in the Dominion will be smashed as a protectionist party.

Hon. Mr. CASGRAIN: As they were in Peterborough.

Hon. Mr. BLONDIN: The Liberal party will be obliterated and will not have any influence to control the farmers—and I am not talking politics. I say, and it is my last word, that the time has come for any honest people to throw away their old rags of the past, blue or red, and face the situation. Those who are protectionists must openly proclaim themselves protectionists and vote for the one side which is bound to sustain that policy. The promise of any other is false and cannot be kept.

Honourable gentlemen, I have gone much further than I expected to, and I will close my remarks right here.

Hon. LOUIS LAVERGNE: Honourable gentlemen, I must remind the Postmaster General that in 1910 there was a by-election in my riding. One of the candidates was a Mr. Gilbert, a pupil of the Postmaster General, and one was the Hon. Mr. Perrault, who is now a Minister in Quebec. Mr. Blondin came to Arthabaska at the end of October or the beginning of November and made a speech.

Hon. Mr. BLONDIN: In Arthabaska?

Hon. Mr. LAVERGNE: In Arthabaska. I was there.

Hon. Mr. BLONDIN: Where?

Hon. Mr. LAVERGNE: At the town hall.

Hon. Mr. BLONDIN: I never spoke in Arthabaska. That is the only place in the county that I never went into.

Hon. Mr. LAVERGNE: It was in the town of Arthabaska, to be sure.

Hon. Mr. BLONDIN: Anywhere else, but not there.

Hon. Mr. LAVERGNE: I have no brief to defend the honourable gentleman from De Lorimier (Hon. Mr. Dandurand), but you made a speech. You have said that the honourable gentleman from De Lorimier never was elected. Neither was the leader of the Senate nor the Minister of Labour, and many others; and you ran twice in one election and were defeated, that is your record.

I must congratulate the mover and the seconder of the Address. They made non-partisan speeches which were moderate and to the point, and much better than the speech made by the Postmaster General. That, honourable gentlemen, is all I have to say.

Hon. Mr. BLONDIN: It was not Arthabaska.

On motion of Hon. Mr. Turriff, the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE.

WEDNESDAY, February 23, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

NEW SENATOR INTRODUCED.

Hon. John Stanfield, of Truro, Nova Scotia, introduced by Hon. Sir James Lougheed and Hon. Mr. Tanner.

GOVERNMENT RAILWAY LOANS.

INQUIRY

Hon. Mr. CASGRAIN inquired of the Government:

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 loans 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?

Hon. Sir JAMES LOUGHEED: Stand.

Hon. Mr. CASGRAIN: There has been a good deal of standing. Is there any excuse for such a plain, easy question standing any longer?

Hon. Sir JAMES LOUGHEED: Yes. I have not yet been furnished with the information. My honourable friend must remember that probably a thousand of these questions have to be answered by the staffs of the different departments. I will get the information for my honourable friend as quickly as possible. I have no doubt that my honourable friend knows all about this matter himself, and why he should ask the Government for this information is beyond me.

Hon. Mr. CASGRAIN: What I say does not always go in this House, and I should like to have official confirmation.

The inquiry was allowed to stand.

THE GOVERNOR GENERAL'S SPEECH.

ADDRESS IN REPLY

The Senate resumed from yesterday consideration of the Address in reply to His Excellency the Governor General's Speech at the opening of the Session.

Hon. J. G. TURRIFF: In rising to continue this debate I wish to convey to you, Mr. Speaker, my hearty congratulations on the honour that has lately come to you in being appointed a member of the Imperial Privy Council.

Hon. Mr. CASGRAIN: The Canadian Privy Council.

Hon. Mr. TURRIFF: That is a greater honour still. I wish to say personally that there is not a man in this House or in the other House that I would rather see so honoured. Ever since I have known you, Mr. Speaker, although I may not altogether agree with you politically, you have been a good man, a man who has had opinions of his own and who has not been afraid to stand by them or express them; and to my mind that in a public man is something very worth while. I hope you may be long spared to wear the honour that has fallen upon your shoulders.

I wish also to extend my congratulations to the honourable gentleman from Stadacona (Hon. L. C. Webster) and the honourable gentleman from Pembroke (Hon. G. V. White), on the speeches they delivered in moving and seconding the Address. Those speeches were able and well delivered, and I am sure we all agree that this House has received an addition to its debating talent that is very welcome. Further, both the honourable gentlemen have the great distinction of youth, something that some of us are beginning to envy, and I am sure every member of the House will wish them a long and successful career in this new sphere of duty to which they have been called.

Now, honourable gentlemen, may I indulge in a personal word? You will remember that last Session I stated to the House that when we got into our new chamber I intended crossing over and sitting on the cross benches as a supporter of the Progressives or Farmers' party. I have done so, honourable gentlemen, for two reasons. The war is over and we are now dealing altogether with domestic matters; and, as I do not agree with the tariff policy of the Government, I felt that the only thing I could do was to take the position I have taken. I have a further reason, and it is this: that in the particular part of Saskatchewan that I am supposed to represent in this House the great majority of the people are supporters of the Farmers' platform, and therefore I felt the more justified in taking that position.

I would also say that, while three years ago I differed with my old friends who are sitting around me here on the conduct of the war, I have no apologies to make to anybody for the course I then took. Under the same circumstances I would take the same course again. But I must say this: that my honourable friend the leader of the Opposition (Hon. Mr. Bostock) and many others sitting around him, although they took an absolutely different view of that question and acted in a different manner, were in my opinion just as honest and just as anxious for the welfare of Canada and for the winning of the war as I was, and several of them have made sacrifices as great as any man in this country has made to carry on and win that war.

But, honourable gentlemen, the war is over and now we have to deal, not with the war itself, but with the aftermath of the war. It is a heavy burden for Canada to bear, but we must face it, and we must meet it, and I think the time has come when all those old differences and any hard feelings or heart-burnings that may have been caused by that question a few years ago might well be dropped now, and we might all get together as far as possible and conduct the affairs of this country in such a manner that we may meet and overcome the difficulties that are confronting us, caused by the war, and may soon be able to bring Canada back to a somewhat normal condition.

Now I come to the Speech from the Throne. There are not a great many subjects mentioned in it. It mentions in a rather unusual manner the question of the tariff. That question is brought up while an inquiry is being made by a committee and before the committee has reported. I have no quarrel whatever with the Government on that account. My honourable friend the Senator from Stadacona (Hon. L. C. Webster) delivered a very able speech, and I congratulate him upon being able to speak so well, not only in English, but also in the French language. I feel that if more of us could speak the French language as he speaks it, it would be better for the whole of the Dominion of Canada and there would not be so many differences of opinion between one part of the country and another. That honourable gentleman speaks with a good deal of authority, because, although he is a young man, he has risen to a very high position in the commercial life of Canada. In that speech he stated there was no reason why we in Canada should not export many things to tropical countries. Among other articles he mentioned cotton. Well, all I have to say to that is that if the manufacturers of Canada can bring in raw cotton from the Southern States, pay freight on it, manufacture it into cotton goods of various kinds, and then export them to tropical countries which are South of the United States, then how does that line up with what my honourable friend the leader of the House (Hon. Sir James Lougheed) says, namely, that we cannot begin to stand at all if American goods are allowed to come into Canada? The two statements do not agree to the slightest extent.

My honourable friend from Stadacona also states that Mr. Thomas B. Macaulay, President of the Sun Life Assurance Company, has stated: "The more one looks into the question of trade between Canada and the West Indian colonies, the more one is convinced that this trade ought to be developed to the benefit of all concerned." That is all very well, but if Mr. Macaulay's advice on that question is no better than

the advice he gave us about two years ago in a circular which I received, to the effect that the present tariff should be maintained for Canada, and that a new tariff should be imposed upon the people of Canada and of all the other dominions of the Empire to provide revenue to be expended in Downing Street for Empire purposes, I can only say that any man who would advocate a system of that kind inspires me with very little confidence in anything else he might advocate, because if there was ever anything more preposterous suggested in the Dominion of Canada I have yet to hear of it. It was to my mind the most absurd proposition that could possibly be made. I would like to see any Government in Canada, Liberal or Conservative or Farmers, go to the country with a policy in favour of a special tariff levied on the people of Canada for Empire purposes, the revenue to be expended from Downing Street. The thing is too absurd to consider for one moment.

My honourable friend the Senator from Stadacona went on to say that if we are to cut down the premium on American exchange we must buy less in the United States. That may be true. There is no doubt that if we bought five hundred million dollars worth less in the United States it might cut down the rate of exchange against us. But, after all, honourable gentlemen, let us be fair and honest with ourselves. What is the real cause of the exchange being so much against us? It is not so much in the buying and selling of goods; it is because our country, as a result of the exigencies of the war, has not a gold standard, such as we had some years ago. There is the whole situation. Why was Canadian money so valuable at the end of the American civil war? Simply because of the United States not having a gold standard. If we get our finances in such a state that we can repeal the Act that was passed a few years ago, and place our currency under a gold standard system, and have some eighty odd per cent of gold in our vaults against the Dominion bills and the Bank bills that are circulated——

Hon. Mr. CASGRAIN: Paper.

Hon. Mr. TURRIFF:——then we shall have an even currency; but until we reach that position we must expect that the exchange will be against us.

At the same time, honourable gentlemen, I quite agree that we ought to buy less in the United States, if it is possible. But why do we buy so much from the United States? It is not the Government that buys, nor is it the Government that compels you and me to buy American goods. Why, I ask again, do we buy hundreds of millions of dollars' worth of manufactured goods in the United States instead of buying them at home? There is a great deal in the way in which we are able to answer that question. I answer it in this way: we buy those goods in the United States because we cannot help ourselves. Our Canadian manufacturers are not able to supply those goods at a price at which we can buy them; so our merchants and our individual consumers buy American goods, because they can buy them and pay the freight and the duty and from ten to fifteen per cent exchange and have them laid down in Canada more cheaply than they can buy them from our own manufacturers. That is why we buy them in the United States: there is no other reason. That does not apply to the hundreds of millions of dollars' worth of goods that we buy in the United States—the raw materials for our manufacturers, anthracite coal, cotton, and several other things, but applies to the manufactured goods that we buy to the extent of hundreds of millions of dollars' worth from the United States; and under the conditions existing in Canada to-day there is not a bit of use in my honourable friends opposite and that reconstruction committee under Sir John Willison preaching that gospel and sending out editorials to the same effect to every paper in Canada every week.

I want to deal for a moment or two with a few of the points mentioned in the Speech from the Throne. One is the question of unemployment. I will not dwell on that, because I am not well enough informed on the question to deal with it at any great length; but I will express my personal opinion, and that is, that the great bulk of the unemployment that exists and has existed in Canada is due to the fact that the labouring people of this country during the past few years have got the price of labour up to such a high point that manufacturers are not able to pay it any longer and continue in business, and the labouring people have refused to cut it down or to accept other work. I venture the assertion that there is scarcely in all Canada a man who cannot find work if he will go to where the work is. The farmers want thousands of men and can keep them employed at reasonable wages,

but the majority of work people out of employment will not leave the cities and will not take wages lower than they have been getting for years past. In the city of Hamilton the other day a committee that had been appointed to deal with the question of assistance to the unemployed made the statement that they had to quit it, because as long as they gave out help many of the men would not accept work of any kind. There is work to-day in Canada for any man who will go to where the work is and will take reasonable wages.

I wish to deal for a moment with the proposed abolition of the Commission of Conservation. My honourable friend the leader of the House states that the Commission is being done away with for economical reasons. I am glad to see that for once at all events the Government is turning its mind to economy. But let us consider for a moment whether it is economy or not. The Conservation Commission was appointed ten or twelve years ago, and if there has ever been a branch of the public service of Canada that has made good, it has been that Commission, headed by able men who devoted their time and their talents to its work for the benefit of Canada. But my honourable friend (Hon. Sir James Lougheed) says that the work it has been doing is a duplication, and that in doing away with the Commission the sum of $250,000 per annum will be saved. Well, the Auditor General's last report says that the Commission cost only $121,000 per annum. There may have been some other expenses on account of rent, office supplies, etc. However, I want to point out to my honourable friend the Minister of the Interior (Hon. Sir James Lougheed) that the duplication has been largely in his own department, and that every bit of that duplication started after the Commission had been at work for years. I venture to say that there is in the Government no department which, even if it were headed by the best and ablest man in the Dominion, could do certain classes of work that the Commission has been doing, and do them as well as the Commission has done them. Is there an honourable member of this House who believes that a branch of any government department could have prevented the turning over of the great water powers between here and Montreal to a private corporation? That is what the Commission of Conservation did. It is a Commission absolutely free from political patronage or official patronage in any respect, and in that one act alone the Commission did something that could have been done by no branch of any department. I remember very well, and a number of the honourable gentlemen who are in this House to-day will remember, that a good many years ago the Government of the day proposed parting with the rights in connection with the water powers around Cedar Rapids, and, while I was a pretty stiff Liberal in those days, I was one of the Liberals who, together with the late Mr Emmerson, sat up all night and kept the House of Commons in session until eight or nine o'clock the next morning, with the aid of honourable gentlemen opposite, who were in opposition, to prevent that very thing being done. A desperate attempt was made a few years ago to bring about that same thing, and it was the Commission of Conservation that stopped it. So I say that it is a good Commission, and it will be a sorry day for Canada if it is wiped out of existence and its work handed over to branches of various departments, entirely because of jealousies on the part of certain departmental officials. I think my honourable friend the leader of the Government would be well advised to proceed very slowly in this matter of doing away with that Commission.

Hon. Mr. CASGRAIN: The honourable gentleman spoke about the stopping of the use of the water powers of the St. Lawrence. I would like the honourable gentleman to say how the Commission did it, because everybody has been trying to do that and has not succeeded. Besides, the Commission must have done something else. I have read of what the Conservation Commission has done, and I did not know that it had done so very much; and I would like to know, that is all. I am not against it.

Hon. Mr. TURRIFF: Is not my honourable friend a member of the Commission?

Hon. Mr. CASGRAIN: No, I am not.

Hon. Mr. TURRIFF: I am not prepared to deal off-hand with the details of what has been done. I know that throughout the public press the Commission was given the credit for putting an end to the proposal to transfer that water power to private individuals, backed practically altogether by American interests. The Commission of Conservation got the credit of doing that, and I believe they are entitled to that credit.

In the Speech from the Throne there were references to the abolition by the

Government of certain taxes. I believe the reference there was to the luxury tax. While I am not very anxious that taxes on luxuries should be remitted, still there is no doubt in my mind that the way the tax was being handled and the way it was being collected made it a very unsatisfactory one. My honourable friend who moved the Address in reply to the Speech from the Throne, the honourable member from Stadacona (Hon. L. C. Webster), also offered some advice to the Government with regard to doing away with the business tax. In that respect I agree absolutely with the honourable Senator from Stadacona. The Business Tax to my mind worked a hardship in a great many cases. There may have been cases in which it was all right, and it may have been all right as a war measure; but now that the war is over, to my mind the Business Tax is a very wrong way of raising the necessary revenue. My honourable friend from Stadacona was very emphatic in pointing out that any tax of that kind hampered business, and was not good for the general business of the country. I agree with him absolutely; but might not my honourable friend go just a little further and say that an unduly heavy duty on anything hampers business just as much as a direct tax hampers it? If that is the case, if it is good policy to take off the Business Tax—and I know it is good policy—and, as my honourable friend said, when the money is received by the individual it can be collected by way of Income Tax—and the Government is gradually getting collections of that tax into shape—I believe that is the right method of collecting the money that is required for the revenue outside of what is derived from the tariff. If you want to get money you go to the people who have it; and my idea is that instead of taxing business you should tax the man who got the profits out of the business.

I know personally, honourable gentlemen, of certain cases in which a company or a firm has a good year of business, say in 1918, and made 10 per cent, 12 per cent, or 15 per cent—and in my judgment 10 or 15 per cent is not a bit too much for a business to make with all the chances and risks it has to meet. A business like that could make $15,000 or $20,000, and was not called upon to pay a tax at the moment, and, in some cases that I know of, by the time they were called upon to pay the tax of 1918 they had lost in their business all the profits they had made in 1918. But even take those who have not lost their net profits. Owing to the exigencies of business they have often to increase their building capacity; owing to the high cost of goods they have to have double the investment in stock, and there are many things coming up; so that when a firm that may have made the first $15,000 or $20,000 has to pay a business tax it may have to go to a bank to get the money. The money is not in the business. It is out in all sorts of betterments or in credits throughout the country, and the business that has been helping people throughout the country by way of credit is called upon to pay a tax when it has not a dollar of its profits in. I hope that tax will be removed, and that, if necessary, the Income Tax will be increased to make up the deficit, because under the Income Tax the man who has the money is taxed, which, to my mind, is the proper way to deal with taxation.

I cannot hope that my views will meet with favour in all quarters. I am afraid from the remarks I hear, that some of my friends sitting around me have a good income and have not any business. But I think that is the proper method of taxation, and under it my honourable friends would have to take their medicine like everybody else.

Speaking as a representative of the Progressive party, known as the Farmers' party, I want to say that I am rather disappointed at the attitude of my right honourable friend the Prime Minister on taking office—upon which I congratulate him, and in connection with which I want to say that, with his ability and energy and with youth in his favour, he is a man who should go far in Canada, a man for whom I have not only the greatest respect, but the kindliest feeling, as I also have for my honourable friend the leader of this House. I should like to take this opportunity of saying that I appreciate the kindness and consideration that were always extended to me by the honourable gentlemen opposite during the years in which I sat on that side of the House; and I wish also to express appreciation to my honourable friends on this side of the House who always treated me with great kindness and consideration although they may have felt sore on some points. My honourable friend the Prime Minister started out very severely on the Farmers' party, criticising them terribly and calling all those in sympathy with them Bolshevists and other hard names. One of the honourable gentleman's colleagues, who spoke in Peter-

borough the other day, apparently without much effect, was much more severe on the Farmers' party than was even the Prime Minister. He said that the Farmers' party was a menace to the Government. Well, I do not object to that at all. That may be quite true; and it might be a good thing for the country. But he went on to say that the Farmers' party was a menace to the Dominion of Canada. I say that the man who makes statements of that kind does not know what he is talking about. I would ask any honourable gentleman in this House to point to a single case where the men who live on the land, who work and make a living for themselves and their families out of the soil, have ever been a menace to any country. Where do our cities recruit from? From the boys on the farm. I venture to say that if you went to the chief politicians, statesmen, bankers, manufacturers, and merchants, and asked the head men where they spent the first twenty years of their lives, the great majority of them would answer, "On the farm in such-and-such a part of Canada." They are not the men who are or ever will be a menace to Canada. The farmers of Canada to-day are the most conservative people in the Dominion of Canada. Why would they not be conservative? They have the biggest stake of any class of men in the Dominion of Canada. Any one who would like to see a change of Government brought about, who would like to see this Government put out and a Farmers' Government brought in, need not complain of the statements or actions of the right honourable the Prime Minister or the honourable the Minister of Militia. Such statements as those made by those two gentlemen never make a vote for them; on the contrary, they do more to make votes against them than almost any other course they could take. I am glad to say that my right honourable friend the Prime Minister has toned down marvellously since then. He is young, and quicker to learn a lesson than we old fellows; and, if you will notice, he now speaks with a great deal more consideration and respect for the Farmers' party.

Now, I want to deal for a short time with the tariff. My honourable friend the leader of the House went into that question very fully and very strongly, and he waxed very wroth that any one should have the temerity to suggest that the tariff might be lowered or should not be increased. Among other things he said that we are likely to find the Fordney Bill in force in the United States. Personally, honourable gentlemen, I do not think that the Fordney Bill is likely to go into force—it may; I don't know; but I think it more likely, if it passes Congress during the next few days, that President Wilson will veto it, and I do not think there will be enough votes to carry it over his veto; and by the time the Harding Administration will be in the saddle, I think the better sense of the people of the United States will begin to assert itself.

The United States is a great manufacturing nation. What are the people of that country up against now? They are up against the high cost of living and high labour. How could they hope to bring down the cost of living if they put an almost impassable barrier to food products going from Canada into the United States? But for the purposes of argument let us suppose that the Fordney Bill comes into force, and then let us see where we are. I want to say, honourable gentlemen, that, practically, the Fordney Bill was in force in the United States prior to 1911. At that time we had the McKinley tariff, under which for every bushel of wheat sent to the United States 25 cents was paid in duty; for every bushel of flax 30 cents was paid; for every bushel of oats 12 cents; and as to barley, I am not sure from memory, but I think it was 15 cents.

Hon. Mr. WATSON: Twenty cents.

Hon. Mr. TURRIFF: Twenty cents on every bushel of barley. We paid through the nose on every head of cattle, every sheep or lamb, and every hog that went into the United States. My honourable friend the leader of the House is mistaken when he says a Bill of that kind will keep those goods out altogether. Under those conditions we sent many millions of dollars worth of them into the United States—Why? Because the people of the United States wanted food, and had the money to pay for it, and they paid the farmers' price, and the duties besides, to get that food. Do you know, honourable gentlemen, that in the United States they cannot make the satisfactory grade of flour which they want without the hard wheat of the prairie provinces—with the exception of some that they have in Minnesota and North Dakota—which they mix in the proportion of 1 bushel to 4 of their soft wheat.

We do not want the Fordney Bill. Our farmers in the West, and I have no doubt the farmers of Ontario—although I am not speaking for Ontario, as I do not know conditions there as well—profited

materially when those duties were taken off. But if we have the Fordney Bill put into effect now, whose fault is it? If that legislation is put into force, I say who is to blame for it? I want to say that the people who are to blame are my honourable friends opposite, together with the manufacturers of Canada, Conservatives and Liberals alike—with mighty few exceptions.

Hon. Mr. McMEANS: Does that apply to the provision in the Bill putting 30 cents on wheat?

Hon. Mr. TURRIFF: My honourable friend does not need to tell me anything about that. In 1911 Sir Edmund Walker came out with a letter saying that if the Western farmer was allowed to sell his wheat and hogs and other farm products in the United States it would make a disloyal man and a rebel of him.

Hon. Mr. McMEANS: Oh.

Hon. Mr. TURRIFF: That is what Sir Edmund Walker said in the letter. My honourable friend may not like it, but it is the fact. I am dealing only with absolute facts that I know about.

Hon. Mr. McMEANS: The honourable gentleman has not answered my question.

Hon. Mr. TURRIFF: I did not understand the question.

Hon. Mr. McMEANS: The honourable gentleman has made the statement or used the argument that the excess duties put on by the Fordney Bill are attributable to honourable gentlemen on this side of the House and the manufacturers. Does he also claim that we were responsible for the provision which put 40 cents on wheat?

Hon. Mr. TURRIFF: If my honourable friend had waited he would not have needed to ask that question, because I intend to deal with it fully; and when I get through, if I have not satisfied him—I suppose I cannot satisfy him—if I have not made it clear to my honourable friend, I will try my hand at it again. I say that it is the gentlemen sitting opposite who, with the Canadian manufacturers, are responsible for the Fordney Bill being introduced at the present time, and why? In 1911 the American tariff was practically what the Fordney Bill proposes to make it now. But the Government then in power made an agreement with the United States Government under which the latter agreed to take the duty off all farm products and allow them to go into the United States market free of duty. Does the honourable gentleman mean to say that if that agreement had been carried into force in 1911 the Fordney Bill would be suggested now? The Republican party, the high protection party, was in power at that time, and many of us thought that if a deal of that kind could be made, by which our natural products would enter the United States free, we would have to take the duty off certain lines of manufactured goods to equalize it, and we were surprised when the United States said: "No, we will agree to natural products coming into the United States free of duty, and we will not ask you to take a cent of duty off manufactured goods." The manufacturers of Canada made the mistake of their lives on that occasion, as they were practically not touched by the agreement. The only two items affecting them in that treaty were 2½ per cent and 5 per cent on certain lines of implements and the item of salt which it was proposed to put on the free list. But the manufacturers saw an opportunity of setting up the loyalty cry, and they succeeded in putting an end to that reciprocity agreement, and to-day, as a result of that, we are threatened with the Fordney Bill. The whole argument had been on free wheat—what an enormity it would be if our wheat were allowed to go into the United States free. Shortly after the defeat of reciprocity the Democratic party come into power in the United States.

My honourable friend the leader of the House stated the other day that the Democratic party preached a low tariff while they were out, but kept up a high tariff when they came into power. My honourable friend has not paid close attention to what took place in the United States. Shortly after 1911, when the Democratic party came into power, what did they do of their own accord? They practically put farm products from Canada on the free list. They put on the free list any country that would admit American farm products free, and my honourable friends opposite almost broke their necks in hastening to give free wheat. A year or two before it was regarded as the height of disloyalty to talk free wheat. But my honourable friends, as soon as they were in difficulties, granted free wheat, and they were right, perfectly right. So we were in the position of being offered by the United States a market of one hundred million people, or, as an honourable friend says, one hundred and

twenty million to whom to sell our goods. Think of what it would have meant to the manufacturers for the great farming community of Canada to have been put in a position to make more money and to have more money to expend in buying manufactured goods. Honourable gentlemen, if I had the full say I would not close a single factory in Canada by legislation. No one can make me believe that that would result from the opening up of the American market, or that the manufacturer on our side of the line is not as good a man as the manufacturer on the other side. My honourable friend from Halifax (Hon. Mr. Crosby) yesterday stated very forcibly that we could hold our own with the United States and have held our own. If that is the case, why can we not hold our own in manufacturing if we have the whole of the American continent to supply with our manufactured goods?

The honourable leader of the House stated the other day that the Democratic party had during their term of office maintained a tariff barrier higher than we have ever maintained in Canada. Honourable gentlemen, that is not in accordance with the fact. The fact is that the United States tariff to-day is practically a free-trade tariff except on luxuries. That may seem strange, but the United States tariff is low as compared with our tariff. We pay in duties, per capita, the sum of over nineteen dollars per annum. What do the United States pay? It takes over eleven persons in the United States to pay to their Government as much duty as one person pays in Canada. In the face of that, my honourable friend the leader of the House makes the statement that the United States tariff is higher than ours. That is not the case: my honourable friend is wrong. I am quite certain that he did not wish deliberately to deceive the House, but he ought to look these matters up.

Hon. Sir JAMES LOUGHEED: I repeat that statement: the United States tariff is higher than the Canadian tariff.

Hon. Mr. TURRIFF: Honourable gentlemen, I thought I had the exact figures with me, but they are apparently upstairs in my desk. But how does my honourable friend answer the fact that in the year 1918, the last year for which we have the figures, the United States collected in duties something under $200,000,000? I have not committed the exact figures to memory. But I remember the Canadian figures, and they were about three-quarters as high. We, about nine million people, paid three-quarters as much duty as one hundred and fifteen millions of people in the United States. Out of three billion dollars' worth of goods imported into the United States, two and a quarter billion dollars worth came in absolutely free of duty, and on the dutiable goods that went into the United States the average duty was far less than that on the dutiable goods coming into Canada. If you took the total importations into the United States and the total importations into Canada, you would find that per capita in Canada we paid $19 in duties while the United States people paid $1.70. In the face of that, my honourable friend the leader of the House says that the United States tariff is higher than the Canadian tariff. All I can say is that I am certain that my honourable friend is wrong—that he has got the figures mixed up, and I will get—

Hon. Sir JAMES LOUGHEED: Will my honourable friend pardon me?

Hon. Mr. TURRIFF: Yes.

Hon. Sir JAMES LOUGHEED: Does he not appreciate this fact, that the balance of trade is against us and in favour of the United States. Their importations relatively are very much less than the importations of Canada; consequently the duty falls less heavily upon their people per capita than does the duty upon the people of Canada, because they have built up home industries, whereas we do not do likewise.

Hon. Mr. TURRIFF: That does not answer the fact that the duty levied on the dutiable goods going into the United States is much lower than the duty levied on the dutiable goods coming into Canada.

Hon. Sir JAMES LOUGHEED: No, no.

Some hon. SENATORS: No.

Hon. Sir JAMES LOUGHEED: The honourable gentleman is entirely wrong.

Hon. Mr. TURRIFF: No argument can dispose of the fact that we pay $19 per head in duties while the United States people pay $1.70 per capita in duties. That fact stands out quite plainly.

Hon. Mr. BENNETT: Before the honourable gentleman leaves that point would he allow me to ask him a question? Is the honourable gentleman still of the same opinion as he was in 1904 when he was a member of the House of Commons and

when the Laurier Government was giving large bounties for the production of pig iron? Does he still favour that as a system of protection, and would he be agreeable to it being taken up again to-day?

Hon. Mr. TURRIFF: The system of bounties for the production of iron or steel is not a bad way of assisting an enterprise to get on its feet. My honourable friend smiles, but let him wait a minute. In my judgment it is a great deal better than a high protective tariff, because then we know what we are paying. My honourable friend has mentioned the paying of bounties on iron and steel. The right honourable Prime Minister says that the policy of the Government is that all our manufacturers in Canada must be protected, in order that they may be enabled to hold the business that they have at present and to increase their business in the future. Now, since my honourable friend reminds me of this matter of steel production, let us look into it for a moment. When the Dominion Iron and Steel Company was formed we paid $11,000,000 or $12,000,000 to that Company in bounties and in addition gave them a high protective tariff that enabled them to take tens of millions of dollars more out of the pockets of the people of Canada. Did that put them on their feet? Did that set them up so that they could legitimately do business and compete? It is a well-known fact that just before the war the Dominion Iron and Steel Company was on its last legs. It had not for years paid any dividend on the preferred stock. Then the war came, and the company began to experiment with steel and soon succeeded in making a steel that it was able to use in the manufacture of shells for war purposes; and I give it credit for that. It obtained contracts from the Dominion Government and from the Imperial Munitions Board, which enabled it to make tens of millions of dollars of profit, so that $20,000,000 of common stock that never brought one cent into the treasury, had during the last few years a market value of about sixty-five dollars a share, or another $13,000,000. And what is the condition of that company to-day? I see in the press every little while the statement that unless the Dominion Iron and Steel Company can get orders from the Government it will have to shut down. So you see that the giving of bounties or the imposition of high duties does not always put a business on its feet, although it may give it a mushroom growth. The business may practically depend for its existence upon being pap-fed.

We have had other experiences of that kind. The Government during the last few years started in a shipbuilding industry. Before the war was ended there was some reason for that; the German submarines were sinking the ships of the mercantile marine very fast, and Britain was straining every effort to build ships and wanted ships to be built. I make no complaint, honourable gentlemen, regarding the Government undertaking the building of warships before the war ended; but what can be said of continuing after the close of the war the policy of giving contracts for ships to be built at double the price at which they could be built at other places? Let me read to you a despatch which appeared in the Ottawa Citizen of January 7 last, about a month and a half ago:

> Vaucouver, Jan. 6.—The keels of two new government steamers, the Canadian Transporter and the Canadian Trader, were laid at the Coughlan shipyards here to-day. Seven hundred men are engaged in the yards.

Over two years after the war was over, when the shipping of the world had been increased to a far greater tonnage than it was prior to the war, and when ships were being built in England at so much a ton dead weight, half the price at which the contract is let to build these ships! What can you say for a policy of that kind?

Here is another despatch appearing in the same newspaper of the same date:

> Dutch Ships Laid Up
>
> Rotterdam, Jan. 6.— Forty-nine ocean steamers, mostly Dutch, are laid up at the present time at Rotterdam because of lack of cargoes and the low freight rates, according to Burgomaster Zimmermann. He also announces that while more ships entered Rotterdam last year than previously the actual tonnage was only 38 per cent of that of 1918.

My honourable friend the Prime Minister says that we must have a tariff for revenue purposes. That may be quite a fair argument to make.

Hon. Mr. ROBERTSON: Before my honourable friend leaves the subject of ships will he be good enough to inform the House whether or not any of the Canadian Merchant Marine are laid up and not employed?

Hon. Mr. TURRIFF: In answer to my honourable friend the Minister of Labour, I may say that I have not heard that any

of the Canadian merchant ships are held up, but I understand that they are running with one-quarter or one-half cargo, and that they are losing money by the hundreds of thousands of dollars each year, and that the wages for stevedoring in Montreal were unpaid three months after the work was done.

Hon. Mr. ROBERTSON: My honourable friend is misinformed as to the facts. The ships that have been completed and are in use in the service of the Canadian Merchant Marine are all profitably employed, and cargoes are offering for a considerable period in advance of the completion of the ships now under construction at Vancouver. With reference to the matter of the stevedores at Montreal, I cannot inform the honourable gentleman, because I do not know.

Hon. Mr. BOYER: As far as that stevedoring matter is concerned, I was questioned some time ago by a firm of stevedores in Montreal who had loaded a couple of Government ships last October as to why their bill was not paid, and was asked if I could help them. I told them I had nothing to do with the matter. It was learned on inquiry that the bills owing to them were duly sent to the office in Montreal; that they were transferred from the Montreal office to Ottawa, from Ottawa to Toronto, and from Toronto back to Montreal, and were then placed at the bottom of the shelf and left there. They are still unpaid.

Now, as far as profitable freights are concerned—

Some Hon. SENATORS: Order.

Hon. Mr. BOYER: One of the steamers of the Donaldson Line, now amalgamated with the Cunard Steamship Line, left Glasgow last month without a pound of freight. Stevedores, lightermen, etc., were ordered to Portland to help to unload and load the vessel. They reached Portland and the ship got in all right. She had not a pound of freight. She went to the coal dock and took in 700 or 800 tons of coal, waited for her day of sailing, and went out without another pound of freight. Now, if an old company like the Donaldson Line, having ramifications all over the United States, and, you might say, all over Europe, can send ships out to America without a pound of freight expecting a return cargo, how does this Government manage to get a cargo?

Hon. Mr. TURRIFF: My honourable friend the Minister of Labour should be in a better position to know the facts of this case than I am; but I do not know that he is in any better position to state the facts than the directors of the Government Steamship Company. I am going to give you what they had to say on that question, and it differs from what my honourable friend has said. I am referring now to the Ottawa Citizen of January 13, a little over a month ago. This is in answer to some remarks that had been made by another paper in Ottawa. An excerpt from that paper, I presume it is the Journal, is given, which is exactly along the line of what the Minister of Labour has said. Here is what the Citizen says:

> But the directors of the enterprise, in their recent report, warn the public that the Government marine is not to be regarded as a money-making enterprise. Contrast this excerpt with our contemporary's conclusions:

And this is the report:

> Having regard to the fact that all of your company's vessels have been built since the war began, the cost of construction has been much higher than prevailed before hostilities, so that the interest, depreciation, and insurance expenses on your vessels are much higher than obtain on those of your competitors whose fleets, even after taking into consideration their new tonnage, would not nearly equal per ton dead weight the cost of the fleet of the Canadian Government Merchant Marine, Limited. Your vessels will also be competing on some trades against vessels carrying foreign crews. It will be seen, therefore, that while a satisfactory business is being done and much new trade developed, large profits should not be looked for.

As I said a moment ago, I had no objection whatever to the Government of Canada building ships during the war, before we knew how soon it was going to end. But imagine continuing that policy for over two years after the war has been completed, and building ships at twice the cost. I venture to say that when the reports for last year and for this coming year come out, many of the Government ships will be found to be losing more money running than they would be if they were tied up to the wharves. No one can make me believe that the Canadian ships can be run very much cheaper than the British ships. The British are too old in the game; they would never have occupied the position which they occupy to-day in the carrying trade of the world if Canadians could build ships at twice the cost, and run them cheaper than the British Government is running British ships. It cannot be done.

You may talk about it as much as you like, but it cannot be done. I say it was a most absurd and ruinous policy to continue building ships after the war was over, and to run them at a loss, and then to say that we have to shape our tariff so as to get revenue for expenditure in these matters.

Are we going to continue every enterprise in Canada, no matter what it cost? Let us take the building of ships by the Canadian Vickers Company in Montreal. They built some ships for the Government, and they were built not at a contract price, but at cost plus. What do you think they charged for every man that $10 a day was paid to? They charged the Dominion Government $18.15, besides 10 per cent over the cost of the materials that went into the ships. I have seen it stated half-a-dozen times lately that the Canadian Vickers Company will have to shut down unless the Government comes to their rescue with more orders.

Hon. G. D. ROBERTSON: I must take exception to the statement of my honourable friend with regard to the nature of the contract with the Vickers Company. I happen to know that those ships were built on a contract price per ton basis, and that that price was lower than the price in some of the other shipyards. I know, too, that the workman did not receive a wage of anything like $10 a day.

Hon. Mr. TURRIFF: I do not mean to say that the men received $10 a day; but for every $10 a day paid to the men the Vickers Company charged $18.15. That is the sworn evidence of the Company, and my honourable friend, if he wishes, can look up the records of the House of Commons where he will find the sworn statement made by members of the Vickers Company that on every $10 paid in wages they added 65 per cent. That 65 per cent meant that they added $6.50 to every $10—not necessarily for one man—making $16.50, and they then added 10 per cent to that, making the figure of $18.15 of which I have spoken. If my honourable friend is not satisfied with my statements, I would recommend him to go to the records of the Public Accounts Committee of the House of Commons, where he will find this evidence. Are we going to put up the Canadian tariff to bring in revenue to keep a company like that going in Canada? That is the question. My idea, honourable gentlemen, is that instead of putting up the tariff in order to get an undue revenue, the proper course is for the Government to cut off some $50,000,000 of the expenditures that are taking place in Canada—and I venture to say that could be done without the public interest suffering in the slightest degree. Some private pets to whom these contracts have been given might suffer, but the public of Canada would not suffer in the slightest degree.

There are other sources of expenditure that, in my judgment, might be cut off to very good advantage. Take, for instance, the lending of $25,000,000 to Rumania at a time when the Government knew that Rumania was absolutely bankrupt. They gave that $25,000,000—why? To enable certain manufacturers in Canada to contract for large quantities of supplies for Rumania. The Government put up the money and the manufacturer gets his big price and makes big profits, and when it comes to getting the money back we cannot even get the interest on it. The same remark applies to Greece. The Government was in exactly the same position as a merchant doing a credit business. A man comes in and says: "I want to buy $1,000 worth of goods, but I haven't got any money. My farm has two or three mortgages on it; I have private debts; and, besides, everything I have chattel-mortgaged; but will you sell the goods to me on credit?" What would you think of a merchant who would say: "No, but I will tell you what I will do: I will go down to the bank with you and endorse your note for $1,000, so that you can get the money and buy the goods." But the Government is in an even worse position than that, because they take all the risks and get nothing in return. The only benefit is that a few manufacturers are given contracts.

There is another way in which the Government has wasted a great deal of money. A year or two ago the Government engaged an outfit of Yankees to come over here to reform and reclassify our Civil Service. I must confess that when the Government took that position and promised to do away with political patronage I was favourably inclined to the proposal. I was a member of the House of Commons at that time, and thought that perhaps these people would do better than we had done; I really felt that the matter of appointments would be better out of our hands, and that we would have no bother with it. They got Young and Company to come here, and if ever there was a botch made of any piece of business on the face of the earth, it was

the reclassification of the Civil Service by Young and Company. To-day the Civil Service is fairly seething with indignation and rebellion. As one man told me: "There is no danger of strikes; we won't strike; but you cannot get the work done; the officials are so dissatisfied that they won't work;" and they are dissatisfied in spite of the fact that Young and Company's classification increased the cost of the Civil Service by about $5,000,000, and that there is to-day a Board of Hearing which has been sitting for months and raising the salaries of those that Young and Company missed. In many cases they put up the salaries of men in the lower grades beyond those of men who were higher in the Service.

Hon. Mr. ROBERTSON: May I draw attention to the fact that neither Arthur Young and Company nor Griffenhagen and Associates had anything whatever to do with the preparation or determination of the Civil Service reclassification. That was done by the Civil Service Commission, and my honourable friend is in error when he asserts that either of these companies had anything to do with any increase in the cost of the Civil Service salaries by reason of the reclassification, because that was not their function.

Hon. Mr. TURRIFF: Technically, my honourable friend may be right; but it seems to me that Young and Company gave hundreds of men their classification and put up their salaries. I know men who have got increases; there are a couple of men in the service of the House of Commons who got over $1,000 more than they were getting before.

Hon. Mr. ROBERTSON: My honourable friend must remember that Arthur Young and Company and Griffenhagen and Associates had nothing whatever to do with that.

Hon. Mr. TURRIFF: I have not mentioned Griffenhagen and Associates yet; I was talking about Young and Company.

Hon. Mr. ROBERTSON: I may inform my honourable friend that they had nothing to do with fixing the rates.

Hon. Mr. CASGRAIN: What did they do?

Hon. Mr. TURRIFF: They put them in a class that gave them a higher salary, so it is absolutely the same thing.

Then, when they skinned the Government out of all they possibly could, they became a little ashamed, I suppose, of taking so much, and had their rights transferred to the Griffenhagen outfit. Is it any wonder that in some parts of Canada the Senate is not looked upon with a very great degree of respect? What can you expect the public to think of the Senate when the Government pays no more attention to it than the wind that blows?

Last Session I had the honour of moving that Canadians be employed instead of Griffenhagen and Associates, and the motion was carried in this House by a majority of ten. But my honourable friends the Minister of Labour and the leader of this House just went right ahead and dealt with Griffenhagen as if the Senate had not expressed any opinion upon the matter. Is it any wonder, I say, that throughout Canada people talk of doing away with the Senate? If the Government has no confidence in the Senate, if the Minister of Labour has no confidence in the Senate, what can be expected from the people of the Dominion of Canada?

In spite of that resolution and the majority on it against the Government in this House, they engaged Griffenhagen and Associates at $10,000 a month, and for not less than a year. There were eleven of them: three or four principals, the balance being clerks—so they got an average of almost $1,000 a month. No doubt the chiefs will get two or three thousand dollars a month, and in addition to that, honourable gentlemen, they get travelling expenses and living expenses when they are outside the city of Ottawa; and they have a regular staff of ordinary Civil Servants who know something about the matter telling them what to do. I am informed on what I believe to be good authority that Griffenhagen and Associates, instead of costing $10,000 a month, will cost, taking into consideration the other expenses for stationery and office room and so on, about $25,000 a month. That is going on, and we have to put up the tariff to get money for the Government to indulge in measures of that sort.

Mind you, the Civil Service Commission was not allowed to deal with this matter; it was taken from them—and the only thing I blame the Civil Service Commission for is that they did not resign on the spot when they were set aside and the work taken out of their hands. And who did this? It was a Committee of the Council, consisting of my right honourable friend the Minister of Trade and Commerce, the Minister of Immigration, the then President of the Privy Council, the Hon. Mr.

Burrell, my honourable friend the Minister of Labour, and, I think, the Minister of Finance. This Committee undertook to look after and run the Griffenhagen outfit, but what did they do? The Minister of Trade and Commerce went across to the old country to Geneva; the President of the Privy Council also went over there; the Minister of Immigration went to England, and when he came back he took a trip out West, ostensibly to go with the Tariff Commission, but really to conduct a campaign throughout the West. Mr. Burrell resigned; Mr. Rowell resigned also; and the Minister of Labour, who was left, had to go through the country, and the whole matter was left under the direction of a clerk taken from the Civil Service Commission.

And what is the Civil Service Commission costing us? I am informed, honourable gentlemen, that during the coming year we shall have to provide about $500,000 for the Civil Service Commission. As I said a moment ago, I had been in favour of taking the matter of Civil Service appointments out of politics; but I want to say now that when I find I am wrong I am willing to acknowledge it. I find that I was wrong, absolutely wrong. For one case in which the members recommended a man who was not fit for a position, there are now ten getting into the Service. A vote of Civil Servants was taken a few months ago, and a majority of 1,500 voted to join the labour unions. Imagine! the Civil Servants of Canada! I have often said that I believed that the Service would be far better if it were put back again as it was before, and if a great deal of the expenditures that we are now incurring were done away with. At the present time the head of a department has practically no say in his own department and has lost interest in the department, and matters are going from bad to worse. The sooner the Government takes hold of this question and restores the former condition the better it will be in my opinion for Canada. I know that when the new Board was appointed it was given carte blanche, and it was supposed to be a business organization; but there was not a less able or less satisfactory branch in the whole Civil Service, although it was supposed that the best men available had been selected.

Hon. Mr. SCHAFFNER: When the honourable gentleman refers to the head of a department does he mean the Minister or the Deputy Minister?

Hon. Mr. CASGRAIN: The Deputy.

Hon. Mr. TURRIFF: Yes.

Hon. Mr. SCHAFFNER: That is what I understood.

Hon. Mr. TURRIFF: From my own experience of the Civil Service, I do not expect that any minister can have much to do with the running of the Department, that is, as regards promotions or matters of that kind. The Minister must depend upon and accept the word of the Deputy, who knows all about the matter. The Minister has enough work to do in settling the policy of the Department and attending to other important matters. The Deputy is the man who should have control of the department.

My honourable friend the leader of the House (Hon. Sir James Lougheed) says that the tariff of the United States is higher than ours. I venture to say, honourable gentlemen, that the Farmers of Canada and the Liberals of Canada, whose policies are much alike, would welcome the American tariff in this country, because on the necessaries of life it is practically a free-trade tariff; the duties are largely on the luxuries. I want to read just a few items from the two tariffs. I have taken these as correctly as I can. There may possibly be one or two mistakes in the Canadian duties, because there have been so many amendments to the Act that it was a little difficult for an ordinary member who has not paid a great deal of attention to the different items to get it exactly. I do not say that every item is absolutely right, but they are all as nearly right as I can possibly make them.

Article	United States tariff		Canadian tariff
Cement	Free		10%
Coal, Bituminous, per ton.	"		53c.
Cocoa, per lb	"		4½c.
Coffee, per lb	"		5c.
Gloves	"		35%
Leather	"	Calf, sheep, dongola, kid and goat	15%
		Sole leather	17½%
		Enamelled leather	25%
		Leather belting	22½%
Meats	"	Canned meats	27½%
		Live hogs, per lb.	1½c.
		Fresh meats, per lb	3c.
		Meats, n.o.p., per lb	2c.
Milk and cream	"	Condensed milk	35%
		Milk foods	27½%
Cut nails, per 100 lbs	"		50c.
Sago and tapioca	"		27½%
Cotton Fabrics	5% to 30%	Grey cotton fabrics	25%
		White cotton fabrics	25%
		Printed cotton fabrics	32½%
		Cotton duck	20%
		Cotton thread	25%

Article	United States tariff		Canadian tariff
Sugar	Free	Molasses, per lb	3c.
		Syrups, per 100 lbs.	50c.
		Sugar, per 100 lb.	$1.11½
		Raw sugar, per 100 lb., for manufacturers	88c.
Biscuits	"	Not sweetened	25%
		Sweetened	30%
Agricultural implements	"	Some	12½%
		Some	17½%
		Some	20%
		Some	22½%
Cash registers	"		30%
Boots and shoes	"	Boots, shoes and slippers	30%
		Pegged	25%
Butter, per lb	2½c.		4c.
Eggs	Free	per doz.	3c.
Fish	"	Mackerel, per lb.	1c.
		Salmon, per lb	1c.
		Smoked or boneless, per lb	1c.
		Dried fish, per lb.	1c.
		Oysters, per gallon	10c.
		Oysters in shell	25%

The United States duty on cotton ranges from 5 per cent to 30 per cent, but the duty on common cotton, grey and white, that is, the coarser varieties or the cheaper grades such as would be used by the working people is very much lower, ranging from 5 to 10, 12 or 15 per cent. The 30 per cent applies to the fancy goods.

I mentioned that the duty on molasses coming into Canada was three cents per pound. I may have got that wrong. Perhaps it should be 3 per cent.

On cash registers, which are free in the United States, we in Canada pay a duty of 30 per cent. I consider that cash registers are now an absolute necessity in business places. Eggs are free of duty in the United States, whereas we have to pay three cents per dozen. Why should we not get eggs from the United States during some of the winter months when the hens are out of business? During the last few years we have had to pay anything from 75 cents to $1.00 or $1.10 a dozen for fresh eggs. To my mind there is no necessity for the duty on eggs.

Hon. W. B. ROSS: Could the honourable gentleman mention the year in which the United States placed bituminous coal on the free list? I would like to get the date of that. The honourable gentleman said that the duty on bituminous coal coming into Canada was 53 cents a ton, but bituminous coal was admitted free into the United States. In what year?

Hon. Mr. TURRIFF: I cannot tell my honourable friend from Middleton, but I went to the Library and got the American tariff, and was informed that it was the latest one issued, and I took the figures from that.

Hon. W. B. ROSS: You did not mention the year when bituminous coal was put on the free list.

Hon. Mr. CASGRAIN: It is on the free list, is it not?

Hon. Mr. TURRIFF: I said it was free.

Hon. W. B. ROSS: I was only asking the honourable gentleman if he could state the year when it went on the free list.

Hon. Mr. TURRIFF: No.

Hon. W. B. ROSS: The duty used to be 50 cents or higher.

Hon. Mr. TURRIFF: About three or four years ago there was, I know, a change made in the American tariff on coal. The information I got from the American tariff, which I was told was the latest, was that bituminous coal goes into the United States free at the present time. I cannot at the moment give my honourable friend the date when it was put on the free list.

Honourable gentlemen will see that the American tariff is low on the ordinary food products and other necessaries. The Canadian manufacturer used to say: "Give us a tariff as high as the American and that is all we want." Then they said: "Give us the United States market to sell our goods in, and we do not fear any competition." Well, in boots and shoes and agricultural implements they have the whole American continent. The Massey-Harris Company made enough money out of the farmers of Canada to enable them to go into New York and build a three million dollar factory, and they are now doing business in New York. The Canadian manufacturers of implements at all events compete with all other manufacturers in all the markets of the world outside of Canada. Why can they not compete with them in Canada when they have right at their door the whole United States to supply with goods?

Honourable gentlemen, I have spoken longer than I had intended doing. I will not take up your time much longer. My honourable friend the Prime Minister twitted the Liberals with boxing the compass, with being free-traders here and protectionists there. I think perhaps there may be some truth in that, but my honourable friends opposite are in exactly the same position. The right honourable the Prime Minister comes out resolutely and says: "We are going to have protection: we are going to protect every interest existing in Canada, and keep on protecting it." But how is the policy of the Farmers' party

and the Liberal party misrepresented? The Prime Minister and other ministers of the Government and honourable members opposite go into the cities and say: "The Farmers are going to give you absolute free trade, no protection at all; and the Liberals are going to do the same." Then they go out into the country and they tell the country audience: "The Liberals are not going to lower the tariff; they are going to maintain it exactly as it was before." There is always a good deal of jockeying for position. When a party is in opposition, it may say a good many things it is not prepared to carry out when in power. But the Government is in a position not a whit different from that of the Liberals. The Farmers have never been in power in the Dominion. The present Government did not carry out its promises any better than did the old Liberal Government when it came in. Both parties are in the same position. The members of the Government side-step and misrepresent their opponents just as much as did the Liberals and more than the Farmers.

My honourable friend the Prime Minister says the country is not clamouring for an election. You know, members of this House are apt to get a little out of touch with the people. I have been here only a couple of years and I have noticed that a little myself. So there is a good deal of excuse for the honourable leader of this House (Hon. Sir James Lougheed), who has been here so long. In his speech he stated that we must have high protection and nothing else is thinkable. Let me say to my honourable friend that if either he or I went to our respective provinces and made such a speech on the tariff as he made, and if we had to depend upon the votes of the settlers for election, there would be only one or two places in either province where we would have one chance in a hundred of ever again warming a seat in this House. My honourable friend is not keeping his ear close to the ground. That is natural, I suppose. If he had kept his ear close to the ground, he would have heard that there had been an election in East Elgin. What did we notice there? That although the vote against the Government was divided into two parts by the Liberal and the Farmers candidates, with policies very much alike, still the Farmers came out away ahead. That indicates to me that the farmers of Ontario are going to stand by their party. Honourable gentlemen opposite may congratulate themselves that the Farmers are trying to offset a breaking up. But do not make any mistake. You will learn before very long whether they are breaking up or not. That election indicated another thing. In the town of Aylmer, the largest town in the constituency, in spite of the Farmers' vote, the Liberal candidate, who opposed the tariff platform and program as announced by the Prime Minister, received more votes than did the Government candidate. So my honourable friend ought to keep his ear more closely to the ground.

We heard also of an election in Peterborough the other day. What was the result? Somewhat similar. The Farmers' candidate, although defeated, received more votes in all the country polls than the other four candidates together. That shows that the Farmers are working in unison. And again in the town the Liberal candidate received more votes than the Conservative candidate. I am not worrying about whether there is to be an election soon or not. The honourable leader said that the Government will eventually go to the country. It will go to the country soon. He says there is no clamour for an election. There is no clamour on the side of a Government that had three years ago a majority of over 70 and whose majority is now down to about 25. He will not have to wait very long, at the same ratio of loss, until the Government will have to go to the country. But whether they go immediately or not, I claim that the Farmers will stand pretty well together; that they will stand on a platform good for the country; that there will be in it no menace to the country or no danger in any respect. Can any honourable gentleman here point to a single instance in which Premier Drury of Ontario has passed class legislation? I never met Mr. Drury until the other night when he delivered an address here at the Board of Trade annual banquet; and I want to say this, that, with all my respect for the eloquence of the right honourable leader of the Government, and all my respect for the eloquence of the honourable leader of the Opposition, it would in my judgment have puzzled either of those honourable gentlemen to make a finer or abler speech, or one with less partyism in it, or one on a higher level, than the speech that was made by Hon. Mr. Drury here within the last two weeks. There would be no danger to the country if the Farmers should have a say in the next Government. There would be no class

legislation. Nothing would be done for the Farmers exclusively; all would be done for the good of Canada, just as I know the present Government do what they think is for the general good, and the Opposition, if they were in power, would do what they considered to be for the general advantage of the country.

There are a good many things that I should have liked to touch upon, but I have spoken so long that I must not trespass further on your time. I just want to say, in conclusion, honourable gentlemen, that in Canada we have a country of great resources and with a class of people that are not dependent on any one man or any one group of men, and I believe Canada will prosper, and prosper exceedingly, even if my honourable friends on the other side are returned to power at the next general election. There is no question about that. But, in my judgment the country would prosper a little better if the leader of the Opposition came into power.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. TURRIFF: But I want to say further that it would prosper best of all if the Progressive party, the Farmers' party, came into power and directed the next Government of Canada.

Hon. RUFUS POPE: Honourable gentlemen, I think nearly every one who has preceded me has turned out to be the leader of some particular branch of political thought; therefore it has been quite in keeping for men to congratulate the mover and the seconder of the Address in reply to the Speech from the Throne. However, perhaps a man who is not a leader of any particular party or organization may be permitted to offer his congratulations to the two gentlemen upon the excellent manner in which they performed their duty.

I now have to express my congratulations and at the same time my sympathy—my congratulations to the honourable gentlemen on the other side of the House who call themselves a party, upon having completed their organization on the floor of this House as they have in another place; in having the two elements that they have with a double-headed leadership. My sympathy goes out to the honourable gentleman who has led the Opposition (Hon. Mr. Bostock) with such dignity in this House for so many years. He is always a gentleman and always courteous. My sympathy goes out to him because, after all these years of labour, the hour has arrived when the honourable gentleman who has just taken his seat proves to be the usurper of that leadership which we all thought would fall to the honourable member from British Columbia. But let me tell the honourable gentleman from British Columbia to cheer up; there is much wind from the prairie, and when it blows it blows hard and long and principally in the southern portion of the province of Saskatchewan; and all that has been said may not be true, and when the winning hour comes there still may be a lingering possibility that the honourable gentleman himself may occupy the seat of honour upon this side of the House which the courtesy and custom of this House would entitle him to.

I cannot go into all the details necessary to reply to the double-headed leadership, to the two separate and distinct parties within one, and the long story of one, and the longer story of the other. It imposes a tremendous task upon any honourable gentleman upon this side of the House who feels it incumbent upon him in the slightest degree to do honour to two different and peculiar and distinct parties on the other side of the House. I heard the other night, and every honourable gentleman has read, the description given of a certain honourable member on the other side by another honourable gentleman—that when he was down in Gaspé he was a free trader that when he was in Montreal he was a protectionist; that he represented in the human family the place taken by the bat in the animal kingdom—a bird when he was in the air and a mouse when he was on the ground.

I am not an economist, and do not pretend to be one; but, after listening to the leader of the Progressive party in this House, I am unable to say who chose him. But self-nomination goes a long way. He may have a mandate from the Progressive party—I do not know—but to-day he has declared himself to be their representative here, and he informs us that the more we owe the better our credit will be. Well, honourable gentlemen, I have tried that with my banker over and over again, and I will be damned if I could ever make it work. I have been under the impression that because we bought more from the United States than we sold them our money was discounted; but to-day I am told it is because we have not got that mythical thing, gold, in the treasury. Why, honourable gentlemen, the rate of exchange is regulated by trade,

and nothing else but trade, and when the time comes when Canada is selling to the United States more than we buy from her, our money will be worth 100 cents on the dollar, gold or no gold. When the honourable gentleman makes the proposition that if the tariff were lowered it would increase our trade with the United States rather than decrease it, all I have to say to him is that while the dollar to-day is worth 90 cents, if that were done it would be worth only 80 cents. Whether the basis of the currency be gold or silver, the value of the dollar is the result of trade and trade alone.

The honourable gentleman has also told us that the United States pay less duty per capita than the people of this country. That is very easy to account for; they import less because they have a higher tariff. If we in Canada want to have less taxation per capita, then let us raise our tariff and make more goods in Canada, and import less from abroad. That will accomplish two things: it will enable you to lower the percentage of taxation, and it will enable you to give employment to your own people and in that way balance your credit with foreign countries so that your dollar will be worth 100 cents.

The honourable gentleman says the Canadian manufacturer is no good. I am not a manufacturer; I am a farmer. Unlike the honourable gentleman, I am not a leader of a Progressive party. I am a natural and positive and absolute farmer, and have been all my life; but when the honourable gentleman says that the manufacturers of Canada are no good, he is reflecting upon a body of men who during the war did as much credit to Canada as any body of men could do to any country.

Hon. Mr. TURRIFF: May I interrupt the honourable gentleman?

Hon. Mr. POPE: No, I am speaking now. You talked two hours. I want to tell the honourable gentleman that if it had not been for the National Policy which was inaugurated by Sir John A. Macdonald—

Hon. Mr. TURRIFF: Mr. Speaker, I request the privilege of interrupting. The honourable gentleman is putting words into my mouth that I never used.

Hon. Mr. POPE: That is what I heard you say.

Hon. Mr. TURRIFF: The honourable gentleman has said that I said the manufacturers were no good. I said no such thing. I said the manufacturers could not supply the goods we wanted as cheaply as we could get them in the United States.

Hon. Mr. POPE: And of as good quality. That is the old-fashioned Grit doctrine, assumed by the Progressive party of to-day. Let me say, honourable gentlemen, that under the National Policy of Sir John A. Macdonald, which was wisely left alone by Sir Wilfrid Laurier during his fifteen years of administration, the manufacturing industries of this country played an important part. They manufactured better and cheaper munitions for the war than any other nation in the world. They had no competitors; they got to work more quickly than those of any other nation in the world. The United States was studying while the manufacturers of Canada were shipping munitions manufactured from steel produced by industries that were encouraged by the bounties given by the late Sir Wilfrid Laurier's Administration, and from the lead industry of British Columbia, which was encouraged by the policy of the same eminent gentleman. But round those shells was a little band of copper. We have no National Policy on the manufacture and drawing of copper, and we had to go to the United States to buy that to put around the shells, the products of National Policy. Therefore I have always looked upon those shells as one of the strongest arguments in favour of the wisdom and force of protection.

The honourable gentleman speaks of the investors of capital in the industries of Canada as men who have gathered together tremendous fortunes by means of exorbitant prices—profiteers, I believe, is the word that has been freely used for the last few years. I would say to the leader of the Progressive party in this House that if the manufacturers of Canada had been permitted to make one-fiftieth of the profit that the Co-operative Grain Growers of the West made, they would to-day be worth millions where they are worth only hundreds of thousands. If there has been any institution that has robbed the people of the western country it has been the Co-operative organization of the Grain Growers of Western Canada, and if the Government does not appoint a Commission to investigate the matter I say they are failing in their duty. 100 per cent? 200 per cent? 400 per cent? 500 per cent? Nothing doing. That was not enough for those gentlemen who begrudge the industries of this country an ordinary 15 or 20 per cent for their industry.

Speaking of protection as it applies to the farmer, I admit that the western farmer is in one position and the eastern farmer in another. This farmers' movement certainly has a legitimate function provided it is not for class purposes. From the time of Confederation, 1867, until the present moment, I have never known a Cabinet of Canada, whether Liberal or Conservative, to have among its members more than one farmer; and I have known of many which had not that one. During all that time the rural population of Canada was possibly 40 per cent of the whole; and if the farmer had been recognized by the several Governments in proportion to his percentage of the population, and if his knowledge had been benefited by and his advice taken, possibly this apparently sudden uprising of the farmers of Canada would not have been. On the other hand, honourable gentlemen, the farmer of Canada stood in his own way, and in his own light. Over and over again, he had the opportunity to select a man of his own calling in many a constituency to represent him, but the lawyer or the doctor or the merchant or some other gentleman came in his stead supported by the farmers' vote. So, if he has not had the representation in the past that he should have had, it is his own fault because he did not utilize his voting power.

While all that is true, honourable gentlemen, it does not give any set of farmers, be they eastern or western men, the privilege of class representation. The honourable gentleman who has just taken his seat has gone a long way in an effort to persuade this House that no harm is meant —that no legislation will be introduced that will injure the industrial or investing interests of the country. I presume that is what the honourable gentleman wishes us to understand. But I say, honourable gentlemen, that no material reduction can be made in the tariff of 22 or 23 per cent that we have to-day without injuring some of the industries and investors of the Dominion of Canada. The farmer of Eastern Canada enjoys protection; the farmer of the West enjoys protection, although the honourable gentleman does not know it. Take the eastern part of Canada; take the eastern part of the United States, and take the Eastern Townships from which I come. Without protection would the value of the farms in Eastern Canada compare as they do with the value of the farms in the Eastern States? For while you can buy a farm in the Eastern United States for from $1,800 to $2,000, you cannot buy one in Compton of the same size and as well situated for less than $8,000 or $10,000. Why is that? That is because the United States is a country of 110,000,000 or 120,000,000 people. The United States is a country in which the meat production is all in the hands of half-a-dozen large concerns, and they have driven the producer of the eastern farm away from his home; they have sold beef and pork and the products thereof in all the cities and towns of the Eastern States at a lower price than those products can be produced in Maine, Vermont, or New Hampshire. They have ruined the retail trader and butcher. At one time the fat —the butter and the cheese—for Newfoundland was furnished by Eastern Canada. What happened? Chicago, 1,000 miles farther west than we are, drove us from the Newfoundland market; and I say that if Chicago and those great interests can drive those Canadian products out of Newfoundland, they can drive them out of the Eastern Townships, if you lower the tariff that protects the farmers of Quebec.

The honourable gentleman speaks of the farmers of the West. In our country they are described as the miners of the West—they have to mine the soil, not to farm it. Many of the farmers of the West come there to stay; many come to go. Hundreds of thousands are attracted by the low price of land and the opportunity to sell it at a bigger price. They are not permanent residents. They should not have a voice in the future national policy of this country. They own the Grain Growers, my honourable friend says; they are the Grain Growers, and the Grain Growers alone are represented by the Progressive party in the two Houses of Parliament. Mr. Crerar, who leads the Grain Growers in another place, is the hired man, and always has been the hired man of the co-operative organization. He gets, someone says, $15,000 a year for being faithful to them, and he gets $4,000 a year for being faithful to Canada—and if he is going to be honest as a man and earn his money he will earn $15,000 for being faithful to them and will let Canada take care of itself. That is a fair business proposition. If he wanted to come here as an independent member of Paliament, if he wanted to stand on the floor of the House of Commons and speak to this great nation of ours, I say that if he represented that great element of progress which my honourable friend has re-

ferred to, it would not take him long to scratch his pen through the cheque for $15,000 and send it back to the people from whence it came. Talk about mercenaries; talk about lawyers being the hired agents of any special class. I want to ask you, honourable gentlemen, if there is a man in either House whom we can for one moment compare with a specially-hired agent like Mr. Crerar, who represents this organization. If this Government does its duty, and if the three Ministers in this House see that they do their duty, they will appoint a commission to inquire into this organization, and if that commission does not find that it has swindled the western people, I am prepared to leave this House and never to enter it again. Take the million in grain that they have never paid for at the terminal elevator which they charged up to the farmers; they have taken millions and divided it up amongst themselves. Why have we not a sample market to-day? Why would honourable gentlemen, if they were living there and were farmers, not be paid for the flour that is in their wheat? The Bill was passed by Parliament after the outbreak of the war, and everybody supposed it would come into force. There had been a demand for it, and I believe it was an honest demand. After the Bill became law, those people asked that its enforcement be postponed. Why that postponement? Honourable gentlemen, I am told that the Grain Growers' Guide was at that time in very low water, that it needed financial assistance, and that certain representatives of transportation in this country went to the organization and said: "We are perfectly willing that you should have free wheat; go on with your agitation for free wheat, but stop this agitation for a sample market, because we would have to stop our cars here—it would cause delay. If you will do that, we will see that your Grain Growers' Guide is financed." Whether that is true or not, it is a fact that from that day to this the Grain Growers' Guide has not been in want of money. I saw two loads of wheat shipped to Fort William and two loads shipped across the line to Minneapolis. It was wheat of low grade, 3 or 4 points grade. One lot was graded and bought by grade, as Canada buys and sells. The other was bought by sample market, and payment was made for the flour that was in the wheat. It was not that the American market was better; it was because the sample market meant honest treatment. What was the result? After paying the duty we received over 23 cents a bushel more for the wheat that went to Minneapolis than for the wheat that went to Fort William and was sold under grade. Who stepped in and prevented us from getting the difference? The Grain Growers' corporation asked that the enforcement of that law be suspended, and to this day they have not asked that it be restored.

It surprises me to find that the honourable member who sat behind me (Hon. Mr. Turriff) has disappeared—has gone to the other side. I am sorry he has gone, and I am glad he is away, because he used to groan here every time there was anything presented in the way of strong protective legislation.

Nobody speaks of the farmers as a menace. I do not think that Canada in its weakest moments ever produced a fool who would speak like that. No, and it is not creditable to the leader of the Progressive party even to suggest such a thing. We may have been foolish, as others have been, but we are not a menace, provided we remain in full sympathy with a complete nationhood and that we spread out our beneficent wings over all the classes and all the people of Canada, without selfishness. If we do that, the farmer will stand where he ought to stand, first among the citizenship of this country. But he must not be agitated by the people who want to use him.

The honourable gentleman says that if we had the American market the great West would flourish. I suppose he thinks that if we had free trade it would flourish even more. If beef and mutton could be brought free from Australia and New Zealand, countries that have summer when we have winter, and winter when we have summer, so that when the honourable gentleman wanted to sell his corn-fed beef or pork it would come into competition with the meat of animals fed only from the soil, I suppose that would make the cattle industry of the great West flourish. Honourable gentlemen, when you think of these things, and of many more, with which I shall not take up your time, you cannot help realizing how unfortunate it is that a man of his great ability—for he must have that, because otherwise he would not occupy the position to which he has appointed himself—should not have been given understanding.

I find that I have still a few moments before we have any right to feel hungry, and I wish to devote that time to the other

wing of the group sitting opposite. I can see no better subject on which to spend the few remaining minutes than my dear friend the honourable member for De Lorimier (Hon. Mr. Dandurand). Everybody has paid him some attention, and it would be exceedingly unfair for me to neglect or overlook him. I take particular pleasure in dealing with him upon this occasion, because of the new alliance he has formed with the Liberals of the West, the Progressive party—the organization with which he intends to ally himself for the betterment of Quebec, and, I suppose, Canada generally; but, being a citizen of Quebec, whenever he speaks in this House, he practically confines himself to Quebec—Quebec subjects, the people of Quebec, the nationality of Quebec, and their religious affairs, incidentally included. So if I spend a few minutes in pointing out to him the beauties of this new organization with which he has allied himself, I am sure he will be forever grateful to me.

He was speaking of the Parti National, or the National party of Quebec. It is, I presume, not necessary to repeat in this House every year what I have already stated, that the Parti National had its opposite origin among the honourable gentlemen.

Hon. Mr. CASGRAIN: Blondin?

Hon. Mr. POPE: No. Mr. Blondin stated his case last night, and stated it plainly, decisively, and well. He takes all the responsibility for himself. Sir Wilfrid Laurier himself said that he was the successor of Papineau. Papineau was of the National school of thought, and Sir Wilfrid Laurier succeeded him. It is on record—preserved in writing, thank goodness, so that although the honourable gentleman is gone we can read it over and over again with perfect assurance that it is correct—that Sir Wilfrid Laurier stated that he belonged to the Papineau school, and that he and others of the Papineau school could not look at affairs in the same light as the English colonists, because they were entirely different; they had no alliance in any manner, shape or form; they were a separate colony and they had more to do with the other colonies upon this continent than we had, or with Australia and New Zealand, except for the matter of distance. He laid down that principle. Later on he came to power. The first Nationalist Government in our province was that of Hon. Mr. Mercier, who declared himself to be a Nationalist Prime Minister. Following him, Mr. Bourassa came into view. When Mr. Bourassa left the Liberal party, he said he left it—why? Because Sir Wilfrid Laurier was departing from the teachings of the school in which he had been a student. Whether it be right or whether it be wrong, the Nationalist party, if it has a field of operation, has it in Quebec; if it has a benefit to bestow, it is in Quebec; if it is injurious, its effect is on Quebec. At any rate, it is a Quebec institution, which can be controlled and governed by the voice of the people of Quebec. So when you French Canadians make an alliance between either of the two great political organizations and the Nationalist party, you have an instrument of your own, which you may govern as you see fit, because it is within your control. I am not a Nationalist. I do not believe in this separation. I think it is wrong. I think it is unfair to the French Canadian as I know him. I know him at home. I know his industry, I know his splendid hospitality, I know his adaptability, his ability to make good, and I say that he should be broadened and not narrowed in this Canada of ours. I am not a French Canadian; I am an English-speaking man, as everybody knows. I do not belong to the faith of the majority. I am supposed to be a Protestant, and I fancy I am, but at the same time, let me say, I have some right to speak for those people, because I do it without particular prejudice either for or against them. I speak of them as I know them, and I say that whoever have misled those people have assumed a tremendous responsibility which they will regret—which they do now regret. I am not going to charge anybody. The war is past, and, thank God, we won it.

You have now formed your alliance with the western wing of the Liberal party. I am sure my honourable friend from De Lorimier (Hon. Mr. Dandurand) will appreciate the suggestion of total co-operation made in the speech of the leader of the Progressive party in this House: "To be frank, if we win, we shall take all the front seats, of course, and the back seats will be good enough for you; but that is only a matter of arrangement: we must remember that we are all one and the same." The honourable gentleman from De Lorimier saw fit the other day, as he had done on two or three other occasions, to take up the time of this House on a matter that was purely and simply of a provincial

nature, of the alliance with the Nationalist party which I have just described. Now let us see what will be the result of this other alliance. The first question that ever began to divide the province of Quebec from Ontario and other parts of Canada emanated from the province of Manitoba. I am not speaking of the rebellions. We know about them. I am speaking of legislation. It was when the Greenway Government, with Mr. Sifton as its Attorney General, passed what is known as the Manitoba School Act and wiped out every vestige of the rights that the French Catholic minority had in that province in their schools. That was the first act of his new allies. Mr. Roblin came into power later on. Nobody could return all the favors that he had extended, but that they had been deprived of. He must have treated them fairly, because, I notice, during the last four years the Opposition in Manitoba has practically been composed of seven or eight French Canadians. The treatment that they received from the western wing of the Conservative party must have been something that they remember with gratitude. However, as time went on, the Roblin Government went down, and the Liberal party came to power under Premier Norris. What did we see at the next session? We saw again the wiping away of every consideration that had been given the Catholic minority of the province under Roblin. Once more the honourable gentleman's (Hon. Mr. Dandurand's) new allies had done their work.

Hon. Mr. DANDURAND: Would the honourable gentleman allow me to correct him? I know he would not like to make an assertion which is not exactly according to the facts. What were wiped out were not advantages obtained under Premier Roblin, but those of the Greenway-Laurier agreement. I think the honourable gentleman will agree with that.

Hon. Mr. POPE: All right, put it that way; and Roblin's act with regard to the newly added territory. The honourable gentleman will also stand corrected: it is fifty-fifty. All that your great leader had been able to get, all that my great leader had been able to get, was wiped out, not by the Eastern Liberals or by the Eastern or Western Conservatives, but by those new allies with whom the honourable gentleman is to-day forming a relationship for the advantage of his native province.

We had the two Autonomy Bills introduced in the House of Commons in Sir Wilfrid Laurier's day. Honourable gentlemen remember that. You remember that there was a strong clause providing for minority rights in the first draft of that Bill as presented to Parliament. You remember that Mr. Sifton tendered his resignation and a crisis was brought on. You remember that certain clauses of the Bill had to be very materially amended in order that the Government of the day might not be defeated. Once more, those people whom you would rather trust than any others, and with whom you are now forming an alliance, got in their work. I think it is well that these facts should be known.

Now, let us consider the war, and the elections of 1917, and the advent of Mr. Crerar and others. There was a loud cry, not from the Crerars, but from the real Liberals of the West, for Sir Wilfrid Laurier to come, and he went. He was welcomed by thousands everywhere. Having returned to North Bay on the morning after the election, he received notification that only two of his followers were elected in the West. He said: "Impossible! It cannot be true." Honourable gentleman, it was possible and it was true. The shock proved too much. Once more those people got in their work, and you, the French Canadians sitting in this House, ally yourselves with them, pretending to speak for the welfare and happiness of your own people. You who spurn the idea of association with Nationalists choose a band whose character is plainly seen in every act of theirs. Honourable gentlemen of this House, I am not a Nationalist, but I am from Quebec, and as a Quebecer, if I had to make my choice between belonging to the Nationalist party and the western wing of the Liberal party, I would tomorrow become a Nationalist.

But that is not all. Who is the other gentleman? They say, "If we do not depend upon Mr. Crerar or his outfit, we depend upon Mackenzie King." Who is Mackenzie King? For Heaven's sake, who is he? The paid agent of Rockefeller and the tool of Crerar. Crerar is the paid agent of this co-operative American organization in the West, and the other is his tool— a combination that cannot be beaten on earth. We are here in this building on the same ground that was occupied by the old building where men laid the foundation of Canadian nationhood, broad and strong and deep; we are here, the successors of those men, standing in this Parliament with hirelings and self-appointed leaders asking

that we should vote this way, that way, or the other way in the national interest.

I find that time is moving on, and I have spoken a little longer than I intended. I have but a few words to say on protection. Protection is always used for tariff; but that is one of the smallest of its uses. We could live, somehow or other, without protection, but not as well. There is not a man living who has got a particle of Canadianism in him who would contend that we could do away with the tariff; therefore the principle of protection is advocated by everybody. It is a question of volume, a question of its application.

The province of Quebec is particularly interested in protection, because, while a few of us down there speak English, we are a French people. We have no other country than Quebec; it is our home, and we only overflow to other parts when we are crowded. We do not leave Quebec because we want to. Roamers there always were, and roamers there always will be; but the great bulk of the French Canadian people are a close home-abiding people. They proved themselves to be the best industrial people the United States ever had, and before we had the National Policy they went over there to such an extent that to-day there are nearly 2,000,000 French Canadians in that country. If we had had the National Policy at that time we would to-day have half those people in this country instead of them being over there. Protection is a home policy. We want to stay at home. The French Canadian is an artisan; give him an axe and a saw and he can make a house. He adapts himself to industry as no other nation in Canada does. He protects himself to a certain extent in that respect, and manufacturers like to come where he is because he is a good artisan. That is the first principle of protection that we have in the province of Quebec. That is the character of our citizenship, and to-day we have industries coming from the United States and from Ontario and establishing themselves in Sherbrooke, Montreal, Three Rivers, St. Hyacinthe, and wherever there is water-power, because they are protected by the industry of the people there, because they are free from strikes, because the people are a home-loving, peaceful people—and that is the essential thing in the building of an industry. Capital is not worth anything, and management is not much better, unless you have the man with the fingers to produce the goods. Therefore we have in the province of Quebec a centre of industry which, if it is given a chance, can manufacture for the great prairies of the West as cheaply and as well as any nation in the world. And seeing that we pledged our credit and mortgaged Canada to upbuild the western country—and we did it gladly—the only decent and fair thing the progressive people of that part can do is to give fair play to the man in the East who is willing to give them fair play. Sir John A. Macdonald recognized these characteristics of the people of Quebec, and Sir Wilfrid Laurier recognized them, because he lived amongst these people, and he continued Sir John A. Macdonald's policy, and safeguarded it, and protected Canada, and with it Quebec. There is no equivalent for protection. There is nothing that you can substitute for it in Quebec; no other policy will do. We do not want anything that is not fair, but we demand protection in Quebec, whether we are farmers, or labourers, or industrial people.

Now I come to another form of protection—the protection of our labour. I say, honourable gentlemen, that our labour should be safeguarded against the importation of labour into this country. It should be protected as to the quality and character of that labour. I say it is unfair that our people of the province of Quebec, and the girls and boys of our people, should be exposed to the lower civilization of Central Europe. They should be protected from it, and I demand that protection for them.

One thing more, and I have finished. Let it be well understood throughout the wide world that we are not calling for immigrants from the sunken nations of Europe, from the remnants of those empires that were so great five hundred or a thousand years ago, but which have fallen so low that they can never rise. I say that the prairies of the West should not be settled by these animals; they should be conserved for the best people in the world. No second-rate people should be allowed to go there. In the interests of the Dominion of Canada, the quality should be branded Number One, and Number One only, because we have learned that there is no asset so valuable to the citizenship and the life of a nation as the encouragement of its citizens.

On motion of Hon. Mr. Robertson, the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE.

THURSDAY, February 24, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

SOLDIER SETTLEMENT STATISTICS.

INQUIRY.

Hon. Mr. DAVID inquired:

1. How many soldiers have taken advantage of the offer made by the Government to induce them to settle upon land, and how much has been spent to that end?

Hon. Sir JAMES LOUGHEED:

1. 58,276 returned soldiers have made application for qualification under the Soldier Settlement Act to January 31, 1921. 781 are now in training. 1,753 have been trained by the Board. 20,215 loans have been approved to January 22nd, 1921, for $81,889,732. $69,199,925.04 has been spent to January 31st, 1921.

POSITION OF MR. ALBERT BENOIT.

INQUIRY.

Hon. Mr. McMEANS inquired:

1. Is Mr. Albert Benoit one of the translators of the Senate staff?
2. If so, what annual salary does he receive as such?
3. Is it true that the same Albert Benoit, in spite of the fact that he is paid for the whole year, is acting as private secretary to the Hon. Mr. Taschereau, the Quebec Premier, and that he acted as private secretary to the Lieut. Governor of Quebec the year before?

The Hon. the SPEAKER:

1. Yes.
2. $2,300.
3. No information.

INCOME TAX COLLECTION.

MOTION FOR RETURN.

Hon. Mr. DAVID moved:

That an Order of the Senate do issue for a statement showing what amounts have been collected in the different provinces of Canada out of the Income Tax of last year, 1920, and how much has been paid by the farmers in each of the said provinces.

The motion was agreed to.

HALIFAX AS A REGISTRATION PORT.

On the Orders of the Day:

Hon. A. B. CROSBY: Honourable gentlemen, there is a matter of importance that I would like to bring before this House. I notice in this morning's Citizen a statement which appears to have been made by the Minister of Marine and Fisheries. I do not know whether it is correct or not, but I desire to bring it to the attention of the House and of the honourable leader of the Government in the Senate. The statement is as follows:

Halifax, N.S., Feb. 23.—That all ships of the Canadian Government merchant marine, no matter where they were built, will be registered at Montreal, was the statement made by the Minister of Marine, in a telegram to the Halifax Board of Trade, it was announced at the board's office to-day. The board recently protested to the Minister against registration at Montreal of the steamers Canadian Mariner and Canadian Explorer, both built by the Halifax Shipyards, Limited, the board claiming that Halifax should be the official sailing port of both these ships.

That indicates to me that this report may be wrong, because in place of "the official sailing port" it should read "the official registration port." The statement continues:

At the board's offices this morning it was said that the Minister had promised last year that ships built at Halifax would be registered at Halifax.

I am not here to speak in any way against the registering of any ship at Montreal. We are all proud of Montreal and her position in the Dominion; but it has always been the custom to register ships at the capital of the province in which they are built. Sometimes when there is only one registry port in a province—

Hon. Mr. BOSTOCK: The honourable gentleman has no right to make a speech in calling a matter of this kind to the attention of the House.

Hon. Mr. CROSBY: I was trying to get some information. If I may not speak, may I ask the House to permit me to say a word in connection with the matter, because it is an important matter, and I want the leader of the Government to report upon it. If necessary, I intend to move a resolution in regard to it. It is a matter that needs attention at once. But if my honourable friend objects—

Hon. Mr. BOSTOCK: I think my honourable friend should give notice of motion if he wants to make a speech.

Hon. Sir JAMES LOUGHEED: Give notice of motion.

Hon. Mr. CROSBY: I do not know whether this is really a matter of fact or not, but perhaps that is one of the strongest reasons why I should not speak about it.

But if it is incumbent upon me I shall be very glad to give notice that I will bring this matter before the Senate to-morrow in the form of a resolution if necessary.

THE GOVERNOR GENERAL'S SPEECH.

ADDRESS IN REPLY.

The Senate resumed from yesterday consideration of the Address in reply to His Excellency the Governor General's Speech at the opening of the Session.

Hon. GIDEON D. ROBERTSON: Honourable gentlemen, at the adjournment of the Senate yesterday, I think the honourable gentleman from De Salaberry (Hon. Mr. Béique) would have moved the adjournment of the debate had he been in the House, and, if the House has no objection and the honourable gentleman desires to proceed now, I would be perfectly willing to follow him, because I simply moved the adjournment because of his absence.

Hon. F. L. BEIQUE: Honourable gentlemen, I am very much obliged to the honourable gentleman who has given way, and as he has expressed a desire to have the last say on the Address in reply to the Speech from the Throne, it is but proper that I should speak before him.

I have no intention of following the leader of the Government in this House (Hon. Sir James Lougheed) and the honourable leader of the Progressive party on this side of the House (Hon. Mr. Turriff) in the discussion of the tariff question. I think it is somewhat premature, and that we should wait to express our opinion on that question when it is brought before this House. The leader of the House, of course, has an advantage over us in discussing that question, because he is supposed to know what is the intention of the Government, while we are entirely in the dark. For that reason, as I have already stated, it would be premature to engage in a discussion of that question at this time. I am sure that whenever that question is brought before the House it will be discussed on this side and on the other side of the House on its merits, irrespective of the political opinions of individual members of this House. For my part, I always regret that we are sometimes tempted to give way too much to our political feelings. We should, I think, bear in mind that it is our duty to refrain as much as possible from engaging in discussion on strictly political questions.

I have no intention either of following the honourable members of this House who have spoken of what they call the "isolation" of my own province. In the province of Quebec we have the consciousness of not being isolated in any way. We are conscious of having done our duty in the great war, of having contributed in a fair measure in men and money, and to-day we stand well in the opinion not only of the Dominion of Canada, but of foreign countries, and in that respect occupy a position which may well be envied by the other provinces of this great Dominion. I desire to refer for only a few minutes to some portions of the speeches which have been made by the honourable gentleman from De Lorimier (Hon. Mr. Dandurand) and the honourable the Postmaster General (Hon. Mr. Blondin). I was surprised to find that there was such a difference of opinion between these two gentlemen on a question which I thought was hardly of a nature to cause such a difference of opinion. It is not my purpose to take sides with either of these honourable gentlemen, but after what has been said of my own province by the Postmaster General I cannot remain silent in this House, and I feel it my duty to say a few words. I desire to refer mainly to what is to be found on pages 74 and 75 of Hansard. I will read a short quotation. The Postmaster General says:

> This is the first opportunity I have had to thank my honourable friend for having been kind enough to appear with me in Montreal when I started a recruiting campaign. We were unfortunate: we did not succeed. I admit that I was the object of the hatred that seemed to prevail among a certain crowd of young men in the upper part of the hall. It is true that the honourable gentleman made quite a good speech there. He did not go so far as his leader, the Right Hon. Sir Wilfrid Laurier, who said that we were in this war to the last cent and the last man; but on the whole he said it was not a bad thing to do this for France, or something to that effect. It is not with the intention of casting any reproach upon the honourable gentleman that I mention this fact; but the point that I want to make is this, that that very night the few persons who prevented the meeting from going on were members of an organized political club. There were in the hall many thousands of people who were anxious to hear both sides of the question; but the Liberal organization had decreed that no men ought to be heard in the Province of Quebec who were trying to explain the questions of the hour. We were not allowed to speak.

And then, further, on page 75:

> Hon. Mr. Blondin: I know one thing, only one thing, and a very sure thing—that it was only the supporters of the Government who were blown up.

The honourable Postmaster General was referring to the blowing up of the country residence of Lord Atholstan.

Hon. Mr. Belcourt: Will my honourable friend allow me to say—?

Hon. Mr. Blondin: Certainly.

Hon. Mr. Belcourt:—and I think my honourable friend must know, that it was proven in court that a Government detective by the name of Desjardins, employed by the Government in Montreal, paid $25 to the people who used the dynamite to which my honourable friend refers.

Hon. Mr. Blondin: Well, I understand—

Hon. Mr. Belcourt: It is a fair question.

Hon. Mr. Blondin: Oh, yes, I understand my honourable friend now. He is absolutely right. I should not like to convey the impression that during those troublous times people of all kinds did not often act in the name of one party or the other. But what my honourable friend cannot deny is that this sort of thing was general in the whole province of Quebec.

Hon. Mr. Belcourt: Oh, no, no, no. I certainly deny that absolutely, and everybody will deny it. Dynamite general throughout the province of Quebec? Does the honourable gentleman know what he is saying?

Hon. Mr. Blondin: Yes, I do. How many barns were burned, and how many times was dynamite used in the district of Quebec?

Hon. Mr. Belcourt: I do not know.

Hon. Mr. Casgrain: Only when the Government paid for it.

Hon. Mr. Blondin: They were very convincing arguments anyway.

The honourable Postmaster General may well be thankful to the honourable gentleman from De Lorimier (Hon. Mr. Dandurand) in having assisted him in inaugurating his recruiting campaign. I was on the platform at the Monument National on the occasion referred to in the address of the honourable gentleman, and I heard both his address and that of the honourable gentleman for De Lorimier, and both of them were patiently listened to throughout their remarks. I regret to say that the honourable gentleman does not give a correct account of that meeting. It is true that there was some noise during part of the meeting, but it did not last long, and it was not during either of the addresses I have mentioned, but when a young man who followed spoke in a very indiscreet and offensive way. If it had not been for that I am perfectly sure the meeting would have been perfectly quiet. But at all events, the honourable gentleman was given a good hearing, and I do not think it is with a very good grace that he comes now to throw mud on his own people because of the interruption to which he has referred.

Hon. Mr. BLONDIN: Will my honourable friend permit me? I do not think he is stating exactly what happened. I was practically prevented from speaking. I was interrupted after I had been permitted to say only a few sentences. I do not consider that I was allowed to speak, because I do not think I spoke for more than seven or eight minutes, and as I was to be one of the main speakers I suppose that I should have spoken longer than that.

Hon. Mr. BEIQUE: It is a matter of appreciation. The honourable gentleman, of course, was present; I was present. My recollection may be faulty, but I am speaking to the best of my recollection, and I must say that I have a good memory and I was near the honourable gentleman, and I have consulted other persons who were present, and my memory is to the effect I have mentioned. I could give the name of the young man who followed the honourable gentleman from De Lorimier and who was speaking when the noise took place. I do not deny that during the speech of the Postmaster General there were some interruptions, that questions were put to him; but my recollection is that the interruptions were of an orderly kind, and that there was no indication of any desire on the part of the audience to prevent the honourable gentleman speaking. The honourable gentleman of course should bear in mind the position that he occupied at that time. In his address the other day he confessed errors in the past.

Hon. Mr. BLONDIN: Will you do the same?

Hon. Mr. BEIQUE: We are all subject to errors. They may be more or less important, but we are all subject to errors; and when a public man commits an error, which he has to confess later, I think it is bad grace on his part if he takes the occasion of such errors on his part to make reflections upon his own province.

Now, how does the honourable gentleman reconcile the admission which he made in his address the other day, that he was supported by both the late Sir Wilfrid Laurier as the leader of the Liberal party and by the honourable member for De Lorimier, who was at that time, as he is to-day, a leading member of the Liberal party, with the charge that he has made in his speech that the Liberal party was responsible for the manner in which he was received at the meeting at the Monument National? I think it is altogether ungenerous on his part to throw out such accusations when he was not interrupted by Liberals, but by people with whom he had been associated

in the campaign of Drummond and Arthabaska. And why was he interrupted? Because his position then was in direct conflict with that which he had previously occupied, and it was a surprise to those with whom he had been associated not long before, and displeased them; and now it seems to me he should take the consequences of the dual position he deemed it advisable to occupy at those two different periods, and not charge it upon the Liberal or any other party.

I need not refer to the position that the honourable Postmaster General took on the Naval policy in the election of Drummond and Arthabaska. It was a matter of debate in the House of Commons, and if honourable members desire to refer to the admissions then made by the honourable member I would refer them to the Commons Debates for 1910, pages 145 and 146. I will not take the time of the House to read those debates, but the honourable gentleman then admitted the whole thing. I will cite just a small portion. The Hon. Mr. Brodeur, now a judge of the Supreme Court, was speaking. He said:

Another gentleman who spoke at those meetings was the hon. member for Champlain (Mr. Blondin). I may say that most of these extracts are taken from Le Devoir, their organ, and I have every reason to believe that they are correct. Here is what the hon. gentleman said on the 25th of October, at St. Louis de Blandford:

"You are intimidating the people in waving the English flag, and adding that we must contribute always and everywhere to the defence of that protector of our constitutional liberties; but we will not be made to forget that in 1837 it was necessary to bore holes in it in order to breathe the atmosphere of liberty."

Mr. Blondin: I deny most of these statements in Le Devoir. I did not till to-day have any knowledge of that report, and I can explain it.

Mr. Brodeur: It is an unreliable paper by what the hon. gentleman says, then why is he having Le Devoir distributed in his county. I am surprised at that.

Mr. Blondin: I see by the speech of the right hon. the Premier that not only may Le Devoir be at fault sometimes, but even himself.

Mr. Brodeur: The same hon. member, speaking at St. Louis de Blandford said:

"The English have never done anything for the French Canadians. We do not owe them anything. French Canadians have nothing to care about the opinion of the other provinces upon this naval question. They can and must settle the questions which concern them without consulting others. Those very ones who disembowelled their forefathers on the Plains of Abraham ask of you to-day to be slaughtered for their sake."

Is that false, too?

Mr. Blondin: Yes. The speech which I was answering is not reported there. If it were, you would understand it better.

Mr. Brodeur: Well, we will take another one, of the 30th of October:

"England has gone so far as to grind down the colonies as did imperial Rome of old."

Mr. Blondin: Absolutely false.

Mr. Brodeur (reading):

"The only liberties which we enjoy have been snatched. England has not conquered Canada for love or to plant the cross of Christ as did France, but to establish trading posts and make money. She has sowed the world with hatred, quarrels and wars. We have had enough of England and the English."

Mr. Blondin: I did not say the first phrase, and I think Mr. Beland will deny it also.

Then Mr. Béland says:

Mr. Béland: I may say that I was present at that meeting, and I remember exactly the words pronounced by the hon. member for Champlain, and as far as I can remember, that is an exact reproduction of his speech.

Mr. Blondin: I do not deny that that was said, but it was not said by me.

Mr. Brodeur: Well, it is very unfortunate, Mr. Speaker. After all, the Prime Minister was perfectly justified yesterday in saying that a victory won by such means was disastrous—disastrous to the Conservative party, and to-day they are ashamed of the work they have done.

Mr. Blondin: I am not ashamed. I will repeat them to you to-morrow.

Now, I say the honourable gentleman made admissions then which he repeated the other day in this House, and he should bear with good grace the consequences of his conduct at that time. I see no reason why it should be made the occasion of his abusing the honourable member for De Lorimier as he did the other day.

The honourable gentleman invited us to compare the position which he occupies with that of the honourable member from De Lorimier. He claimed to be more representative of the people than the honourable member for De Lorimier. As far as that gentleman is concerned, he occupies such a position, not only in this country but elsewhere, myself and other honourable gentlemen in this House would be proud to occupy. The honourable Postmaster General should not lose sight of the fact that he ran in an election as a minister and was defeated; and it was after he was defeated that he was entrusted as a member of this House with a department. The honourable member should bear in mind that there was no precedent either in England or in this country of a minister rejected by the people being brought into the House of Lords in England or the Senate in Canada and entrusted with a portfolio and the administration of a public department. Therefore I think the honourable gentleman should be more discreet in comparing his position with that of other honourable members of this House.

I do not desire to prolong this debate, but I do hope that we shall not hear again from the honourable member such accusations as he has made against his province because he has been badly handled by his old associates of the Nationalist party.

Hon. N. A. BELCOURT: Will my honourable friend (Hon. Mr. Robertson) bear patiently with me for a moment? I only want to say a few words. Of course, if my honourable friend would rather that I would not speak now I will speak after him.

Hon. Mr. ROBERTSON: No, it is all right.

Hon. Mr. BELCOURT: I had no intention of taking part in this debate at all, and would not do so now were it not that the speech of the honourable member for De Salaberry (Hon. Mr. Béique) has put me in mind of a fact which in itself constitutes a complete answer to the charge or charges made by the honourable Postmaster General against the Province of Quebec in regard to the very subject we are discussing.

While on my feet I want to say this also—and I hope I will be pardoned for making the reflection, because I make it with regret. I had no desire, I repeat, to take part in the debate, which, with the exception of two or three speeches, has been almost exclusively a stump meeting. We have had party politics discussed, and I must be allowed to say that even the honourable leader of this House started it himself. For the first time, I think we have heard him make a party speech in this House. I think at one moment he was quite intoxicated with the loud and noisy thumping of desks indulged in by honourable gentlemen who surround him. I think that is a very serious departure from the calm and dignity with which debates should be carried on in this House. I confess that the way in which the honourable gentlemen banged their desks with a very loud noise got on my nerves, and I have not gotten over it. I hope that honourable members will not indulge in that noisy way of appreciating any speech, especially party speeches.

My honourable friend the Postmaster General took occasion the other day to throw a great deal of blame on the Province of Quebec, especially with regard to recruiting.

Hon. Mr. BLONDIN: My honourable friend does not wish to be unfair. I never mentioned the province of Quebec. I mentioned Liberal organizations.

Hon. Mr. BELCOURT: Oh, no; my honourable friend said that during the election some things took place all over the province. Why, the words have just been read. My honourable friend has great facility for denying his statements, though the words are hardly cold. His statements were read a moment ago by my honourable friend (Hon. Mr. Béique), shall I read them again?

Hon. Mr. BLONDIN: Yes, please.

Hon. Mr. BELCOURT: I took him to task the other day while he was using these words:

Hon. Mr. Blondin: I know one thing, only one thing, and a very sure thing—that it was only the supporters of the Government who were blown up.

Hon. Mr. Belcourt: Will my honourable friend allow me to say—?

Hon. Mr. Blondin: Certainly.

Hon. Mr. Belcourt: —and I think my honourable friend must know, that it was proven in court that a Government detective by the name of Desjardins, employed by the Government in Montreal, paid $25 to the people who used the dynamite to which my honourable friend refers.

Hon. Mr. Blondin: Well, I understand—

Hon. Mr. Belcourt: It is a fair question.

Hon. Mr. Blondin: Oh, yes, I understand my honourable friend now. He is absolutely right. I should not like to convey the impression that during those troublous times people of all kinds did not often act in the name of one party or the other. But what my honourable friend cannot deny is that this sort of thing was general in the whole province of Quebec.

Hon. Mr. BLONDIN: What kind of thing?

Hon. Mr. BELCOURT: Dynamiting.

Hon. Mr. BLONDIN: I am not charging the people of the province of Quebec; I am charging the Liberal organizations.

Hon. Mr. BELCOURT: I beg pardon: the honourable Postmaster General used these words:

What my honourable friend cannot deny is that this sort of thing was general in the whole province of Quebec.

I should think that would be enough.

Hon. Mr. BLONDIN: If my honourable friend wishes me to tell—

Hon. Mr. BELCOURT: You have had an opportunity: let me finish my speech. If you have any question to ask I will answer that. The discussion went on:

Hon. Mr. Belcourt: Oh, no, no, no. I certainly deny that absolutely, and everybody

will deny it. Dynamite general throughout the province of Quebec? Does the honourable gentleman know what he is saying?

Hon. Mr. Blondin: Yes, I do. How many barns were burned, and how many times was dynamite used in the district of Quebec?

Now, I am not going to quarrel with my honourable friend in regard to the speech that he made; I leave my honourable friend from De Lorimier and my honourable friend the Postmaster General to fight it out. They are both quite equal to the task. But I do here solemnly protest that it was a vile accusation to make against the Province of Quebec.

Hon. Mr. BLONDIN: I am not making any.

Hon. Mr. BELCOURT: The fact is just the other way. Does not the Postmaster General know that the finest and biggest and most successful recruiting meeting that was held in Canada during the war was held in Montreal in the month of September or October, 1914, at which both parties, the Liberal and the Conservative party, were present in the persons of Sir Wilfrid Laurier, the late Hon. Mr. Casgrain, my friend Hon. Mr. Dandurand, the Hon. Mr. Justice Maréchal, Col. Gaudet, myself, and others? All the speeches were delivered in French. There were 12,000 people in Sohmer Park, and there were 15,000 who could not get in; and I never in my life assisted at a more enthusiastic meeting. I say that that was the finest and best and the first recruiting meeting held all over Canada; yet we are told here now that nothing was going on but the use of dynamite, the burning of barns, etc.—and by whom? By the only representative that the Province of Quebec had in the Government of the day. I say that my honourable friend ought to be ashamed of himself for making statements of that kind in this House, not only before the House, but before the whole country.

Some hon. SENATORS: Order, order.

Hon. Mr. BELCOURT: He talked also about the "isolation" of Quebec. Those are crocodile tears coming from the honourable gentleman; they are crocodile tears coming from the party to which he belongs. So far as Quebec is concerned, she is not worried one single bit, and never did worry, over what people are pleased to call her "isolation." She did not worry during the war when she was attacked from right and left by the Conservative party under an organized campaign against her. She did not worry one bit then, and neither is she flattered to-day by the excessive compliments and adulations to her by the same party, which has urgent need of the support of the province of Quebec to enable it to retain power. She was neither scared by the threat then nor is she to-day carried away by the adulation. The province of Quebec was never more comfortable and never more prosperous than she is to-day. She is leading the other provinces in almost every field of activity. Why should my honourable friend talk glibly to this House about the "isolation" of the Province of Quebec? The Province of Quebec is not a bit isolated. That province is perfectly happy. I am sure that very recent events ought to convince everybody that the Province of Quebec is not worrying at all about representation in the present Cabinet. She does not want it. Why should a member from Quebec, the only member of the Cabinet from that province, come here and shed crocodile tears over the "isolation" of Quebec?

Hon. G. D. ROBERTSON: Honourable gentlemen, in endeavouring to say a few words in regard to the Speech from the Throne, I desire to join in the congratulations that many other speakers have already extended to the mover and the seconder of the Address.

I want also to add my congratulations to the honourable member (Hon. Mr. Turriff) who spoke yesterday and announced himself as the leader of the Progressive party in this House. We are indebted to the honourable member, I think, for several things, particularly for bringing to our attention the location of the cross-benches in the Senate. They are admirably located, it seems to me, with the honourable gentleman from Repentigny (Hon. Mr. Legris) on the honourable gentleman's right, the honourable member for De Salaberry (Hon. Mr. Béique) in front of him, the honourable member for Rigaud (Hon. Mr. Boyer) on his left, and nobody behind him. I feel that the gentleman occupying the cross benches is quite secure.

I would, however, like to make seriously one or two remarks in reply to some of the expressions of the honourable member from Assiniboia (Hon. Mr. Turriff). He regretted, and perhaps properly so, that the Tariff Commission had not yet made any report. Having been one of the members of that Commission, I beg leave to make to my honourable friend at least a partial report now. May I inform him that during the inquiry in Western Canada, one of the interesting things that were

brought to the attention of the Commission was the fact that the farmers in the West, through their chief organization, the Grain Growers, were being solicited and urged to buy, and were being supplied with copies of a large catalogue offering farm machinery and equipment of every description for field, farm, and house, every single article of which was not made in Canada; and I may say that a copy of that large catalogue was submitted to the Commission and forms part of the record. May I express the view that if the gentlemen whom the honourable member announces himself as representing in this House were to purchase some of their machinery in Canada, that would materially aid the unemployment situation, which he seemed yesterday to think was of little or no consequence, but which I beg to assure him is a very serious matter in this country at this time. There was purchased outside of Canada almost seven million dollars' worth of ordinary farm implements in 1919; that is, exclusive of tractors. I would suggest that if seven million dollars' worth of additional business in the way of manufacturing farm implements had been carried on in Canada it would have materially relieved our unemployment situation. That is only one example among many that might be quoted.

My honourable friend, in referring to tariff details, which time will not permit me to discuss and which it would be inappropriate for me to deal with on this occasion anyway, deplored what he alleged to be the fact, that tariff rates generally on goods entering Canada were higher than the tariff rates upon goods entering the United States. I beg to assure my honourable friend that, after a very careful study of tariff matters extending over several months, I am absolutely convinced that quite the contrary is the case. It is to be noted that our tariff rates upon the articles in which my honourable friend and those who follow him but do not sit behind him are interested are probably the lowest on almost any of the articles that are generally in use. While it is true that the duty on a good many farm implements is something like 12½ per cent, yet upon all the farm implements of every description imported into Canada during the year 1919 the average duty paid was 4.55 per cent, and in that year over fourteen million dollars' worth of tractors were brought into Canada free. That, I respectfully submit, honourable gentlemen, is not an unduly severe burden upon our agricultural population.

May I illustrate the fact in another way? We have in Canada approximately one hundred million acres of land under cultivation. That is the equivalent of one million farms of one hundred acres each, and the fact that the total duty paid on agricultural implements imported into Canada during the year was less than a million dollars means that the duty on imported agricultural implements was less than one dollar per year per hundred acres —another demonstration, I think of the fact that our agricultural friends are not unduly burdened by taxation on their implements of production.

I had occasion to look at the other side of the picture, to see what other people were paying on their implements of production. I have in mind a single institution, a large institution, it is true, built in this country within the last few years, and I found that the duty paid on the equipment that went into that plant was a little over $800,000, at the rate of about 27½ per cent.

I mention these matters, honourable gentlemen, in order to indicate by comparison that the agricultural interests of Canada have not been discriminated against, but rather the contrary, and I hope that any impression that they have been discriminated against will be removed by a careful study of the facts on the part of those interested.

The honourable member for Assiniboia (Hon. Mr. Turriff) expressed what I am sure was his personal view when he said that there was no necessity for any man in Canada to be out of employment because there was work for all. It has fallen to my lot, and it has not been an altogether pleasant task, to give special attention to this particular matter during the past two or three years. May I attempt in simple words to portray to you a few facts in connection with the question of employment and the effect of unemployment upon the whole industrial and national life? I state to you, honourable gentlemen, sincerely what I believe to be a fact, that unemployment and the fear of unemployment are the most prolific sources of industrial unrest in the world. Even though our artisans may to-day be employed and may have what they term a regular job, which they expect to continue to hold indefinitely, subject to good conduct and good service, there is still at the back of their heads all the time the fear that some unforeseen catastrophe, such as a financial reverse to their employer, or some national calamity,

may occur that will affect the industry, and that they may find themselves out of employment, and that the reserve that they have built up in the form of a small home for their family may be swept out of existence, because they are no longer able to obtain employment in their locality. In many countries this possibility has given rise to the thought that something ought to be done to enable the honest, willing worker to insure himself or be insured against unemployment and perhaps want, which is almost sure to follow, just as we have long regarded it proper for a man to insure his life against accident or his property against fire. There are many reasons why it is difficult to work out a practicable plan, and it is mentioned in the Speech from the Throne that the Government is at present conducting an investigation into this important question. I would like to make clear to honourable gentlemen what has been done in this direction, and what was the instigation of the movement.

Honourable gentlemen may recall that in this House two years ago I announced the intention of the Government to conduct an inquiry into industrial conditions in Canada. For that purpose a royal commission was appointed. Chief Justice Mather, of the province of Manitoba, a gentleman whom we all respect and whose ability we all recognize, was made chairman of that commission. Two gentlemen selected by the Manufacturers' Association of Canada were appointed members, two gentlemen were appointed on the nomination of the Trades and Labour Congress of Canada, and one member was appointed from the House of Commons and one from this House. The seven gentlemen composing that commission made a very careful inquiry and close study, lasting nearly two months, and finally presented a report. They were not entirely agreed; two of the members differed, in degree at least, from the other five; but the report returned to the Government by a substantial majority of that commission contained some important recommendations. I will not weary the House by reading them in their entirety, but will just give you the well-considered judgment of those men, whom we all, I am sure, regard as capable, and who had taken evidence on the subject throughout Canada and made a careful study of it. The report stated in part, as follows:

The chief causes of unrest may be enumerated as follows:

1. Unemployment and the fear of unemployment.

Hon. Mr. ROBERTSON.

Then they go on to enumerate several other causes, and they say:

We have placed unemployment first because we found that there was the greatest unrest where there was the most unemployment. Unemployment was found in several of the larger urban centres.

I omit considerable detail which may not be relevant. Then they proceed to say:

Some of the more permanent factors in the unemployment problem are the seasonal nature of many industries, due to climatic conditions, lack of continuity in large construction works, and the great distance between some industrial centres.

Present unemployment is in a measure due to the curtailment of production in some industries because of the lack of ocean tonnage.

This applied to the conditions existing at that time.

Owing to the unsettled conditions we found everywhere a great reluctance on the part of those possessing unemployed capital to risk it in new enterprises or in the expansion of those already established.

That was one of the contributing causes of unemployment, as honourable gentlemen, I am sure, recognize. Then the commission proceeds to recommend as follows:

Even with the most complete machinery that can be devised, it is difficult to see how a certain amount of temporary unemployment can be avoided if we are content to rely upon the ordinary course of supply and demand. This margin of unemployment could, however, be largely reduced, if not extinguished, by State and Municipal expenditure upon work of public utility. Such a policy will need to be carried out with care and closely watched from the standpoint both of public economy and industrial conditions. Employment of this nature can never form a permanent substitute for that arising from industrial activity, and it would be worse than folly to keep men engaged upon stand-by government or municipal work when the industries of the country were ready to receive them.

That means, in brief, that governments, federal, provincial and municipal, should, in the opinion of the commission, as far as possible so gauge their works as to absorb surplus and unemployed labour at seasons when ordinary commercial industries do not require it.

At the same time it would be legitimate to anticipate to some extent work intended to be done in the near future in order to give employment at the moment when it is most needed.

Then the report proceeds:

But supplying the unemployed men with suitable work for the present will not entirely solve the problem. Before the labourer can be made contented the haunting fear of unemployment must be removed from his mind.

This is something which affects all wage earners, but more especially the casual labourer. He can never be sure just when his employment will terminate and he will be left without the means of subsistence.

Unemployment may arise from other causes than the loss of his job. He may be incapacitated by sickness, invalidity or old age. Very few labourers are able, out of their earnings, to make provision for these contingencies. We recommend to your Government the question of making some provision by a system of State Social Insurance for those who through no fault of their own are unable to work, whether the inability arises from lack of opportunity, sickness, invalidity or old age. Such insurance would remove the spectre of fear which now haunts the wage earner and make him a more contented and better citizen.

Following the receipt of that report, honourable gentlemen, a conference was held here in September, 1919, attended by eleven gentlemen representing the different provincial governments—and in most cases the provincial premiers themselves were personally present; seventy-two delegates selected by employers; seventy-two delegates representing the organized labour men of Canada, and 37 other gentlemen, representing different interests, including the Commission itself and the Labour Committee that had been conferring with it and aiding the Government during the war period, and two or three other gentlemen representing banking interests, municipalities, etc. After five days that aggregation of over 200 men, having given careful consideration to the report of the Commission dealing with seven or eight different subjects, of which I have referred briefly to only one, came to a unanimous conclusion upon the recommendation of the sub-committee appointed to deal with the particular subject of unemployment insurance and old-age-pensions. That sub-committee was composed of representatives of all the different interests affected. The chairman of it was the late Mr. Whitton, Vice-President of the Steel Company of Canada. The conference unanimously endorsed the recommendation of the Royal Commission which I have just read and adopted the committee's recommendation that the Government should appoint a commission to make a careful survey and inquiry into this whole matter. That recommendation has been complied with in part, though not in its entirety, for economical reasons. The department with which I happen to be connected took upon itself the task of gathering information from every country on earth where the question of unemployment insurance has been investigated or experimented with, or where any legislation concerning it has been passed, and a considerable volume of information has been obtained. The Speech from the Throne indicates that it is the purpose of the Government still further to carry on that investigation, because we have found that some of the countries at least that have passed legislation on this subject and have tried to work it out in a practical way, have met with difficulties which they did not anticipate. Therefore we propose to go slowly and to try if possible to find a practical plan for a solution of the problem, and to see what can be done towards its adoption. But this is still in the stage of investigation.

One of the reasons why the Government have not proceeded quite so rapidly as many of our Labour friends in Canada would desire is that the administration of any plan of unemployment insurance in Canada cannot be carried out satisfactorily, or in fact at all, without proper machinery. The machine is in the making, and that machine is in the Employment Service of Canada, an organization carried on co-operatively by the Federal and provincial Governments, who between them equally share the cost. As that organization becomes more perfect it will in my opinion be the machinery properly available to handle any unemployment insurance scheme which may in the future be adopted.

Perhaps I might with propriety, honourable gentlemen, endeavour in a few words to indicate to you what unemployment means. I am afraid that our friends the farmers little appreciate the difficulty that the wage-earner has to contend with during the period of the year when the farmer does not need him and does not want him, and cannot afford to retain his services. And our Western farmers in particular—how dependent they are upon an adequate supply of labour being rushed to them at a particular period within a week. When they require it they must have it, otherwise they say they will be ruined and their crops lost because of failure to harvest them. Yet within a few weeks the rush is over and they have no need for these thousands of men, and they feel: "We are through with them. It is a matter of indifference to us what becomes of them during the rest of the year." That is not the view of large employers of labour, who employ men by hundreds and thousands during the whole year, and who stay with them and build up homes and establish a stake in the country. Those employers feel, and properly feel, that the employee has certain rights as a citizen which ought to be respected, and if he is to be a satisfied subject those rights must be respected.

Let me tell you, honourable gentlemen, what happened during the past year or two.

If I shall not be burdening the House too seriously, I should like to go back to the armistice—not back to 1854, as my honourable friend from De Lorimier (Hon. Mr. Dandurand) did, but to 1918. When the war came to an end I think everyone in this country who stopped to think felt that Canada had a most serious problem facing her in the re-establishment in civil life of something more than 300,000 soldiers then overseas and in hospitals, and about 260,000 civilian war-workers who by reason of the armistice found their employment discontinued. Anticipating a situation of that sort arising, Parliament in 1918 enacted legislation bringing into existence what was known as the Employment Service of Canada Act. Through that organization, with the hearty co-operation of the provincial Governments in almost every case, and with the assistance of organizations of all sorts outside, as well as individual citizens, that problem which was facing us, and which I think honourable gentlemen realize seemed to be a tremendous one, faded away and within a year's time practically every person in Canada who was willing and anxious to work had an opportunity of employment. May I say that from March 1st, 1919, up to February 1st, 1921, more than 755,000 men and women found employment without cost either to themselves or to their employers through the instrumentality of the Employment Service of Canada.

That condition continued to prevail with little alteration until the summer of 1920, when, about midsummer, things began to slacken in the business world; and by October, 1920, Canada was finding itself facing an unemployment situation. By means of our employment service, and with the hearty co-operation of employers generally, the Department of Labour has been able by the adoption of a certain system to get accurate and prompt information as to the fluctuation of labour and labour requirements. Every week between four and five thousand employers in Canada, each of whom employs more than 25 men, tell us how many men they had last week, how many this week, and how many they will require next week. We know almost in advance what their requirements are likely to be.

I think it would be interesting to indicate what has happened since October last. From the 15th of October to the 8th of January, a period a little over two and a half months, the barometer kept steadily going down. In October the falling off from 2,000 to 4,000 men per week, and the barometer continued to drop until near the end of the year when these figures reached the alarming proportions of a little over 41,000 men and women per week—and up to January 8th it was still going down. One hundred and thirty-eight thousand and odd workmen who were employed on the 15th of October were out of employment on the 8th of January.

Hon. Mr. BELCOURT: Will my honourable friend indicate to us the main cause of that?

Hon. Mr. ROBERTSON: Contraction in manufacturing. The manufacturing industry in all its phases showed the largest falling off of any industry. Lumbering usually shows a marked increase in the number of men employed at that season of the year; but unfortunately that did not occur last fall except in certain localities. The Maritime Provinces, for instance, did not show their usual increase in absorbing labour in the lumber woods; neither did British Columbia—in fact, it fell off. But that 138,000 means something more than 138,000 men; it means that every night from October 15th to January 8th, without counting Sundays, about 2,200 men went home with empty dinner pails, and have not had a full one since. The honourable gentleman for Assiniboia (Hon. Mr. Turriff) says that is nothing; no man need be out of a job if he wants to work and cares to go where employment can be obtained; and he disposed of that question with the summary hard-hearted statement that that was nothing, that no man need be out of a job if he wanted work and cared to go where employment could be obtained.

Hon. Mr. BELCOURT: May I be permitted to ask what is the present condition?

Hon. Mr. ROBERTSON: I will come to that in a moment.

Honourable gentlemen, those 2,200 men who went home with empty dinner pails every night since October 15th, have in many cases, possibly the majority of cases, wives and children dependent on them, and looking to them to supply the necessaries of life—food, and clothing—and such other comforts as are possible. I say to you that even in a country with as small a population as ours, when men who are willing and anxious to work are thrown out of employment by hundreds and thousands through no fault of their own, and they and their dependents find themselves in need, it

is the duty of the State to protect the interests of the State and to see that the condition does not occur which inevitably will follow if nothing is done for these people. The large employers of labour realize this. They have come together and have agreed as to what should be done. We are trying to work out a sane solution, not hurriedly, but after careful examination, and meanwhile to build up a machine by which such legislation may be properly administered when the time comes to put it into effect. I hope and I feel sure that the honourable gentleman from Assiniboia, on calm reflection on all the facts, will revise the view which he expressed yesterday.

My honourable friend also, I believe perfectly honestly and sincerely, questioned seriously the usefulness of a certain business organization employed by the Government for the purpose of reorganizing and rendering more efficient and economical some branches of the Public Service. The honourable member referred in particular to the Arthur Young Company, which company was engaged by the Civil Service Commission a year or two ago upon the strength of a report filed by certain well-qualified gentlemen who investigated conditions in the Printing Bureau. I think a certain Mr. Lewis was the chairman of that Committee; the late Mr. Slack, then of the Montreal Gazette staff, and another gentleman whose name I forget just for the moment, were on the Committee. They made the recommendation to the Civil Service Commission that it was absolutely essential that something should be done to reorganize and put upon a business basis the Government Printing Bureau. The Civil Service Commission, already greatly overburdened with work beyond their ability to perform within the time in which it ought to be done, found themselves utterly unable to give personal attention to that matter and felt that they were not competent to enter into so large an undertaking. Therefore they engaged the best experts that were obtainable, men who had done similar work for private corporations in this country but who happened to be located in another country. Those gentlemen came here and did the work. Without any desire to weary the House, may I say that a year after that work had been completed the Civil Service Commission went back to the original Committee which had made the recommendation, and said to them: "Gentlemen, we would like your idea as to the success or otherwise of the reorganization work done in the Printing Bureau," and that Committee, over the signature of Mr. Lewis as convener, filed a report with the Civil Service Commission setting forth their views, obtained from observation of the results. I think honourable gentlemen will agree that such a report must be accepted as a fair one. I think both Houses of Parliament practically agreed with the original recommendation of that Committee, upon which the work was subsequently done. I will read the essential parts of this report for the information of the House. It is dated January, 1921, and it states:

> Following your request, we have recently made an inspection of the Bureau and its records with a view to furnishing a supplementary report to ours submitted on February 14, 1919, on conditions as they are now, that certain suggestions and recommendations then made have been acted upon.

The report of February 14, 1919, is the original recommendation, I think. They go on to say:

> We are amazed! What was probably as inefficient and unhappy an organization as could very well be found anywhere has been changed into one, we do not hesitate to say, as efficient on the average as any in Canada.
>
> The work was undertaken fearlessly and carried out courageously and apparently without political interference. New standards have been set, and although high, with the practices and principles that have been applied, can be not only maintained but improved upon.
>
> We believe that it has been very satisfactorily demonstrated that even a Government institution can be so organized and operated, if not interfered with, as to make it compare favourably with a high class and purely commercial one.

Then they go on with some details with which I need not weary the House. But you will be interested in knowing the practical results as viewed by this Committee. The Committee states:

> Some of the outstanding economies and achievements are as follows:
>
> There has been effected a reduction in staff over all three branches, from 1,171 on June 1st, 1919, to 749 on October 20th, 1920, a reduction of 36 per cent.
>
> Some of the heaviest reductions: in the Composition end from 368 to 180, or 50 per cent; Bindery, from 281 to 159, or 42 per cent; Stationery and Distribution combined, from 160 to 94, or 40 per cent; Proof Reading Room, from 65 to 26, or 60 per cent. (26 men under one foreman are now doing the work that was being done by 65 men under two foremen at the time of the last report.)
>
> The pay roll covering Printing, Stationery, and Distribution branches for the present fiscal year (after deducting 12 per cent interest for comparative purposes)—

That is the annual increase in salaries of employees and so on—

—should show a decrease of approximately 30 to 35 per cent, or, in the aggregate, from $425,000 to $475,000.

The Linotype equipment has been reduced from 32 to 20 machines, or 37 per cent. The product per machine hour has been increased 110 per cent.

The Monotype keyboards' production has increased approximately 33 per cent. The ratio of casters to keyboards has been adjusted and the Monotype end, with slight extra equipment, will be well balanced.

This report winds up by stating:

Gentlemen, we congratulate you on your courage and your efficiency, and only wish that our fellow Commissioner and good friend, Mr. E. F. Slack, had lived to see that the great deal of real work he put into the former report had made possible so great a public economy.

Hon. Mr. TURRIFF: Could the honourable gentleman let us know how many officials have been added to the Printing Bureau since that report was made?

Hon. Mr. ROBERTSON: I shall be glad to endeavour to obtain that information for my honourable friend; but I beg to assure him that the number of officials is less than it was at that time.

Now, coming down to the more immediate present, and referring to another organization of experts that have been doing some efficiency work in the Government service. My honourable friend stated yesterday that a certain firm known as Griffenhagen and Associates had entered into a binding contract with the Government for one year, and so forth. I beg to assure my honourable friend that his information is erroneous. In the first place, no contract was entered into. An understanding was arrived at as to terms, etc., terminable at sixty days' notice at any time; and had the special committee of the Cabinet having this matter in charge felt at any time during the past year that the Government was not getting value for the money expended, most assuredly it would not have continued a service of this nature.

Hon. Mr. BELCOURT: It is a wonder it continued as long as it did.

Hon. Mr. ROBERTSON: I will explain fully, I think, to my honourable friend in a moment. It was obvious that any association undertaking to reorganize the whole Civil Service had at least five years' work ahead of it. The company or association that is engaged to do this work is a Canadian company, it is incorporated in Canada, 40 per cent of those connected with it are Canadian citizens, and I think the same company has been employed by large commercial and industrial concerns in this country and is now engaged in doing exactly the same sort of work for them, because it was the only association or organization of the kind that had experts in all branches competent to do such work. In one of the two departments to which special attention was given, namely, the Customs Department, the Minister of Customs himself will tell you that the complete reorganization that will become effective on April 1st next will mean a very substantial saving, quite in excess of the Printing Bureau figures. My honourable friend from Assiniboia offered one criticism which I think was a proper one, but to which I think there is a very good answer. He pointed out that while the work was proceeding, a substantial number of civil servants taken from the various branches of the Service were engaged in assisting and, as he put it, doing work for those gentlemen. That was not the case, however. It is true that a number of men from several departments, including one from my own and several from the department presided over by my honourable friend the leader of this House, had given assistance and valuable assistance; but at the same time they were obtaining important information which they did not before possess as to modern efficiency methods in business. And now, after one year has elapsed, it is felt that it is quite possible to proceed along the same lines, and to introduce into other departments of the Service some of the improved efficiency methods that have been brought into this one, without the continued aid of those outside gentlemen and of this outside firm. I submit to you, honourable gentlemen, that as a business proposition it has been an absolutely profitable one to the country, and that the whole difficulty, boiled down, is contained in one word, that is, that the name of the association with which the understanding was had and which has been doing the work was not one that was popular in this country at that time.

Hon. Mr. BELCOURT: My honourable friend has not answered the question which I put to him as to the condition of unemployment. I think my honourable friend has forgotten it.

Hon. Mr. ROBERTSON: I quite overlooked it. Since January 14th the prospects have brightened. During the week ending January 22nd there were 12,834 more men reported employed than in the

preceding week; but the number dropped to a decrease of 2,000 in the week following, and up to the present it is remaining about stationary. The prospects are, however, of a substantial improvement coming in the immediate future.

Hon. Mr. BELCOURT: Is that because of more manufacturing? Would that be the reason for the betterment?

Hon. Mr. ROBERTSON: My own personal view is that the rather abnormal increase in the latter part of January was accounted for by the number of firms which had resumed operations after having practically closed down during the holiday period for repairs and other purposes. As I have pointed out the falling off in the week preceding Christmas was 45,000, which I think was due perhaps, to that abnormal condition.

The honourable leader of the Opposition during the course of his remarks in this House, which were carefully and thoughtfully made, I know, referred to a question which has caused a good deal of comment both on the lips of our people and in the press, namely, the work of the Board of Commerce. I would not refer to that at this moment except for one reason, and that is that, after the resignation of the permanent members of the Board, the Board was temporarily filled up to carry on—filled up by men who received no compensation whatever for their services. One of those men happened to be the Deputy Minister of the Department of Labour; and, gentlemen, I cannot sit idly by and see any impression left that is unfair to an honest official of my department. I do not think that my honourable friend intended to leave any such impression, but I want to make clear what was done in connection with the Board of Commerce. The order which finally resulted in the resignation of the temporary members of the Board was not an order issued by them because of any pressure brought to bear upon them by anybody, but because on June 11th, 1920, the permanent Board then in existence had issued an order, or a communication, to the sugar manufacturers in Canada. Before reading the order I wish to explain that the sugar manufacturers were in June, 1920, faced with the situation of being required, by reason of the limit placed upon them and upon their profits by the Board of Commerce, to purchase raw sugars at prices far in excess of what they were able to obtain for the refined product. There was naturally kicking at that, and the Board of Commerce in reply to them at that time said:

> The Board will not recognize prices based on replacement values on a rising market. It will be its duty in good time, as it hopes, to as carefully protect the trader on a falling market by permitting him to average his cost down, as it must now carefully protect the consumer in pulling the proper average cost up.

Within a very short period after that communication was sent—

Hon. Mr. BELCOURT: Does my honourable friend defend that principle?

Hon. Mr. ROBERTSON: I am simply stating the facts in justice—

Hon. Mr. BELCOURT: What is my honourable friend's object in quoting it?

Hon. Mr. ROBERTSON: I will come to that, if my honourable friend can exercise patience; I am sorry if I am wearying him. That promise or pledge having been given by the permanent bona fide members of that Board in June, 1920, their successors —the temporary members I have referred to, of whom the Deputy Minister of Labour was one—felt themselves obligated to implement the promise made by the Board which they at that time temporarily represented; and an order was issued fixing the price of sugar in October at a level that would save a part of the tremendous losses that the manufacturers were incurring by reason of the depreciation in price outside of Canada.

Hon. Mr. BELCOURT: May I ask my honourable friend, was the Government consulted, and did it assent to that?

Hon. Mr. ROBERTSON: The Government was not, and knew nothing of it until the order was issued. That order issued by the temporary Board of Commerce was one which, of course, aroused a great deal of condemnation and criticism throughout Canada, and upon investigation the powers of the Board were found to be limited in regard to the legality of the order, and that ended the matter. I understood the remarks of the honourable leader of the Opposition to indicate that in his opinion the members of the Board assumed the responsibility of issuing that order without any reason behind it. The reason behind it was that those gentlemen, acting temporarily upon the Board, felt bound to implement the pledge given by the permanent Board composed of the gentlemen of whom you all know.

Passing from that subject, may I refer very briefly to another, which I think will

be of interest to the members of this House? It is one on which very conflicting opinions have been expressed to me and to the Department by employers and by labour men; that is, the increased or decreased efficiency of labour in production. In August, 1920, by reason of many inquiries for information in connection with this subject, the Department of Labour took steps to obtain what might be regarded as authentic information upon it, and communicated with thousands of employers throughout Canada, asking them for their experience. That information has been received and tabulated, and appears in the February number of the Labour Gazette. I will not go into it in detail further than to tell you that you can read it there, and I think you will find the results interesting and illuminating. It is simply the evidence of the employers of Canada themselves on this subject, and I will leave you to read it for yourselves.

There are one or two other subjects I would like to mention, and one I feel I must mention. In doing so I hope that no honourable gentleman present will think that I am trespassing on ground that I should not tread. Since this Session opened there has been some controversial discussion confined to one particular part of our country, and, indeed, boiled down, to a few individuals. Remarks have been made that would indicate to a listener that the intention was to convey the thought that the conditions referred to were general throughout a particular province. I want to say, honourable gentlemen, that I deplore any discussions or antagonisms of that sort being dragged into this House; but inasmuch as this has occurred, and having resided in the Province of Quebec for six years myself, though a native of another province, I feel that I know the people in the Province of Quebec fairly well. I want to say to all honourable gentlemen present that the ordinary French Canadian citizen is, in my opinion, a type of humanity to be admired. They are honest, they are industrious, they are confiding—in my humble opinion, their being too confiding leads them in many cases in the ways of misunderstanding. As honourable gentlemen present know, I have not mixed up in political controversies, and do not profess to be an authority on political questions, but during the year 1918 I had occasion to come into intimate contact with what was going on in the Province of Quebec and some of the influences at work in that Province. In February, 1918, the Government of Canada decided that, because of the heavy clouds that were hanging over our boys in France, when God only knew what was going to happen when the spring campaign opened, they were prepared, as the Allies all were prepared, to resort to any expedient that was necessary to win. Therefore one of the things that was done was to call to Ottawa fifty-five gentlemen representing organized labour throughout Canada, and I think a larger number of ladies representing every ladies' organization that we could think of in this country. After explaining the necessity, we proposed to them that they approve of cooperating with the Government in taking an industrial census of our people, to the end that, if necessity should require, the Government would know just where every person in Canada would be best fitted to give the highest service in any capacity. In addition, I may say incidentally, in passing, that registration resulted in the discovery of more than 2,000 unregistered aliens in Canada, who, as a result of the registry, were quickly picked up and put in internment camps where they did not carry on their nefarious propaganda. But that is merely a side issue. What I want to do is to point out some facts—kindly, I hope, and with regret—for the purpose of trying to make honourable gentlemen realize the futility of carrying on indefinitely a warfare on these contentious questions of the past. Notwithstanding the fact that it is three years now since those incidents occurred, they have never been mentioned because it would not do any good; but when the honourable gentleman from Ottawa the other night intimated—did not state plainly in so many words, but intimated—that the Government of Canada was responsible for hiring men to commit crimes, I determined there and then that this House should be placed in possession of some facts that would enable honourable gentlemen in this House at least to know whether or not the Government was responsible for the carrying on of some things that were done in that Province.

Hon. Mr. BELCOURT: Will my honourable friend permit me?

Hon. Mr. ROBERTSON: I gave way to my honourable friend this afternoon, and to his predecessor, and to my honourable friend from Compton yesterday, with gladness.

Hon. Mr. BELCOURT: I want to point out that my honourable friend is not stat

ing what I said. I did not hint at anything of the kind. I said that was the evidence submitted before the court in Montreal—that a Government detective had paid $25 for the dynamite that was used for the dynamiting of Lord Atholstan's residence.

Hon. Mr. ROBERTSON: Prior to the remark that my honourable friend quoted he asked my honourable friend the Postmaster General who supplied the money.

Hon. Mr. CASGRAIN: I did; I asked that.

Hon. Mr. ROBERTSON: Perhaps it was you.

Hon. Mr. BELCOURT: My statement was, and I repeat—

Some Hon. SENATORS: Order.

Hon. Mr. BELCOURT: —that a Government detective had sworn in court—and I gave his name, Desjardins—that he had paid $25 to men to buy dynamite. That is what my statement was. That is a matter of record.

Hon. Mr. ROBERTSON: That is quite true, but I think my honourable friend gave the impression to this House, or to any person hearing the statement or reading it, that that is a reflection upon the court and not upon the Government.

Now, honourable gentlemen, I want to continue, if I may, and point out a few things that occurred, to indicate to honourable gentlemen opposite that it is obviously not the Government or the supporters of this Government who are responsible, or have been responsible, for many of the unpleasant things that have occurred in the Province of Quebec. It was in February, 1918, that the Government, after bringing together 55 representatives of Labour, many of them from Quebec, and a larger delegation of ladies, a substantial number of whom were from Quebec, obtained the endorsation and co-operation of those organizations for the taking of the registration. What happened? I do not recall the name of the paper in Montreal that published the article, but if I mistake not there appeared on March 9th a news item regarding a committee which had been appointed, or appointed itself, known as the Canadian Women's Patriotic League, and the list of ladies constituting that committee contained several names very similar to those of some honourable gentlemen sitting opposite. That organization started work, and on March 12th, within three days of the date of its inception, it directed a communication to the then Prime Minister, Sir Robert Borden. I will not read it all, but will read a couple of paragraphs—all that is relevant. The letter states:

> At the announcement of new legislation concerning the registering of young girls and young men over the age of sixteen, the hearts of mothers have been troubled anew. It is for this reason that we come to beg of you not to interfere with this delicate question, which would result in the exasperation of the fair sex and cause agitation of grave and unfortunate consequence. Do not imagine for a moment, right honourable sir, that we could tolerate to see those adolescents placed with strangers of doubtful morals, where their morality would be more or less exposed. Rather would we make a rampart of our bodies than submit to such drastic measures.

There are several more paragraphs of a similar nature, which perhaps it is not wise under present circumstances to read. That will indicate what I have in mind. Sir Robert Borden replied to that at considerable length and with great care, setting forth clearly and plainly the purpose of the registration. He sent to me a copy of their communication and his reply, because I happened to be Chairman of the Registration Board. I have Sir Robert's reply here. It is somewhat lengthy, and I am sure it is not necessary to read it unless honourable gentlemen so wish. But what followed, notwithstanding the assurance of the Prime Minister and notwithstanding the fact that I supplemented his letter by sending to those ladies a copy of the regulations adopted by the Registration Board, together with a long communication giving them all the details, so that they could not fail to understand? And I had the communication translated into the French language before sending it to them. The work went on, and before registration day arrived hundreds of young girls whose homes were in rural districts in the province of Quebec were called home from their employment and kept under the supervision of their parents for a considerable period, because those poor women out in the country believed the rot that had been circulated amongst them. And I indicate to you where I think the idea and the plan originated.

Just one other point. In carrying on that work of registration we found that in probably six or seven rural districts in that province, all but one being south of the St. Lawrence river, open opposition and antagonism were encountered. We never said a word about it, but did the best we could. When the thing was over and the accounts came in for adjustment from the deputies all over Quebec who had done the

work, many of them enclosed statements of what had occurred. I have not bothered with them, but I have on record here about 42 telegrams that came from people who were either molested or seriously threatened, or who had property destroyed or damaged by dynamite explosions or by fire. Registration was forcibly prevented. In some cases the cards, after the registration had taken place, were forcibly taken away and destroyed in a bonfire, with hilarity. I have in mind one postmaster in particular who was threatened. The Postmaster General (Hon. Mr. Blondin) knows full well that this is perfectly correct, because his department received many more reports than I did of the threats that were made against local postmasters and how they were boycotted by the people in the community because they presumed even to perform their duty in handing out to the addressees the communications that came in connection with the administration of the Military Service Act as well as the registration. Honourable gentlemen, I am not going into details and will not read any of those documents. It is unnecessary to do so.

Hon. Mr. CASGRAIN: Read just one or two. This is all new to me, and I live in Quebec. It is very interesting to learn that we were so near a rebellion and never knew it.

Hon. Mr. ROBERTSON: Before reading them, may I say to my honourable friend that I suppose the danger does not now exist—

Hon. Mr. CASGRAIN: Well, read them if you do not mind.

Hon. Mr. ROBERTSON: —but the persons who sent them in most cases urged that their identity be not revealed, because of the fear that they had of reprisals. So, I will read the telegrams, but with your consent will omit the signatures; but the honourable gentleman can see them if he desires.

Hon. Mr. CASGRAIN: It is no good unless we know the name and the place.

Hon. Mr. ROBERTSON: But the name and the place are both given.

Hon. Mr. CASGRAIN: There is no use in reading it if the honourable gentleman is not going to give the name and the place.

Hon. Mr. ROBERTSON: I feel that in justice to those loyal people who tried to do their duty to Canada during that time, it is not fair to them that I—

Hon. Mr. CASGRAIN: Well, do not read them.

Hon. Mr. ROBERTSON: —that I should favour my honourable friend with what he wants, now.

Hon. Mr. BELCOURT: The honourable gentleman (Hon. Mr. Robertson) should not have spoken of it at all, then.

Hon. Mr. ROBERTSON: A telegram from Beauce county—perhaps it is all right to come within the county—reads as follows:

> We are forced to begin anew every day, owing to the fact that those whom we appointed as deputy registrars in the different parishes send their resignations and their work has to be done over again.

The post office is at a certain point in Beauce. Here is a telegram signed by the party responsible, who was an official:

> The post office in which registration booth was located was dynamited. Little damage done.

From another point in the same county a telegram as follows:

> House of deputy dynamited. Very little damage done. Schoolhouses in which registration booths were located were all guarded to prevent people registering.

From another point in the same county a telegram reading as follows:

> Registration booth crowded, but citizens desiring to register were prevented from doing so.

From another place in the same county a telegram as follows:

> Between four and five hundred people registered, but completed cards stolen during the night of June twenty-fourth. The cards were in deputy's desk, and thieves took desk and all.

A telegram from another point in the same county reads:

> About 150 completed cards at one registration booth were stolen during religious service on Sunday, June 23.

Hon. Mr. BEIQUE: It is strange that we never heard of this before.

Hon. Mr. ROBERTSON: From another point in the same county:

> Dynamite exploded close to certain residence on night of June 8.

Hon. Mr. BELCOURT: Is it the same party who sent all these telegrams?

Hon. Mr. ROBERTSON (reading):

Considerable damage was done. Complaint made to Attorney General of Quebec on June 29.

I may add for the information of my honourable friend and those interested that, notwithstanding the fact that complaint was laid, it was not possible to get satisfactory action, or get any action in most cases, by way of bringing the culprits to justice.

Honourable gentlemen, as I say, that information has been for three years in my office and I have not given you more than a patch. I have not touched at all, and do not intend to touch, on one phase that is most glaring.

Hon. Mr. CASGRAIN: Do you believe it yourself?

Hon. Mr. ROBERTSON: I most assuredly do, because a number of these statements came to us under oath: affidavits had been taken by the parties before notaries. They all came unsolicited. At that time, attempting to take a registration of all the people in Canada on a single day, and having to deal with more than 45,000 persons, two-thirds of whom were giving free voluntary service, I was not looking for any additional communications or trouble.

Hon. Mr. BELCOURT: May I ask the honourable gentleman if he received details of that kind from elsewhere?

Hon. Mr. ROBERTSON: None whatever.

Hon. Mr. BELCOURT: None whatever?

Hon. Mr. ROBERTSON: None from anywhere else in Canada. The only reason why I bring this forward at the present time—and I regret to have done it, except for the necessity—is that I want this House to know the truth—that the present Government of Canada and the recent Government under Sir Robert Borden are not and have not been responsible for these things that have been going on there. The difficulties that have occurred are largely due to organizations such as the one I mentioned as having been started within a few days of the time that the Government announced the decision to register the people of this country. It is underground work of that sort that is largely responsible.

Honourable gentlemen, let me say to you in all sincerity that I hope we shall see an end of this sort of thing. I have lived in the province of Quebec for nearly six years; I have served in a public capacity a large number of men there for about fourteen years, and have a great many personal friends amongst the people of that province; and I want to say that I heartily endorse what the Postmaster General stated the other day, that there is no better class of citizen in Canada than the French Canadian citizen, if he knows the truth.

Hon. Mr. BELCOURT: Then are you not surprised at this?

Hon. Mr. LYNCH-STAUNTON: You do not live in Quebec.

Hon. Mr. BELCOURT: I know as much about Quebec as the honourable gentleman does—quite as much.

Hon. Mr. ROBERTSON: Just one other observation. When we recall that our former respected Prime Minister, Sir Robert Borden, received notice, I think, on more than one occasion, that his presence in the Province of Quebec was not desired—

Hon. Mr. CASGRAIN: That is true.

Hon. Mr. ROBERTSON: —and that the Minister of Justice and the Minister of Marine and Fisheries, both ministers from the Province of Quebec, were publicly stoned in one of the principal cities of Quebec because they dared to stand on the public platform and ask the people of Canada to back our army, then overseas and suffering, it is clear that it was not the Government nor the Government's supporters who threw those stones.

I hope that honourable gentlemen opposite will in future show a desire to forget the past, and try to live in harmony and work for the interests of all the people of Canada, regardless of nationality or creed. Let us sink our differences and not continually rake them up, as was done in the discussion of the Address in reply to the Speech from the Throne last year, and as has been done again this Session by the same honourable gentlemen.

Hon. Mr. BOYER: Would the honourable gentleman allow me one question?

Hon. Mr. ROBERTSON: Certainly.

Hon. Mr. BOYER: At what place were those stones thrown, and at what season of the year? If I remember aright, that meeting took place in the winter, and the only things they could get would be snowballs. I do not know where the stones came from.

Hon. Mr. ROBERTSON: I was not present, but I can assure my honourable

friend that there are stones in the vicinity of Sherbrooke both in summer and winter.

Hon. Mr. CASGRAIN: Sherbrooke!

Hon. Mr. BOYER: Not Sherbrooke!

Hon. Mr. CASGRAIN: Oh!

Hon. JOHN WEBSTER: Honourable gentlemen, I rise to make a few remarks on the Address. Before doing so I wish to extend to you, Mr. Speaker, my most hearty congratulations on the honour that has recently been conferred upon you, in your being made one of His Majesty's Privy Councillors. In being so honoured you have brought honour to your native province as one of her illustrious sons. I know, Sir, that I voice the sentiment of every honourable gentleman on this side of the House when I express the hope that it may please a kind Providence to permit you long to retain the very important position which you occupy as Speaker of the House, and at the same time enable you to offer His Majesty the best possible counsels from the province of Quebec. I know that honourable members on both sides of the House will join with me in this wish.

Speaking on the Address, I desire to congratulate my namesake the honourable member from Stadacona (Hon. L. C. Webster), a business man from the province of Quebec, a man of large financial and commercial interests, upon his ability to address this House in two languages. I regret that I do not possess the ability to speak French, which I consider to be in some parts of this Dominion an absolute necessity. It is a graceful thing at any time for a business man to be able to express his ideas, as the honourable member from Stadacona did the other day, in two languages.

May I congratulate also the seconder of the Address (Hon. G. V. White) upon his very able effort. Having been associated with him as a member of the House of Commons, I was not surprised. He is an old parliamentarian. If you will excuse the expression, I may say he comes from racing stock. He has proved himself to be a worthy son of a worthy sire, and I hope and trust he may be spared for many more years not only as an ornament of the Senate, but as one of our most prominent members. It was in the course of that notorious campaign that took place in the riding of Brockville in 1898 that I received from his father, the late Speaker White of the House of Commons, in listening to him discuss on the platform the questions of the day, the inspiration that possibly I might sometime take part in the public affairs of this country. Many of the older members of either House will remember what a wonderful campaign that was. It brought more disgrace to that riding than it ever suffered either before or since, because of the fact that during that campaign a great many fraudulent ballots were printed and by them his opponent, Mr. Comstock, of Brockville, was elected, and the people of that riding were robbed of their franchise. The late Sir Wilfrid Laurier refused to permit an investigation. However, since that campaign I have always considered it to be a great advantage for any man to be able to stand on the public platform and discuss in an intelligent manner the questions of the day. One question that was asked in Canada from the East to the West was: who printed those fraudulent ballots? I have yet to learn the answer. I have one of them filed away as a keepsake and it may be of interest at some future time. The honourable member for Pembroke (Hon. G. V. White), in the effort that he put forth in this House the other day, was only upholding the traditions of his race. He has inherited the ability to discuss the questions of the day. It is also a very great pleasure for me to be able to congratulate the honourable gentleman from Pembroke on his war record. I should have liked to hear him enlarge upon that subject, as he is one of the few members of this House who went overseas and actively engaged in the defence of the Empire and the fight for freedom and democracy. He gave us some most interesting figures during his address, and I am sure that if it had not been for that great sense of modesty which he possesses he would have been able to give us very much more information. I am going to take the liberty of speaking for a few minutes along that line in order to show you what the Union Government of Canada, when endorsed by the citizens of Canada, was able to do in bringing aid to the Empire at that particular period.

We are all proud of the position that Canada occupies to-day, more especially in view of the record which she made during the war. I do not think for one moment, honourable gentlemen, that the right kind of red blood flows in the veins of that Canadian who would not be proud of the efforts put forth by Canada's citizen army. I ask you to recall a memorable morning in April of 1915, and I ask you who it was that

stood in the way of the great Teutonic horde which was endeavouring to break through the thin red line of the British in order to fall on Calais? Why, honourable gentlemen, it was none other than our own Canadian boys, who by their valour and heroism proved to the world that they had no superiors and very few equals as soldiers in the field. No less a statesman than Mr. Lloyd George, Premier of Great Britain, has admitted that it was the Canadians who saved the day and that they by their efforts on that occasion saved Calais. I believe, honourable gentlemen, they saved the civilization of the world. I think it was that eminent statesman, William Pitt, who once said that the people of Great Britain would save themselves by their courage, and that they would save Europe by their example. By doing as they did those good loyal Canadian boys perpetuated the traditions of the race from which they sprung, and we all rejoice in the fact that they acquitted themselves with such glory. The efforts of Canada's citizen army have commanded the admiration not only of the British Empire to which we belong but of every one of Britain's overseas Dominions; and I believe there is no country on the face of this world to-day where those efforts are more appreciated than they are across the line in the great republic to the south of us. It is my pleasure to go frequently into that country, and I believe, honourable gentlemen, that the people of that country appreciate more than they ever did before the position which we occupy. But when you stop to think, it is not to be wondered at, that those nations whose boys journeyed together down to the valley of death to safeguard for us and for future generations the liberties and the freedom of the democracy that the centuries of the past had won for us should from this day forth regard themselves as brothers, sealed in a bond of blood, who will not sell back again for untold gold that which their sons purchased with their lives. We have placed ourselves before the nations of the world in the proud position of being one of the most prosperous and progressive young nations that God's sun in heaven shines upon to-day.

I listened with great pleasure the other day to my honourable friend who spoke of the transportation question of this country. I sat in silence waiting to see if he would touch upon what the Government of this country succeeded in doing in transporting our armies across the great Atlantic ocean and back again. Why, honourable gentlemen, they made for themselves a record that I think will never be surpassed by the people of any other nation in the world. And the debt that we owe to General Mewburn and his staff for the safe transportation of those troops is beyond anything I can say to you at this time. But that is not all the Union Government succeeded in doing, I care not by what standard of efficiency you may see fit to measure them.

The people of Canada established what I think might during the war be termed a world record—I care not from what viewpoint you judge them, whether from the viewpoint of loyalty, patriotism, or citizenship.

Speaking of the loyalty of our people, I ask you what nation in the world displayed more loyalty to the mother land than Canada. In August, 1914, when the great German Emperor in his wisdom saw fit to declare war the mother land sent forth her far-flung battle cry to her overseas colonies and dominions. What was the response of Canada's loyal sons? Why, honourable gentlemen, they came forward in such great numbers that the Government of this country found it impossible to fully equip and train them before sending them overseas. From whence did they come? They came from the far West, from the shores of the sun-kissed Pacific, they came from the west and north of the great Rocky Mountain ranges, and from the three great grain and cattle producing provinces of the plains; and old Ontario sent her quota, as well as the other eastern provinces down by the sea. Yes, honourable gentlemen, that was the best indication of the loyalty of the people of this country.

Now, if you want to judge the Canadian people from their patriotism, I ask you where will you find a better standard than the one they set in the contribution of vast amounts of money to the mother country and for the relief of our own boys overseas? I believe the people of this country have for their ideal as high a standard of citizenship as is to be found in any country in the world. After twelve years practical experience in public life, I have come to the conclusion that Canada's greatest need to-day is not more politicians but more real statesmen—men of vision, men of confidence, men who possess a soul. They must have a vision that is wider than the interests of any one political party; they must be men who in such a crisis as

that through which we have just passed can come out from their own political party and serve their country as patriots, not partizans. They must be men of vision, men who possess a soul that throbs for the welfare of our people. With such men and with the many advantages that Canada possesses, if honestly and fairly governed, and with her boundless resources, if properly conserved, in my humble opinion she is bound to maintain the high and exalted position which she has attained, and still be known as the chief overseas Dominion in that fabric of construction which goes to make up the great British Empire—the Empire whose drum-beat encircles the world, the Empire on which God's sun in heaven never sets. Such is the Empire to which Canada belongs. What a heritage for a free-born Canadian to possess—an Empire whose flag, wherever it has been planted, stands for the same purpose: truth, freedom, and justice to all!

Speaking of the efforts of this Government, from whatever viewpoint you regard them—whether in men, money or the munitions which they furnished—I think, honourable gentlemen, I have said sufficient to establish that they proved to be the master men of a great young nation. As to Canada's record in the war, she furnished the vastest army that came from any country of the same population. She has paid the price of nationhood both in blood and treasure, with the result that to-day there are sleeping in the fields of France and Flanders nearly 60,000 of Canada's loyal sons. They sleep there quietly, honourable gentlemen, but their devotion and patriotism to a great ideal still lives and will continue to live so long as the maple leaf is permitted to endure.

Another gentleman who made a record for himself during the war is the ex-Finance Minister, Sir Thomas White. He has made his name immortal by the happy thought of borrowing from our own people the money required to finance our war effort. I think, honourable gentlemen, that to him belongs a great share of the credit for the position which Canada occupies to-day. The honourable gentleman from Assiniboia (Hon. Mr. Turriff) yesterday spoke of the situation that existed in the Western provinces. If it had not been for the ability of our ex-Minister of Finance I fear that the great wheat production of Canada, as well as the dairy production, would have been of no avail. But Sir Thomas White by his own efforts solved the problem, by borrowing from our own people the money necessary to finance the wheat industry—and surely, honourable gentlemen, his efforts were successful. His efforts were so successful, honourable gentlemen, that to-day Canada stands in as good if not in a better position than any of the Allied nations.

Now that the war is over it is the duty of Canada's public men to divert their attention to other things, and to do what they can to help develop the public resources with which our country has been so bountifully blessed. We have resources almost innumerable. The brief time that I have at my disposal will not permit me to mention but very few of them. I spoke last Session of the development of Canada's great water powers, which are known as our "white coal." We have other resources awaiting development. I hope honourable gentlemen, to see that development accomplished at no distant date.

Probably one of Canada's greater needs to-day is immigration—immigration of men of the right type—and I am hoping that the Government of this country will encourage immigration from the British Isles, because it is our object to keep this country part and parcel of the great British Empire.

The honourable gentleman from Assiniboia (Hon. Mr. Turriff) spoke yesterday of the probable results of the Fordney Bill. I do not look upon the Fordney Bill as seriously as my honourable friend does. Possibly the working out of that Bill may prove to Canada a blessing in disguise. I am not a very old man, but I can remember when the American Government in 1876 saw fit to erect a high tariff wall against Canadian dairy products. The people of the United States were producers of the same line of dairy products as were the Canadians. What was the result? We found a market for our dairy products in Great Britain; and here let me say—and I say it with great pride—that no nation in the world furnishes Britain with a higher quality of dairy products than the Dominion of Canada.

Now, to speak of the wheat problem. I talked to one of the representatives of the great Pillsbury Mills of Minneapolis the other day, and he told me that the gentleman who introduced the Fordney Bill did not understand the situation. He said: "We must have a certain amount of Canada's No. 1 Northern hard wheat mixed with our softer grain or else we must give up the European market to your Canadian people." That man was practical; he

clearly understood the necessity of having Canada's hard wheat in order to raise the standard of the low-grade flour made from the soft wheat of the United States. That possibly may be the solution of that particular question. That Bill, no matter from what point you may view it, may yet result in improving the standard of our wheat going across the line.

There is another matter that I should like to bring to the attention of the Government, and that is the embargo on our cattle going to Great Britain. Whilst Great Britain rejoices in the fact that she lives under free trade, that cattle embargo is only another form of protection. It is well known by the producers of cattle in this country that our cattle have no pleuro-pneumonia. If this cattle embargo remains it only remains for the protection of the producers of cattle in the old land. I think the Dominion Government and the provincial Governments should take steps to have that embargo removed at no distant date, and if they do so our cattle industry will not suffer by the introduction of the Fordney Bill.

I said that Canada's future lay in the development of her resources; but at the same time I claim that if we have the right kind of public men—men who can see the interests of this great Dominion which extends for 3,000 miles from coast to coast—there will be no East nor West but one solid front from the Atlantic to the Pacific, one Canada which is our native home.

I know that the people of the West think Canada is suffering because the manufacturers are established in the East; but I hope to see at no distant time some large manufacturers establishing themselves at some points in the West where they can obtain fuel cheaply, as they can in the province of Alberta. There is no reason why a few progressive manufacturers in that country could not produce everything necessary for the settlers of that country.

Canada to-day enjoys many advantages which are not enjoyed by some of the countries which participated in the great war. We have heard within the last three days some complaints in regard to Canada's merchant marine. No less an authority than Admiral Von Tirpitz, the man who was going to sink the British fleet with submarines, admits what? That the Grand Fleet of Great Britain was the means of winning the war. Sir, I quite agree with him, and whilst production on a larger scale was engaged in during the war, it would have been useless had it not been for Canada's geographical position, for we would not have been able to transport our productions to Britain, where they found a ready market. But now that the war is over and the dove of peace has unfolded her wings and spread them over the warring nations, Canada stands out pre-eminently before the world as the one nation that went into this fight not from compulsion but from the loftier motive of obtaining justice, liberty, and freedom for the smaller nations. I know that every good loyal Canadian will rejoice with me to know that that same old flag that has continued to brave the battle and the breeze for the past thousand years is still permitted to float proudly from the mizzenmast of England's Grand Fleet, and from her position there will announce to the nations of the world that England is still mistress of the seas and that Britannia rules the waves, and I trust she may continue to do so.

Hon. GEORGE LYNCH-STAUNTON: Honourable gentlemen, I have no desire or intention to make a speech upon the Address; but I want to read, if I may be allowed, an article which summarizes an exhaustive statement made by the Guaranty Trust Company of New York regarding German trade. I wish to do so because I interested myself in a Bill which was defeated here at the last Session, in connection with which I made some remarks on what I thought would come to this country in the future by reason of the depreciation of the mark in foreign countries. I think this article is one of real value, as it conveys some interesting and desirable information to this country. It says:

> It was stated by a British official not long ago that "Germany is still a perfect industrial machine, running at low speed it is true, but undamaged as yet in its vital parts, and would respond readily to any stimulus." This opinion is supported by the Guaranty Trust Company of New York, which has just issued an exhaustive statement on "German plans to extend foreign trade." It is declared that from the armistice in November, 1918, until March, 1920, an enormous volume of goods was smuggled out of Germany through the occupied territory. For the eleven months ending with November last the United States imported goods from Germany to the value of $84,000,000, as against $10,608,000 for all of 1919. German salesmen are swarming, not only in former neutral countries, but in all other European and in all Asiatic countries. They offer low prices, long credits, and quicker deliveries.
>
> It is estimated that sales of German toys in Great Britain totalled $9,000,000 in 1920, as against $1,850,000 in 1919. German nets,

silk embroidered, are offered in Nottingham at a lower price than the cost of manufacture in that centre of the British lace industry. According to the Secretary of the National Union of Manufacturers, many articles are offered for sale in Great Britain at half the price for which they can be obtained from British makers. German tools are offered at four shillings each which cost fifteen shillings in London. "Bosch" magnetos are offered at £5 each in cases of five which cannot be purchased in England for less than £12. Three or four ton lorries are quoted at £600, for which British dealers require double that figure.

Children's rackets from Germany sell for 72 shillings a gross, as compared with the British price of 156 shillings. A three-quart kettle of British manufacture sells at three shillings and ninepence, and the German kettle at sixpence. German scissors are sold at nine shillings a dozen and those of British manufacture at twenty shillings; German pianos at £70 which could not be purchased in England for twice the money, and German milling machines at £75 which cost £108 to manufacture in Great Britain. A railway in Argentine asked for quotations for 10,000 car wheels. The low bid from the United States was $45.50 each, as against $18.31 by the Krupp firm in Germany. In Mexico German hardware sells 25 per cent below American prices.

A multitude of other instances could be cited to show the danger of the situation which has been created by low exchange, cheaper German labor and the reorganization of German industries. In all the neutral countries of Europe there is a demand for more stringent legislation against German "dumping." The Stockholm Iron Institute, of Sweden, demands that duties against Germany be increased by 500 per cent. The Swedish electrical industries declare that cost of production in Germany is between two-fifths and two-thirds the cost of production in Sweden. Holland is alarmed over German competition. German goods are again pouring into the Argentine and Brazil. It is stated that "a growing volume of imports from Germany is reported at Chinese ports." Japan has strengthened its regulations against "dumping," and all round the world the nations are arming themselves with defensive measures against trade rivals until the stern, sore, hard effects of the war are overcome.

It is necessary to the restoration of stable world conditions that German industries should be re-established and her goods purchased by other countries. But other countries cannot neglect the interests of their own factories and their own workers. Reconstruction is still a difficult problem even in Canada, in Great Britain and in the United States. With the prospect of new legislation in Britain to protect key industries, a certain increase of tariff in the United States, and higher duties in Australia, South Africa, Japan and nearly all European countries, it is remarkable that in Canada alone, where rates of tariff are lower than in many other countries there should be such a determined agitation to expose Canadian factories and Canadian workers to still more severe competition from the exchange-aided industries of Europe and the manufacturers of the United States when the balance of trade against us in our dealings with the adjoining country is already five hundred millions of dollars.

I might say, in addition, that I think it is the duty of this Government to protect the people of this country against all countries where there is an extraordinary depreciation in the value of their currency; and I think that, in ascertaining the price paid for goods imported from foreign countries, the currency of the country whence goods are purchased should be valued at the price at which it was taken immediately preceding the war. If we will not so mark the goods which come from a foreign country as made in that country, we certainly should not allow foreign goods to come in at nominal prices, if we have a tariff which is built for the express purpose of protecting our industries. That we should have a tariff any person who has lived in Canada for his lifetime, if he has reached middle life, must know. We have had an experience of forty years under a tariff, and we had an experience of forty years before the tariff. Since 1878 Canada has put on all the growth she ever put on. Before 1878 for forty years Canada was stagnant; and how any person can desire now to aim a blow at the tariff for the purpose of getting into power passes my understanding.

The motion for the Address was agreed to.

GOLD AND SILVER MARKING BILL.

SECOND READING.

Hon. Mr. LYNCH-STAUNTON moved the second reading of Bill C, an Act to amend The Gold and Silver Marking Act.

He said: I would like to make a remark or two in moving the second reading of this Bill, in order that it may be understood by the House. The Gold and Silver Marking Act, in section 10, provides for the marking of rolled gold plate, rolled silver plate, silver-filled plate, etc. I will just read the section:

1. This section applies only to plated articles wholly or partly composed of the materials known to the trade as "rolled gold plate," "gold filled," "gold electro-plate," "rolled silver-plate," "silver filled," "silver electro-plate," or of such materials of like nature as are defined and designated by regulations made by the Governor in Council.

2. There shall not be applied to any such article any mark other than a mark authorized by this section.

3. If any such article has applied to it any mark it must have applied to it a trade mark registered in accordance with The Trade Mark and Design Act.

4. In addition to such trade mark there may be applied all or any of the following marks:

(a) a mark indicating truly and correctly, in accordance with the provisions of subsection 1 of this section, the designation, as known to the trade or as established by regulation aforesaid, of the material;

(b) numerals intended to identify the article or pattern and not calculated to mislead or deceive;

(c) the name or initials of a dealer.

Rolled gold plate, in watch chains for example, may be nine-tenths lead and one-tenth gold, or it may be ninety-six per cent lead and four per cent gold; and there is no mark by which a purchaser can tell whether it is nine-tenths or one-tenth gold, or what per cent of gold it contains. I am instructed that a chain which has ten per cent of gold will last forever with a gold appearance. A chain which has two per cent of gold will last perhaps for six months. They are both put before the public, and dealers are allowed to sell both at the same price, and the purchaser cannot tell what he is getting. A firm of high repute could put upon the market those articles with a very low percentage of gold. Now, what is desired is that the makers of those articles may be allowed to stamp on them the percentage of gold or silver, as the case may be, that they contain. So this Bill proposes to add to subsection 4 of section 10 of the Act the following paragraph, which says that in addition to all or any of the marks mentioned, there may be applied this:

(d) a mark indicating truly and correctly the fineness of the gold and of the silver in the article and the proportion of each to the gross weight, at the time the article is sold or delivered by the maker.

Honourable gentlemen will notice that nobody is bound to, but every person may, put that mark on the goods, and I think it will commend itself to every gentleman in this Chamber. The Department of Trade and Commerce has been consulted, and I understand that they are quite in favour of this amendment to the Act. I therefore move the second reading of this Bill.

Hon. Mr. ROCHE: How will the public decide?

Hon. Sir JAMES LOUGHEED: I am not opposed to the principle of the Bill, but I should like to obtain some further information as to whether the Department of Trade and Commerce has given full consideration to the Bill, because I recall that this Act some few Sessions ago was productive of a great deal of controversy.

Hon. Mr. LYNCH-STAUNTON: Not on this.

Hon. Sir JAMES LOUGHEED: No, this of course is entirely a new feature, and I simply rose to say that while the House might agree to the principle of the Bill, this being the second reading, yet I should like to consult the Department of Trade and Commerce as to whether representations had been made by the trade that this Bill would be agreeable to the manufacturing section of the trade.

Hon. Mr. LYNCH-STAUNTON: I may say to the honourable the leader that I was told by the gentlemen who asked me to introduce this Bill that it had been submitted, and I have taken it up with the Law Clerk, and he has advised me as to what took place. As the honourable the leader says, there was a great deal of controversy about the Act; but it was because when this section 10 was introduced no person could define what was meant by rolled gold, rolled gold plate, or rolled silver plate. So it was made as understood in the trade or as settled by the Governor in Council.

Hon. Sir JAMES LOUGHEED: When we go into committee we can deal with that.

Hon. Mr. LYNCH-STAUNTON: Yes, I am only introducing it in the belief and on the understanding that it is approved by the Department.

Hon. Mr. ROCHE: I was going to ask how the purchasing public would understand the cabalistic marks that would be put upon jewellery or other products in the trade.

Hon. Mr. LYNCH-STAUNTON: I am not an expert, but I understand that the percentage of gold and the fineness of gold will be marked so that he who runs may read. That is my understanding of it.

Hon. Sir JAMES LOUGHEED: They will have to put a pretty big sign on it.

The motion was agreed to, and the Bill was read the second time.

The Senate adjourned until Tuesday next, March 1st, at 8 o'clock p.m.

THE SENATE

OTTAWA, Tuesday, March 1, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

LAKE OF THE WOODS CONTROL BOARD BILL

FIRST READING

Bill D, an Act respecting the Lake of the Woods Control Board.—Hon. Sir James Lougheed.

GOVERNMENT RAILWAY LOANS

INQUIRY

Hon. Mr. CASGRAIN inquired of the Government:

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 loans 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?

Hon. Sir JAMES LOUGHEED: 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 1st, 1920; matures May 1st, 1935. Issued through Dillon, Read & Co., New York. Net price to Railway Coy., 95. Net proceeds, $14,250,000.

Expenses:	
Printing, American Bank Note Co.	$3,475.00
Signing certificates, signature company	150.00
Trustees' fees, Girard Trust Co..	7,567.46
Legal costs, Duane, Morris & Heckscher and J. H. Barnes, Philadelphia	5,376.39
	$16,568.85

7 per cent twenty year sinking fund bonds, guaranteed by the Dominion Government, $25,000,000. Dated Dec. 1st, 1920; matures Dec. 1st, 1940. Issued through Dillon, Read & Co., New York. Price to Railway Coy., 96.20. Net proceeds, $24,050,000. Expenses: No accounts rendered yet.

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, Wickersham & Taft, New York	$15,166.69
Larkin, Rathbone & Perry, New York	504.55
Mr. Miller Lash, Toronto	5,000.00
The Evening Post Job Printing Office, New York	708.45
British American Bank Note Company, Ottawa	8,415.00
	$29,794.69

$12,000,000 fifteen-year 6½ per cent Equipment Trust Certificates, on Philadelphia plan, price 91.65, including commission and cost of distribution, $10,998,000. This issue has been sold, but trust deeds have not yet been completed or accounts for legal and other expenses received.

Both Grand Trunk issues were through Wm. A. Read & Company (now Dillon, Read & Co.), New York.

P.E.I. RAILWAY AND CANADIAN NATIONAL SYSTEM

INQUIRY

Hon. Mr. MURPHY inquired of the Government:

Why is the Prince Edward Island Railway not classified as part of the Canadian National Railway System, and why are the expenses of the car ferry system specially charged to the Prince Edward Island Railway, and why are the expenses of the car ferry between Mulgrave and Point Tupper charged to the Canadian National Railway System?

Hon. Sir JAMES LOUGHEED: The Prince Edward Island Railway is a part of the old Canadian Government Railways System and as such is a part of the Canadian National Railways. At the time this ferry service was inaugurated, it was decided by the management that the Prince Edward Island Railway would get credit for all earnings accruing from the ferries and be charged with all expenses for operation. As the car ferry was put in service principally for the benefit of the Island, it is considered proper that the operations should be included in that part of the System. The car ferries operating between Mulgrave and Point Tupper are considered part of the Truro-Sydney Division, and the expenses and earnings of said ferries are therefore included in the operation results of said division.

DECEASED SENATORS

TRIBUTES TO THE LATE HON. MESSRS. DENNIS, DOUGLAS, PRINCE, SHATFORD AND McSWEENEY

On the Orders of the Day:

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, it is my melancholy duty to make reference to the recent deaths of several of our late esteemed colleagues. During the recess which took place between the last Session of Parliament and the present Session death has exacted an exceptionally large toll from amongst members of this body. It is with the deepest regret we learn at any time of a breach through death in our membership, and, while seldom a year passes but death makes its inroads upon our number, yet seldom have we been called upon to mourn the death of so many as during the last recess of Parliament. No less than five of our members, who last Session were with us and who gave fair promise of prolonged service, have been summoned to that bourne from which the weary traveller ne'er returns.

The first to be summoned by the grim messenger of death was our friend, Senator Dennis, who died on the 11th July last. I called on him the day before he left Ottawa to enter the hospital in which he died, and was pleasantly surprised to find him facing the ordeal through which he was to go with fortitude and that high-minded and optimistic courage which ever characterized him. Those of us who were more intimately acquainted with Senator Dennis never failed to be impressed with the wonderful courage with which he bore an affliction that would have overwhelmed most men. While of late years he was seldom free from pain, yet I doubt if there was amongst the members of the Senate of Canada a man of more cheerful disposition. He seemed to extract more pleasure out of life than most of his colleagues who surrounded him. It was probably those same personal qualities that had had so much to do with his success in life. Coming to Canada from England in 1873, he became not only one of the leading journalists in Canada, but one of the most successful financial men in the maritime provinces. He was a man possessed of great public spirit, and his generosity to the educational institutions of his adopted province and the public enterprise which he exhibited during his life will stand as monuments to his memory more enduring than monuments of stone or bronze.

The late Senator Douglas, who died on August 19th, was a man of varied experience in life. Coming to Canada from Scotland, he occupied a prominent position in the ministry of the Presbyterian Church. From Canada he went to India, where he spent several years and was one of Her Majesty's chaplains to the British troops in that great Empire. Returning to Canada, he was engaged in ministerial and educational work for a number of years and afterwards became a leading and successful farmer in the Northwest Territories. For a number of years he represented a constituency in the House of Commons and for some fifteen years was a member of this Chamber. He commanded the respect of his colleagues. He died full of years, having far exceeded the psalmist's allotted span of life.

Senator Prince died on October 26th last. He was one of the pioneers of the great Northwest. Originally he went to the province of Manitoba as far back as 1878, and afterwards moving to the Northwest Territories and residing in Battleford, which at that time was the capital of the Northwest, from 1880 down to the time of his death. He was a thoroughly representative pioneer of those boundless plains, and during the forty and more years that he lived in that country he was actively engaged in laying the foundations not only of his own business, in which he was prosperous, but those of that civilization which so marks the development of that country. Few men at one time were more active in the development of that new country than the late Senator Prince. He was identified with its legislative institutions, its municipal institutions, its educational institutions, with its agricultural and large business enterprises, and for nearly twelve years was a member of this body. It is largely due to men like the late Senator Prince that we owe the rapid development of that great section of Canada.

The death of Senator Shatford, which took place on the 8th November, came as a surprise to all of us. In years he was one of the younger members of the Senate. In appearance he seemed to promise many years of usefulness in this body, and although a member of this Chamber only since June 1917, yet during that short time he enjoyed the confidence and respect of the members of this House. Although born in the province of Nova Scotia, he went to the Pacific province of British Columbia when a young man and became

largely identified in the development of business and other interests in that progressive province. For a number of years he was a prominent member of the Legislative Assembly of British Columbia, and while in that Assembly had attached himself deeply to his fellow-members with whom he was associated. His sudden taking-off in the heyday of life was a loss to his adopted province and likewise to this Chamber.

The death of Senator McSweeney on the 2nd February, a few days before the opening of this Session, came to us with surprise and regret. Although he, like Senator Douglas, had exceeded the allotted span of life by many years, yet we were not prepared to hear of his sudden demise. He had been a member of this Chamber for twenty odd years and during that time enjoyed not only the respect but the affection of those with whom he was associated. He was a peculiarly representative man in his native province. He was one of the successful merchants of Canada. He laid the foundations of and built up a prosperous and successful business, which is fairly well known throughout the Dominion. He was a man of great public enterprise and was closely associated with the leading institutions of the city and province to which he belonged. While in this Chamber he did not speak frequently from his place on the floor of the House, yet his views on all public questions were received with respect and confidence. His experience and judgment on questions and problems affecting the various measures which from time to time commanded the attention of the House were of valuable assistance to this Chamber in its deliberations. It is owing to representative business men such as the late Senator McSweeney that this Chamber to a very large extent commands the confidence of the public and our deliberations and judgment are regarded as of value in the transaction of public business.

As I recall the names of those Senators whom I have mentioned, and cast my mind back to our sittings of last Session, I can visualize those five members sitting in their places, interested in the business of the House, participating in our activities and reasonably confident that there were before them future years of usefulness. Their taking-off within the short time since we were last assembled reminds us of the uncertainty of life and of what shadows we are and what shadows we pursue. I am warranted in saying that the Senate of Canada recalls with pleasure their presence during their many years of life with us, and records our deep regret at their loss. We convey to their sorrowing families and immediate friends the deepest sympathy which we feel in their bereavement and loss.

Hon. HEWITT BOSTOCK: Honourable gentlemen, I desire to add a few words to what has been so well and ably said by my honourable friend as to the loss that the Senate has suffered through the death of the five senators to whom he has referred.

I personally was very much shocked when I heard of the death of Senator Dennis. I had no idea at the end of last session that he was suffering to the degree that he apparently was, and that he had to undergo an operation. He was a man who impressed his personality on all the members of the Senate, especially those with whom he came in contact, and they realized that he was a public-spirited man who took his work in the Senate seriously and was always trying to promote the welfare of the country. His services as a public man were recognized in his own part of the country when he raised the sum of $10,000 to erect in Halifax a monument to the Nova Scotia heroes who fell in the South African war. He was on one occasion thanked by the Viceroy of India and others when his newspaper raised the sum of $15,000 for the famine-stricken people of India. He was interested also in raising the sum of $13,500 to send to Japan, where the crops had failed, in the year 1906. Those incidents show the great interest that Senator Dennis took, not only in his own country, but also in the things that affected the Empire and other parts of the world. It showed the largeness of heart of a man who, while so busy with his own work, and, as my honourable friend (Hon. Sir James Lougheed) has said, so successful as a business man, yet had time to devote himself to matters apart from the pursuit of his own affairs. I am sure that we all regret very much the loss that this Senate has suffered in his death.

Senator Douglas had lived, as my honourable friend (Hon. Sir James Lougheed) has said, more than the allotted span of life, but his also was a life that was full of work for his country. Not only did he perform the duties of a clergyman, but he was qualified also as a medical man, and when he went to the Northwest he was prominent in the agricultural life of

that country. He did a great deal, by the example that he set to other stock-raisers, in improving the quality of stock in the Northwest. In every way his work was of benefit to the country.

Senator Prince was also a man of very large interests in Canada. Coming as he did, in the first instance, from the province of Quebec, he brought to bear on the development of the western country a different point of view from that of people who had come in from other parts of the world. His work in the Northwest, in the early development of the country has been of great advantage to Canada. He served in 1885 in the Northwest rebellion, was mayor of Battleford a number of times, and otherwise in various ways was prominent in the life of the country.

As my honourable friend has said, Senator Shatford was born in Nova Scotia, and very early in life went out to the province from which I come. He was particularly prominent in the development of what is known as the upper country. He was engaged successfully in business with his brothers and other members of his family, and did much in helping to develop the country known as the Okanagan valley, especially in the fruit industry. After having carried out a very considerable development there, Senator Shatford went to Vancouver, where he became largely interested in various lines of business and in promoting the general development of British Columbia. For a number of years he was one of the most popular members of the legislature of that province. He came to the Senate only three years ago, but I think every Senator who was acquainted with him realized that his work was of value to the Senate and to the country, and must very much regret that he was cut off in the prime of life, and that we no longer have him amongst us.

Senator McSweeney was a member of this Chamber for the space of twenty-two years, and was a very useful and capable member. He was an Irishman by descent, and I might say he was the right kind of an Irishman, who took a great interest in this country of his adoption. He was a prominent man of business, and a man of cheerful disposition and happy manner which made for him many friends.

We on this side of the House join in the expressions of sympathy for the families and relatives of those gentlemen, and of regret at the loss that this Chamber has suffered in their death.

ACCOMMODATION FOR SENATORS IN HOUSE OF COMMONS

On the Orders of the Day:

Hon. Mr. TURRIFF: Honourable gentlemen, I would like to find out what rights a Senator has over in the House of Commons. Last week I was brought to time twice for no great offence—no offence of any kind, so far as I know. I was sitting in the Senators' gallery, in which all the seats were occupied. A lady came in, and I gave her my seat and stood at the back against the wall, when an official came up and said, "I am very sorry, sir, but you cannot stand there." I said, "Who said I could not stand here?" He said, "An official down below sent up word." I will not say what my answer was. I do not like to be subjected to that sort of thing. Again, yesterday I was in the rear corridor of the building at the House of Commons end, and wanted to walk into the gallery, and as I passed through the corridor on this side of the Commons chamber—a great wide corridor that runs along the full length of the Chamber—a man came up to me, very politely, I must say, and said, "Are you a member of the House of Commons?" I said, "No." He said, "Well, you can't come here." I said, "I am a senator." "That does not make any difference; you can't come in here; I am very sorry, but my instructions are not to allow any Senators in here." I do not want to suggest any retaliation; I think that would be beneath the dignity of this honourable House; but it does seem to me curious if a member of the Parliament of Canada cannot pass through the corridors alongside the House of Commons Chamber, or cannot stand up in his own gallery with his back against the wall when there is no place for him to sit down. I think, Mr. Speaker, it is your duty and the duty of the leader of the Government to see if something cannot be done to remedy this state of affairs. It is most unsatisfactory, and unbecoming to the dignity of the Senate, that its members should be treated in that way.

Hon. Mr. BARNARD: I may say that I had a similar experience in going through that lobby that the honourable gentleman has just referred to. I said I was not a member of the House of Commons, but was a Senator, if that counted for anything. He said, "No, it doesn't count for anything." I retired.

Hon. Mr. CASGRAIN: Senators often want to go to our gallery to listen to the

speeches. Several times I have had to stand for a long time, all the seats being occupied, I do not know by whom, but evidently not by Senators. I think the messenger in charge of the Senators' gallery in the House of Commons should be, as in the olden days, one belonging to this House, and knowing who belongs to the Senate. I have seen many people there who, though they might be very desirable people, did not seem to take the interest in the debates that some of us would have taken; and that gallery is very small, and has not very many seats anyway. Senators may want to go and listen to a debate, perhaps in view of a discussion that is going to take place later in this House, and I think they should have an opportunity of getting a proper seat, and not having the gallery filled with people who have nothing to do with the Senate. I trust that the Speaker of this House and also the leader will see that in future the messenger in charge of the Senators' gallery will be one who belongs to this House, so that he will know who are Senators, or who are not.

Hon. Mr. MURPHY: I have much sympathy with the fighting member for Assiniboia (Hon. Mr. Turriff). He has announced himself as a fighting member of this House, and I think he is progressive in this matter anyway. When I first came into this House I had occasion to make a complaint similar to what my honourable friend from Assiniboia has made to-night. I went there one evening with some gentlemen who were not quite as vigorous or as able to take care of themselves as I was, and I saw them trying to obtain a proper position. One of them was Senator Forget, who complained, and I said, "I will get you there, and I can stand back and listen." We made a complaint—it was in the old House before the fire—and there was an improvement. But really I must say the situation is ridiculous, and I do not know that it is altogether attributable to the officials in charge; I think possibly some of it might be taken to heart by ourselves. I know members who go in there and fill up the seats. It is true, as has been said, that they have put us off into a corner, and given us about half the number of seats that we had last year. We go there to listen to the debates and come to a reasonable conclusion on the discussions that are taking place in the House of Commons. When we are not in session ourselves I think that is our duty. But we have not room enough there, and in my opinion a good many gentlemen are lacking in courtesy to their fellow Senators for the reason that they fill up the seats with men and women who come from outside and are only there for the time being, and who should not fill the places that are designated for us—which, indeed, are only about one-fifteenth of what we should be given in order to have a reasonable chance to listen to the discussions pro and con from Opposition and from Government, and then to come to a proper conclusion in this House. I think the honourable gentleman has proven himself a progressive by bringing up this matter, and I believe that we should have a proper opportunity of listening to the debates in the other House.

The Hon. the SPEAKER: During the last Session I had occasion to meet the Speaker of the House of Commons several times, and asked for the largest space possible. The Speaker assured me that he would do all that he could to satisfy the Senate. I also agree that we should have a messenger from the Senate to be there, a man who knows all the Senators. But I must remark, at the same time, that if members of the Senate go there with five or six friends, men or women, the messenger is placed in a very serious position, for he will perhaps be unable to find seats for gentlemen who belong to the Senate, and as a matter of course the wives and daughters of Senators, who have a right to go there. Ladies now have the vote, and therefore we must be prepared to recognize them. But I will see the Speaker once more, and we will do the best we can.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE.

OTTAWA, Wednesday, March 2, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CONSIDERATION OF DIVORCE PETITIONS

Hon. Mr. PROUDFOOT presented the tenth report of the Standing Committee on Divorce, and moved that this report be taken into consideration to-morrow.

Hon. L. G. POWER: Honourable gentlemen, it has not been the practice in the Senate to take these reports of the Divorce

Committee into consideration on the day after they are presented. The rule has been to allow some reasonable time, say four or five days, to elapse from the time the report is presented until it is taken into consideration; and the reason of that is plain enough on the face of it. In some cases the evidence in these divorce matters may be rather long-winded, or it may be contradictory. I think that the members of the Senate should have reasonable opportunity at their leisure to read over the evidence and consider the propriety of granting the relief which is asked for.

I noticed that yesterday there were five reports from the Committee, and after the entry in our Minutes of the presentation of the reports there was entered the fact that the rule had been suspended. The evidence was practically shut out from the consideration of members of this House. There may have been some good reason for that, but it has not been explained to us. I regret that my hearing is not as acute as it was some time ago. Clearly we should be careful about these divorce cases. The Committee on Divorce, particularly under the chairmanship of the honourable gentleman from Middleton (Hon. W. B. Ross), had established a reputation which put it I think, on the level of any Court in the country; but that reputation was gained by the fact that the Committee, and the House in some cases, took time and were deliberate in making up their minds as to whether the evidence justified the granting of the petition or not. I for one object very strenuously to our taking these reports into consideration on the day after they are presented. Yesterday we did not have even the one day's notice. I think that these reports should not be taken into consideration, at any rate, before the beginning of next week.

The Hon. the SPEAKER: Honourable gentlemen, I remember perfectly well that during the last two or three Sessions several days have been granted for the consideration of these reports by the honourable members of this House; but this has always been done on the advice of the Chairman of the Divorce Committee, because by rule 24h there is only one day's notice required "for the adoption of a report, not merely formal in its character, from any standing committee." According to our rules, one day's notice is certainly sufficient. But, as I have already remarked, during the last few sessions many days have been granted, but it has been at the request of the Chairman of the Divorce Committee. I presume that if to-morrow somebody objects to the adoption of this report on the ground that members have not had time enough to study the question, the Senate will grant a few days more for consideration of the matter.

Hon. Mr. MURPHY: Honourable gentlemen, I have no feeling in this matter at all, but I think the honourable gentleman from Halifax, (Hon. Mr. Power) has very good grounds for the objection he has taken. I am unequivocally opposed to divorce, and for that reason perhaps would not be an impartial judge. The Committee's report is in the hands of the Senate: as to that I defer to the honourable gentleman from Halifax, who has been here longer than I have. I feel that under the circumstances we are the last stage in seeing whether justice is done or is not done, and while, of course, we never object to the ruling of His Honour the Speaker, I think the point of the honourable gentleman from Halifax is well taken.

Hon. Mr. PROUDFOOT: Honourable gentleman, so far as I am concerned, I have not any objection, and I do not suppose the members of the Committee have any, to more than one day being given for the consideration of these reports. But I have yet to learn of any honourable gentleman taking the trouble to carefully consider the evidence that has been given. If, however, it is the desire of the House that a longer time should be given, I have no objection.

The motion was agreed to, on division.

DIVORCE BILL

FIRST READING

Bill E. an Act for the Relief of Frank Alexander Staunton.—Hon. Mr. DeVeber.

ACCOMMODATION FOR SENATORS IN HOUSE OF COMMONS

The Hon. the SPEAKER: Honourable gentlemen, in pursuance of the discussion which took place in this House yesterday, I had the honour to meet with His Honour the Speaker of the House of Commons this morning. We discussed the question of the space to be allowed to Senators in the House of Commons' gallery. He desired a little time to consider the matter, saying that he would write to me, and I have just received a letter which will be read by the Clerk.

The Clerk then read the letter as follows:

HOUSE OF COMMONS, CANADA,
SPEAKER'S OFFICE,
OTTAWA, March 2nd, 1921.

Dear Mr. Speaker: Since our conference this morning I have had an interview with Lieut.-Colonel Bowie, Sergeant-at-Arms of the House of Commons, with respect to the use of the Senate Gallery in the House of Commons chamber, and in view of the information which follows I am sure you will agree with me that it is rather surprising that there should be any friction with respect to its use. You have your own attendant at the door, a practice which was inaugurated since I became Speaker, on the advice of the Sergeant-at-Arms, and one which, I may say, did not obtain under the previous Sergeant-at-Arms, who declined to have any Senate attendant in the precincts of the House of Commons. This arrangement was effected solely with a view to the convenience of the Senate and sometimes at the inconvenience of the House of Commons and its organization. Your body therefore has full control of the space allotted, which I beg to especially bring to your attention comprises thirty-six seats whereas in the old House of Commons' chamber there were but twenty-four, this notwithstanding the fact that the present House of Commons chamber contains 177 seats less in the galleries than existed in the old building.

May I further with all deference bring to your attention the fact that the over-crowding in your gallery is due to the large number of visitors who are placed in the gallery by members of your body. I have frequently seen members of the Senate bring in two, three, and, in one instance, five persons, not one of whom was the wife, daughter, son, or member of the family of the Senator in question. I am sure that if a little more care were exercised in respect to the use of the gallery there would be little or no difficulty. There have been one or two complaints on the part of the members of the Senate who, when seen standing, were requested at the instance of the Sergeant-at-Arms to take a seat. The Sergeant-at-Arms informs me that it has been a rule, to his knowledge, for thirty years that no one should be permitted to stand in the galleries. I know from my own experience that this rule has obtained in the past in your Chamber, and I recall particularly being ordered to take a seat myself on one occasion when I had risen for but a moment. I found no fault at the time, much less did it occur to me to refer to the matter in the House of Commons, because I realized that it was essential for the quiet and order of the Chamber that all occupants of the galleries should remain seated. I am not aware that a rule of this character could be successfully carried out if exception were made in the case of members of the Senate. In those rare cases where the space allotted is legitimately overtaxed, I shall be very happy to endeavour to provide a seat, if space is available, in either the Speaker's Gallery, the Reserved Gallery, or any other available suitable space in the House of Commons Chamber.

I have also to say that it is the desire of the House of Commons to extend every courtesy to members of your body and to make every possible provision for their comfort and convenience.

May I in conclusion respectfully suggest that it would be only just to the House of Commons if any member of your body, who feels he has suffered any undue inconvenience or indignity, would be so considerate as to take the matter up with yourself instead of making public announcement in the Senate, a report of which is published in the newspapers and a wrong impression created, when the whole matter could be adjusted satisfactorily and without difficulty.

Yours faithfully,
EDGAR M. RHODES,
Speaker of the House of Commons.

Honourable JOSEPH BOLDUC,
Speaker of the Senate,
Ottawa, Ont.

Hon. Mr. TESSIER: Take a lesson from the schoolmaster.

Hon. Mr. TURRIFF: Was anything said about Senators walking in the corridors?

The Hon. the SPEAKER: We talked of that matter at the same time, and the Speaker of the House of Commons told me that he would be able to give me an answer in regard to that to-morrow or the day after.

Hon. Mr. MURPHY: As one of the members who supported the honourable gentleman from Assiniboia (Hon. Mr. Turriff) last night, I must say that probably the fault is with ourselves. The same thing occurred some six or seven years ago, when gentlemen of this Chamber went into the gallery of the House of Commons and took their friends in, leaving the gallery full, so that when the honourable gentleman from Assiniboia or the honourable gentleman from Montreal went in there was no place for him. I mentioned a personal experience last night in reference to my honourable friend Mr. Forget. I said: "I will get you a seat; I can stand up." The seats at that time were occupied by five or six or seven or eight friends of the Senators who had taken them into the gallery of the old House. I had gone in to hear an important speech—I am not going to dignify the man making it by giving his name—and as all the seats were filled, I went over and stood behind the Press Gallery where a gentleman came to me and said that I was going to be called down for standing there. I said: "You send the official to me." However, as I said in the beginning, I think the fault is largely with ourselves.

Hon Mr. FOWLER: Honourable gentlemen, it is very regrettable that this incident has taken place, and it is very regrettable that it was aired in this House at a time when the House was open to the public. It should have been done before the doors were opened, and then members

would not have been placed in the position which they now occupy by reason of that very clever letter of the Speaker of the House of Commons. We find ourselves in the position of having made a complaint which has no foundation in fact, and, as I say, the Speaker of the House of Commons has scored very cleverly. Whenever this House has a grievance against the other House, I would most respectfully suggest that it be taken up behind closed doors and threshed out so that we may get rid of the chaff and shall have nothing but pure wheat when we present our complaint. If that is done, we shall not be placed in the humiliating position in which we are now placed by this very clever letter of the Speaker of the House of Commons.

THE SESSIONAL INDEMNITY

QUESTION OF INTERPRETATION

On the Orders of the Day:

Hon. Mr. DAVID: I would like to know what interpretation is to be given to clause 35 of the Act relating to Sessional Indemnity. I think it is appropriate to ask what it means. If I understand correctly what has been said by the officers of this House, the clause means that when the House adjourns for three days or more the time of the adjournment does not count in the attendance of a member unless he is present on the day of adjournment. Will the honourable leader of the House be kind enough to inform us what we are to understand by that clause? If my understanding of it is correct, I think the law ought to be changed, because anything may happen to prevent a member from attending on the eve of the adjournment. Suppose an honourable member is coming from British Columbia, something might prevent him from being present on the day of the adjournment, and thus a portion of his indemnity would be deducted.

Hon. Sir JAMES LOUGHEED: I regret very much that I am not in a position to interpret the law for my honourable friend from Mille Iles (Hon. Mr. David). It has occurred to me, however, that since this Act has been placed upon the statute book it has achieved a purpose which we scarcely expected. I have never seen a statute cover so many situations. I know of no condition under which an honourable gentleman of the Senate can absent himself without being at once confronted by this statute, which requires him to be present in this Chamber. I should be very sorry to place an interpretation upon it that would permit the Senate to part company with any of its members during the Session.

Hon. Mr. DAVID: The honourable leader of the House must not forget that a member must attend three-fourths of the sittings of the House in order to get his indemnity.

Hon. Sir JAMES LOUGHEED: Yes, and I think that perhaps the draftsman of the statute had that in view.

Hon. Mr. MURPHY: I would draw the attention of my honourable friend from Mille Iles to the fact that this statute was framed after due deliberation. In the past there has been a certain amount of leeway allowed to honourable gentlemen who were away because of personal sickness, or sickness in their family, or death, or other serious cause: the amount was put in the estimates and voted for them. So it is up to this House and the House of Commons to put that provision in this Act.

TRANSLATION OF THE DEBATES

Hon. Mr. BOSTOCK: I want to draw the attention of the House to our Minutes to-day. On page 47 I notice that a communication was handed in to His Honour the Speaker in reference to the translation of the Debates, and that it was referred to the Internal Economy Committee. While it is a matter involving a question of expense, it seems to me that it should also go before the Committee on Debates and Reporting, because the question of the capability of the man whom it is proposed to engage to translate our Debates would properly come before the Committee on Debates and Reporting, and not before the Internal Economy Committee. I do not see why it should be referred to the latter.

Hon. Mr. POWER: It affects the question of salary.

Hon. Sir JAMES LOUGHEED: It is a question of money: it is a contract: it does not affect the Debates.

Hon. Mr. BOSTOCK: Does the Internal Economy Committee go into the question of the qualification of this man to fulfil his contract properly?

Hon. Sir JAMES LOUGHEED: Of course, I should say so. I might say to my honourable friend that when the communication was presented it was referred to the Internal Economy Committee. I have not looked into it myself, but I have always been under the impression that

contracts about to be entered into or to be considered invariably go to that Committee. Perhaps at first blush one would be under the impression that this should go to the Debates Committee, but it does not affect the Debates, because the translation of the Debates will take place just the same as hitherto. It is a question for the Committee to consider whether it should be let by contract or in any other way. There is nothing, however, to prevent the matter from going also before the Debates Committee. It will probably be all the better if it is considered by both committees.

Hon. Mr. DANIEL: I may say in regard to this matter that the precedents connected with such matters as this are altogether in favour of the report being referred to the Internal Economy Committee. In 1917 the Clerk made a report to His Honour the Speaker with respect to the amenuenses of the Debates Reporters. That report was referred to the Committee on Internal Economy and Contingent Accounts. Again in 1920 the Committee recommended that the Clerk be authorized to make the necessary arrangements for the translation of the Senate Debates for that Session. The Senate approved of that recommendation, and the Clerk arranged accordingly—arranged, as a matter of fact, with the very gentleman to whom the present reference relates. Bourinot states that the proper procedure is to refer such matters to the Internal Economy Committee. He says, at page 197:

> This committee also considers and reports upon all matters which may be submitted to it connected with the officials and business arrangements generally of the Senate.

I think that that includes the appointment, and recommendation regarding the appointment, of the official to whom reference has been made.

Hon. Mr. DANDURAND: I did not notice the report when it was presented yesterday; otherwise I would perhaps have suggested that if there was anything appertaining to the Committee on Debates and Reporting it was that report, because it refers to the translation of the Debates, and it concerns those members of the Senate who need to read in their own language what has been said in another language. The reference to the Internal Economy Committee throws upon that committee the responsibility of satisfying itself as to the qualifications of the party who submits the present tender, because it is an offer of a contract. I have just learned that there was a contract last year, and that this is a demand for its renewal. The Internal Economy Committee will have to do the work that the Debates Committee would have had to do, namely, enquire as to the work that was done by the same party last year, see if it was satisfactory, and decide as to the proper remuneration. The Debates Committee will not have this responsibility, that is all.

REVISION OF PUNISHMENTS BILL

CONSIDERED IN COMMITTEE AND REPORTED.

On motion of Hon. Mr. McMeans, the House went into Committee on Bill B, an Act to amend the Criminal Code so as to provide for the revision of excessive or inadequate punishments. Hon. Mr. Gordon in the Chair.

Hon. Mr. DAVID: I would like to ask the honourable member from Winnipeg if this was the Bill that was brought before the House last year.

Hon. Mr. McMEANS: This is precisely the same Bill.

Hon. Mr. DAVID: When the Bill came up last Session I objected to it for reasons which I then stated. I would like to understand whether this Bill means that, if a case has been tried before a judge and sentence pronounced by the presiding judge, the case may be brought before a judge of the Court of Appeal who has not heard the evidence and has nothing but the notes of the trial judge to guide him?

Hon. Mr. McMEANS: Yes.

Hon. Mr. DAVID: Then my objection is that the appeal judge may not be in a position to consider the sentence as well as the original judge; therefore the trial judge should deal with the matter. I do not at all see the advantage to be derived from the introduction of this Bill. No doubt sometimes a sentence given by a judge may be too heavy or too light, but errors are committed by all of us, and who says that the judge in appeal may not also make an error?

Hon. W. B. ROSS: I would like to ask the honourable member if on the trial of criminal cases in Quebec the evidence is not taken down by shorthand reporters.

Hon. Mr. DAVID: In most cases, yes, but in a court held by a judge of the ses-

sions the judge is authorized to write the evidence himself.

Hon. W. B. ROSS: Do these judges in Sessions try indictable offences?

Hon. Mr. DAVID: Oh, yes.

Hon. Mr. McMEANS: This Bill does not provide for the revision of all sentences that are pronounced in a criminal court. It provides that before any revision can take place the applicant must go to a judge of the court of appeal and must make out a prima facie case before him. He must show that some great error has been committed, otherwise the judge will refuse to grant him leave to be heard. If, in the opinion of the judge of the court of appeal, some error has been made, he may grant leave that the court of appeal may look into the matter and rectify any such error.

Hon. Mr. DAVID: Error in law?

Hon. Mr. McMEANS: No, error in pronouncing sentence. The Bill was drafted for the purpose of meeting exceptional cases. Judges, however just, in trying cases and sentencing prisoners often commit errors. It does not happen all the time. I am not saying that the administration of criminal justice is not as perfect in Canada as in any country in the world, but I personally know cases in which judges have given sentences which they would gladly have revised the next day if they had the opportunity. There is not today in the British Empire any country except Canada in which there is no appeal in criminal matters.

This question came up in England some years ago, and it has been pretty well discussed in this House. The English Government sent a commission to America to find out what had been done there and, after a great deal of hesitation, they established in England a court of appeal for criminal cases, and that Court has authority to re-try cases, and it can change a sentence for murder. That court has received the highest praise from the English journals, including the London Times, and there is no question that it has wrought a great deal of good and has been very beneficial to the country at large. Our civil courts of appeal will sit perhaps for two or three days and listen to an appeal involving a sum of $50; and if in error a man has received a sentence to penitentiary for some offence which, under ordinary circumstances, if tried by another judge, would not involve a sentence of more than one year in jail, that man should have the right to go to a judge of the court of appeal and say, "This is a grievous mistake, and we want to go before the court of appeal to rectify it." Surely there is no harm in that.

It must be remembered that police magistrates are appointed without any legal training, in Ontario and the West, and that their jurisdiction has been so much enlarged that they can inflict very severe sentences. I know of a case in which a magistrate in a city gave a sentence of 21 years for the stealing of an overcoat. Fortunately for the individual whom he had sentenced, the magistrate had exceeded the maximum penalty laid down by the Code, and the court of appeal reduced it. In that case, if the magistrate had not made a mistake the man would still have to serve his 21 years. It is unnecessary to multiply such instances.

Hon. Mr. FOWLER: Does the honourable gentleman say that there is no appeal in criminal cases?

Hon. Mr. McMEANS: Not in the matter of sentences.

Hon. Mr. FOWLER: You mean that where the sentence has been pronounced there is no appeal against the sentence; you do not mean that there is no appeal against the conviction?

Hon. Mr. McMEANS: There may be an appeal on other grounds such as one on the ground of no offence. I know of a case in my own experience where a schoolmaster was sentenced to six months in jail for an offence against a young girl, and a petition was largely signed by the women of the country asking that the judge who sentenced him be dismissed from the bench. Six months after that, in a similar case, a man was given a sentence of seven years in the penitentiary. I am not saying that the man should not have received that sentence, but I say there was such a glaring difference in the two sentences that in a case of that kind, where a blunder is made, there should be some means of rectifying it. I admit that this Bill is defective, as it does not go far enough. There should be a court of criminal appeal in Canada as there is in England. There is not much hope of reforming a man who is locked up in a penitentiary under a sentence for a great many years; he is gone.

Hon. Mr. MITCHELL: Would it not be better to refer the matter to a committee of judges?

Hon. Mr. McMEANS: I think a bench of four judges would be better than one. When I first introduced this Bill I suggested that the Attorney General should give the consent, but I think it was the honourable member for Hamilton (Hon. Mr. Lynch-Staunton) who suggested that it should be a judge of one of the courts.

The Bill has passed the House on three separate occasions, and I may say, honourable gentlemen, that I received the other day a very flattering testimonial from the Prisoners' Aid Society of Montreal, thanking us very much and congratulating this honourable body on having taken this matter up. Canada is a very large country, and from ocean to ocean in many cases a Bill of this kind would work to great advantage.

Hon. GEORGE W. FOWLER: The objection I see to this Bill is that it permits of an increase of the punishment. I should think there would be great difficulty in that. I have no objection to diminishing the sentence, and do not see how that would involve any difficulty. Some judges act like crazy men or fools in the length of the sentences they impose. I say that without fear of successful contradiction. There ought to be, not absolute uniformity, but some degree of uniformity of sentence. The judge hears the trial and knows the gravity of the case and the circumstances surrounding it, which may tend to mitigate the punishment to be imposed; therefore the judge, if he has common sense—which unfortunately all judges have not—is the best person to determine what the sentence should be. He is better fitted to determine it than any advisory court could possibly be. But we have observed so many cases of absurd sentences imposed by judges that I would be in favour of some such power of revision as is provided for in this Bill. However, I confess I see great difficulties in increasing a sentence if it is too low. Suppose that in a case of manslaughter a judge, not balanced as a judge should be, were to impose a foolish sentence, such as twenty-four hours' imprisonment, how would you increase that sentence? You would not have time to get the machinery of the law in motion before the accused would be a free man.

Hon. Mr. PROUDFOOT: Send him back again.

Hon. Mr. FOWLER: You could not very well do that. The man would have gained his freedom. How would you get him back again? You cannot play fast and loose with a man in that way; you must have some charge on which to arrest him. If an unduly severe sentence has been imposed upon a person subject to the law, it ought to be diminished. Unduly severe sentences do not tend to uphold or vindicate the majesty of the law, and I am not in favour of them; but it seems to me that this Bill will not provide a proper remedy if it contains the word "increase."

I am in favour of the principle of the Bill, for the reason that I have already stated. If all our judges were sensible and intelligent we would not need this law; but unfortunately our method of selecting judges is such that misfits are appointed only too often, and therefore it is necessary to have some guide for them to follow.

Hon. Mr. PROUDFOOT: How would you recommend that appointments be made?

Hon. Mr. FOWLER: By divine selection.

Hon. Mr. McMEANS: In reply to the honourable gentleman from Sussex (Hon. Mr. Fowler), I may say that I agree that the provision for increasing the punishment is a doubtful one to put in the Bill, but it must be borne in mind that the only person who can make application to the court of appeal to increase the sentence is the Attorney-General of the province, and the matter may safely, I think, be left in his hands. The case must be an exceptionally glaring one before he would take action.

Hon. Mr. DAVID: Can the honourable member answer this question: what would happen if the judge in appeal were of opinion that no sentence should have been pronounced? He may diminish or he may increase the punishment, but there is nothing in this Bill providing for the case in which he is of opinion that no punishment should have been imposed. What is he going to do?

Hon. Mr. McMEANS: The application to the judge is only for leave to bring the case before the court of appeal, and if in the opinion of the judge it is a case that should be brought before that court, that court would deal with the question. As I said before, the Bill is not wide enough; there should be a criminal appeal in all cases. This Bill is merely a step in the right direction, and if I succeed in bringing

the question to the attention of the Government and the House of Commons, they may do something with respect to criminal appeals. I sincerely believe that this country should have some way of rectifying errors and abuses that have crept in, or may creep in any day, in connection with criminal trials. Honourable gentlemen are aware that the severity of a sentence may depend upon the section of the country in which the accused lives. Sometimes it depends upon whether he is living in a country district or in a city. I have been told of a judge of Ontario who was appointed by the Ontario Government as a commissioner to investigate penitentiaries, and who, when he visited them as commissioner, extended a wide invitation to the prisoners, "Come and let me hear what you have to say." He said that he was much impressed by the protests made by some men who had been sent down for long terms and by the fact that others who had committed similar offences were in for much shorter periods. He came to this conclusion, that in country districts the sentences were very much more severe than those imposed in the cities.

I do not want to take up the time of the House any longer, but I would impress upon honourable gentlemen this one point, that it is only in cases of exceptional and glaring acts of injustice that this measure would be used. I do not suppose that in the case of an ordinary sentence, even if it were a little severe, or if it erred in the other direction, an application would be entertained by the court of appeal. But this measure is to provide for exceptional cases.

Hon. L. G. POWER: Honourable gentlemen, I have tried to preserve an open mind on the subject of this Bill; but there are two or three points with respect to it as to which I should like some further light from the honourable gentleman who is in charge of it. As I understand, at the present time any case of a criminal appeal goes to the Department of Justice at Ottawa. I have been under that impression. Maybe I have been mistaken.

Hon. W. B. ROSS: No, they all go there.

Hon. Mr. POWER: The honourable gentleman from Middleton says they do go there. Then I think it is the duty of the honourable gentleman who asks us to change the existing law to point out clearly what abuses have arisen under it. An abuse in one case would not justify a change in what has been the law for so many years; but if there have been any considerable number of abuses, then I think it would be the duty of Parliament to remedy them.

There is this point to be borne in mind: it is desirable that there should be an end to a law-suit, and I think that giving an appeal in a criminal case, as this Bill does, would simply tend to prolong litigation and probably increase expenditure. That is one of the points that I think the honourable gentleman in charge of the Bill should bear in mind.

Then, there is one omission in the Bill. As I say, speaking for myself, I have a fairly open mind on the subject, but if honourable gentlemen will read the clause as it is proposed to be passed, they will see that there is no time limit. Clearly there should be some time limit within which the appeal should be made.

Hon. W. H. BENNETT: The honourable gentleman has perhaps forgotten that last year, when the Bill was in the committee, it was strongly urged that there had always been, and under the present system there would continue to be, an appeal to the Minister of Justice; but the drawback in that was that before the Minister of Justice would move at all in the matter he asked the trial judge to make a report. Judges are only human, and if a judge has made a strong charge to the jury against the prisoner, or if, without a jury, he has himself decided against the prisoner, it is naturally pretty hard to get him to reverse his decision. That point was discussed at considerable length when the Bill was considered on the two previous occasions.

Regarding the other point, as to a time limit for the appeal, I assume that the application for clemency would invariably be based on something in the nature of evidence that had turned up, the sentence being in the opinion of the prisoner unduly harsh. So if a limit were fixed it would rather hamper the legislation.

I quite agree with my honourable friend who has introduced the Bill that there is a vast difference between the opinion of a city magistrate, who is case-hardened, having many criminal cases coming before him, and the opinion of a magistrate in a rural district, who feels that he may not have a similar case for perhaps a year or two, and determines to impose an extreme sentence. There is no doubt about that. The fact that the rural magistrate has but a few cases to deal with shows that he has not the opportunity or the vision to dispense justice in the same way as a man who is

well versed in criminal trials. Lawyers are well aware that in many criminal cases the crown counsel desires to obtain a conviction; and unless convictions are obtained, detectives feel that they have lived in vain. The average detective starts out with the idea that the prisoner must be convicted. I do not say that all detectives have that intention, but a great number of them do. Consequently evidence of a wicked or pernicious kind is often resorted to. Gentlemen of the legal profession know that books on evidence simply abound in cases where wrong has been done on what is called circumstantial evidence. I recall a case of this kind. In a shop where a number of carpenters were working there was bad feeling between two men. A chisel was lost. When the hue and cry was raised, everybody said, "You may search my box." The chisel was found in a toolchest belonging to one of the men, but it had not been placed there by himself. He was not a thief at all. It had been placed there by the prosecutor himself, a malicious man, who wished, as would be said in common parlance, to " get even " with the prisoner.

This Bill, as I understand it, provides that if the judge's sentence, for some reason that may afterwards transpire, seems to be a harsh one, it is not necessary to go to the Minister of Justice to obtain clemency, but upon application the case may be sent on to the court of appeal. For that reason I am going to support the Bill. I certainly think it will do some good.

Hon. Mr. DAVID: In order to place myself on record, I move that clause 1 be struck out. So certain am I that the Bill will do no good that I think it proper to make that motion.

Hon. Mr. DANIEL: That is the whole Bill.

Hon. W. B. ROSS: There is only one clause.

The motion of Hon. Mr. David was negatived.

Section 1 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

PROCEDURE ON DIVORCE PETITION

Hon. Mr. PROUDFOOT moved concurrence in the Fifth Report of the Standing Committee on Divorce, to whom was referred the petition of William Joseph Blowing.

Hon. Mr. BENNETT.

Hon. Mr. POWER: I trust the honourable gentleman will have no objection to letting this stand until, say, the day after to-morrow. I have not had a chance to read the evidence.

The Hon. the SPEAKER: I suppose that the honourable gentleman agrees to the consideration of this report being postponed until Friday next?

Hon. Mr. PROUDFOOT: All right. We are interested only in carrying on the work of the Committee and trying if possible to maintain the very good reputation which the honourable gentleman (Hon. Mr. Power) said the Committee had gained before the present chairman took control.

Hon. Mr. BOSTOCK: Honourable gentlemen, before that suggestion is adopted, may I say that I think perhaps my honourable friend from Halifax (Hon. Mr. Power) does not understand the report with which we are dealing. It is not a report on evidence taken by the Committee, but is a recommendation from the Committee that the proceedings of last year may be accepted for the present Session. The Committee desire to obtain the authority of the Senate to do away with extra advertising —the publication of notices required under our rules. Possibly my honourable friend from Halifax did not understand that. The Chairman of the Committee might explain the matter a little further; then perhaps the House would not consider it necessary to hold up the report. There is no evidence submitted in connection with this.

Hon. Mr. POWER: I give notice that when the Bill comes up I shall move for postponement.

Hon. W. B. ROSS: The honourable gentleman from Halifax does not understand yet. This is not a case in which the evidence is submitted and the Committee is recommending the granting of a divorce. The question involved is merely one of procedure. The recommendation is that the notices that were served last year be accepted for the present Session. The case has still to be tried.

Hon. Mr. POWER: The honourable gentleman is now speaking, not as Chairman of the Divorce Committee, but as an ordinary member of the House. I have not seen anything in the way of official information which goes to show that this is what the honourable gentleman says it is.

Hon. Mr. PROUDFOOT: Honourable gentlemen, I did not understand the objec-

tion that was being taken. This is not the ordinary report disposing of a case that has already been heard. Four or five cases have come over from last year; the advertising had been completed, but for some reason or other they were not heard at the last Session. We are simply allowing the advertising to stand. All the Committee desires is that the report which was adopted last Session be again concurred in, the Committee of last year having recommended that we adopt what they assented to. The evidence will still have to be heard and the case will have to be tried before the matter is disposed of. For that reason I see no objection to disposing of this report now and thus enabling the Committee to go on in the ordinary way.

The motion was agreed to.

DOMINION ELECTIONS ACT AMENDMENT BILL

CONCURRENCE IN COMMONS AMENDMENTS

Hon. Sir JAMES LOUGHEED moved concurrence in the amendments of the House of Commons to Bill A, an Act to amend the Dominion Elections Act.

He said: Honourable gentlemen will probably remember the Bill now under consideration as passed by this Chamber. Upon its reaching the House of Commons certain amendments were made which will be found on pages 47 and 48 of the Minutes. They deal, I may say, entirely with election procedure.

The object of the first amendment is to permit of the use of the lists which were prepared for the by-elections which recently took place in East Elgin and West Peterborough. Honourable gentlemen will readily appreciate the desirability of using the more recent lists. That will avoid the necessity of putting into motion the machinery provided for in the original Bill in order that there should be a revision in the urban polling divisions and that in the rural districts the lists should be added to.

The next amendment, which is to be found on page 48 of the Minutes, has to do with carrying on what might be regarded as analogous to an election in which two candidates are before the electors. There are three bodies particularly interested in the plebiscite which is to be taken in Ontario: the Dominion Alliance, Ontario branch, the Ontario Referendum Committee, who are promoting this plebiscite, and are engaged in securing all the votes they can—

Hon. Mr. DANDURAND: That is, the "Drys."

Hon. Sir JAMES LOUGHEED: Yes, the "Drys"—and the Citizens' Liberty League, with whom some honourable gentleman may possibly be in sympathy, represent the "Wets." It is proposed that these bodies shall be regarded practically as candidates, and that the Dominion Alliance and the Ontario Referendum Committee shall jointly act as a candidate would in the appointment of scrutineers and agents for their side and that on the other hand the Citizens' Liberty League shall likewise provide the means by which scrutineers shall be appointed as representing the views which that body holds.

These are the only substantial amendments which have been made. They peculiarly concern the machinery to be set in motion when the vote is taken.

Hon. Mr. BOSTOCK: It is somewhat difficult to understand exactly how these amendments come in, as all I have before me is Bill A as it passed the Senate. Perhaps my honourable friend will explain a little more fully.

Hon. Sir JAMES LOUGHEED: I have the amendments before me.

Hon. Mr. BOSTOCK: We have not the reprinted Bill.

Hon. Sir JAMES LOUGHEED: No, we have not the reprinted Bill; but, as it is desirable to have the Deputy Governor come down, possibly to-morrow, I am anxious to have the Bill passed this afternoon.

Hon. Mr. BOSTOCK: There is one other point that I would like to raise. The proposed subsection 2 is to take the place of section 52 of the Dominion Elections Act. I do not quite see why in this particular case, if I understand the clause rightly, one or the other or each of these associations has the privilege of appointing two agents to a polling booth.

Hon. Sir JAMES LOUGHEED: The two associations who are promoting the vote act jointly; the Citizens' Liberty League acts separately. So there are only two parties—the Dominion Alliance and the Citizens' Liberty League.

Hon. Mr. BOSTOCK: They each appoint an agent?

Hon. Sir JAMES LOUGHEED: The Dominion Alliance and the Ontario Referendum Committee act jointly in appointing an agent, because their interests are iden-

tical, and the Citizens' Liberty League appoints another agent.

Hon. Mr. BOSTOCK: The first part of the proposed subsection reads:

The Deputy Returning Officer, the Poll Clerk, one or other alternately, of the two agents or electors representing the persons interested in promoting an affirmative, and one or other alternately, of the agents or electors representing those interested in promoting a negative answer to the question submitted, and no others, shall be permitted to remain in the room where the votes are given during the time the poll remains open.

Hon. Sir JAMES LOUGHEED: Yes, they will be in alternate booths. That is to say, there will not be two agents representing the Dominion Alliance and the Ontario Referendum Committee in the one booth. There may be an agent of the Dominion Alliance in one booth, and an agent of the Ontario Referendum Committee in another booth; but in each booth the Citizens' Liberty League will have an agent, so each booth will be manned by parties representing the affirmative and the negative of the vote.

Hon. Mr. FOWLER: At whose instance is this change in the Act being made? At the instance of the Dominion Alliance?

Hon. Sir JAMES LOUGHEED: It has been made in the interests of both.

Hon. Mr. FOWLER: At whose instance?

Hon. Sir JAMES LOUGHEED: At the instance of the Dominion Alliance, I am informed.

Hon. Mr. FOWLER: And they, of course, would be exceedingly careful to safeguard the rights of the Citizens' Liberty League, I should say, knowing their breadth of mind.

Hon. Sir JAMES LOUGHEED: It is being done at the instance, of the two associations promoting the vote, but the Citizens' Liberty League is acting entirely independently of them.

The amendments were concurred in.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, March 3, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

Hon. Sir JAMES LOUGHEED.

THE PARLIAMENTARY DISTRIBUTION OFFICE

On the Orders of the Day:

Hon. Mr. BOSTOCK: I desire to draw the attention of my honourable friend the leader of the Government to a notice that I received from the Parliamentary Distribution Office in regard to reports brought down. One of those mentioned is the Trade and Navigation Returns. I inquired for this report and was told that there was no such report published. I took the matter up further, and it seems that the Trade and Navigation report is not being published, but that the Report of the Department of Customs and Inland Revenue is being published in lieu thereof. It seems curious that a notice of this kind, which is entirely misleading, should be sent out. I would ask my honourable friend whether the same statistics are included in the Report of the Department of Customs and Inland Revenue as were formerly contained in the Trade and Navigation Returns.

Hon. Sir JAMES LOUGHEED: I would commend to my honourable friend a perusal of the report before him. If it does not contain the information formerly contained in the Trade and Navigation Returns, we will take the question up later on. This is no doubt along the line of economy and efficiency which we have been trying to practise.

Hon. Mr. BOSTOCK: Would my honourable friend have the Parliamentary Distribution Office notified of this matter?

Hon. Sir JAMES LOUGHEED: No doubt it is the result of long habit.

FOREIGN COMMERCIAL COMMISSION

INQUIRY

Hon. Mr. NICHOLLS: By leave of the House I should like to refer to a despatch in to-day's paper:

Received by King George V

(Canadian Press Cable.)

London, March 2.—The King to-day received J. W. Norcross, President of the Canada Steamship Lines, Ltd., who has been appointed to represent Canada on the Foreign Commercial Commission which is inquiring into the rehabilitation of world trade.

That must be a very important commission, honourable gentlemen. I have never heard of the appointment of such a commission, how it is constituted, or what its immediate objects are, and I have

thought, without going through the preliminaries of an inquiry or notice of motion, that perhaps the honourable leader of the House might be able to give some information in regard to that particular commission.

Hon. Sir JAMES LOUGHEED: I would say to my honourable friend from Toronto that I have no knowledge whatever of such a conference, or of such an honour having been done to a distinguished Canadian like Mr. Norcross. The only suggestion I can make is that my honourable friend make inquiries of the newspaper office. My colleagues on either side of me are unaware of any such body on which this Government is represented. We have not heard of any such thing.

Hon. Mr. NICHOLLS: Honourable gentlemen, I am not referring in any way to the individual. What concerns me is the importance of such a commission, and, while I try to keep myself fairly well informed in regard to all these matters, this is the first I have heard of a commission which is inquiring into the rehabilitation of world trade. That probably is the most important subject before this or any other country at the present time, and to me it is remarkable that the first intimation we should have about such a commission comes through the public press.

Hon. Sir JAMES LOUGHEED: It shows how enterprising they are.

ACCOMMODATION FOR PRESS REPORTERS

Hon. L. G. POWER: Honourable gentlemen, there is a matter to which I think the attention of the honourable leader of the House should be directed. The reporters—I do not know that we call them the Press Gallery here—who discharge duties similar to those of members of the Press Gallery in the other House, complain, as I understand, that the acoustic properties of this room are such that they find it impossible satisfactorily to report the speeches made, particularly by members of the House who are anywhere in the neighborhood of His Honour the Speaker. I think that as long as our proceedings are supposed to be public and to be reported every facility should be given to the reporters to enable them to do their work. The honourable leader of the House would probably be able to have such steps taken as would enable the members of the Press to hear what members of the House are saying.

Hon. Sir JAMES LOUGHEED: What does my honourable friend suggest?

Hon. Mr. POWER: I do not suggest anything. I simply state what I understand to be the fact, which is not a satisfactory condition of things; and I naturally turn to the honourable leader of the House to find some way out of the difficulty.

Hon. Mr. BOSTOCK: Might I suggest to the honourable leader of the Government that formerly the reporter was allowed to have a table near the Speaker's chair, and possibly if that were arranged now it would overcome the difficulty. I do not know how the reporter would find the acoustics there, but I do not myself see that there would be any objection to allowing him to occupy that position.

Hon. Sir JAMES LOUGHEED: That would appeal to me very strongly. I think that we should leave nothing undone to provide proper accommodation for the representatives of the Press. Whether they would select a table at the end of the Chamber, near the Speaker, or at the entrance to the Chamber I am not aware, but I think I am warranted in saying that the House would be only too glad to have them avail themselves of any seating accommodation that there may be here, outside of the chairs of the members.

Hon. Mr. DANIEL: Why not give them a table between our stenographers and the entrance?

Hon. Sir JAMES LOUGHEED: Other representatives of the Press will be here too. I would think that they might be accommodated at either end. Possibly His Honour the Speaker would take the subject into consideration and have provision made that would be acceptable to the Press.

The Hon. the SPEAKER: I will take the matter up with the Gentleman Usher of the Black Rod and try to have a solution to submit at the next sitting of the House.

REVISION OF PUNISHMENTS BILL

THIRD READING

Bill C, an Act to amend the Criminal Code so as to provide for the revision of excessive or inadequate punishments.—Hon. Mr. McMeans.

LAKE OF THE WOODS CONTROL BOARD BILL

MOTION FOR SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill C, an Act

respecting the Lake of the Woods Control Board.

Hon. Mr. BOSTOCK: I would like to state to my honourable friend that I was not able to get a copy of that Bill this morning. I do not know whether he wants particularly to proceed with it to-day or not.

Hon. Sir JAMES LOUGHEED: It is printed.

Hon. Mr. BOSTOCK: I could not get a printed copy of it. I inquired at the post office.

Hon. Sir JAMES LOUGHEED: That is strange. It has been distributed, I understand.

Hon. W. B. ROSS: It came out only a little while ago.

Hon. Sir JAMES LOUGHEED: I have no intention of urging the House to adopt it if copies have not been distributed, but in moving the second reading I desire to make an explanation of the Bill, and if it not desirable to give it the second reading to-day my honourable friend (Hon. Mr. Bostock) can say so. The reason this measure is brought up at the present stage is that similar legislation is being or has been introduced into the Ontario Legislature. This Bill is the outcome of a conference between the Ontario Government and this Government with a view of maintaining the level of the Lake of the Woods. The International Joint Commission has urged upon this Government —and the government of Ontairo is likewise interested—that the level of the Lake of the Woods, for power purposes and owing to riparian interests, should be maintained within a range of 5½ feet. I think the minimum would be 1,050 odd feet and the maximum 1,061 feet above the level of the sea. To accomplish this purpose it is proposed, as honourable gentlemen will see who have the Bill in their hands, that there shall be established a board upon which both governments shall be represented. The board shall consist of four members, two to be appointed by the Governor General in Council and two by the Lieutenant Governor in Council. It will be observed also that the necessary legislation to authorize this Bill shall be enacted by not only the Parliament of Canada, but also the legislature of Ontario.

The Bill sets forth the machinery which the Board shall put in motion. It does not contain anything of an arbitrary nature. It is felt that a board organized in the manner proposed will be able to carry out the recommendations which have been made.

As honourable gentlemen may know, the Lake of the Woods is regarded as an international body of water. Part of the Lake of the Woods is on the American side, but the greater part is on the Canadian side. The waters flow to the north, emptying finally into Hudson Bay. A great deal of power is developed or will be developed from the waters that flow into the Lake of the Woods. Consequently it is very desirable that supervision should be exercised over the use and distribution of the water flowing from the Lake of the Woods into the Winnipeg River as well as the water of the English River flowing from Lac Seul. These rivers flow on to Lake Winnipeg and thence into Hudson Bay. There is, as honourable gentlemen know, a great deal of power now being generated in the province of Manitoba, and unless there is some proper regulation of those waters the very large undertakings which have been entered into and the capital which has been expended in the development of power upon those streams will be seriously jeopardized. It is felt that the purpose in view can be best accomplished by acting upon the suggestion which has been made by the International Joint Commission, on which, as honourable gentlemen know, both Canada and the United States are represented. This Bill is in harmony with the recommendation which they have made. With this explanation I move the second reading of the Bill.

Hon. Mr. BOSTOCK: Does the honourable leader of the Government want to press for the second reading this afternoon?

Hon. Sir JAMES LOUGHEED: No; not against the wish of the House.

Hon. Mr. BOSTOCK: I find a copy of the Bill on my file here. But, as I say, I asked for it this morning and could not get it, and I would like to have an opportunity of studying the Bill before speaking on it.

Hon. Sir JAMES LOUGHEED: All right.

Hon. W. B. ROSS: Honourable gentlemen, I was going to suggest to the honourable leader of the Government, for reasons that I could state now, that it would be

well to refer this Bill to one of the committees, either Trade and Commerce or Railways, Telegraphs, and Harbours. It is out of the question for honourable members of the House to understand all that is in this Bill unless they have first the Treaty between Canada and the United States which was entered into in 1909 and ratified by the two countries in 1910, and have also the report of the International Joint Commission that was appointed under the Treaty and reported in 1917. That Commission began to function in 1912, and took five years to make its report. Honourable gentlemen need those documents, and also the map of the country between Port Arthur and Lake Winnipeg. There is a map that shows the whole watershed of the Lake of the Woods. As I understand the Treaty between Canada and the United States, the idea was to refer all present, past, and future disputes about boundary waters between the two countries to a Joint Commission; and Canada and the United States were to pass the necessary legislation to give effect to whatever was agreed on by the Joint Commission. In order to understand the question you need those three things that I have mentioned, and I think that copies of them can be had for every member of the House. If this matter stands over for say, forty-eight hours, and some one sends to the office of the International Joint Commission, he can obtain copies of the Treaty, the report of the Joint Commission, and a map of the country, and when you have those three things, you can intelligently discuss this Bill.

There are three points that I think require consideration. In the first place, there should be some explanation of why a new Commission is wanted. I should think myself that it would be desirable to avoid creating a new commission. Of course, I can understand why the province of Ontario should say, "We have no representative on the Commission, and there are provincial interests at stake;" but two of the men on the Canadian side of the International Commission could very well act in this matter, and if you wish to give Ontario representation, it could be provided for in that way without the creation of new offices. The appointment of two new commissioners would probably mean an expenditure of between $15,000 and $20,000 a year. Furthermore, Canada was represented on the Commission by very strong men—Mr. Magrath, Mr. Powell, and Mr. Mignault who is now in the Supreme Court of Canada. This commission had been for nine years studying the situation, and they have the thing down to the finest point. I do not see why you should bring in new men and shove those other men to one side. I would expect to find some strong reason why you cannot use the Canadians on the Joint Commission, who are au fait with all the facts. That is one point.

Then there is a second thing that requires some explanation. The Joint High Commission recommends a maximum and a minimum level, but in order to justify you in maintaining that level they recommend that what they call "flowage damages" be first provided for. What they mean by flowage damages is this. If you raise the Lake of the Woods beyond its normal level, it is going to overflow farms on both the American and the Canadian sides. They estimate that the damages will amount, in round figures, to about $250,000, probably two-thirds of that being payable on the American side and the other third in Canada. This Bill, as I understand, does not provide for that. But there is here in Ottawa a communication from the Government at Washington, either direct from the Secretary of State or through the British Ambassador, in which the United States Government propose a settlement, offering to submit a draft Treaty to Canada to clear up these damages, and, I take it, also to deal with this question of the maximum and the minimum level; but of that I have not the details. Although, as I understand, the communication from Washington was received by the Canadian Government about last November, yet up to a few days ago no reply had been made. I would like to learn from the honourable leader of the Government all about that communication from the American Government, and whether or not it has been answered, and, if not, why has there not been an answer. In passing this Bill we must see to it that we do not come into conflict with the Treaty, or with the American Government, and that we are not superseding or disturbing work that has been done by the International Joint Commission, because you will find that in Article 3 of the Treaty it is provided that the two governments shall work through the medium and on the recommendation of the Joint Commission.

Another thing that you will require to deal with is what is called the watershed of the Winnipeg River. The whole water-

shed of the Lake of the Woods is very large, between 28,000 and 30,000 square miles. It is drained by the Winnipeg River into Lake Winnipeg, as I understand, but the head waters begin back near Port Arthur. The Height of Land, I think, is not more than fifteen or twenty miles west of Port Arthur. Then you have a series of lakes, then Rainy Lake and Rainy River, emptying into the Lake of the Woods. They are all part of the watershed that supplies the water flowing into the Winnipeg river. If you look at the last subsection of clause 3 of the Bill you will see that this Board is given power:

> To regulate and control the level and flow of such other waters of the watershed of the Winnipeg river as the Governor General in Council and the Lieutenant Governor in Council may both agree to place under the jurisdiction of the said Board.

Under that section the Governor General and the Lieutenant Governor of Ontario can put Rainy river and Rainy lake under the jurisdiction of this new Board. If you look at the report of the International Joint Commission you will find that they have dealt with this very thing and are asking for authority to control all the dams and all the obstructions in those waters.

I am not going to weary the House with the details; I am simply outlining this question and am pointing out that unless we have all material placed before us, we cannot thoroughly discuss this Bill, and I am suggesting either one of two things—I am not particular which: that it should be discussed before the whole Senate or before a committee of the Senate. The advantage of sending it to a committee of the Senate would be that the committee could send for either Mr. Magrath or Mr. Powell and get some information and some help in order to arrive at a conclusion. My own view, so far as I can form any opinion about it, is that the question, so far as the international waters are concerned—Rainy lake, Rainy river, and Lake of the Woods—should be left in the hands of the Joint Commission. The Winnipeg river, English river, and Lac Seul, as I understand it, are entirely in Canadian territory, and the United States has nothing to do with them. If the Government want to appoint a commission to deal with them, well and good; but again I say that I do not see why they do not avail themselves of the very full and exact knowledge of the men sitting on the International Commission rather than go to the extent of appointing new men. I do not know whether the leader of the Government would prefer to send the Bill to a committee or to have it stand over until a copy of the documents could be laid on the desk of each member of the House so that he might have a thorough understanding of the question.

Hon. ROBERT WATSON: Honourable gentlemen, I am not going to refer to this matter from an international standpoint, but rather from the standpoint of the province of Manitoba. I think the necessity for this legislation is due to certain concessions having been given by the Ontario Government to Backus enabling him to develop water power at International Falls, which will of course affect the level of the lake.

The point I am more particularly interested in is the effect that this legislation may have on the present generation and transfer of power throughout the province of Manitoba, because it would affect the flow of the water in the Winnipeg river. This is a very serious matter, because the city of Winnipeg is dependent not only on the river for its power, but on the water in the Lake of the Woods for its water supply. There is a conduit of about 100 miles in length which supplies the city of Winnipeg with water from the Lake of the Woods. I trust the suggestion made by the honourable gentleman from Middleton (Hon. W. B. Ross) will be acted on, and that the province of Manitoba will have an opportunity of presenting its case before the Committee and having the interests of the West safeguarded in this legislation. We have had some experience of Backus before. He got concessions on the Rainy river for developing power, and we thought we had protected the citizens on the Canadian side of International Falls and had made sure that one-half of the power would be available for them. Mr. Backus, however, very adroitly managed a scheme whereby practically the whole of that power was diverted to the American side. So in dealing with this gentleman we have to be very careful, and, I submit, it is only reasonable that this Bill should be referred to a committee of the House where outside interests might be heard. I am sure the province of Manitoba would take advantage of the opportunity to be represented, because only a few weeks ago the Premier of Manitoba, I think in conjunction with the authorities from Ontario, visited Ottawa and discussed this matter with the Federal authorities.

Hon. J. G. TURRIFF: Can the leader of the House say whether there is any water flowing out of the Lake of the Woods from

that part of the lake that is on the American side of the line? My own impression is that there is not, and that the only interest the United States can have in the level of the water is in so far as it might flow over on farms on the American side of the line.

As the honourable gentleman from Portage la Prairie (Hon. Mr. Watson) has pointed out, the Winnipeg river is altogether on the Canadian side, and practically all the power thus far developed in Manitoba is developed on that river; therefore I think the water should be kept at a good level. If legislation of this kind is necessary, I agree with my honourable friend from Middleton (Hon. W. B. Ross) that we should have the very fullest information before finally dealing with it. Practically every time we have dealt with American interests in connection with our water-powers, we have come out at the small end of the horn, and we do not want to give Backus an opportunity to do us up any further in regard to a river that is entirely in Canadian territory. I trust that every opportunity will be given to the members of this House to learn all about this matter, and that we may be able to get the information already gathered by the Joint Commission.

Hon. L. McMEANS: Honourable gentlemen, I merely rise to endorse what has been said by the honourable gentleman from Portage la Prairie as to giving the city of Winnipeg and the province of Manitoba an opportunity to be heard. This is a matter of vital importance to the city of Winnipeg, which has spent many millions of dollars in the development of electrical power. The Winnipeg Street Railway Company also spent a great deal of money in developing power on the Winnipeg river. Any interference with the level of the water in the river would be a very serious matter to the province of Manitoba. Not only has a great deal of money been spent in developing the power and taking it to Winnipeg, Portage la Prairie, and Brandon, but at the present time a circuit is being made around the province.

Hon. G. W. FOWLER: If the honourable gentleman from Portage la Prairie (Hon. Mr. Watson) is correct in stating that the sinister power behind this thing is Mr. Backus, I think we should be very careful how we move, and should see that the interests of the country are safeguarded. This gentleman cares nothing for the order or instruction or edict of the Canadian Government. He snapped his fingers at the Canadian Government, and they were easy enough to lie down and permit him to break the regulation which all the Canadian mills were honourably fulfilling, and to say that he would not abide by it. To-day the Ontario Government—for what reason we know not, but we may surmise—have made a grant to this man of what almost amounts to a principality. He seems to be almost a favourite of that Government. It seems to me, if the honourable gentleman from Portage la Prairie is right in saying that it is because of this Mr. Backus that this move is being made, the matter should be carefully taken up and looked into. I am quite in accord with the suggestion of my honourable friend from Middleton (Hon. W. B. Ross) that it would be perhaps as well to appoint a special committee. At any rate, the matter should go to some committee where it would be thoroughly thrashed out and understood, and no member should be allow to vote on it without having a knowledge of what he is voting for.

Hon. FREDERIC NICHOLLS: I am quite in accord with the suggestion of my honourable friend from Middleton (Hon. W. B. Ross). This, apparently, is a very important matter that may or may not have international consequences, and I freely confess that so far as I am personally concerned I am absolutely without the information necessary to enable me to cast an intelligent vote. If the Bill is referred to a special committee or to either of the Standing Committees suggested, we certainly shall be able to come to a far more intelligent conclusion than we can at the present moment.

Hon. Sir JAMES LOUGHEED: I am afraid that my explanation to the House when I moved the second reading of the Bill could not have been very illuminating. Honourable gentlemen seem to misunderstand yet what the object of this Bill is. The object of the Bill is to prevent private interests, such as have been referred to by the honourable gentleman from Sussex (Hon. Mr. Fowler) and the honourable gentleman from Middleton (Hon. W. B. Ross) coming here and throttling or strangling the public interest of this country in regard to water-power. This Bill is the outcome of a conference between representatives of

the provinces of Ontario and Manitoba and of this Government for the purpose of protecting the public interest from private enterprises which, up to the present time, have been a menace to these western water-powers. If honourable gentlemen want the private interests to be represented and the members of this Chamber who may not be on the Committee to be excluded from the deliberations, then I say send the Bill to a private committee. The whole object of the Bill is to protect the public interest so that no private interest can throttle the great projects which are being undertaken in the provinces of Manitoba and Ontario.

Hon. Mr. FOWLER: If this Bill is the result of a conference of the three Governments, may I ask the leader of the Government why only two of them are represented on the personnel of the Board?

Hon. Sir JAMES LOUGHEED: That is because, as my honourable friend will readily see, the province of Ontario owns its lands and water-powers, whereas the rivers in the province of Manitoba are vested in this Government. That is to say, the provinces of Manitoba has not title to the waters in that province, and therefore this Government represents that province on this Committee because we are dealing with our own properties. The beneficial results and rights are enjoyed by the province of Manitoba. The province of Ontario, having title to the lands and waters within its boundaries, has said that if the two provinces and the Dominion were represented it would mean two parties against one, because the interests of the Federal Government and the interests of the province of Manitoba are identical; consequently, Ontario has said: "We must have an equal voice upon this Commission." For that reason we could not give representation to the province of Manitoba.

Hon. Mr. FOWLER: Would not the interest of the Federal Government after all be rather that of a trustee or a guardian?

Hon. Sir JAMES LOUGHEED: That is it exactly. We are representing the province of Manitoba. This Bill was agreed upon at a conference which took place in the Department of the Interior, at which were present the Prime Minister, myself, and the representatives of the two provincial Governments.

My honourable friend from Middleton (Hon. W. B. Ross) has intimated that the duties of the Commission might be performed by the Canadian section of the Joint Commission. That would be impossible. My honourable friend will readily see that the Canadian section of the International Joint Commission could not assume the responsibility of administering local conditions. If it were to do that, it would cease to be an International Joint Commission. Consequently, by reason of the fact that in the past there has unfortunately been an alienation of great public interests in the provinces of Ontario and Manitoba, it has become necessary to have a distinct Commission to represent the provinces and to protect the waters of the Lake of the Woods against any interference.

I am informed that His Honour the Deputy Governor is waiting. If it is the desire of the House that the second reading of this Bill should be postponed until we have another sitting I am quite willing; but I may say that the Government is opposed to having the Bill sent to a special or select committee. This is a public Bill and is of sufficient importance to be dealt with by the entire Senate. I shall be only too glad to furnish all the information possible, and to place upon the Table of the House any maps, plans, documents, treaties or anything of that nature, so that the House may be fully informed of all the facts of the case. I can assure honourable gentlemen that the object of this Bill is to maintain the very interests for which honourable gentlemen are contendng.

Hon. W. B. ROSS: My alternative suggestion was that the Bill be discussed by the whole House, after these three things have been laid on the desk of each member: the Treaty, the report of the Commission, and a map of the country. These three things would give you the necessary information, and I think bundles of copies are available.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

The Hon. Sir Louis Davies, K.C.M.G., Chief Justice of Canada, Deputy Governor General, having come, and being seated at the foot of the Throne, and the House of Commons having been summoned and being come with their Speaker, the Right Hon. the Deputy Governor General was pleased to give the Royal Assent to the following Bill:

An Act to amend the Dominion Elections Act.

The Honourable the Deputy Governor was pleased to retire.

The House of Commons withdrew.

The sitting of the Senate was resumed.

LAKE OF THE WOODS CONTROL BOARD BILL

SECOND READING

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I am very unwilling to press for the second reading of this Bill this afternoon unless I am within the judgment of the House. I would suggest that, inasmuch as a similar Bill has been introduced by the Government of Ontario, and, I understand, read a second time in the Ontario Legislature, we should give this Bill a second reading this afternoon, and then there will be ample time at the Committee stage to go into all the matters referred to by my honourable friend from Middleton (Hon. W. B. Ross.) As I said before, I should be very glad to place upon the Table of the House, at the Committee stage, all the information and all the documents that can possibly be had. It seems to me, therefore, that no good purpose would be served by simply postponing the second reading of the Bill, because, notwithstanding the apprehension which has been expressed by honourable gentlemen as to the interests involved, we are all in favour of the principle of the Bill. The principle is simply that we should provide the necessary machinery to conserve the public interests in that section of Canada. With the understanding that every opportunity will ge given at the Committee stage to deal with the matter in whatsoever way the House desires—either to consider it in Committee of the Whole or to refer it to a select Committee—I shall consider myself entirely within the judgment of the House. I therefore move the second reading of the Bill.

Hon. Mr. BOSTOCK: I do not want in any way to interfere with my honourable friend's desire to have the Bill read the second time this afternoon, but, as I have already explained, I did not have an opportunity of seeing the Bill before I came into the Chamber. I hope that when we go into Committee my honourable friend will allow a rather wider discussion than is usual at that stage, and that any question may be raised on the principle of the Bill. On that understanding I have no objection to the second reading.

Hon. W. B. ROSS: The honourable leader says that he will lay the documents on the Table of the House. It would be better to cause to be laid on the desk of each member copies of those documents to which I have referred; that is, the Treaty, the report of the Committee, and the map. I understand there are bundles of those to be had from the Commission. One must take these documents to bed with him and study them if he wishes to understand the matter.

Hon. Sir JAMES LOUGHEED: If the documents are available, as mentioned by my honourable friend, I shall be only too glad to bring down a number of them.

The motion was agreed to, and the Bill was read the second time.

ADJOURNMENT OF THE SENATE.

Hon. Sir JAMES LOUGHEED, by leave of the House, moved that the Senate adjourn until Tuesday, March 8, at 8 p.m.

Hon. Mr. POWER: Honourable gentlement, I object to meeting at night. The rule of the Senate is that the Senate shall meet at 3 o'clock in the afternoon, and I do not know of any reason why we should depart from the rule, and I object to a suspension of it. It suits the convenience of perhaps half-a-dozen gentlemen to have the Senate meet at 8 o'clock on Tuesday evening, instead of at 3 o'clock, but it does seem to me that we are putting a large majority of the House to serious inconvenience in bringing them here in the evening, when some of them like myself are getting to be rather too old to go about in the evening, and when we might just as well or a good deal better meet in the afternoon. There is this further to be said about the matter: that when the Senate meets in the evening the experience has been that it does no work. There is really no object in adjourning until Tuesday evening. If the leader of the House thinks we are spending too much time here he could have the Senate adjourned until Wednesday afternoon; but I must protest against the alteration of the hour of meeting.

Hon. Mr. DONNELLY: Honourable gentlemen, while I sympathize to some extent with the honourable gentleman from Halifax (Hon. Mr. Power) when he says that if we adjourn until 8 o'clock it is necessary for him to come at a rather late hour, I should like to call his attention to the fact that there are a number of members living in Western Ontario who in order to be here at 3 o'clock have

to spend the night on the train, whereas if the House met at 8 o'clock they could leave home on Tuesday morning. I do not think I am the only one in that position: I believe there are some honourable gentlemen on the other side who would prefer to meet at 8 o'clock; and I would ask the honourable gentleman not to persist in his objection.

Hon. Mr. FISHER: I should be very sorry indeed to interfere with the plans of my honourable friend from Halifax.

Hon. Mr. POWER: I have not any plan.

Hon. Mr. FISHER: The plan to meet at 3 o'clock. As the honourable gentleman from Bruce (Hon. Mr. Donnelly) has said, a great many members in western Ontario can leave home in the morning and get here in the evening, and thus avoid a night trip. I think also, as he said, that a number of honourable gentlemen on the other side of the House would find it very convenient to meet at 8 o'clock instead of at 3. I should be very sorry to interfere with the comfort of my honourable friend from Halifax, but I think the majority of the members would prefer to meet at 8 o'clock.

Hon. Mr. POWER: When one becomes a member of this Houses he is supposed to become subject to the rules of the House, and the rule is that the Senate shall meet at 3 o'clock in the afternoon. In consideration of his membership each member is entitled to receive an indemnity of $4,000. I cannot speak, of course, for the millionaires in my neighbourhood; but speaking for the average Senator I think that is pretty handsome pay for the time spent here. Further, we must remember that it is putting unnecessary burdens on the officers of the House to bring them here at night instead of in the afternoon; and, as I said, I must persist in my objection to the suspension of the rule.

The Hon. the SPEAKER: Does the honourable gentleman object to the Senate meeting on Tuesday next at 3 o'clock?

Hon. Mr. POWER: I object to meeting at 8 o'clock. The rule says we shall meet at 3 o'clock. The leader of the House has moved that we meet at 8 o'clock, and I object to that motion.

Some Hon. SENATORS: No, no, 8 o'clock.

The Hon. the SPEAKER: The House stands adjourned until 3 o'clock on Tuesday next.

The Senate adjourned until Tuesday, March 8, at 3 p.m.

THE SENATE

TUESDAY, March 8, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

POST OFFICE ACT AMENDMENT BILL

FIRST READING

Bill F, an Act to amend the Post Office Act.—Hon. Mr. Blondin.

INCOME TAX COLLECTIONS, MANITOBA

INQUIRY

Hon. Mr. McMEANS inquired of the Government:

What was the amount paid for Income Tax (1) in the City of Winnipeg, and (2) in the City of Brandon, and what was the amount collected in the entire Province of Manitoba for the years 1918 and 1919?

Hon. Sir JAMES LOUGHEED:

1. No information.
2. No information.

Statistics are compiled by districts and not by municipalities.

3. Winnipeg District:

Fiscal year.	Amount collected.
1919	$ 741,226.47
1920	1,871,387.86
1921 (11 months) ..	2,424,435.76

In respect to businesses an assessment was only levied under the Income War Tax Act when the tax payable was in excess of the amount payable under Part I of the Special War Revenue Act or the Business Profits War Tax Act, 1916.

GOVERNMENT BORROWINGS

INQUIRY

Hon. Mr. TURRIFF inquired of the Government:

1. What amount of money has been borrowed by the Government, or by the Railway Board, for the Government railways, including the Grand Trunk railway during the fiscal year 1920-21?
2. What amount has been borrowed by the Government for purposes other than the railways during the same period?
3. Where was the money borrowed?
4. What rate of interest is being paid?

5. What amount in commissions was paid on the loans and to whom?
6. What was the total cost of placing the loans?

Hon. Sir JAMES LOUGHEED: No amounts were borrowed by the Dominion Government during the year 1920-21 for any purpose. The Canadian Northern Railway and the Grand Trunk Railway floated issues during that period, as will appear by the answer given to question asked by Hon. Mr. Casgrain, such answer appearing in the Debates of the Senate, No. 9, March 1, 1921.

DIVORCE BILL

SECOND READING

Bill E, an Act for the relief of Frank Alexander Staunton.—Hon. Mr. DeVeber.

LAKE OF THE WOODS CONTROL BILL

CONSIDERATION IN COMMITTEE POSTPONED

On the Order: Committee of the Whole House on Bill B, an Act respecting the Lake of the Woods Control Board.—Hon. Sir James Lougheed.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I have been requested to permit this Bill to stand until to-morrow. There are certain parties coming to Ottawa who desire to see me on the subject. I would therefore move its postponement until to-morrow.

Hon. Mr. BOSTOCK: Could we not take this up to-night?

Hon. Mr. THOMPSON: We are not going to sit to-night.

Hon. Sir JAMES LOUGHEED: I am willing that it should stand over until to-morrow.

Hon Mr. BOSTOCK: We might take it up this evening.

Hon. Sir JAMES LOUGHEED: That would involve our meeting to-night, and I would not like to give any assurance to the House that I shall be in a position to proceed with it to-night.

Hon. W. B. ROSS: Honourable gentlemen, I wish to give notice of two amendments to the Bill. I need not discuss them now. The advantage of giving notice of these amendments is that they will be printed and honourable gentlemen can then see what they are. The purpose of these is merely to safeguard the international treaty and the recommendations and orders made by the International Joint Commission under the treaty from being invaded by this new Bill. If this safeguard is made clear, then so far as I can see there will be no objection to the new Bill.

I intend to move in amendment to paragraph a, on page 1, the insertion of the following words:

> And subject to any international control that may be agreed on by the Governments of the United States and the Dominion of Canada, and provision being made for the payment of any damages covered by such regulation and control.

Paragraph d is very wide, but it can be kept right by an amendment of the kind which I propose. Under this paragraph the new Board will have the right—

> —to regulate and control the level of such other waters of the watershed of the Winnipeg river as the Governor General in Council and the Lieutenant Governor in Council may both agree to place under the jurisdiction of the said Board.

That is unrestricted. I propose this addition:

> —but subject to the terms and limitations of the Treaty of June 11, 1909, between Great Britain and the United States, and any regulations made thereunder by the Joint International Board.

These amendments can be discussed when we come to deal with the Bill.

The Hon. the SPEAKER: It is moved that this Order be postponed until to-morrow—

Hon. Mr. BOSTOCK: This evening.

Hon. Sir JAMES LOUGHEED: I do not object to the House meeting this evening; I shall be only too glad myself to come here and expedite any business that we have; but I shall not be in a position to proceed with this Bill until to-morrow. Possibly my honourable friend from Middleton (Hon. W. B. Ross) might further dilate upon the amendments which he has proposed—

Hon. Mr. DANIEL: He can do that now.

Hon. Sir JAMES LOUGHEED:—so that we should not spend our time in vain.

Hon. W. B. ROSS: If the honourable gentleman will accept the amendments, we need not have any dilation at all.

The order was discharged and placed on the Order Paper for to-morrow.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, March 9, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILL

FIRST READING

Bill H, an Act respecting the Quebec, Montreal, and Southern Railway Company. —Hon. Mr. Béique.

DIVORCE BILLS

FIRST READINGS

Bill G, an Act for the relief of William Henry Coulson.—Hon. Mr. Blain.

Bill I, an Act for the relief of Elizabeth Alexander.—Hon. Mr. McCall.

Bill J, an Act for the relief of William Gleaves Doyle.—Hon. Mr. McCall.

Bill K, an Act for the relief of William John Bell.—Hon. Mr. Bennett.

Bill L, an Act for the relief of Dorothy Mearuel Score.—Hon. Mr. Bennett.

Bill M, an Act for the relief of Henry William Maynard.—Hon. Mr. Proudfoot.

Bill N, an Act for the relief of George Elmer Glossop.—Hon. Mr. Proudfoot.

THIRD READING

Bill E, and Act for the relief of Frank Alexander Staunton.—Hon. Mr. DeVeber.

LAKE OF THE WOODS CONTROL BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill B, an Act respecting the Lake of the Woods Control Board. Hon. Mr. Daniel in the Chair.

On section 1—short title:

Hon. Mr. CASGRAIN: Before we proceed with this Bill may I ask: are not these waters part of the waters under the control of the International Commission? Can this legislation be proceeded with? Has the Government obtained the permission or authorization of the United States of America for the passage of this measure? Is the United States Congress passing similar legislation? I am sorry I was not here if there was any explanation given on the second reading of the Bill.

Hon. Sir JAMES LOUGHEED: If my honourable friend had been here when I moved the second reading of the Bill he would have known the purposes for which it is before us. The International Joint Commission made an investigation into this whole question and recommended that a commission of control should be appointed for the purpose of maintaining the levels of the Lake of the Woods. I mentioned the levels; I think they are between 1,050 odd and 1,060 odd feet above the level of the sea. However, the difference between low water and high water would be about 5½ feet. This legislation would be, or should be, in accordance with that recommendation. I need scarcely point out to the House that, inasmuch as Canada is equally interested with the United States in the International Joint Commission, it would not give any consideration to the passage of legislation that would be in conflict with the Treaty in which we are interested, one-half of the members of the International Joint Commission being Canadians and the other half belonging to the United States.

This legislation is the outcome of a conference that has taken place between this Government, the Government of Ontario, and the Government of Manitoba, and the three Governments are united not only as to the desirability but also as to the necessity of this legislation. When the Bill was called for the Committee stage yesterday, I moved that it stand until to-day, on account of a telegram which was received from the Premier of Ontario, stating that owing to representations which had been made to him he would like again to discuss the matter with this Government. We have since taken up the subject with the office of the Premier of Ontario, and we learn that Mr. Backus, who has very large interests in the Rainy river district—

Hon. Mr. CASGRAIN: And Fort Frances.

Hon. Sir JAMES LOUGHEED: —and also near the Lake of the Woods, is desirous of the three Governments staying their hands until representations can be made by him.

I do not propose that this Bill should be delayed at the present stage to suit the convenience of any private interests, if they are not here to make representations to us, inasmuch as it is proposed that the Senate

adjourn at a very early date. My view is that, there being no business before us, we should give the third reading to this Bill to-day, and adjourn the Senate until the 29th instant. I am going to make a proposal to that effect hereafter. But the interests of Mr. Backus or any other private interests will be safeguarded by this Parliament before this Bill becomes law. I spoke to the Prime Minister this morning and mentioned that it was proposed that the Senate should adjourn possibly to-day or to-morrow, and that it was very desirable that we should deal with this matter, because concurrent legislation dealing with the same subject has been introduced into the Ontario Legislature. The Bill in the Ontario Legislature is a replica of this Bill—precisely the same; and the Bill has been agreed upon by the two Governments. My idea is that we should pass the Bill as it is, because any departure from it would destroy the understanding we have had with the province of Ontario. Consequently I would not be in a position to accept any amendment such as my honourable friend from Middleton (Hon. W. B. Ross) has proposed. In the meantime Mr. Backus or other parties representing private interests could appear before the Commons and be heard. The Prime Minister has assured me that if the Bill passes this Chamber every opportunity will be given when it goes into the Commons for representations to be made there. Therefore it is with some confidence that I submit the matter as it is, and ask the favourable consideration of the Committee of the Whole.

Hon. Mr. DANDURAND: Can the honourable gentleman tell us if the works that are intended to be constructed are exclusively in Canadian waters?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: So that all the expenditure would fall upon either the Federal Government or the Ontario Government?

Hon. Sir JAMES LOUGHEED: It is not proposed to erect any works; it is proposed simply to regulate the control of those waters, that is, to prevent any private interest from regulating or controlling the waters in such a way as to cause disadvantage to other interests. As my honourable friend may possibly know, there has been in the province of Manitoba, upon the Winnipeg river, a very large volume of power developed. It is estimated that there is a possibility of developing water power on the Winnipeg river to the extent of 500,000 horse-power. The city of Winnipeg is furnished with power from that river.

In the province of Ontario the English river flows from Lac Seul. It is estimated that 250,000 horse-power can be developed on the Ontario side of the boundary line. With that possibility of developing 750,000 horse-power, it is very desirable to maintain a uniform flow, not only from the Lake of the Woods, but also from Lac Seul, and on the English river and the Winnipeg river. Honourable gentlemen will readily understand that absence of control would jeopardize the various enterprises on the Winnipeg river, or those enterprises which may be below the point at which the interruption or disturbance takes place and which are dependent upon its power.

Hon. Mr. DANDURAND: I thought that under clause 3 the Commission was given power to build for the purpose of regulating the flow of those waters—that it would have the right to build dams and other works.

Hon. Sir JAMES LOUGHEED: That might be, but at the present time it is thought that this control can be exercised without carrying out any works of that kind. Of course, I need not point out to my honourable friend that if such works should be carried out they would have to be carried out by the joint consent of both Governments. The greatest safeguard in the Bill before us, as to private interests, lies in the fact that the three Governments are united in carrying out the policy which is embodied in the Bill and which is practically the recommendation of the International Joint Commission.

My honourable friend from Middleton (Hon. W. B. Ross) suggested the other day that all this might be done by the Canadian section of the International Joint Commission; but manifestly that proposal could not be carried out. The International Joint Commission is not an administrative body; it is simply a judicial or advisory committee; hence it has quite recognized the necessity of a Board of Control being appointed on the Canadian side, where the greater part of this international body of water lies. Therefore we are taking this step. There is of course nothing to prevent a similar body being appointed on the American side if it is considered that in the interest of water-

power development on that side of the line the water should be so regulated; but it happens that that is not the case. Practically all this water flows north into the Hudson Bay. Consequently, the larger body of water in the Lake of the Woods being on the Canadian side, and Lac Seul, the English River and the Winnipeg River being likewise on the Canadian side, north of the Lake of the Woods, the control has practically to be exercised by Canada.

Hon. Mr. SCHAFFNER: I would like to ask the honourable leader of the House a question in reference to a matter that has already been referred to since the Bill has been before us. The honourable leader refers to the Government of Manitoba and the Government of Ontario. It was stated the other day by the member from Winnipeg that the city of Winnipeg has expended a large amount of money, something like $15,000,000, to acquire a satisfactory water supply. What I should like to know, if I am in order, is: will this Bill protect the city of Winnipeg? I do not say that the Government of Manitoba is not, but it may not be, as solicitous as it should be to safeguard the water-power of Winnipeg. Is it an object of this Bill to safeguard that supply, or is there anything in it that will do so?

Hon. Sir JAMES LOUGHEED: In my judgment, the larger interests that this Bill will protect are those of the city of Winnipeg; that is to say, it will protect the power which is generated on the Winnipeg river and consumed by the city of Winnipeg. Furthermore, the Government of the Province of Manitoba has been an active party in connection with the suggestion and preparation of this legislation. The Premier of Manitoba was here at the last conference. The Attorney-General and the ex-Attorney-General of that province were also both present; and the ex-Attorney-General, Mr. Hudson, is here at the present time advising with the Government as to the passage of this measure. Likewise they have taken it up with the Province of Ontario. So the main interests to be protected will be, in my judgment, those of the city of Winnipeg.

Hon. Mr. CASGRAIN: Perhaps the honourable leader of the Government could tell us this. Some time ago permission was given for a certain quantity of water to be taken by the city of Winnipeg from the Lake of the Woods and the Winnipeg river. Naturally, in some years the water is low, and if the water in the lake is to be kept at the high level required, where will Winnipeg get its proportion?

Hon. Sir JAMES LOUGHEED: The duty of the Commission will be to maintain the flow of water in the Lake of the Woods to the extent that I have mentioned, which is in accordance with the recommendation made by the International Joint Commission. But the object is more than that. As my honourable friend very well knows, there is a large body of water in Lac Seul. That lake feeds the English river, which has its affluent with the Winnipeg river a little north of the Lake of the Woods. Consequently the object of the Commission will be to see that an even flow is maintained in both those lakes, in order to maintain uniformity, and to prevent the lowering of the water at any particular time in the Lake of the Woods and in Lac Seul, which would deprive the consumers in Winnipeg of the power which they should have and which must be regular. The main purpose is to ensure certainty in the supply of power, particularly to the city of Winnipeg.

Hon. Mr. DANDURAND: I understood the honourable gentleman to state that the Government would not accept any amendment to this Bill.

Hon. Sir JAMES LOUGHEED: Of course, the Government is necessarily in the hands of Parliament; but my honourable friend will observe that we could not accept amendments; we would have to withdraw the Bill or take it up with the Government of Ontario. This legislation has been agreed upon by the Government of Manitoba, the Government of Ontario and this Government, and a similar Bill has been introduced in the Ontario Legislature; consequently any amendment made would of course interrupt the passage of the Bill and would afterwards have to be taken up with those two governments.

Hon. Mr. DANDURAND: Why did the honourable gentleman move this Bill into Committee if we are not to amend it?

Hon. Sir JAMES LOUGHEED: For the purpose of having it considered by the Committee. The Committee may in its judgment vote down every clause of the Bill.

Hon. Mr. DANDURAND: And may amend every clause.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. GORDON: I would like to inquire from the honourable leader what is

the object of having a Board of Control composed of four members, when each two members would really be acting as one?

Hon. Sir JAMES LOUGHEED: Neither the Government of Ontario nor this Government would consent to the other having a majority on the Commission; and, as the interests of all are identical it is not anticipated that there will be any division or any difference of opinion or action on the part of the representatives of the province of Ontario and the representatives of this Government.

Hon. Mr. CASGRAIN: Does the chairman have two votes in the case of a tie?

Hon. Sir JAMES LOUGHEED: Oh, no: they will have to agree among themselves.

Hon. Mr. NICHOLLS: If there should be a deadlock what would happen? As I understand the Bill, the Dominion Government is really acting as trustee for the province of Manitoba, which has no direct representation. Ontario has its own representatives. In case of a deadlock there is no provision for any reference, and even if four are considered sufficient for the Commission, surely it is quite unusual that no provision is made for the Exchequer Court or the Governor in Council or any other body to act as referee.

Hon. Sir JAMES LOUGHEED: I may say to my honourable friend that there cannot be any trouble on that score. In the first place, the Government of Canada represents the province of Manitoba in this sense: the waters of the province as well as the lands of the province are vested in the Dominion; there is no title vested in the province of Manitoba, and that province could not assert any right as to the waters or the lands; hence this Government acts practically as trustee for the province of Manitoba. Manitoba is in the position of a beneficiary. If there should be any difference between the representatives of Ontario and the representatives of this Government, that difference must be adjusted by a conference of the three Governments. That is an easy thing to bring about, because, in its final analysis, this Commission only represents the machinery by which the three Governments may more conveniently adjust their differences.

Hon. Mr. BOSTOCK: Manitoba is not represented.

Hon. Sir JAMES LOUGHEED: It is represented through this Government. This Government manifestly acts for Manitoba. In the earlier stages of the conference it was suggested that Manitoba should be represented on the Commission, and we were quite content that that should be the case; but the province of Ontario said, and very naturally: "If that be the case there is a majority of the other two Governments against this province, and to that we shall not consent." Finally, the province of Manitoba recognized the difficulty and the unwisdom of seeking to impose such a term upon the province of Ontario, and gracefully yielded. The interests of this Government, as I have already said, are identical with those of the province of Manitoba.

Hon. Mr. DANDURAND: The honourable gentleman says that Manitoba gracefully yielded. I would quite understand that if Manitoba in that way relieved itself of any expenditure. I see that clause 9 of the Bill says:

> The expenses of the Board, including the remuneration of the members of the Board, shall be paid out of such funds as may be appropriated by the Parliament of Canada and the legislature of Ontario respectively for paying expenses incurred for the purposes of this Act in such proportions as the Governor General in Council and the Lieutenant Governor in Council may agree.

If Manitoba is to be a large beneficiary, how is it that it does not join in?

Hon. Sir JAMES LOUGHEED: Because the property is vested in this Government.

Hon. Mr. WATSON: When this Bill was introduced the other day I made some observations of a rather critical nature, not knowing the true inwardness of the Bill. Manitoba is more interested in this legislation than this Government or the province of Ontario. I am inclined to think that the Joint Commission has something to do with the regulation of the level of the water which gives Winnipeg her supply. If the water is maintained at a certain level, Winnipeg gets her supply of water from Shoal Lake, which is an arm of the Lake of the Woods. One peculiarity about the Lake of the Woods is that the United States are only concerned in this water in so far as it may flood their lands. There is no water-power in the south end of the Lake of the Woods. All this water is collected in the Rainy river district and comes down the Rainy river to the Lake of the Woods and creates a water-power at Keewatin at the outlet of the Lake of the Woods. Some years ago a company was organized to erect a dam

at that point, which practically controlled the flow. That property has been acquired by Backus, who has also an immense pulp area, with rights to water-powers, from the Ontario Government. Owing to that concession, the Ontario Government naturally became interested. Manitoba, unfortunately, not owning her own lands, and the Federal Government controlling the Winnipeg river and the Lake of the Woods, is not in a position to demand representation on this Board. The English river flows into the Winnipeg river above where Winnipeg develops its power. All the province of Manitoba is interested in is that there should be such control by the Federal Government or the Ontario Government as will guarantee the flow of sufficient water to develop power not only in Winnipeg but all over the province. The Manitoba Government has adopted a system of hydro extension. Portage la Prairie is now getting power from the Winnipeg river, and the system is being extended to Morden, and will be extended to Minnedosa.

Mr. Hudson to-day informed me that the province of Manitoba and the city of Winnipeg are satisfied with the Bill. They would have liked to have had representation on the Board, as the leader of the House has stated, but they recognize that, not having any right to either the waters or the lands in the province, they could not have that representation.

Hon. Mr. SCHAFFNER: We are going to have that right soon.

Hon. Mr. WATSON: It cannot be too soon to suit me and the people of Manitoba. But at the present time, I understand from Mr. Hudson, the ex-Attorney General of Manitoba, who was here with the Attorney General, Mr. Johnson, and the Premier, Mr. Norris, that these were the best terms they could secure. Of course, Ontario had to agree to this, but would not agree to anything further. That being the case, it seems to me that we ought without very much hesitation to support this Bill. It has for its purpose the protection of industry in the city of Winnipeg and on the Winnipeg river and the control in some way of Backus. Backus is an old friend. We had him here before. He got rights on the Rainy river, and, while he has been making money there, he has not been a very popular possessor of those rights. We have reason to fear that if he is given his way the people of Manitoba will suffer in the matter of power. I wish to withdraw any objections to the immediate passing of this Bill that I expressed the other day.

Hon. W. B. ROSS: I just wish to say a few words as to my position in regard to this Bill. You will see that the Bill deals with two classes of waters: boundary waters, or waters that have United States territory on one side and Canadian territory on the other, and waters that are entirely Canadian or entirely American, but all of which flow into the boundary waters. The International Joint Commission and the Treaty deal with the boundary waters, but do not deal with non-boundary waters. At one time Judge Tawney, one of the American Commissioners on the Joint Board, wanted an arrangement whereby all the non-boundary waters would be brought in with the boundary waters so as to obtain the maximum of water in the Lake of the Woods and the rivers that run out of it for the purposes of navigation and the generation of power. Minnesota has state rights which it refuses to give up; Ontario has provincial rights of which it is jealous; and Manitoba has rights which it claims the Dominion Government holds for it. So the thing now narrows down to the two things dealt with in this Bill. The first is the non-boundary waters which will pass into the hands of this new Commission, and which include the Winnipeg river, the English river, and Lac Seul. They are all parts of the same watershed. To that phase of the Bill I have not the slightest objection; nor have I any objection to the other part of the Bill, provided it is made abundantly clear that this new Commission, so far as the boundary waters are concerned, will act under the International Treaty and the International Joint Commission.

Take paragraph a, on page 2 of the Bill. The new Commission are to have power—

> to regulate and control the outflow of the waters of the Lake of the Woods so as to maintain the level of the lake between the elevations that have been recommended by the International Joint Commission.

If you examine the report of the International Joint Commission you will see that, while they fix a maximum and a minimum flow, they suggest that there may be times when, owing to meteorological conditions, it may be necessary to break in on the minimum flow; that is to say, there may be times when, in order to supply Winnipeg and the Winnipeg river, it will be necessary

to reduce the flow to less than the minimum fixed. They say that they cannot tell you and that nobody can foresee when that may become necessary.

Hon. Mr. DANDURAND: And the International Commission should be the only one having the right to fix that minimum.

Hon. W. B. ROSS: The height of the Lake of the Woods is a matter entirely within the Treaty and in the hands of the Commission. So you really have to leave in their hands a sort of floating power. Ordinarily the level is just between the minimum and the maximum flow, but there must be in the hands of the Joint Board power to reduce the flow below the minimum to meet necessities that may arise from an extraordinarily dry season or something of that kind.

Then sub-clause d says: they shall have power—

> to regulate and control the level and flow of such other waters of the watershed of the Winnipeg river as the Governor General in Council and the Lieutenant Governor in Council may both agree to place under the jurisdiction of the said Board.

On its face this Bill gives this new Board control over the Rainy river and Rainy lake. I think that at some stage of this legislation it ought to be made quite clear that when the new Commission come to deal with Rainy river and Rainy lake, they must act subject to the International Board, because if they do not they will be acting in direct conflict with the Treaty.

This Bill at first sight seemed to be a very simple one, but there are a good many angles to it. I am perfectly satisfied, as I stated the other day, that a very good source of information for this House would be one or all three of the Canadian Commissioners on the Joint Board. I think Mr. Magrath or Mr. Powell could tell us in half-an-hour or an hour just what the merits and demerits of this Bill are, and whether it needs any amendment. My point is simply this: it should be made clear on the face of the Bill that so far as the international waters, the so-called boundary waters, are concerned, they should be left undisturbed in the hands of the Joint Commission. If that is done, so far as I can see, the legislation would be unobjectionable.

Honourable gentlemen from Manitoba or Ontario may see private interests in the background, about which, of course, I know nothing. But I think the Bill ought to go to a Committee, in this House or the other House, and those Commissioners ought to be examined. If Mr. Hudson is here, or any person from the Ontario Government, they could appear before the Committee, and could give further information.

The leader of the Government says that we cannot afford to amend this Bill at all, because of something that is going on in the Ontario Legislature, and that if we amended it the Government would have to withdraw it because it would not be in unison with what is going on in Toronto. I suppose in Toronto they will say the same thing—that they cannot amend it because, if they do, it will not be in unison with what is being done here, and the Bill will have to go through in its present shape. That is a rather awkward position. If I correctly understood the leader of the Government, he said that the Prime Minister has given him the assurance that when the Bill goes to the other House an opportunity will be given to all parties to be heard —and perhaps that may be the best thing, although I do not think it is quite satisfactory, so far as this House is concerned, if we do not thrash the thing out to a finish ourselves. But I do not want to be stubborn about the matter, and if it is going to help things along and lead to an adjournment I withdraw my amendments for the present, being satisfied to have called attention to what I think is a matter of importance.

Hon. Mr. DANDURAND: The Government does not intend at all to invade the powers given to the International Commission?

Hon. Sir JAMES LOUGHEED: Oh, no. May I point out to my honourable friend the recommendation of the Commission? I am reading now from the final report, at page 37, where it says: "The Commission recommends," and so on, and:

> The dams and regulating works at the outlets of the Lake of the Woods when its level rises above 1,061 or falls below 1,056, sea level datum. Between these levels supervision and control shall be exercised by the appropriate authority in Canada for the benefit of Canadian interests.

My honourable friend overlooks the fact that a distinction must be drawn between Canadian interests in an international boundary water and interests which may be on the boundary. Now let me read the next clause in regard to the works referred to by my honourable friend:

> In the case of regulating works at the outlets of Rainy and Namakan lakes—

Those are the waters which my honourable friend is seemingly apprehensive of our interfering with—

—the proposed international supervision and control shall be exercised with a view of protecting all rights and promoting the development of all interests, both public and private, on Rainy river and on the lakes controlled by such works, and also with a view of providing sufficient storage capacity in the lakes and discharging water therefrom at a rate which will prevent those lakes from exceeding the level of 497 for Rainy lake and 508.5 for Namakan lake.

But this Chamber must keep in view that what we are doing is protecting Canadian interests, not international interests. We are protecting Canadian enterprises which, although they may be indirectly associated with international waters, are developed on waters on our side of the line. This legislation, as honourable gentlemen will see, is directly the outcome of the recommendation made by the International Joint Commission.

Hon. Mr. CASGRAIN: The honourable gentleman from Middleton (Hon. W. B. Ross) is quite right—we are legislating in this case for Canada only.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. CASGRAIN: Of course, we know that the levels of the various international waters are already regulated to the inch by the International Waterways Commission, and they will continue to be; and, if they can exercise their power to regulate in other places, they can exercise it also with regard to the Lake of the Woods. This measure, to my mind, is just like a fifth wheel to a coach. But there is no harm in passing it: it can do no harm, even if it does no good. I am quite willing that we should proceed with the Bill.

Hon. W. B. ROSS: I am quite willing, but I would call the attention of the honourable leader of the Government to a paragraph on that same page 37 of the report:

Furthermore, the Commission is of the opinion, for the purpose of regulating the waters of Rainy lake and the lakes controlled by Kettle Falls Dams, that it should at once be vested with authority to exercise control over all structures and regulating works extending across the international boundary and the Canadian channel at Kettle Falls.

That is what the Commission asked. Now, if you look at paragraph d you will see that the new Commission is given power "to regulate and control the level and flow of such other waters of the watershed of the Winnipeg river."

Hon. Sir JAMES LOUGHEED: My honourable friend contends that those waters are in the watershed of the Winnipeg river?

Hon. Mr. BOSTOCK: Certainly.

Hon. Mr. WATSON: They do not interfere with the boundary line at all.

Hon. Mr. ROSS: They are undoubtedly in the watershed of the Winnipeg river. Where does the Winnipeg river come from? It comes from the Lake of the Woods.

Hon. Mr. CASGRAIN: It is on a much lower level.

Hon. Mr. ROSS: Not at all.

Hon. Mr. CASGRAIN: Yes; where the works are.

Hon. Mr. ROSS: The watershed of the Winnipeg river is the extent of country which supplies the water that runs into the Winnipeg. What is the watershed of the Mississippi? Every part of the country that contributes water to the Mississippi is a part of its watershed. If there is any doubt on that point, let us refer to the International Joint Commission.

There is just one other point to which I desire to call attention, now that we are dealing with this report. It is dealt with at page 40. There were three questions put to the Joint Commission. The first question was whether it was feasible to fix a uniform level for the Lake of the Woods. They said no, and yes—that within certain limits you could do it. There was a qualification on that, to which I have already referred. Then there was a second question put: "If you do fix on a level, what damages are you going to cause?" You will find on pages 39 and 40 of the report the answers to these questions. The answer to question 2 is that it would cause damages to keep the water between the maximum and minimum levels that they give; that damages would be caused on the United States side to the extent of $164,000 and on the Canadian side to the extent of $81,000, and that $115,000 would be required for protective works to avoid further damages. So there is an amount of $360,000 to be provided for. With regard to paragraph a on page 2, I considered that, before giving power to control the outflow of the waters of the Lake of the Woods, that section ought to have gone on to say that these damages which the Joint Commission say will be caused, shall be taken care of. It will not do to flood the land and then let the farmers and others

who have their property submerged go peddling around the halls of Parliament asking for legislation to be passed or for a treaty to provide for those damages.

Hon. Mr. CASGRAIN: Anything our own Board does is subject to the Treaty anyway.

Hon. Mr. ROSS: But the recommendation is that those damages should be paid.

Hon. Mr. CASGRAIN: The Treaty supersedes.

Hon. Mr. ROSS: But the flooding of lands ought not to be allowed without provision being made for damages.

Hon. Mr. CASGRAIN: The Treaty will not allow that.

Hon. Mr. BOSTOCK: My honourable friend (Hon. Sir James Lougheed), when speaking about the International Commission, referred to it as a judicial commission.

Hon. Sir JAMES LOUGHEED: I said its powers were judicial or advisory.

Hon. Mr. BOSTOCK: Advisory?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: I think it is more advisory than anything else.

Hon. Sir JAMES LOUGHEED: We sometimes use the words as synonymous. It is not administrative; that is the point I desired to make.

Hon Mr. BOSTOCK: It is not administrative?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: I was going to point out to the House that this Commission, in its final report, on page 37, recommends that it be authorized to exercise supervision and control over the operation of all dams and regulating works extending across the international boundary.

Hon. Sir JAMES LOUGHEED: Yes, by way of making orders.

Hon. Mr. BOSTOCK: Yes; but I take that to mean that the Commission considers it necessary that some body should be authorized to make orders and deal with that question of dams across the boundary waters, and also to deal with that special dam, the Kettle dam, which, although it is on the Canadian side, affects boundary waters just as much as does the other dam at that point. Up to the present time, as I understand it, the Government has given no power to any body to control those waters. All that the International Joint Commission is at present in a position to do is to advise the Government that certain things ought to be done; but the moment the Commission has given that advice it can go no further—it has no power at all to bind anybody in this respect.

Hon. Sir JAMES LOUGHEED: There has been a board of control appointed by Order in Council, but that is to control the flow of water in the Lake of the Woods, and it has been largely futile in the absence of co-operation by the province of Ontario.

Hon. Mr. BOSTOCK: Would that board of control be entitled to deal with those boundary waters?

Hon. Sir JAMES LOUGHEED: It has been appointed largely because of the recommendation that was made, but it is not an effective board, and we must have something else. There must be an understanding between the province of Ontario and this Government to make it effective. And, so far as orders are concerned, if orders are made by the International Joint Commission it is expected that the respective Governments that have joined in the Treaty will see that those orders are carried out.

Hon. Mr. BOSTOCK: But, as I understand, there is at the present time no machinery for carrying out those orders.

Hon. Sir JAMES LOUGHEED: No; there is an absence of machinery.

Hon. Mr. BOSTOCK: Then there is another point in connection with the matter as it now stands. My honourable friend has not stated whether or not the United States Government has taken any action with regard to this report.

Hon. Sir JAMES LOUGHEED: No; my honourable friend from Portage la Prairie (Hon. Mr. Watson) has pointed out that there is no power at the southern end of the Lake of the Woods. Any difficulty that has arisen there has been due to interference with riparian rights. Damages have been sustained, and there has been an assessment of those damages; but no power is generated at that end of the lake.

Hon. Mr. BOSTOCK: No, but power is generated on the Rainy river, and at the Kettle dam, and that power comes within the control of the International Commission, and to that extent the United States Government is interested jointly with the Canadian Government in coming to some arrangement.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: This final report of the Commission was made, I think, in 1917. Although nearly four years have elapsed, no action has yet been taken.

My honourable friend from Middleton (Hon. W. B. Ross) referred the other day to some correspondence that he understood had passed between the United States Government and the Canadian Government; but so far my honourable friend the leader of the Government has not told us whether any action is being or has been taken in regard to it. The present position, as I see it, is that the International Joint Commission made certain recommendations asking for authority to control the boundary waters, but no such authority has yet been given. It occurs to me that if we are giving the present board control of the rest of the waters, which are in Canadian territory, something should be done to control those boundary waters as well, because the water of the Rainy river comes partly from Minnesota and partly from Ontario, flows ultimately into Lake of the Woods, and must have some effect on the level of the lake. Therefore it would appear that the Government, when taking such action as is proposed by this Bill, should also be prepared to state to the House what action they intend to take with regard to those other waters. Personally, I cannot see how you are going to divide the one set of waters from the other. They are all in the same watershed and they all ultimately flow into the Winnipeg river. Of course, the people of Manitoba are much more interested in the question of power on the Winnipeg river than they are in anything else; but the International Joint Commission had to consider other questions besides the supplying of water to power plants on that river, and it should, I think, be placed in a position to deal with these boundary waters.

Now I want to point out something that is stated at page 90 of the report. Honourable gentlemen who have read it will see that the International Joint Commission's report was signed by all six commissioners, but the American commissioners reserved to themselves the right to make certain other statements or supplementary recommendations, and on page 90 they say:

> To secure the proper construction and operation of the controlling works in the outlets and inlets of the Lake of the Woods and in the waters tributary thereto, or a system or method of regulation that will insure "the most advantageous use of the waters of the Lake of the Woods and the waters flowing into and from that lake," for the purposes stated in the reference, and a settlement of the questions and matters of difference between the parties to the reference, each Government must obtain, within the jurisdiction of the other, certain property rights.

Apparently the United States commissioners considered that that was an important question and should be dealt with, but I do not think from what my honourable friend (Hon. Sir James Lougheed) stated to-day that this question has been considered, and I would like to hear from him what the Government thinks in regard to the matter.

Hon. Sir JAMES LOUGHEED: That subject has not yet become acute; it has not been thrust upon the attention of the Government. It will be time enough to deal with that subject when we are forced to do so. My honourable friend must keep in view that entering upon the passage of any legislation dealing with rights of this kind involves more or less expropriation, and it is very desirable that there should be no disturbance regarding such questions until the public become so interested in them as to necessitate action on the part of the Government. But the questions with which we are dealing here are becoming very acute. For instance, the Ontario Government has been dealing with Mr. Backus in regard to certain power sites on the English river, notably that of White Dog Rapids, the development of which would seriously interfere with the development of power on the Winnipeg river.

Hon. Mr. WATSON: With the flow of water.

Hon. Sir JAMES LOUGHEED: Yes. It might seriously jeopardize all the interests on the Winnipeg river. Therefore these matters have been thrust upon the attention of the Government, and it is necessary to deal with them at once. But I have no apprehension that there will be any difficulty in meeting the requirements respecting any international works—at least, works immediately tributary to the boundary. The works with which we are at present dealing are peculiarly Canadian.

Hon. Mr. CASGRAIN: Question; question.

Hon. Mr. BOSTOCK: In answer to my honourable friend (Hon. Sir James Lougheed), I would say that I do not altogether agree with him in that matter. He seems to advocate taking up this question piecemeal, and, although the interests to which he particularly refers are the more important at the present time, I think he will

find that on page 39, where the Commission answers question number 2, regarding the value of the lands in the United States and in Canada, it is careful to say:

> The Commission therefore finds that the areas, with values as at December, 1915, for which flowage rights should be obtained, are as follows:

The year 1915 is a long time back, and I think that every honourable gentleman will realize that the longer you put off dealing with questions of this kind the more expensive and troublesome they become. Now that this matter has come up, the Government should be prepared to consider it and deal with it as a whole, rather than, as my honourable friend suggests, in parts as they may come along.

Hon. Sir JAMES LOUGHEED: There seems to be enough difficulty about this, without entering into a larger sphere of difficulty. I move the adoption of clause 1.

Section 1 was agreed to.

Section 2 was agreed to.

On section 3—purposes:

Hon. Mr. BOSTOCK: My honourable friend from Middleton (Hon. W. B. Ross), I understand, proposes to withdraw his amendments; but it might be useful and for the benefit of the public to have some idea of just what the effect of those amendments would be. My honourable friend suggested that it might be possible to consider those amendments in another place, but if they are not dealt with here we shall not have the benefit of the explanation of the honourable gentleman from Middleton.

Hon. Sir JAMES LOUGHEED: If they come here again, my honourable friend could give us the advantage of his views.

Hon. Mr. BOSTOCK: I rather think that it is a question which we ought to consider at the present time, whether this Bill is quite in the form in which it should be. I know my honourable friend does not wish to have any amendments; still it seems to me the Senate should discuss the whole question and learn exactly what we are doing with regard to the Bill. I think there is something to be said for the amendment that my honourable friend from Middleton has suggested in paragraph a of clause 3.

Hon. W. B. ROSS: Paragraph a is the provision as to which I gave notice that I would move the amendment which you will find printed in the notices of motion for to-day. That amendment was meant to guard against two things. I have already referred to them and do not want to weary the House by dealing with them again. I wanted to have that provision worded so that it would be clearly understood that when this new Board is regulating the outflow of the waters of the Lake of the Woods it would be subject to the order and direction of the International Joint Commission. I pointed out that the maximum and the minimum flow, referred to here, might have to be departed from, and the International Commission might have to direct the Board to go by other figures, although it cannot tell to-day what those figures would be nor when the occasion might arise.

The other point in connection with this clause referred to the giving of power to the new Board to regulate and control the flow between the maximum and the minimum figures, given by the International Commission in its recommendation, without first providing for payment of the damages which the Joint Commission said would be occasioned. I do not think it is good legislation to give this new Board power to proceed without providing for those damages.

But I have no hope of getting all the members of this House to understand this matter without calling on the members of the Joint Commission to come before the committee and explain their views. If Mr. Magrath and Mr. Powell came here and told me there was nothing in what I was saying, or that it might be met in another way, I would not have another word to say. In the meantime, as I understand the situation now, we are in a sort of predicament and we must pass the Bill in its present form, because similar action is being taken in Toronto. Moreover, the Prime Minister promises that all the objections will be fully heard when the Bill is sent to the other House. So I do not see anything better that I can do at the present time than withdraw that amendment.

Hon. Mr. BOSTOCK: I should like to point out that the Commission, in their report to the Government, in dealing with the water-power interests on the Winnipeg river, say at page 49:

> The Commission believes that all necessary rights should be acquired at the present time, so that all interests concerned may know the ordinary stage at which it is proposed to hold the lake and the highest contour to which damage may possibly extend at some time in the future under unprecedented conditions of rainfall and run-off.

That is another point in favour of considering this matter as a whole rather than dealing only with the question of the control of the waters of the Lake of the Woods and those of English river and Lac Seul. I think that honourable gentlemen who have read this report will see that the two can hardly be divided, and that in dealing with this legislation in this way we are in danger of still more complicating the situation instead of putting things on a better basis, as we should hope to do. What we want to do is to help the people of Manitoba and the people of Ontario as much as we possibly can; but if they agree that the legislation does not go far enough, I think the Senate should be in a position to deal with it and improve it.

Paragraph a was agreed to.

Paragraphs b and c were agreed to.

On paragraph d of section 3—as to other waters:

Hon. W. B. ROSS: This is the second paragraph in respect to which I gave notice of motion. As I pointed out before, on the face of it there is no limitation to the powers of the new Board. Can anyone deny that Rainy river and Rainy lake are part of the watershed of the Winnipeg river? They are just as much a part of the watershed of the Winnipeg river as the English river and Lac Seul. The waters from Rainy lake and Rainy river flow into the Winnipeg river, and if that fact does not make them part of the watershed I confess that I do not know what a watershed is. The Winnipeg river has no watershed at all unless Rainy lake is part of it; and this clause on its face would give jurisdiction to this new Board. I would have added to the clause:

but subject to the terms and limitations of the Treaty of June, 11, 1909, between Great Britain and the United States and any regulations made thereunder by the Joint International Board.

It may be said that this legislation, though it is absolute on its face, would be checked when it got into a court of law by some person invoking what has been done by the Commission. I do not think that is good legislation. I think this new Commission should be warned from the outset as to its jurisdiction and as to interfering with something not within its jurisdiction, and that the farmers on the shores and the people of Fort Frances whose property has been destroyed by water should not be driven into the courts unless it is unavoidable. I suppose that for the same reason I gave with regard to the other amendment I can withdraw this one too.

Hon. Mr. DANDURAND: Does not the honourable gentleman realize that this Act would be subject to the terms and limitations of the Treaty?

Hon. W. B. ROSS: Why not say so?

Hon. Sir JAMES LOUGHEED: We are assuming that we act—

Hon. Mr. CASGRAIN: —within the treaty.

Hon. Sir JAMES LOUGHEED: Yes, and carry out the orders of the International Joint Commission.

Paragraph d of section 3 was agreed to.

Sections 4 to 8, inclusive, were agreed to.

On section 9—mode of payment of Board's expenses, etc.:

Hon. Mr. DANDURAND: The leader of the Government said that the Federal Government represented Manitoba. If the Federal Government is acting as trustee for Manitoba, does it intend to charge anything to Manitoba?

Hon. Sir JAMES LOUGHEED: The natural resources of Manitoba are vested in this Government, and as this Government obtains whatever revenue is derivable from them it is only right that we should be burdened with the charge.

Section 9 was agreed to.

Sections 10 and 11 were agreed to.

On subsection 3 of section 7—(re-considered)—penalty for obstruction:

Hon. Sir JAMES LOUGHEED: May I point out a clerical error in this subsection? The figure "1" in brackets should be a "2".

The preamble and the title were agreed to.

The Bill was reported without amendment, read the third time and passed.

EXCHEQUER COURT BILL

FIRST READING

Bill 19, an Act to amend the Exchequer Court Act.—Hon. Sir James Lougheed.

ADJOURNMENT OF THE SENATE.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I intimated a few moments ago that we were practically through

our work, and that if the House felt disposed to adjourn this afternoon until the 29th instant I would be perfectly satisfied. I think I can assure the House that the public business will not suffer by reason thereof.

Hon. Mr. BOYER: Would you make it 8 p.m.?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: Before the motion to adjourn is adopted, may I draw the attention of the leader of the Government to the extraordinary situation which will prevail? Without any notice the Senate adjourns this evening for two or three weeks. Members who are not here to-day and who may be here to-morrow will fall under a heavy penalty owing to the very peculiar Act which was passed last Session. I think the leader of the Government should ponder over this exceptional legislation and so arrange matters that a Senator who has been in attendance every day since the opening but who happens to be away to-day should not suffer to the very considerable extent that he will under the Act.

Hon. Sir JAMES LOUGHEED: I would commend the consideration of that suggestion to the victims.

Hon. Mr. BOYER: One has to be here the day immediately preceding the adjournment; that was yesterday.

The Senate adjourned until Tuesday, March 29, at 8 p.m.

THE SENATE

Tuesday, March 29, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE GRIFFENHAGEN COMPANY

MOTION FOR RETURN

Hon. Mr. TURRIFF inquired of the Government:

1. When was the Griffenhagen Company engaged to reorganize the various Departments of the Government services?
2. How much has been paid to them up to December 31st, 1920—(a) for salary, (b) for travelling expenses, and (c) for maintenance?
3. What members of the Civil Service have been assisting the Griffenhagen Company? What amount has been paid them while engaged in this work—(a) for salary, (b) for travelling expenses, (c) for maintenance?
4. What amount if any is due and unpaid to Griffenhagen Company and the officials assisting them up to December 31, 1920?
5. Has the contract with Griffenhagen Company been cancelled?
6. If not, is it going to be cancelled, and when?
7. What Departments have they reorganized?
8. Has their work been as unsatisfactory as the work of their predecessors, Messrs. Young and Company?

Agreed to as a motion for a return.

THE LEAGUE OF NATIONS—COST TO CANADA

INQUIRY

Hon. Mr. CASGRAIN inquired of the Government:

What has been the total cost to Canada of belonging to the League of Nations?

Hon. Mr. ROBERTSON: Total amount paid to date, $164,043.15.

INCOME TAX COLLECTIONS

MOTION FOR RETURN

Hon. Mr. DAVID moved:

That an Order of the Senate do issue for a statement showing the amounts collected out of the Income Tax in the different provinces of Canada for the year 1919.

The motion was agreed to.

CANADIAN NATIONAL RAILWAYS—COAL SEIZED

MOTION FOR RETURN

Hon. Mr. BOSTOCK moved:

That an Order of the Senate do issue for a statement showing the amount of coal which was appropriated or confiscated by the Canadian National Railways during 1920 and January and February, 1921, giving in each case the date, the car number, the approximate quantity, the name of the shipper, the name of the consignee, and by what authority the appropriation or confiscation was made.

Hon. Mr. ROBERTSON: May I ask my honourable friend if it is important that the car number, the name of the shipper, and the name of the consignee should be given in each case? Gathering together such details would doubtless involve considerable clerical work and expense. The quantity of coal can doubtless be given with little difficulty. Is it necessary that the details should be given?

Hon. Mr. BOSTOCK: I do not think it would be at the present moment. If my honourable friend would bring down a

return giving the total amount of coal and the number of cars that might be sufficient; but if it were necessary I would move for the details.

The motion was agreed to.

DIVORCE BILL

FIRST READING

Bill O, an Act for the Relief of Hazel Galbraith.— Hon. Mr. DeVeber.

POST OFFICE BILL

SECOND READING

Hon. Mr. BLONDIN moved the second reading of Bill F, an Act to amend the Post Office Act.

He said: Honourable gentlemen, the Bill of which I have the honour of moving the second reading contains three amendments to the Post Office Act. The first amendment proposes to repeal paragraph v of subsection 1 of section 9 of the Post Office Act, which provides that the maximum amount to be paid in case a registered mail article is lost shall not exceed $25. It is intended to increase this maximum to $100 for mail matter, except registered letters. There are two different classes of articles registered under the Post Office Act: letters proper and parcels. Practice and experience have shown that a new system must be devised in order to bring about a more efficient operation of the postal service. It is proposed to abolish registration in the parcel post and to substitute for it a system of insurance which we believe will be more efficient and less costly.

The second amendment makes a slight change in the present system. As the law stands now, a letter which does not bear sufficient postage must be returned to the Dead Letter Office, from which the addressee is notified that a letter is waiting for him, and that he may have it upon the payment of the balance due on the letter, which usually amounts to one cent. It is proposed to deliver the insufficiently paid letter to the addressee and to collect from him at his home the shortage in postage.

Hon. Mr. BOSTOCK: Double the amount?

Hon. Mr. BLONDIN: We continue the old penalty.

Hon. Mr. CASGRAIN: That is the way it is done now. I often get letters on which I have to pay the additional postage.

Hon. Mr. BLONDIN: You will have the opportunity of paying the same penalty, but the letter will be carried to you immediately without waiting at the Dead Letter Office.

Hon. Mr. FOWLER: Do I understand that the minimum salary of country postmasters is $100?

Hon. Mr. BLONDIN: No.

Hon. Mr. FOWLER: The acoustic properties of this room are so infernally bad that it is impossible to hear what is being said. Something was said about $100, and my colleague and myself thought it was in reference to salaries of country postmasters. I thought if the Government could afford to increase them to that extent something might be done towards reducing taxation.

Hon. Mr. BLONDIN: I am sorry to state that $100 would be an improvement on the maximum salary paid in certain instances. I regret that I could not make myself heard by my honourable friend.

Hon. Mr. FOWLER: It is the fault of the room.

Hon. Mr. BLONDIN: I was referring in the first instance to the responsibility of the Department in the case of a registered letter being lost.

The third amendment has to do with cases of dispute between the Post Office Department and ferry companies. At present the law provides that if any ferryman demands more than the Post Office authorities or the contractor for carrying the mail is willing to pay the amount must be fixed by arbitration, each party naming an arbitrator, and the two arbitrators naming a third. This provision has been found entirely inadequate, and in place of the board of abitration we are substituting the Exchequer Court of Canada.

Hon. Mr. BOSTOCK: I did not quite understand from the explanation of the Postmaster General whether any limit had been fixed in the case of parcel post packages. If a parcel is insured, is there any limit as to the amount?

Hon. Mr. CASGRAIN: One hundred dollars.

Hon. Mr. BLONDIN: To-day the maximum amount is $25. We are asking to make it as high as $100.

Hon. Mr. CASGRAIN: Where is the $100 mentioned in the Bill?

Hon. Mr. BOSTOCK: I think my honourable friend is to be congratulated on

the action he has taken to bring about the carriage to their destination of letters not bearing sufficient postage. I know that in the West a tremendous amount of trouble has existed under the present system. I have never been able to understand why the post office officials always objected to making this change. Perhaps when we go into Committee the Postmaster General may be able to inform us how he managed to educate these officials and induce them to adopt this policy which I think will be of great advantage to the country. The other clauses of the Bill can probably be discussed better in Committee.

Hon. Mr. CASGRAIN: Where is there any mention of $100 in the Bill? I do not see it.

Hon. Mr. BLONDIN: My honourable friend is right; there is no mention of $100. I should have stated that we intend to do away with the limit. This is an experiment. In the first instance we intend to stop at a maximum of $100, but we may be induced to go further.

Hon. Mr. DANDURAND: Under clause 2 it is intended to forward a letter which is insufficiently paid, and to collect not only the deficiency but a penalty. I understand that heretofore it has been the practice to notify the sender that the letter was insufficiently paid and for him to pay the penalty. Was it the sender who paid?

Hon. Mr. BLONDIN: The receiver.

Hon. Mr. DANDURAND: I cannot understand why the receiver should be penalized. Under this amendment the letter will be forwarded and the postman will ask the receiver to pay not only the deficiency, but double postage. Why is that?

Hon. Mr. BLONDIN: That law is not new. As the Post Office incurs some additional trouble or expense in handling such letters, because it requires the services and the time of one or two officers, I suppose that the penalty is imposed to cover those extraordinary costs.

Hon. Mr. DANDURAND: But the receiver of the letter is in no wise in fault.

Hon . Mr. BLONDIN: But would my honourable friend ask the Post Office officials to go to the trouble of collecting a cent or two from the sender whose name is not known to them? It is impossible.

Hon. Mr. DANDURAND: The complaint of the public will be that in very many instances these insufficiently paid letters are circulars or printed matter, and the person receiving them will have to hunt for a cent or two or three cents to pay the penalty. I realize, of course, that the Department should stand no loss; but I think the penalty should be paid by the sender. In my own case nine times out of ten these insufficiently paid letters have not been of interest or of importance to me; and the same must be true in many other cases. I have often wondered why the Department inflicted the penalty on the receiver of the letter.

Hon. Mr. BLONDIN: I think my honourable friend has pointed out the very reason for the imposition of the penalty. Suppose we did not impose any penalty; then insufficiently paid letters would become an abuse. Small as the penalty is, it is a barrier to that abuse.

Hon. Mr. BEIQUE: The practice now is that if a letter is sent without being properly stamped it is opened and sent back to the sender of the letter and he is called upon to pay up.

Hon. Mr. BLONDIN: No.

Hon. Mr. BEIQUE: I receive quite often returned letters because the office boy has omitted to stamp them. As I understand subsection 2 of the Bill, it requires the person to whom the letter is sent to pay the double postage. I am afraid that would open the door to an abuse. Many persons may be inclined to stamp letters insufficiently, expecting the receiver to pay; and the receiver has to pay the penalty in addition. But suppose the receiver is not willing to pay, and the letter is sent back to the post office—

Hon. Mr. BLONDIN: There is a distinction to make: There are insufficiently paid letters addressed to people who can be located, and there are letters which we cannot deliver although they are sufficiently paid. Suppose we cannot find the addressee, although the name and address are plainly written. If we cannot trace the addressee, we wait for a certain time, and then destroy the letter. We cannot return it to the sender, for we do not know his name. That is the only kind of letter that is opened. We never open an insufficiently paid letter. We have no reason for doing so. We simply send it to the Dead Letter office, where it is later destroyed.

Hon. Mr. FOWLER: I am sorry to interrupt so important a discussion as this,

as a great deal hangs on it, we can quite understand; but I would like to ask the Postmaster General a question. Have we a parcel post between this country and England?

Hon. Mr. BLONDIN: Yes.

Hon. Mr. FOWLER: Or do we have to pay letter postage?

Hon. Mr. BLONDIN: Parcel post.

Hon. Mr. FOWLER: You have a parcel post at parcel post rates?

Hon. Mr. BLONDIN: We have parcel post practically with the whole world. We have it at different rates. I shall be glad to supply my honourable friend with the schedule.

Hon. Mr. FOWLER: The tariff?

Hon. Mr. BLONDIN: Yes.

Hon. Mr. PROUDFOOT: Honourable gentlemen, dealing with the first clause of the Bill, I observe that what is intended is apparently to assist the mail order houses; that is, you are going to insure the mail matter to the extent of $100 or possibly $1,000—whatever amount may be fixed on. I thought, after the discussion we had last session in reference to the mail order houses, my honourable friend the Postmaster General would have brought down some amendment to the Act in that respect. I think it is unfair to permit parcels to be carried from one end of the Dominion to the other at a rate less than one-half what the express companies charge. It is unfair to the merchants throughout the country, and it assists those people who have the mail order houses and do not pay taxes in various parts of the country. I thought, and I still think, that the Government should amend the Act in that respect and should increase the rate on parcels. Anyone who understands the situation knows that parcel post takes up two-thirds of the mail car; that is, in districts where these large mail order houses are established. I think that some remedy should be provided. There is in the department considerable data showing the quantity of mail carried by parcel post, and it can easily be ascertained that it is very much cheaper to send matter in that way than by express. I would like very much to have the Postmaster General take up this question and have it dealt with. I do not intend to travel over the ground I covered last year. I thought that my honourable friend would in the meantime have examined the matter thoroughly and ascertained if some change could not be made in the way indicated at the last Session of this House.

Then, as to section 2, I never could understand why the person receiving a letter should be penalized to the extent of double the postage.

Hon. Mr. FOWLER: You do not have to take the letter.

Hon. Mr. PROUDFOOT: Everyone has a certain amount of curiosity—

Hon. Mr. FOWLER: They pay for it.

Hon. Mr. PROUDFOOT: —and if a letter comes addressed to my honourable friend, I am perfectly satisfied that he will take it even if he has to pay double the postage.

Hon. Mr. FOWLER: Surely.

Hon. Mr. PROUDFOOT: Then why should you be penalized?

Hon. Mr. FOWLER: Why should you not?

Hon. Mr. PROUDFOOT: Why should you be called upon to pay anything more than the ordinary rate?

Hon. Mr. FOWLER: Someone must be penalized, either the country or you.

Hon. Mr. PROUDFOOT: No, the country is not penalized, because the country gets the postage. The postmasters in the various parts of the country are not paid very much. Why impose on them this duty of collecting a double rate? A single rate should be sufficient. As the law stands at present, according to my understanding of it, if a letter comes addressed to me which should bear, say, six cents postage, and has only four cents on it, before receiving that letter I must pay four cents instead of two cents; so that the double rate goes to the department. At present, if the letter is not stamped at all, it goes to the Dead Letter office, I understand; but ordinary letters with insufficient postage for instance, letters having a two-cent stamp instead of a three-cent—would go straight to their destination, but the receiver is bound to pay the double rate.

Hon. Mr. CASGRAIN: If he likes.

Hon. Mr. PROUDFOOT: If he likes; and I think that as a rule he does pay it.

Hon. Mr. MURPHY: There is no harm in that.

Hon. Mr. PROUDFOOT: But the unfairness is in charging the penalty. It is sufficient to receive the ordinary rate without the penalty.

I think it is a great improvement to provide for a letter that is not stamped at all being sent to its destination, instead of to the Dead Letter office here at Ottawa and having a notice sent to the addressee, and, when the addressee sends a letter to Ottawa with the postage, forwarding it to him. The law some years ago was the same as what my honourable friend is now proposing: he is only going back to what was the law; and I do not think it should ever have been changed.

The only objection I see to section 3 is this. The ferryman may live in one of the western territories a long way from the Exchequer Court. I know that judges of the court do travel from one end of the Dominion to the other, but in a dispute with a ferryman it is hardly likely that the Exchequer Court would send a judge out West to try a single case. I certainly think the old system, that you are changing, that of disposing of the dispute by arbitration, would work very much better than the expensive machinery of the Exchequer Court. So far as I can see, section 3 is no improvement on the Act as it now stands.

Hon. Mr. CASGRAIN: Honourable gentlemen, I have just this evening received a letter from the United States which has two cents postage. That is enough, is it not, when the letter is not over weight?

Hon. Mr. MURPHY: It is supposed to be.

Hon. Mr. CASGRAIN: Still I had to pay six cents extra on this letter.

Hon. Mr. DANDURAND: That is a penalty.

Hon. Mr. CASGRAIN: I suppose it is a penalty. Strange to say, this is simply a duplicate of a letter which I received in my office in Montreal and on which the office boy also paid six cents. That is twelve cents—and I owe the poor office boy the six cents yet.

Hon. Mr. WATSON: From what distillery is it?

Hon. Mr. THOMPSON: What brand?

Hon. Mr. CASGRAIN: This letter comes from California, and it is not over weight. The Postmaster General tells us that letters not sufficiently paid will be forwarded in future. That has always been the custom, as far as I know: it has prevailed for years and years. If there is no stamp at all on a letter it goes to the Dead Letter office; we all know that; but if there is not enough postage it is taken to the person to whom it is addressed and is tendered to him. He is asked if he will pay two cents or three cents more postage, or as the case may be. That practice has obtained as far back as I can remember. The addressee can say, "Yes, I will take a look at it." If he thinks it is a circular or something like that, and does not want it, he says, "No, I do not want it." That is all there is to it. That is nothing new. I do not know why this Bill has been brought in. But, as I say, it is rather curious that while we are discussing this point this evening, here is one letter in duplicate on which twelve cents has been paid, and it had sufficient postage, because it bears a United States two-cent stamp.

Hon. Mr. FOWLER: It was over weight.

Hon. Mr. CASGRAIN: There it is, just one sheet. I think it is under weight.

Hon. Mr. MURPHY: They must have known you.

Hon. Mr. BLONDIN: If my honourable friend will let me have the envelope I will look into the question.

Hon. Mr. CASGRAIN: Certainly. I will give you the letter. It is a matter of public interest.

Hon. Mr. MURPHY: Yes, surely, a serious matter.

The motion was agreed to, and the Bill was read the second time.

DIVORCE BILLS

SECOND READINGS

Bill G, An Act for the relief of William Henry Coulson.—Hon. Mr. Blain.

Bill I, An Act for the relief of Elizabeth Alexander.—Hon. Mr. McCall.

Bill J, An Act for the relief of William Gleaves Doyle.—Hon. Mr. McCall.

Bill K, An Act for the relief of William John Bell.—Hon. Mr. Bennett.

Bill L, An Act for the relief of Dorothy Mearuel Score.—Hon. Mr. Bennett.

Bill M, An Act for the relief of Henry William Maynard.—Hon. Mr. Proudfoot.

Bill N, An Act for the relief of George Elmor Glossop.—Hon. Mr. Proudfoot.

PRIVATE BILL

SECOND READING

Bill H, An Act respecting the Quebec, Montreal and Southern Ry. Co.—Hon. Mr. Beique.

EXCHEQUER COURT BILL

SECOND READING

Hon. Mr. ROBERTSON (for Hon. Sir James Lougheed) moved the second reading of Bill 19, an Act to amend the Exchequer Court Act.

He said: Honourable gentlemen, this is a short Bill, a simple piece of legislation, the desirability of which will be apparent to all without any detailed discussion. Briefly, the Bill enables the Commissioner of Patents to appear before the Exchequer Court, whenever any person appeals from the decision or ruling of the Commissioner, for the purpose of defending the position which he took or the reasons which caused him to make the decision which he has rendered. Likewise it provides that the Commissioner may himself carry an appeal to the Supreme Court from the Exchequer Court, just as the private individual or the applicant for a patent is now privileged to do. The legislation proposes to do exactly what has been the custom for years past; but in a case that occurred recently, I am informed, it was discovered that while the Commissioner had been permitted to defend his action before the Exchequer Court without question, yet he was not entitled by law to do so. On one occasion his right to do so was questioned. The purpose of this legislation, as I understand it, is to give the Commissioner of Patents the rights and privileges which he has been enjoying up to the present, but to which it appears he was not strictly entitled under the Exchequer Court Act as it now stands. The Minister of Justice, in another place, I think has made quite clear the desirability of the enactment of these amendments.

Hon. Mr. BOSTOCK: Honourable gentlemen, it would seem that this Bill should be an amendment to the Patent Act and not to the Exchequer Court Act. It deals entirely with the Commissioner of Patents, as to what he may do and what he may not do. Making it an amendment to the Exchequer Court Act is liable to mislead anyone who has to do with it, because it would be supposed that the question of the powers of the Commissioner of Patents would be more likely to be dealt with in the Patent Act than in the Exchequer Court Act. My honourable friend did not explain exactly why it is made an amendment to the Exchequer Court Act.

Hon. Mr. ROBERTSON: The Exchequer Court Act, being the one which gives the individual applicant for a patent a right to appeal, I should assume that under the same law the Commissioner of Patents should have the right to speak in defence of the decision which he has rendered. Likewise, if the individual appealing from the decision of the Patent Commissioner has the right under the Exchequer Court Act to appeal to the Supreme Court, if the necessity should arise for an appeal by the Commissioner, his right would be under the same Act. I do not propose to attempt to argue this matter from the standpoint of law; but from the standpoint of common sense it seems to me to be the logical thing to do.

The motion was agreed to, and the Bill was read the second time.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Wednesday, March 30, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CANADA AND THE EMPIRE

MOTION FOR RETURN

Hon. L. O. DAVID moved:

That an humble Address be presented to His Excellency the Governor General, praying that His Excellency will cause to be laid before the Senate all correspondence exchanged between the Imperial Government and the Government of Canada in connection with the representation of this country, either in the British Parliament or in any council, its participation in the administration of the British Empire, its contribution to the wars of the Empire and to the establishment of a British or Canadian navy.

He said: Honourable gentlemen, before this motion is put, I want to explain in a few words the object of it. There is no doubt that there is in this country a good deal of anxiety as to what will take place at the coming conference in London and as to what measures will be adopted touching on relations with England and with the other British colonies. Certain English and Canadian statesmen wish closer relations to be established between England

and her colonies, and the colonies to be given a greater share in the administration of the affairs of the Empire. This sentiment is no doubt a patriotic one, but it requires to be controlled by reason and by duty—duty to England and duty to Canada. We must not forget the lessons of history. History shows that when great empires have tried to increase their authority and their power to the detriment of the autonomy and liberty of action of the colonies, they have failed to realize their expectations. At a time when there should be only one thought and one desire, namely, to re-establish our economic and financial status, I consider it inopportune and dangerous to raise the question of increasing our burdens and obligations. I have always been and shall be to end of my life a great admirer of British institutions, which I consider to be as perfect as human institutions can be, because they give to all classes and all interests a share in the government of the country; and one of the reasons for my anxiety about what is going on in the world is my fear that those noble institutions may not be able to withstand the attacks of the demagogues. When a man like Lloyd George, who only a few years ago was considered to be too radical and too ready to give way to the working classes, feels obliged to give warning of the dangers which threaten society and British institutions, we may well be anxious. There is no doubt, honourable gentlemen, that the world is drifting towards an extreme democracy—unfortunately the necessary result of a policy which tends more and more to place power in the hands of a majority over which the radical elements always succeed in establishing their domination. What is going on in Russia to-day is a striking confirmation of that assertion, and should be a lesson for all the public men of the world.

It is because I wish British institutions to be maintained, not only in England but in Canada, that I am inclined to oppose any scheme which may diminish their prestige; and I fear that any plan that may affect the autonomy of the colonies and increase their obligations will inevitably have that regrettable result, because it will be a cause of complications and of friction.

How can we hope that there will be no friction in an Imperial Parliament or Council in which the representatives of England and of the Dominions will meet when the interests to be discussed will be so different? How can we hope that what will suit England will always suit us? How can we hope that what will suit the other dominions will suit us? What is common between us and the negroes of Africa or the yellow races of Asia. We must not forget that we are not living in Europe; that we live in America; that we are Americans and that our prosperity depends in great part on our commercial relations with the United States and the other countries of America. We must remember that our commercial and industrial relations are bound up with their destinies. Not only must we fear any possible cause of friction between Canada and the other parts of the Empire, but we must fear also anything which might cause friction between Canada and the United States. There may be circumstances in which the decisions of the Imperial Council or League will clash with the interests of the United States. If they do, what then will be our position? The attitude of the United States towards the League of Nations deserves our consideration as indicating what they would do if they were opposed to measures adopted by the Imperial League.

I repeat that any scheme that would curtail the autonomy of the Dominions and aggravate our financial situation would injure the interests of England and our own interests and would endanger British institutions. In our times, honourable gentlemen, financial interests are stronger than sentiment.

There is much to be said on this matter, but I do not think it is necessary to go further. I wanted only to warn all those who love British institutions and desire to preserve them to be on their guard against what may be done at the June conference. After all, why change our situation? Has England any reason to complain of her colonies? Have they not done during the war all that they could do, and perhaps, in the opinion of some, more than they should have done? Could they have done more if there had been closer relations between England and her colonies? No, it was impossible to do more. Then why change?

I think, honourable gentlemen, that the Senate ought to express its views on this question, which is of such importance to the destinies of Canada.

Hon. G. D. ROBERTSON: Honourable gentlemen, I am sure that the House has listened with interest and profit to the remarks of the honourable gentleman who has just spoken, and I offer no objection to his motion being carried, except to point

out that there may have been correspondence exchanged between this Government and the British Government as to which it might be questionable whether or not it ought to be brought down and made public property. With that reservation, as to the propriety of making public certain documents which might be included, there is no objection to adopting my honourable friend's motion.

Hon. Mr. DANDURAND: Honourable gentlemen, with reference to the remark just made by the honourable minister, indicating that there may be documents which it might not be appropriate to bring down to this Chamber, I would draw his attention to speeches which were delivered in the House of Commons in England a year or two ago on the functions of Parliament and its relation to the Cabinet. There has has been established an Inter-parliamentary Association composed of members of the Chamber of Deputies in France and members of the British Parliament. The British parliamentarians had occasion to cross over to Paris and spend some time there studying the working of French parliamentary institutions. They were surprised at the considerable degree of control that the French Parliament exercised over all matters, more especially over foreign affairs. On their return to London, in a very interesting debate which took place, they stated that the British Parliament was absolutely deprived not only of all control, but of any information as to what was going on between Great Britain and the other nations; that all these matters were vested in the inner cabinet council of Great Britain and remained practically a closed book to the members of the House of Commons and the House of Lords, who knew nothing of the many treaties and arrangements made between other nations and Great Britain; whereas they found that in France there existed in both branches of Parliament a committee on foreign affairs, which was functioning quite regularly and actively, and when the budget was brought down, or when the committee desired, it could call on the Minister of Foreign Affairs and question him behind closed doors, and be made au fait of all that was going on. The committee kept close supervision over the actions of the French cabinet. The British parliamentarians felt that there was in France a true sense of parliamentary responsibility; that there the cabinet council was an executive committee existing by the will of the majority in the popular chamber; and that the members of that chamber knew what was going on and took their share of responsibility in the world-wide game which every nation is playing. It seems to me that, since we are tending towards a national status, it would be proper for both branches of our Parliament to examine into the working of the committee in France which I have mentioned, and perhaps similar committees in other countries —we know what action is taken by the American Senate—in order that Parliament may play some part in the foreign affairs of this country and may know something of what is occurring in international matters, in which henceforth we shall be more and more interested.

The motion was agreed to.

DIVORCE BILLS

THIRD READINGS

Bill G, an Act for the relief of William Henry Coulson.—Hon. Mr. Blain.

Bill I, an Act for the relief of Elizabeth Alexander.—Hon. Mr. McCall.

Bill J, an Act for the relief of William Gleaves Doyle.—Hon. Mr. McCall.

Bill K, an Act for the relief of William John Bell.—Hon. Mr. Bennett.

Bill L, an Act for the relief of Dorothy Mearuel Score.—Hon. Mr. Bennett.

Bill M, an Act for the relief of Henry William Maynard.—Hon. Mr. Proudfoot.

Bill N, an Act for the relief of George Elmor Glossop.—Hon. Mr. Proudfoot.

POST OFFICE BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Blondin, the Senate went into Committee on Bill F, an Act to amend the Post Office Act. Hon. Mr. Girroir in the Chair.

On section 1—insuring mail matter (limit of $25 omitted):

Hon. Mr. BOYER: (Translation.) How will time be saved? What is the difference between the time necessary to register a letter and the time taken to insure a parcel?

Hon. Mr. BLONDIN: (Translation.) The proposed amendment does not affect the registration of letters, but only that of mailed parcels. The registration of parcels has been added to that of letters. The addition of this new service in the already overburdened branch of registration has caused encumberment. We are not seeking a more economical system, but one which is more expeditious and which will give to the public the same guarantee and will at the same time avoid the encumberment to which we have had to submit in the past.

The amendment presented to-day suggests insurance instead of registration, and insurance will be a simpler proceeding. It will constitute a separate branch from that of letter registration. The registration of a letter necessitates considerable writing. It must be transmitted from hand to hand, must be registered at each post office en route, and necessitates a receipt from each official handling it until it reaches the person to whom it is addressed. The system of insurance which we have in view will be simpler. An insured postal parcel will be put into a bag, from which it will not be removed until the latter is delivered at its destination.

Hon. Mr. BOYER: (Translation.) Will the Department itself do the insuring, or will it arrange for it with an insurance company?

Hon. Mr. BLONDIN: (Translation.) The Department wants to insure parcels in the same manner as it insures registered letters.

Hon. Mr. CASGRAIN: (Translation.) In the event of the insured parcel being lost, will the Government reimburse the sender?

Hon. Mr. BLONDIN: (Translation.) Up to the maximum amount authorized. We are making an experiment which does not involve any new principle, as the insurance of postal matter is already in force up to the maximum amount of $25. If the Department and the public are satisfied with the experiment; the amount may be increased.

Hon. Mr. DANDURAND: The honourable gentleman has just stated that the first amendment he proposes in this Bill, to replace paragraph V of subsection 1 of section 9 of chapter 66 of the Revised Statutes of 1906, does not affect the registration or insurance of letters, but affects only the parcel post. I would like to have a little more light upon that point, because it strikes me that the clause to be dropped covers all mailable matter. The interpretation clause says:

"Mailable matter" includes any letter, packet, parcel, newspaper, book or other thing which, by this Act, or by any regulation made in pursuance of it, may be sent by post.

The clause which it is proposed to replace reads as follows:

—establish a system providing for indemnity for losses of registered mailable matter, such indemnity in no case to exceed twenty-five dollars for any one registered piece, or the actual value thereof if less than twenty-five dollars, and fix an insurance fee or a scale of insurance fees to be prepaid in respect of such mailable matter, and, from time to time, make such regulations as he deems necessary for carrying out such system.

The clause which is to be substituted reads as follows:

—establish a system providing for insurance against loss of mailable matter, and fix an insurance fee, or a scale of insurance fees to be prepaid in respect of such mailable matter, and from to time make such regulations as he deems necessary for the carrying out of such system.

I do not insist on the statement which the honourable gentleman has just made, except to draw his attention to the fact that the clause seems to cover more than the parcel post. I simply rise to draw his attention to the fact that the law which is sought to be amended fixed a maximum amount of insurance of $25, while the amendment which he brings in will leave it to the department to fix the amount of insurance. I have not sufficiently studied the economy of the old Post Office Act to know what justified the fixing of that amount, and why the fixing of the amount should now be left to the postal authorities.

Hon. Mr. BLONDIN: My honourable friend will find the explanation in paragraph k on page 5 of the Post Office Act.

Hon. Mr. DANDURAND: The other question is why you drop the maximum amount of insurance and take to yourself the right to fix the amount?

Hon. Mr. BLONDIN: Twenty-five dollars has not been found to be enough. The parcel post is being used to a considerable extent for the transmission of articles of value. It is only in order to meet the wishes of the public that we ask for the privilege of increasing the maximum of the insurance.

Hon. Mr. DANDURAND: I suppose there will be a sliding scale according to the value of the article.

Hon. Mr. BLONDIN: Oh, yes. We do not intend to give the people of Canada a bonus. The rule of the Department is that everything done must be done on a self-supporting basis.

Hon. Mr. BOSTOCK: I think it was last Session that the Postmaster General fixed a fee of 10 cents for every registered letter. Will that be done away with now and the sliding scale instituted in place of it?

Hon. Mr. BLONDIN: The 10 cents was established by Act of Parliament. It is not in my power to change it.

Hon. Mr. BENNETT: What proportion of the post offices are offices where one can register letters?

Hon. Mr. BLONDIN: I could not give my honourable friend the exact number off-hand. There are in round figures 13,000 post offices in Canada, and I think I am on the safe side in stating that between 3,000 and 4,000 are what we call accounting post offices.

Hon. Mr. BOSTOCK: Do I understand my honourable friend to say that, as the law stands to-day, a registered letter pays a fee of 10 cents in addition to the ordinary postage, and that when this Bill becomes law, if the sender of a letter or a parcel desires to insure it, he has to pay a further insurance fee in addition to the 10 cent registration fee?

Hon. Mr. BLONDIN: The amendment does not affect letters. The rate of registration of letters will remain at 10 cents, and the Department, in case of loss, will be liable to the extent of the maximum amount of $25. But we are providing for a system of insurance for the parcel post.

Hon. Mr. DANDURAND: But if one wants to add more insurance to a registered letter, will he not be able to do it under the regulations of the Department?

Hon. Mr. BLONDIN: No.

Hon. Mr. LYNCH-STAUNTON: He can send it by parcel post.

Hon. Mr. BLONDIN: No. He would have to register his letter. I would not advise him to send it by parcel post.

Hon. Mr. DANDURAND: But in the letter there may be valuable things of small volume.

Hon. Mr. BLONDIN: Then the letter will be treated as a parcel, and will fall under the parcel post and can be insured.

Hon. Mr. CASGRAIN: If I understand, you pay for the carriage of the parcel, and you can insure up to any amount beyond that.

Hon. Mr. BLONDIN: Yes.

Hon. Mr. BENNETT: I think the Bill is rather too radical to commend itself when it is well looked into. As I understand, at present about 4,000 post offices are registry offices. I think perhaps if inquiry were made it would be found that there were more. A great many small post offices in the country are registry offices, which as a rule are situated in stores. It has not come out in the discussion what losses have been incurred in the past by way of insurance of parcels. The general public have an idea that when they register a letter the Government is responsible in case of loss; but of course that is not so, though the Government is responsible up to $25. In these days of quick locomotion a designing man who is an entire stranger might go into a neighbourhood in an automobile and go into a post office to register a letter. Any one who is conversant with them knows that these offices are frequently attended to by the wife or the daughter of the postmaster. The stranger puts down a box and says: "It contains $1,000; I am willing to pay the insurance on $1,000." The woman, knowing the routine, accepts the fee for the insurance. The parcel is perhaps addressed to a fictitious address, and is never called for, and when it is opened it is found to contain a bundle of waste paper, and the department is liable for the loss.

Some Hon. SENATORS: No, no.

Hon. Mr. BENNETT: Well, I will take another case. Suppose when the parcel is received at the end of its journey it is alleged that it has been opened and that it contained jewelry worth $1,000. Anyone who knows anything about the experience of the express companies knows that time and again frauds have been perpetrated upon them, and here you are going to open the door for an indefinite amount; Parliament does not know what it will be. Hitherto Parliament has said that the maximum must be $25. Under this amendment the regulation may provide for $1,000 or $5,000. What is going to be the result? Designing men can go into these country post offices where there are unsophisticated women in charge. In Ontario you rarely find a man there. With his automobile the postmaster spends the best part of the day going around the country collecting eggs and butter which he takes into town and sells to the merchants there, and the store is left practically in the hands of his wife, or his small boy, or his girl. They are familiar enough with the routine to act in accordance with the regulations. I dare say that if such a law as this goes into effect the department will have a great deal of trouble on its hands, and the Dominion will meet with a considerable loss. I would sug-

gest that the amount be fixed at $25, as it was under the old Act, or some other amount which is satisfactory to Parliament.

Hon. Mr. BLONDIN: I think the case supposed by my honourable friend is a rather extreme one. The intention of the department is not to exceed $100. But I see no objection to accepting the suggestion of my honourable friend and limiting the sum to $100.

Hon. Mr. CASGRAIN: That is all right.

Hon. Mr. BLONDIN: As to the danger of the post office being deceived, I would point out to my honourable friend that proper care is always exercised. The post offices carry hundreds of millions of money and articles of value with a very small loss on the whole.

Hon. Mr. BELCOURT: What is the percentage of loss?

Hon. Mr. BLONDIN: I think the loss last year on some three or four hundred millions of value carried was around $10,000.

Hon. Mr. BENNETT: Was that in the parcel post?

Hon. Mr. BLONDIN: On everything. I would suggest that, after the words "loss of mailable matter" in the second line of the section, the following be inserted: "not to exceed $100."

Hon. Mr. CASGRAIN: Yesterday I drew the attention of the Postmaster General to the fact that $100 was not mentioned in the Bill, and suggested that if it were put in the section would be all right.

Hon. Mr. BELCOURT: What proof is required by the Department before it pays a claim? Suppose an applicant for a refund says that he has sent a letter containing $25, what evidence is required before a refund is made?

Hon. Mr. BLONDIN: First, the evidence that the letter was registered—the receipt given for the registration of the letter; second, the report of the post office at the destination.

Hon. Mr. BELCOURT: I understand that. My question was directed rather to this point: how does the Department know that the letter did contain $25, or $10, or 10 cents?

Hon. Mr. BLONDIN: We have to take the oath of the party.

Hon. Mr. BELCOURT: I would also ask whether this insurance of mail matter has been in operation elsewhere? What other countries, if any, have adopted it, and have it in actual operation?

Hon. Mr. BLONDIN: If the House will permit me, I will call in the Deputy Minister, Dr. Coulter. I am informed that this is the universal practice. It is carried on in the United States and in England.

Hon. Mr. BELCOURT: Has it been adopted by the International Postal Union?

Hon. Mr. BLONDIN: My impression is that it does not come within the authority of the Postal Union. This is a matter for private arrangement between different countries. That is my impression; but I have not studied that phase of the question.

Hon. Mr. BELCOURT: Is there such an arrangement with any of the countries belonging to the International Postal Union? Have you an arrangement of that sort between the United States and Canada?

Hon. Mr. BLONDIN: We have had no experience in this matter. In the past we have not had that insurance. But with regard to registration we have an arrangement with all the different countries.

Hon. Mr. CASGRAIN: Not for the insurance?

Hon. Mr. BLONDIN: No, not for the insurance. But I suppose we could carry out an arrangement for the insurance similar to what has been in force with regard to the registration. Other countries have that system of insurance.

Hon. Mr. BELCOURT: How has it worked out? What has been the result in other countries? Has it been successful or otherwise? Has the honourable gentleman any figures or anything that might enlighten us on the subject?

Hon. Mr. BLONDIN: The only proof that it has been successful is that both the United States and England, if my information is correct, have had that system—

Hon. Mr. BELCOURT: For how long?

Hon. Mr. BLONDIN:—for quite a considerable time, and that they are still carrying it on. That would show that they are satisfied with it.

Hon. Mr. DANDURAND: A parcel addressed to the United States can of course be insured. For instance, I can insure a parcel to New York. If it is lost on the other side the claim of the forwarder is

against the Canadian Government. Is there any arrangement by which the Canadian Government, in such a case, recovers from the American Government, and vice versa?

Hon. Mr. BLONDIN: The machinery for investigation is provided. Both Governments co-operate in the investigation, and whoever is found at fault is held responsible.

Hon. Mr. CASGRAIN: The Minister has just said that if a person claimed that he had put $25 into a letter, for instance, the Department would take his word or his oath for it and pay him the money. Would it not be better, when a person is registering a letter containing money, to have the money counted by the clerk who accepts the letter, in order to make sure that the money is in it? A man might say, if the letter has been lost, "It was $100 that I had in it," or "It was $25," whereas it might have been only $5. We know that people intending to commit fraud do not hesitate about taking an oath. So would it not be well to provide that before the post office accepts a letter it should be opened in order that the Government official may count the money to ascertain how much there is in it? Then, if it were lost, the sender would be entitled to that amount.

Hon. Mr. BLONDIN: The principle underlying all the present organization is that we must trust the public, and we have proof that we have not been misled in that respect because the losses are insignificant. In the second place, how would the public like a ruling by the Department requiring them to present their letters open to show what is in them?

Hon Mr. CASGRAIN: There is money in them.

Hon. Mr. BLONDIN: Most of the money that is sent is transmitted by money order or postal note.

Hon. Mr. CASGRAIN: Yes, but cash is sometimes sent.

Hon. Mr. BLONDIN: I feel sure that most registered letters do not contain any value. You register your letter in order to obtain proof that it has been received by the addressee. The loose money sent by registered letter amounts practically to nil.

Hon. Mr. CASGRAIN: Well, it would not take long to count it, then.

Hon. Mr. BELCOURT: The express companies require money to be counted before they will send it. Why not adopt that rule in regard to money in your system.

Hon. Mr. BLONDIN: I will take the suggestion of the honourable gentleman into consideration. I suppose there must be some reason against that too. But I want to point out that with the parcel post it is the same.

Hon. Mr BELCOURT: No.

Hon. Mr. BLONDIN: Each parcel presented will be examined.

Hon. Mr. CASGRAIN: The contents of the package will be examined?

Hon. Mr. BLONDIN: Yes.

Hon. Mr. CASGRAIN: That covers the point.

Hon. Mr. BELCOURT: For what purpose? In order to place a value on it. The postmaster will not be able to value a watch, for instance, or a ring, or anything of that sort.

Hon. Mr. LYNCH-STAUNTON: They do not value such things in the express companies' offices.

Hon. Mr. BELCOURT: That is why I want to know for what reason the parcel is examined in this case.

Hon. Mr. BLONDIN: I suppose we would proceed along the same lines as the express companies.

Hon. Mr. BELCOURT: Then you will not do what you said you were going to do.

Hon. Mr. BLONDIN: I was speaking about registered letters.

Hon. Mr. BOYER: My honourable friend has just asked, "How would the public like to have the money counted before the letter is received?" Having lately returned from Spain, I remember sending some money from Saragossa to Madrid. I went with the hotel-keeper to the general post office. The bank notes were counted; they were put in an envelope, sealed, and then the postmaster put a thread through the four corners, joined the two ends and sealed them. I had his receipt, witnessed by the hotel-keeper, who was the only man I knew in Saragossa, with a guarantee that that letter would be delivered within three days, and if it was not received at its destination at the end

of three days the money was to be refunded to me. If that worked perfectly in Spain, why would it not work here?

Hon. Mr. TURRIFF: I do not think that there is any necessity for changing the regulations so far as registered letters are concerned. For about 20 years I had a post office in the country. It was looked after mostly by employees. I know of one case where the party receiving a registered letter complained that there was in it $5 less than claimed. The post office investigated for months to get at the bottom of the matter. I know of one or two other cases where something like that occurred and the investigation was very thorough. The fact mentioned by the Postmaster General that last year, in the carrying of $300,000,000 or $400,000,000 worth of mail matter, the losses amounted to only about $10,000, is proof that the system at present in vogue is a very good one, and no doubt the revenue from the registration far more than pays the losses.

There is a little information I would like to get from my honourable friend the minister. If I understood him rightly, he said that out of about 13,000 post offices there were only 4,000 registration offices. Do I understand that a person can register a letter in only about one-quarter of the post offices in Canada? The office that was in my store supplied half-a-dozen offices, and my recollection is that in every one of those little country offices, which in those days paid only $10 a year to the postmaster, a person could register a letter. What does my honourable friend mean when he says that there were only 3,000 or 4,000 registration offices?

Hon. Mr. BLONDIN: I must correct my statement. I meant to refer to non-accounting and accounting post offices.. The non-accounting post offices have not the right to issue money orders or postal notes, while the accounting post offices have, but you can register a letter in every post office.

Hon. Mr. BOSTOCK: Will the same thing apply to this parcel post? Will you be able to insure a parcel in every post office?

Hon. Mr. BLONDIN: That will have to be considered. I do not think that it would be possible to operate the parcel post insurance where we have no accounting post office.

Hon. Mr. BEIQUE: I understand that Parliament is asked merely to give power to the Department to make a proper regulation to put the system into operation.

Hon. Mr. BLONDIN: Yes.

Hon. Mr. BEIQUE: But I would draw the attention of the honourable minister to this. His addition is not sufficient. I think he should add, "in each case," or "in any one case," otherwise he would be limiting the $100 once for all by the amendment.

Hon. Mr. BLONDIN: The paragraph as amended would read:

> Establish a system providing for insurance against loss of mailable matter, not to exceed $100 in any one case.

Hon. Mr. BENNETT: May I ask the Postmaster General if I understood him aright that $10,000 was paid by the Department to persons who proved that they had lost money in registered letters?

Hon. Mr. BLONDIN: I was speaking from memory. It is my recollection of the report of the Postmaster General for last year that the total losses amounted to close to $10,000. I have sent for a copy of the report and I shall be able to give my honourable friend the information in a few moments.

Hon. Mr. BENNETT: If that is the case, that the Department is paying losses in registered letters, after they have been proved, and if that information goes out to the public, I think that the Department will have a great many more applications. During the few years I have been in politics hundreds of people have come to me saying, "I lost money in a registered letter." I told them the old story: "The Government does not insure your money; the purpose of registration is simply to have an effort made to trace mail matter that has been lost." That is all I have ever understood it to be. I have never heard of a case in which, after a person had proved that he had lost $10 or $20 in a letter, the Department paid over the money. If the information is published that the Department does repay losses, I prophesy that the Department will receive claims amounting to thousands and thousands of dollars.

Hon. Mr. TURRIFF: I think that the losses occuring in the past have been largely due to money being stolen from letters by officials of the Post Office Department, and I think that in any case in which it has been proved that a letter

containing a sum of money was opened in some particular post office in Canada and the money taken out by some official, the Government has made good the deficiency. I think that must be where the losses have occurred.

Hon. Mr. BELCOURT: May I ask my honourable friend why it is that, when there is such a small loss in transmitting money by registered letter, the Department should collect so large a fee as ten cents? It should be remembered, as my honourable friend stated a little while ago, that a great many such letters do not contain any money at all and that, as I can quite see, a large proportion of them merely contain notices or similar information, the sending of which requires to be proved later. Why is it that the Department charges so large a sum as ten cents? Would not the Department greatly benefit by reducing the rate on registered letters?

Hon. Mr. CASGRAIN: To the former rate.

Hon. Mr. BELCOURT: Would not the revenue be larger if the amount were reduced, say, to five or six cents?

Hon. Mr. BLONDIN: The registration division of the Department is one of the most costly, owing to the number of clerks and the additional work that registration involves.

Hon. Mr. BELCOURT: Is it 300 or 400 per cent more than for the ordinary letters?

Hon. Mr. BLONDIN: All I can say to my honourable friend is that the rate of ten cents charged in this country is charged also in England and in the United States. It is the rate charged the world over. In the second place, we were losing a great deal in that branch of the service. Thirdly, the ten-cent rate in effect to-day hardly meets the cost of that branch.

Hon. Mr. DANDURAND: Do I understand that there is no assurance that the sender who has registered a letter and who claims that there was no money in it will be recouped if the money does not reach its destination?

Hon. Mr. BLONDIN: Up to the amount of $25.

Hon. Mr. DANDURAND: If he establishes—

Hon. Mr. BLONDIN: He takes the responsibility of supplying us with his affidavit and all possible proof.

Hon. Mr. DANDURAND: Whatever may have been the cause of the miscarriage? Provided the letter does not reach its destination?

Hon. Mr. BLONDIN: If the letter is not received we have an inquiry made, and if our officers, who are experienced, recommend it, we order payment up to $25.

Hon. Mr. DANDURAND: It is actual insurance up to $25.

Hon. Mr. BLONDIN: Yes.

The amendment was agreed to, and section 1 as amended was agreed to.

Section 2 was agreed to.

On section 3—obligations of ferrymen (Exchequer Court substituted for Arbitrators):

Hon. Mr. BOSTOCK: Would the honourable the Minister explain why he is making this change? It seems to me that it is going to be very troublesome and difficult for persons living in country districts to be obliged to appeal to the Exchequer Court to have the charge revised, which I presume is what is meant here. The ferryman is under obligation to convey the mail and the mail-carrier across the river or other body of water. Heretofore, under the law, if he cannot agree with the postal authorities as to what is the right fee, arbitrators have been appointed in that particular district. That is a system which the ordinary man can understand, and he would be likely to know some person to whom he could appeal to present his side of the case. But to refer such a dispute to Ottawa if the ferryman lives away up in the northern part of Saskatchewan or Alberta—for instance, in the Peace River country—will, it seems to me, be a hardship.

Hon. W. B. ROSS: I think a good change to make in that would be to do as was done two years ago with regard to claims under the Act respecting the Canadian National Railway. It is provided that a person with a claim against the railway may sue in any superior or county court. I think it would be well to have this clause read, "The amount to be paid shall be fixed by any superior or county court," instead of "by the Exchequer Court of Canada."

Hon. Mr. BELCOURT: Leave out the Exchequer Court.

Hon. W. B. ROSS: Let the amount be fixed by any one court.

Hon. Mr. LYNCH-STAUNTON: It should not be fixed by court at all, in my judgment. It should be fixed by the Railway Board. It will cost a man a great deal of money to go to court.

Hon. Mr. CASGRAIN: Hear, hear.

Hon. Mr. FOWLER: I think that in all cases there is a scale of fees for ferrymen. Why should they charge the mail-carrier anything more than would be charged the ordinary farmer coming in with his produce? In my province a scale of fees is established by the municipal councils in the various counties where there are ferries, and the mail-carriers are charged the same as others. At any rate, if in other provinces that state of things did not exist and there were no scales laid down, it would be an outrage to require a man to go to the Exchequer Court of Canada. I would suggest that the postmaster be given the right to fix the fee.

Hon. W. B. ROSS: Not at all. That would be grossly unfair. He would fix it to suit himself.

Hon. Mr. FOWLER: My honourable friend takes a wrong view. He is assuming that the Postmaster General of Canada would be a dishonourable man and would not fix a proper fee. I take it for granted that a man occupying the position of a Minister of the Crown would, if the question were left to him, fix a suitable and proper fee.

Hon. Mr. CASGRAIN: That would be arbitrary. There are many things in this world that are arbitrary, and sometimes things are not arbitrary that ought to be.

Hon. W. B. ROSS: May I ask the honourable member, if his farm were being taken by one of the departments, would he allow the Department to fix the value? He would ask at once that the question be referred to some court.

Hon. Mr. FOWLER: Proportion has something to do with these matters. The fee for conveyance across a river would be only a small fee anyway. It is not fair to compare the price of a farm with a fee for a carriage across a river.

Hon. Mr. CASGRAIN: But if the ferryman controlled many votes would he not receive a big fee?

Hon. Mr. FOWLER: It depends on the purpose for which you are hiring him.

Hon. Mr. LYNCH-STAUNTON: Would the Postmaster General tell us what is the largest fee paid for ferrying?

Hon. Mr. FOWLER: About forty cents, I should think, would be the highest paid.

Hon. Mr. LYNCH-STAUNTON: Would the Postmaster General inform us what is the highest fee that is paid to any man for carrying the mail? It seems to me that you are making a tempest in a teapot by sending to the Exchequer Court of Canada the settlement of what I imagine is a very trifling matter.

Hon. Mr. DANDURAND: Would the honourable gentleman at the same time—

Hon. Mr. LYNCH-STAUNTON: I would like to get my answer.

Hon. Mr. DANDURAND: The honourable gentleman may answer the two questions. What are the occurrences that are to be covered by such an enactment? A mail-carrier assumes the obligation of carrying from one point to another, and if there is a ferry crossing included in his run, he pays for the ferry. I would like to know what are the contingencies that are to be covered by this clause.

Hon. Mr. BLONDIN: The Post Office Act provides that whenever an unreasonable amount is asked for by the ferryman the matter must be settled by arbitration. That clause has remained a dead letter, I think, ever since Confederation. There has never been any discussion between the Department and, for example, the ferryman on the ordinary river. The trouble that we are liable to have may occur on the large boats—for example on the St. Lawrence river. That is where the trouble occurs. A man had a contract with my Department in which he had agreed to perform the service between a certain city and another place. On the way he had to cross the St. Lawrence river. On the boat by which he used to cross with a couple of bags the rate charged to ordinary persons was 5 cents, I think, for one person alone, 5 cents per bag, and 10 or 15 cents for a horse and rig; but because that man was an employee of the Post Office Department the company chose to ask $500 or $1,000 a year, an absolutely unreasonable amount. We arbitrated. We were hauled before the court and the amount claimed by those gentlemen was sustained by the court, and the expenses for lawyers' costs, and capital, were $2,000.

Hon. Mr. BOYER: Good for the lawyers.

Hon. Mr. LYNCH-STAUNTON: That is the reason why it should not go to the courts.

Hon. Mr. BLONDIN: That is why we thought we should have these cases referred to the Exchequer Court, which sits in different parts of the Dominion, and, as my honourable friend (Hon. Mr. Lynch-Staunton) has said, it is not a matter of very great importance, because, I am sure, when people know that they are bound to face a court with a clear law against them, they are not likely to exact from the Department any unreasonable amount.

Hon. Mr. CASGRAIN: Did not those who received $2,000 get fair treatment?

Hon. Mr. BLONDIN: Well, the Department was not fairly treated.

Hon. Mr. BELCOURT: Has my honourable friend considered the fact that under this Act, by providing a system of insurance for mail matter, he is adding to the responsibility of those with whom he has contracts for carrying the mails? The mail-carrier is going to be under a heavier obligation to the Department than formerly.

Hon. Mr. BLONDIN: This is to protect him.

Hon. Mr. BELCOURT: Is it to protect him with regard to the amount he has to pay for ferry; but the mail-carrier with whom you have a contract to-day is going to have added to his present obligation that of carrying insured matter.

Hon. Mr. BLONDIN: He always had.

Hon. Mr. BELCOURT: No, not with regard to other things than letters.

Hon. Mr. BLONDIN: Oh, yes, registered parcel post and registered letters, and even parcels of money from the banks.

Hon. Mr. BELCOURT: You are going to increase the responsibility. If not, I do not see why we have the Bill before us at all.

Hon. Mr. BLONDIN: We are only changing the court of jurisdiction.

Hon. Mr. BELCOURT: My question has reference to the added responsibility which you are putting upon the man with whom you have a contract. He will have to carry a larger quantity of insured matter than he had before. How will that affect the contracts now in existence with the Department?

Hon. Mr. BLONDIN: All the contracts with our carriers provide that they must carry everything the Department asks them to carry.

Hon. Mr. DANDURAND: Are they annual contracts?

Hon. Mr. BLONDIN: Some are annual contracts and some are three-year contracts.

Hon. Mr. BELCOURT: You are adding to the duty of the carrier and you are yourself going to fix the rate at which he is to do the work.

Hon. Mr. BLONDIN: A contractor is always welcome who asks for the cancellation of his contract, if he has good reasons for it.

Hon. Mr. TURRIFF: It seems to me that the suggestion of the honourable gentleman from New Brunswick (Hon. Mr. Fowler) would meet this case a great deal better than it would be met by sending it to the Railway Board or the Exchequer Court. Provide in the Act that if the ferryman refuses to carry mail matter he shall carry a mail contractor on the same terms as are usual.

Hon. Mr. BLONDIN: The suggestion strikes me very favourably.

Hon. Mr. LYNCH-STAUNTON: How do you do with the railways?

Hon. Mr. DANDURAND: We could perhaps report progress, and the honourable gentleman could examine into the question and bring the Bill back next week.

Hon. Mr. BLONDIN: Yes, I should prefer to bring it back next week.

Hon. Mr. DANDURAND: Before that is done there is one point that might be taken into consideration. The ferryman would be bound in the case of the mail to do a certain fixed service at certain hours in order that the mail would be delivered at the proper time. There will be something implying a greater responsibility upon the part of the ferryman in the case of serving a mail-carrier than in the case of serving the ordinary public.

Hon. Mr. BLONDIN: Suppose that in spite of that, for one reason or another, the ferryman refuses to carry a contractor unless he pays a certain sum. That is what has occurred. A ferryman has exacted from the contractor $5 a trip, though he had only two bags for which he should have been charged 10 cents, and if the

ferryman chooses he can drag the contractor before the courts for months and months.

Progress was reported.

PRIVATE BILLS

FIRST READINGS

Bill 3, an Act to incorporate the Canadian Bar Association.—Hon. Mr. Lynch-Staunton.

Bill 7, an Act respecting The Montreal, Ottawa and Georgian Bay Canal Company. —Hon. Mr. Gordon.

Bill 14, an Act to amend an Act to incorporate Gilmour and Hughson, Limited. —Hon. Mr. Edwards.

Bill 21, an Act respecting the Oshawa Railway Company.—Hon. Mr. McHugh.

Bill 22, an Act respecting The Thousand Islands Railway Company.—Hon. Mr. McHugh.

Bill 25, an Act respecting The Kettle Valley Railway Company.—Hon. Mr. Bernard.

Bill 26, an Act respecting The Manitoba and North Western Railway Company of Canada.—Hon. Mr. Watson.

Bill 27, an Act respecting The Quebec Central Railway Company.—Hon. Mr. L'Esperance.

Bill 29, an Act respecting The Essex Terminal Railway Company.—Hon. Mr. Watson.

Bill 30, an Act respecting the Ottawa, Northern and Western Railway Company. —Hon. Mr. McHugh.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

Thursday, March 31, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILL.

FIRST READING

Bill P, an Act for the relief of Frederick Harold Walton.

NATIONAL TRANSCONTINENTAL RAILWAY

QUEBEC TERMINALS

Hon. JULES TESSIER moved:

That an Order of the Senate do issue for copies of all correspondence between the Government and the Board of Trade and City Council and Harbour Commission of Quebec, since last Session, with regard to the diversion of the Northwestern grain trade to New York, the alleged non-fulfilment by the Government of its undertakings with regard to the terminals of the Transcontinental Railway at Quebec, and of the Memorials addressed to the Prime Minister on these subjects.

He said: Honourable gentlemen, in asking for the production of these documents, I am not inspired by any idea of criticizing the Government; but I must direct attention to certain facts which are of the utmost importance to the district and Province of Quebec.

We are desirous of obtaining the fulfilment of promises made by the Government when the construction of the transcontinental road was decided upon in 1904, which promises were confirmed by the Transcontinental Railway Commission in 1910. We would like to see the execution of the necessary works to facilitate the entry into Quebec of all our transcontinental railways and the subsidiary lines. We would like to see the harbour of Quebec put in a position to accommodate the transfer by land and by water of wheat, cattle, pulpwood, and other goods destined for exportation which are diverted from Canadian ports in favour of American ports. We would like to see proper arrangements made to give us a good and rapid ocean service.

The Quebec Board of Trade has submitted to the Government a very well prepared statement explaining what is desired, and I do hope that the Government will meet that demand with favour. I have often wondered why the Government have spent so much money in dredging to make artificial harbours, when we have natural harbours at the head of navigation offering so many advantages as the harbour of Quebec, which could be made one of the best on the continent. We have a frontage of nearly three miles on the St. Lawrence running from Champlain market to Sillery, which could easily give accommodation to one hundred vessels if the Government would only do the proper work. I do sincerely hope that in the interest of the trade of the whole Dominion the port of Quebec will be treated as one of our great national ports. The correspondence between the president of the Quebec Board of Trade and the Right Honourable the Prime Minister, from July to October last; the Memorial presented to the Privy Council on the 19th January last by the Mayor of Quebec and the representatives of the Quebec Board of Trade and the Quebec Harbour Commissioners; and state-

ments submitted by both the latter bodies to the Railway Commission at its sitting at Quebec on the 3rd of February; all go to show the existence of a situation of the gravest importance to the nation, a situation almost without precedent in the history of Canada.

These documents prove, beyond contradiction:

1. That the Government has utterly disregarded its written promises to the city of Quebec, as to terminals for the Transcontinental railway, made by notarial deed passed in 1910, whilst keeping possession of the valuable terminal property which it obtained from the city on the faith of these promises.

2. That the Government railways are being operated in a manner hostile to the interests, not only of Quebec, but of all Canadian seaports, by favouring the export of the grain of the Northwest by New York instead of Canadian ports; and to such an enormous extent that in six years 518,000,000 bushels of our grain were sent via Buffalo and New York, and in 1920, when a good crop again permitted a large export, the evil seemed to be growing instead of diminishing, because no less than 94,000,000 bushels of the new crop have been shipped from Fort William via Buffalo.

3. That this has been brought about by the unwise and unnecessary tariff adopted by the Government railways, by which a barrier of 36 cents per bushel on all-rail export wheat is put up against shipments from Winnipeg to Quebec, making it possible to send wheat to New York, by rail and lake, for 32 cents per bushel, when experts say it could be carried over the Transcontinental railway, all rail, to Quebec for 17 cents.

4. That this unwise policy is not only depriving Canadian seaports of the export trade of the Northwest, which was solemnly promised them in Parliament when the Transcontinental and Grand Trunk Pacific railways were undertaken, but is compelling the farmer of the Northwest to pay for carrying his grain to New York nearly double the cost of carrying it to Quebec, and that during the last eight years at least $70,000,000 of Canadian money has been paid to United States railroads and lake boats for freight on this export grain, which might have been spent in our own country, and which would have gone a long way towards reducing the deficits in the operation of Government railways under the load of which the whole country is groaning.

5. That the Government is taking the receipts of two very prosperous local railways built by the Quebec people, and aided by the city, without accounting to the owners of the property for their revenue, and refuses or neglects to pay for the minority stock of these roads owned by Quebec people, although the Toronto holders of the majority stock have been paid by the Government.

6. That the management of the Government railway, the time of its trains, and the neglect to use the costly bridge at Quebec or to allow others to use it, have caused great dissatisfaction in Quebec.

I hope a day will come when it will be possible to obtain a just settlement of these questions.

Hon. THOMAS CHAPAIS: Honourable gentlemen, the question raised by the honourable gentleman from De la Durantaye (Hon. Mr. Tessier) is indeed a very serious one. It is important not merely from a Quebec point of view, but also from a Canadian point of view. A fact which unfortunately cannot be disputed is that at the present moment, notwithstanding the immense sacrifice made by the people of Canada to build three Transcontinental railroads, the great bulk of our grain trade is diverted to American ports. I am no expert in commercial and transportation matters, but we have the opinions of men who have studied the question and who have a knowledge of the facts.

I would like to quote a document addressed to Sir Robert Borden on the 26th of September, 1919, and signed by twenty-two senators and members of the House of Commons, representing the provinces of Manitoba, Saskatchewan and Alberta. They made the following statement:

> Canadian seaports have not benefited by the handling of the ocean traffic of the railway; but, on the contrary, a yearly increasing proportion of our western grain trade has gone to New York for shipment. Senator Bennett, in a recent speech in the Senate, stated that four-fifths of it had gone that way.
>
> It has been stated that the special rate of freight made two years ago, by the Government Management of the Transcontinental railway, upon export grain from Winnipeg to Quebec, all rail, saved three cents per bushel on wheat, as compared with the rail and lake to New York or to Montreal.
>
> This special rate of freight which was fully justified by the fact that this railway saved more than 200 miles in the distance to tide water, was declared by the Minister of Railways in the House of Commons, although a low rate, to be profitable to the railway, but it was cancelled when the recent advance in all railway rates took place, and has not yet been renewed, so that the grain shipments from Quebec, which had made a good beginning, have been arrested, and the railway has not had a fair opportunity to prove its ability to do the work for which it was built.

The fact that marine insurance from New York is cheaper than from Montreal, Quebec, Halifax or St. John also militates greatly against Canadian seaports.

In view of the importance to Canada of giving the farmer of the North-West the lowest possible freight rate on his grain, and thus adding many millions annually to the value of his crop, and of putting a stop to the alarming diversion of our trade to the United States ports to the detriment of Canadian seaports, we would respectfully suggest that the Government should renew, or cause to be renewed, the special rate of freight upon export wheat and other grain over the Transcontinental railway from Winnipeg and other western points, or Armstrong to Quebec; that it make such arrangements that the marine insurance rates from Canadian seaports shall be the same as from New York, and that sufficient additional grain storage be built at Quebec, Halifax and St. John to handle the business in Canadian grain, which, we believe, it will be possible to win back from New York, if these suggestions are adopted.

The gentlemen who signed that document were not Quebec people; they were all Westerners; and their testimony in favour of our eastern ports has a special value. These views and facts, with others more directly relating to the development and improvement of the Quebec harbour and of the Quebec terminals, were brought forcibly to the attention of the Government, first by the Quebec Board of Trade during the summer and fall of last year, and later on, in the months of January of the present year, by an influential and representative deputation headed by the Mayor of Quebec. They were very courteously received, and were given a fair hearing by the Prime Minister and his colleagues.

Of course, under present circumstances the problem may not be an easy one to solve; but I trust that the Government may see its way towards a satisfactory solution, and will take every means possible to stop, or, at all events, to minimize that diversion of our Canadian trade to American ports which is so detrimental to the interests of our country.

On motion of Hon. Mr. L'Espérance the debate was adjourned.

DIVORCE BILLS

FIRST READINGS

Bill Q, an Act for the Relief of Mary Elizabeth Leonard.—Hon. Mr. Fisher.

Bill R, an Act for the Relief of Alexander LaRue.—Hon. Mr. McCall.

Bill S, an Act for the Relief of Maria Martin Morel.—Hon. Mr. G. V. White.

SECOND READING

Bill O, an Act for the Relief of Hazel Galbraith.—Hon. Mr. DeVeber.

EXCHEQUER COURT BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 19, an Act to amend the Exchequer Court Act. Hon. Mr. Daniel in the Chair.

On section 1—Commissioner of Patents may appear by counsel:

Hon. Mr. BOSTOCK: Will my honourable friend explain what is actually the purpose of this Bill? I do not understand why it is necessary for us to empower the Commissioner of Patents to appear before the Exchequer Court either personally or by counsel. I should have thought that if a case came up the Commissioner of Patents would be authorized to appear and give reasons for his action.

Hon. Sir JAMES LOUGHEED: The difficulty that has confronted the Government, because it is a matter in which the Government is peculiarly interested, has been owing to the fact that previous to 1913 the appeal, if one might term it so, was to the Governor in Council. In 1913 legislation was brought down giving jurisdiction to the Exchequer Court to hear appeals in patent cases. That court granted to the Commissioner of Patents the privilege to appear before it, although that was not, I understand, expressly provided for in the Act. In a recent appeal from the Exchequer Court to the Supreme Court, in which the application was made on behalf of the Commissioner of Patents, I understand, a judge of that court held that the Commissioner had no locus standi to appear as a party to the proceedings, and consequently he was refused a hearing. It is therefore desirable, as honourable gentlemen will readily perceive, that there should be an express enactment to the effect embodied in the Bill, so that no misunderstanding may occur, because it goes without saying that if there be an appeal in a patent case the Commissioner should have the opportunity of being represented as a party before the court.

Hon. Mr. BELCOURT: May I ask if the Crown was represented before the Exchequer Court?

Hon. Sir JAMES LOUGHEED: It could as I understand, be represented through the courtesy of the Court, by the Commissioner of Patents.

Hon. Mr. BELCOURT: As a matter of fact, was the Crown represented, or the Commissioner?

Hon. Sir JAMES LOUGHEED: The Commissioner did appear before a Judge of the Supreme Court, and the Court would not hear him.

Hon. Mr. BELCOURT: Was that in the Court of the first instance?

Hon. Sir JAMES LOUGHEED: No. The Exchequer Court extended the courtesy of permitting the Commissioner to be heard; but the Supreme Court would not grant him the right to appear and to be heard.

Hon. Mr. BELCOURT: Does my honourable friend know whether application was made in the Exchequer Court to make the Commissioner a party to the proceedings?

Hon. Sir JAMES LOUGHEED: I am unaware as to that. It was stated by the Minister of Justice in another place that the Court refused to hear the Commissioner.

Hon. Mr. BELCOURT: That is on appeal. But had the Commissioner appeared in the trial court—in the Exchequer Court?

Hon. Sir JAMES LOUGHEED: Oh, yes. The Exchequer Court permitted him to be heard by courtesy, although there was no express condition or express provision in the Act that he could appear before the Court. The Court naturally desired that the Commissioner should, as a party, present the case on behalf of the Crown. But when the appeal went to the Supreme Court the reverse was the case.

Hon. Mr. BELCOURT: I assume that was because the Crown had not been made a party before the trial court. Is it my honourable friend's opinion that on an application to the Court the Commissioner of Patents, if he so desired, would have been made a party to the proceedings?

Hon. Sir JAMES LOUGHEED: That might have been made as a matter of procedure or practice, as would appear on the pleadings of the Court. What the practice is I cannot say. However, the Government is advised by the Department of Justice that this is really necessary if the Commissioner of Patents desires to be made a party in a proceeding before the courts.

Hon. Mr. BELCOURT: I should have thought that if the Commissioner of Patents had made an application to be made a party to the proceedings in order to defend the interests of the public or the Crown there would have been no difficulty, and that the difficulty arose because that proceeding was not taken in the Exchequer Court. Had he been made a party, he would have had a locus standi before the Court of Appeal. I do not quite see the necessity of the Bill.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, I could not hear what the honourable the leader said, as one cannot hear in this Chamber when he is three or four seats away. I should like to know what reason there is for providing that the Commissioner of Patents shall have the right to advocate a case in any of the courts.

Hon. Sir JAMES LOUGHEED: He is the one officer of the Crown who is more familiar than any other officer with the case in question. I will not say it has not been the practice to make him a party to the proceeding, because I am not familiar with patent practice in either the Exchequer Court or the Supreme Court; but in the case to which I referred he apparently was not made a party, although he was heard in the Exchequer Court, and when he made an application to appeal before the judge of the Supreme Court, the judge of that court held that he had no standing in the court and therefore could not be heard.

Hon. Mr. BELCOURT: Well, he was not a party to the proceeding.

Hon. Sir JAMES LOUGHEED: Precisely. That simply reduces the question to this. If the pleadings should omit to make him a party and consequently it comes down to a technical question of the form of procedure, he cannot be heard.

Hon. Mr. LYNCH-STAUNTON: Is there not a misunderstanding about this section. The section says:

> The Commissioner of Patents shall be entitled to appear on behalf of the Crown and as representing the interests of the public and be heard by counsel.

What the section is to bring about, as I read it, is what the honourable member for Ottawa (Hon. Mr. Belcourt) suggested should be brought about, that the commissioner should become a party to the action; but not that he should be heard, excepting by counsel. It says, "and be heard by

counsel." As I understand the section, it is not to give him the status of an advocate in the court. Is that what the intention is—to give him status as an advocate?

Hon. Sir JAMES LOUGHEED: No; it is to give him the necessary authority so that he may become a party to the proceeding. It seems to me that, as representing the public, or as representing that particular branch of responsibility on behalf of the Crown, he should be made a party. He is peculiarly the person that should be made a party to the proceeding. If not him, I do not know whom you should make a party.

Hon. Mr. LYNCH-STAUNTON: He can intervene as the King's proctor does in England.

Hon. Sir JAMES LOUGHEED: Yes; and I presume that the Commissioner of Patents will not appear in person before the court, but will appear by counsel.

Hon. Mr. BELCOURT: I have no objection to the Bill at all, but I want to point out that in this particular case the Commissioner of Patents, if he had insisted on his rights, could have been made and would have been made a party to the proceeding and would have had a standing in the Court of Appeal. I understand that what my honourable friend is really aiming at is to provide that the right of the Commissioner to appear shall not be dependent upon an application to the court, but that he shall have that right in any case without applying to the court.

Hon. Sir JAMES LOUGHEED: I would point out to my honourable friend that the Commissioner of Patents must be given the status by statute. He would have no status in common law—he would have no status inherent in his office—to appear as a party. That right must be given him by statute. The purpose of this Bill is to overcome that difficulty.

Hon. Mr. BOSTOCK: I desire to draw my honourable friend's attention to this point. I noticed when he was speaking he used the works, "appear by counsel." If he will look at the Bill he will see that the side note says "appear by counsel," but the subsection itself reads, "and be heard by counsel." I do not know whether that makes any difference or not.

Hon. Mr. LYNCH-STAUNTON: That is the same thing.

Hon. Sir JAMES LOUGHEED: The same thing.

Section 1 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

POST OFFICE BILL

FURTHER CONSIDERED IN COMMITTEE AND REPORTED

The Senate again went into committee on Bill F, an Act to amend the Post Office Act.—Hon. Mr. Blondin. Hon. Mr. Gordon in the Chair.

On section 3—obligations of ferrymen (Exchequer Court substituted for arbitrators):

Hon. Mr. BLONDIN: Honourable gentlemen, when the committee adjourned yesterday we were discussing clause 3. The suggestion was made that instead of the proposed amendment a new one should be adopted; consequently, I would move:

That in the fifth line of section 88 all the words after the word "service" be struck out and that the following be substituted therefor: "shall in no case exceed what is ordinarily charged to the public."

So that the whole clause as amended will read as follows:

3. Section eighty-eight of the said Act is repealed and the following is substituted therefor:—

"88. Every ferryman shall, upon request and without delay, convey over his ferry any courier or other person travelling with the mail, and the carriage and horse or horses or other vehicle employed in carrying the same, and the sum to be paid for such service shall in no case exceed what is ordinarily charged to the public.

Hon. Mr. CASGRAIN: That is all right.

Hon. Mr. BELCOURT: What is the difference between that and what you had?

Hon. Mr. BLONDIN: What was contained in the proposed amendment reads as follows:

—may be fixed by contract; or if any ferryman demands more than the post office authorities or the contractor for carrying the mail are willing to pay, the amount to be paid shall be fixed by the Exchequer Court of Canada.

Hon. Mr. BELCOURT: I want to point out to my honourable friend that his amendment does not alter the situation, because there is no sanction to the provision in case it is not carried out. A ferryman may charge more than what he charges ordinarily to the public, and there is no provision made with regard to that at all; there is not even a remedy created,

which the court could be asked to grant. The amendment as you now have it is simply words without meaning and has no sanction.

Hon. Mr. BLONDIN: The Post Office Act provides for the imprisonment of anybody interfering with the carrying of the mails.

Hon. Mr. BELCOURT: But that would not be the case.

Hon. Mr. BLONDIN: The trouble we had in the past was that there was no law stating exactly what the charges ought to be. This amendment provides that a ferryman shall not charge more than he would charge to the public. Suppose that a dispute should arise between the ferryman and the courier, the ferryman would have to convey the courier, and instead of appointing arbitrators, as was provided for in the former law, we would simply go to the ordinary court, and leave it to the court to decide what would be the proper sum for the courier to pay. As it is stated in this amendment that the sum must not exceed what is charged to the public, I do not see that we shall have any trouble.

Hon. Mr. BELCOURT: But my honourable friend—perhaps it is my fault—has not quite followed me. The amendment provides that the ferryman shall not charge more than what is ordinarily charged to the public.

Hon. Mr. BLONDIN: Yes.

Hon. Mr. BELCOURT: But suppose he does charge more, what then?

Hon. Mr. BLONDIN: We go to the court.

Hon. Mr. BEAUBIEN: The courier will be carried with his mail. The ferryman cannot stop him.

Hon. Mr. BELCOURT: No.

Hon. Mr. BEAUBIEN: When the ferryman wants to collect more than what is due to him, he shall not be paid. That is the answer.

Hon. Mr. BELCOURT: But suppose that the courier, having to deal with a man bigger and stronger than himself, finds it necessary to pay more than the proper rate? Suppose the ferryman says, "I will not let you get off unless you pay me." The man who wants to charge more will try to get more, and there is no sanction in case he does. Suppose the mail-carrier does pay him twice or three times what he is entitled to charge the public. There is no sanction. There is not even a remedy created, to enable the mail-carrier to recover.

Hon. Mr. BLONDIN: What would my honourable friend suggest?

Hon. Mr. BELCOURT: I do not know really what to suggest.

Hon. Mr. BLONDIN: The Exchequer Court?

Hon. Mr. BELCOURT: I suggest that you must have some sanction to that.

Hon. Mr. BLONDIN: There is a sanction in the general Post Office Act, which provides for the imposition of a penalty on anyone who interferes with the carrying of the mails.

Hon. Mr. BELCOURT: But the ferryman in this case is not interfering with the carrying of the mail. He has carried it; he has got the courier across; but he says, "You have to pay me"—so much. And if the courier does pay the excessive charge, what remedy is there to recover the money which has been overpaid? There is no sanction.

Hon. Mr. BLONDIN: Well, let us take a concrete case. Let us suppose for a moment that the ferryman refuses to carry him—

Hon. Mr. BELCOURT: That is not the case I am putting. I agree with my honourable friend when he puts that case, but I am putting an altogether different one: I am putting the case of the ferryman who has taken the mail-carrier across and then exacts from him considerably more than he would get ordinarily from the public. The law says that the ferryman shall not do that, but if he does do it, what sanction or remedy is there? You do not provide for any.

Hon. Mr. BEAUBIEN: May I ask my honourable friend how the ferryman does exact that excessive amount? How can he? He has taken the courier across; he is on the other shore. He goes to him and asks him for a sum that he has not the right to collect. The other man refuses, and rightly so. What then? Will the courier be compelled by physical force to pay? Is that the contention of my honourable friend?

Hon. Mr. BELCOURT: Possibly. Very likely.

Hon. Mr. BEAUBIEN: He will? Then that would be a case of assault and battery. Then the courier has all the sanctions of the Criminal Code. What else does my honourable friend want?

Hon. Mr. BELCOURT: That is not the case I put, at all. A courier, for some reason best known to himself, choses not to have the fight which my honourable friend has just described. He says: "I am not going to fight over this. I will pay you rather than fight." He pays, and he has no remedy. That is the end of it.

Hon. Mr. BEAUBIEN: In that case, cannot the courier then claim the money that he has overpaid?

Hon. Mr. BELCOURT: You do not say so.

Hon. Mr. BEAUBIEN: Certainly.

Hon. Mr. BELCOURT: Where?

Hon. Mr. BEAUBIEN: Certainly; because a person or a company has not the right to exact an excessive toll.

The amendment was agreed to.

The preamble and the title were agreed to.

The Bill as amended was reported.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

FRIDAY, April 1, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

ADJOURNMENTS OF THE SENATE

MOTION

Hon. Mr. WEBSTER moved:

That, pending further order, when the Senate adjourns on Friday it do stand adjourned until Tuesday at eight o'clock.

He said: Honourable gentlemen, the motion that stands in my name is, I think, self-explanatory, and I shall be much pleased if it meets with the approval of the members of this House.

Hon. Mr. WATSON: Eight p.m., or eight a.m.?

Hon. JOHN WEBSTER: You could never get up at that time in the morning.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, may I say that this motion suggests a very early prorogation. This is the sort of motion which we usually pass about two weeks before that event. I have no objection to the motion passing if it is made applicable to this week, but it seems to me that each week should take care of itself. We have not so very much to do in this Chamber at the present time that honourable gentlemen who are favorable to such an adjournment should not put a motion of this nature upon the Order Paper each week: it would help to fill the Order Paper and would be more convenient to the Government. If my honourable friend will amend the motion so as to make it apply to adjournment this Friday evening, it will be satisfactory.

Hon. Mr. DANDURAND: Only the three words, "pending further order," need be struck out.

Hon. Sir JAMES LOUGHEED: Yes.

The motion, so amended, was agreed to.

PRIVATE BILLS

FIRST READINGS

Bill 4, an Act respecting the Dominion Life Assurance Company.—Hon. Mr. McCall.

Bill 5, an Act to incorporate the Fidelity Insurance Company of Canada.—Hon. Mr. Nicholls.

Bill 20, an Act to incorporate the Mayo Valley Railway, Limited.—Hon. Mr. Sharpe.

THE LATE HON. SENATOR CROSBY

TRIBUTES TO HIS MEMORY

On the Orders of the Day:

Hon. Sir JAMES LOUGHEED: About the time this Chamber adjourned for the Easter holidays we were grieved to hear of the death of our late colleague, Senator Crosby. He appeared in his place at the opening of the House and made a vigorous speech upon the Address in reply to the Speech from the Throne, leaving an impression upon the House of vitality and vigour, both of mind and of body. A few days after we were surprised to learn of his serious illness, followed by his almost sudden death.

Senator Crosby was a man of striking personality. He had pronounced views upon all questions in which he was interested, and never hesitated to give expression to the views which he entertained on all public questions.

Politics to the late senator was as the breath of life. He had for a generation been prominent in the counsels and in the battles of his party. For many years he was interested in the municipal affairs of the city of Halifax and was honoured by the confidence of his people in being elected to the mayoralty of that city for several years. For some years he sat as the representative of the city of Halifax in the House of Commons, and was afterwards appointed to this Chamber, in which he sat for over four years. During that time there was no one more actively interested in the discussions which took place upon the floor of the House than the late senator. He was a warm advocate of whatever cause he espoused. No matter to what extent he differed from his opponents, there was a tolerance in his attitude on all questions that appealed to the broad sympathies of his opponents and likewise to the public. In this Chamber, where a measure of repression is more or less applied by speakers in giving expression to their views on public questions, it was a matter of interest to the members of the Senate to observe the vigour and the feeling with which Senator Crosby invariably gave pronouncement to the views which he entertained upon all questions that he discussed.

On account of his striking personality we shall miss him in the deliberations of this Chamber. Our sympathies go out to his widow and family in the bereavement which they have thus suffered.

Hon. HEWITT BOSTOCK: Honourable gentlemen, I desire to join with the honourable leader of the Government in the expression of regret that he has pronounced with regard to the death of Senator Crosby, which I am sure came as a great shock to all of us. When we heard of his illness we did not realize that it was so serious and might terminate as it has done. All of us who have known Senator Crosby have observed that, as the honourable leader has said, in anything he took up he was energetic and forceful, giving expression to his opinions with a vim and strength that impressed all who heard him. Notwithstanding the strength of his opinions, on no occasion that I can remember did Senator Crosby say an unkind word about his opponents. He was always ready to speak well of them, no matter how much they differed with him. We shall miss him in this Chamber. I desire to join with my honourable friend in conveying an expression of our regret to his widow and the members of his family.

Hon. Sir JAMES LOUGHEED.

DIVORCE BILL

THIRD READING

Bill O, an Act for the relief of Hazel Galbraith.—Hon. Mr. DeVeber.

EXCHEQUER COURT BILL

THIRD READING

Bill 19, an Act to amend the Exchequer Court Act.—Hon. Sir James Lougheed.

POST OFFICE BILL

THIRD READING

Bill F, an Act to amend the Post Office Act.—Hon. Mr. Blondin.

PRIVATE BILLS

SECOND READINGS

Hon. Mr. LYNCH-STAUNTON moved the second reading of Bill 3, an Act to incorporate the Canadian Bar Association.

Hon. Mr. BOSTOCK: Would my honourable friend kindly explain the object of this Bill?

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, I think the Bill really explains itself. There is now an association of the members of the various provincial Bars, for the whole Dominion. The association is unincorporated, and it is desired to incorporate it so that it may own property and carry on its business as a corporate body. This will in no way affect the different provincial bar associations, nor enable any member to practise at any bar, but is purely for the purpose of self-improvement and for encouraging good-will among the members of the association belonging to the bars of the different provinces.

Hon. Mr. BOSTOCK: It will not in any way conflict with the present provincial bar associations?

Hon. Mr. LYNCH-STAUNTON: It will in no way affect the present provincial bar associations nor impinge upon their rights or liabilities.

The motion was agreed to, and the Bill was read the second time.

Bill 7, an Act respecting the Montreal, Ottawa and Georgian Bay Canal Company. —Hon. Mr. Gordon.

Bill 14, an Act to amend an Act to incorporate Gilmour and Hughson, Limited. Hon. Mr. Edwards.

Bill 21, an Act respecting the Oshawa Railway Company.—Hon. Mr. McHugh.

Bill 22, an Act respecting The Thousand Islands Railway Company.—Hon. Mr. McHugh.

Bill 25, an Act respecting The Kettle Valley Railway Company.—Hon. Mr. Barnard.

Bill 26, an Act respecting The Manitoba and North Western Railway Company of Canada.—Hon. Mr. Watson.

Bill 27, an Act respecting The Quebec Central Railway Company.—Hon. Mr. L'Espérance.

Bill 29, an Act respecting The Essex Terminal Railway Company.—Hon. Mr. Watson.

Bill 30, an Act respecting The Ottawa, Northern and Western Railway Company. —Hon. Mr. McHugh.

The Senate adjourned until Tuesday, April 5, at 8 p.m.

THE SENATE

TUESDAY, April 5, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

FIRST READINGS

Bill T, an Act for the relief of George Gourley.—Hon. Mr. McCall.

Bill U, an Act for the relief of Thomas Edwin William Flower.—Hon. Mr. Ratz.

Bill V, an Act for the relief of Royland Stanley Morrison.—Hon. Mr. De Veber.

Bill W, an Act for the relief of Arthur Ebenezer Sims.—Hon. Mr. De Veber.

THE OFFICE OF GOVERNOR GENERAL

INQUIRY

Hon. Mr. BOSTOCK inquired of the Government:

1. Have any communications or messages of any kind passed between the Canadian Government, or any member of it, with the British Government, or any person on behalf of the British Government, with reference to the appointment of a successor to His Excellency the Governor General?

2. If so, what is the purport of these communications?

3. Have the names of any persons been submitted to the Canadian Government with a view to ascertaining whether or not these persons would be acceptable to the Canadian authorities?

Hon. Sir JAMES LOUGHEED: I am not in a position to bring down any papers or to answer the question. If any communications or messages on this subject passed between the two Governments mentioned, this Governement would regard the matter as being confidential and not one as to which the papers should be laid upon the Table of the House. The office is one peculiarly within the authority of the Imperial Government, and, while every courtesy would doubtless be shown to Canada as to any appointment to be made, yet it would not be desirable that this Government should suggest any particular appointee for the office; nor is it, in the judgment of this Government, desirable that under present conditions the Imperial Government should in any sense relinquish or divide its responsibility in any appointment so to be made.

Hon. Mr. CASGRAIN: So this is one of the many questions in respect to which we are not a nation—not even a sister nation.

Hon. Sir JAMES LOUGHEED: Well, I am not saying that.

Hon. Mr. DANDURAND: I understand that we are still subjects of the King's subjects.

Hon. Sir JAMES LOUGHEED: One nation does not answer all the questions that may be put by another nation.

C.N.R.—KAMLOOPS-KELOWNA-LUMBY BRANCH

INQUIRY

Hon. Mr. BOSTOCK inquired of the Government:

1. Has the Canadian National Railway organization purchased the rails required for the Kamloops-Kelowna-Lumby branch of the Canadian Northern Pacific Railway?

2. If not, is it proposed to take rails from some other part of the Canadian National system for this branch?

3. If it is necessary to purchase the rails, how soon will they be obtained?

4. Is the grading of this branch completed ready for track laying?

5. When will track laying be commenced?

Hon. Sir JAMES LOUGHEED:

1. No.
2. No.
3. Owing to excessive cost of materials, no arrangements have yet been made for purchase of rails required.
4. Practically completed.
5. Not yet decided.

PACIFIC COAST FISHERIES TREATY

INQUIRY

Hon. Mr. BOSTOCK inquired of the Government:

1. Has the Treaty affecting the Fisheries on the Pacific Coast which was negotiated between Canada and the United States at the beginning of 1920 been formally assented to by the governments of both countries?
2. Is the Treaty now in operation?
3. Are the terms of the Treaty being enforced?

Hon. Sir JAMES LOUGHEED:

1. No.
2. No.
3. No.

THE PUBLIC ACCOUNTS

MOTION

Hon. Mr. BOSTOCK moved:

That the Public Accounts of Canada and Volumes 1, 2 and 3 of the Auditor General's Report, for the fiscal year ending March 31, 1920, be referred to the Standing Committee on Finance.

He said: I am not quite sure that these reports have been brought down to this House, but I presume there will be no objection to the motion going through on that ground, because I understand that the custom is for the reports to be laid on the Table of the Senate at the same time that they are laid on the Table of the House of Commons. If they have not already been laid on the Table of the Senate I presume that is an omission that can be easily remedied. I might draw my honourable friend's attention to the fact that the fourth volume was laid on the Table in another place yesterday. Possibly he would allow the motion to be amended accordingly.

Hon. Sir JAMES LOUGHEED: I have no doubt that by the time the Public Accounts Committee of this House gets through volumes 1, 2, and 3, we shall have the fourth volume.

Hon. Mr. DANIEL: The fourth volume is available now.

The motion, amended as suggested, was agreed to.

REPORTS OF GOVERNMENT RAILWAYS

INQUIRY

On the Orders of the Day:

Hon. Mr. BOSTOCK: May I draw my honourable friend's attention to the report of the Railway Department in which we are given the consolidated balance sheet of the Canadian Northern railway, made to December 31, 1919. I do not know whether other honourable gentlemen of this House have received it, but I received a copy of that report some time in May of last year. I should like to ask the leader of the Government if we could not have the report up to December 31, 1920. I might point out that the Canadian Pacific Railway Company the other day issued their report to December 31, 1920, and for the purpose of making comparisons it would be useful if we could have the report of the Canadian Northern up to the end of 1920.

I would also like to ask my honourable friend if it would be possible for the members of this House to obtain the report of the Grand Trunk Railway Company to the end of 1920.

Hon. Sir JAMES LOUGHEED: I shall make inquiry as to the report of the Canadian National Railway; but as to the report of the Grand Trunk railway, I may say that we have as yet no authority over that railway.

Hon. Mr. CASGRAIN: I beg the honourable gentleman's pardon. The Grand Trunk railway has filed a report in the Railway Department, and it has not been divulged.

Hon. Sir JAMES LOUGHEED: Well, my honourable friend has the information now.

DIVORCE BILL

SECOND READING

Bill P, an Act for the relief of Frederick Harold Walton.—Hon. Mr. Gordon.

PRIVATE BILL

FIRST READING

Bill 6, an Act to incorporate the General Synod of the Church of England in Canada.—Hon. Mr. Foster.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

WEDNESDAY, April 6, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

IMPORTATION OF LIQUOR INTO BRITISH COLUMBIA

INQUIRY

Hon. HEWITT BOSTOCK rose in accordance with the following notice:

That he will call attention to a press despatch of the 7th of March, 1921, appearing in the Citizen, a paper published in Ottawa, and will inquire if the Government intend to introduce legislation this Session which will enable the Government of the province of British Columbia to prevent the importation of alcoholic liquors into that Province except when imported by a duly authorized official of that Government.

He said: Honourable gentlemen, I do not propose to take up much of the time of this House, but I want to make a few remarks in order to place this question properly before the Chamber. The particular item to which this inquiry refers, which appeared in the Ottawa Citizen of the 7th of March last, says:

Victoria, March 6.—The proposed application to Ottawa to prohibit importation of intoxicating liquor into British Columbia, except through the provincial government, does not mean that there will be any delay in passing the Government Control Bill, Premier John Oliver declared yesterday. "My idea is that we should get our bill passed, and then we should prepare a bill, with a view of getting the Dominion Parliament to pass it, supplementing our legislation, so that our act will not be shot to pieces through lack of anything," he said.

"Should Ottawa propose that we hold a plebiscite," he continued, "on the question of prohibiting importation, our answer will be that this matter has been before the people of British Columbia and has the approval of the legislature, therefore, it is not necessary to take a vote."

As the legislation by Ottawa should, be only a formal matter, the premier believes that there will be time for it to be put through between the passing of the liquor bill by the legislature and date it is to be brought into force.

Which I believe is to be the 1st of May.

If Ottawa accedes to the request of the province, there will be no need for the $2.50 a quart tax on private importations or the heavy licenses proposed for wholesalers who might want to compete with the government.

Since that time the Liquor Control Bill of British Columbia has been passed, and, I believe, is to go into effect on the 1st of May next. About the same time a question was asked of the Prime Minister with regard to this matter, which I do not think was put to him in a clear enough way to enable him to answer it intelligently. The question was asked by Mr. Stevens, who said:

Another question I should like to ask is: will the Prime Minister please state if, in the opinion of the Government, the present Canada Temperance Act, known as the Doherty Act, will prevent importation of liquor into provinces to the full extent of the prohibitory laws of each province?

In answer to that question the Right Honourable Arthur Meighen said:

In answer to the first question, whether the statement of the Attorney General has been brought to my attention, I can say that it was not until brought in the form of the question to-day. In answer to the second question, whether the Act known as the Doherty Act is worthless, or invalid, I have no hesitation in saying "No." As to whether provinces have refused to avail themselves of its provisions, having adopted prohibitory measures, I would say that no province has done so, because it is a Dominion Act and goes into effect by virtue of the force of a Dominion statute, irrespective of the will of any province, once that province passes laws relating to liquor within its own domain. As to whether the Act prevents ingress of liquor to be used contrary to the laws of the province, I say that it does; those are its terms and the validity of its terms has never been challenged.

What I want to point out to the House in connection with this matter is that unfortunately Mr. Stevens in putting his question confused the Canada Temperance Act with the Act of 1916, chapter 19 of 6 and 7 George V, which is sometimes known as the Doherty Act. I think it is quite clear to honourable members of this House that the legislation that has been passed with regard to the control of liquor in British Columbia would not in any way come under what is known as the Canada Temperance Act, because the Canada Temperance Act supposes that there will be total prohibition of the use of intoxicating liquor in a province, and the procedure required is that the legislature shall pass a resolution asking the Dominion Government to hold a plebiscite, and, if that is done, then the people of the province have an opportunity of saying whether or not they desire the total prohibition of the importation of liqour into the province. But this is not at all the present position with regard to British Columbia. The people of British Columbia voted in favour of the Government control of liquor, and in accordance with that decision the Provincial Legislature has placed on the statute book a law which gives the Government the control of liquor in the province. But the question is whether, under the Act of 1916, the Provincial Government has the power to prohibit the importation of liquor into the province. The provincial authorities apparently think that they have not, and in order to try to control the situation they have provided for a tax of $2.50—I do not know whether that is a gallon or a quart. The $2.50 is to be paid by whoever imports the liquor. In that way an attempt is made to keep control of it.

I think I may say on behalf of the people of British Columbia that they are very desirous that this question of control of liquor should be properly and fairly handled; that there should be no abuse of it; and that the Government, in trying to control the liquor situation properly and to prevent abuse of liquor in the province, is entitled to obtain, if necessary, the assistance of legislation by this Parliament.

In the Bill as it was introduced in the Provincial Legislature there is no special clause that I can find dealing with this question of importation, other than the provision for the tax. By section 26 of the Bill the sale of liquor by anybody except the agent of the Government is absolutely prohibited. Then section 28 says:

> Except as provided in this Act, no person shall, within the province, by himself, his clerk, servant, or agent, attempt to purchase, or directly or indirectly or upon any pretence or upon any device purchase, or in consideration of the sale or transfer of any property, or for any other consideration, or at the time of the transfer of any property, take from any other person any liquor.

The intention evidently is as far as possible to prevent any persons from dealing with liquor within the limits of the province, and I think that all those who voted last year in favour of giving the Government the control of liquor are in favor of that position.

The Act of 1916 provides:

> Any person who by himself, his clerk, servant or agent, and any person who as clerk, servant or agent, officer or employee of any other person, or of any Government railway or steamship, whether Dominion or Provincial,
>
> (a) shall send, ship, take, bring or carry or cause to be sent, shipped, taken, brought or carried to or into any province from or out of any other province, or import into any province from any place outside of Canada any intoxicating liquor, knowing or intending, that such intoxicating liquor will or shall be thereafter dealt with in violation of the law of the province into which such intoxicating liquor is sent, shipped, taken, brought or carried into any province aforesaid; or
>
> (b) shall sell or cause to be sold any intoxicating liquor, knowing or intending that such intoxicating liquor will be sent, shipped, taken, brought, carried or imported as from any other province, or from any place outside of Canada, and thereafter dealt with in violation of the law of the province into which such intoxicating liquor is sent, shipped, taken, brought, carried or imported as aforesaid,
>
> shall be liable on summary conviction to a penalty for the first offence of not less than one hundred dollars and not exceeding two hundred dollars, or imprisonment for a term not exceeding two months, with or without hard labour, and for a second offence to a penalty of not less than two hundred dollars.

The difficulty that I see in connection with the matter would be the question whether the person selling the liquor in another province could be held to know whether it was intended that such intoxicating liquor should thereafter be dealt with in violation of the law; and I presume that that is the difficulty that has presented itself to the Attorney General of the province of British Columbia.

I have brought up this question because, from the answer given by the Prime Minister in another place, it seemed to me that the matter was left in a very unsatisfactory and awkward position, and I thought it only right to bring it to the attention of the Government, in order that they might give it proper consideration.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I should like to answer this question by asking my honourable friend from Kamloops another question. I think it is really for my honourable friend to answer the question that is on the Order Paper. Is he aware whether the Government of British Columbia has asked this Government to pass legislation of any kind? If it has not so requested, I see no reason why we should do it.

Hon. Mr. BOSTOCK: I presumed, from the statement in this newspaper that I have read, that an application had been made. It was on that I based my remarks.

Hon. Sir JAMES LOUGHEED: It does not state that, and I may say to my honourable friend that I am entirely unaware of this matter having been brought before the Government.

Hon. Mr. BOSTOCK: The honourable gentleman has not had a chance of seeing?

Hon. Sir JAMES LOUGHEED: I mean in an official way.

Hon. Mr. CASGRAIN: Suppose someone wants to import wine for his own private use, do the Government think that under the British North America Act they have the right to prevent him from importing wine, provided he pays the duty?

Hon. Mr. DANDURAND: From one province to another?

Hon. Mr. CASGRAIN: Into Canada. Suppose that, as has been the custom for years, persons who are absolutely sober import claret by the barrel from the other side. Is it the intention of the Government to restrict the liberty to import claret by the barrel, as some one very near me often does? Do the Government claim they

have that right? And do you think certain provinces would have entered Confederation if they thought their people were to be deprived of having a glass of claret if they wanted it?

Some Hon. SENATORS: Hear, hear.

Hon. Mr. THORNE: Or champagne.

Hon. Sir JAMES LOUGHEED: I hope my honourable friend will not look so severely at me, because I have not expressed any disapproval of his importing a barrel of claret, especially if he is sober. He has put it on that ground.

OIL SHALES, IRON ORE, COAL, ETC.

SPECIAL COMMITTEE APPOINTED

Hon. Mr. FOWLER moved:

That the following Senators, to wit: the Honourable Messieurs Domville, Donnelly, Farrell, Girroir, McLean, McMeans, Ratz, Schaffner, Tessier, Thibaudeau, Turriff, Willoughby, and the mover, be appointed a special Committee for the following purposes:—

1. To inquire into and report from time to time upon the desirability of the further development of the oil shales, iron ore, coal and fuel deposits of Canada.

2. Whether or not further and better facilities might be placed at the disposal of the Department of Mines for the investigation of the above subjects.

And further that the Committee be empowered to send for persons, papers and records, and, subject to the approval of the Senate, to employ such clerical aid as may be necessary to properly carry on the Committee's investigation.

The motion was agreed to.

PRIVATE BILL

FIRST READING

Bill X, an Act respecting the Dominion Express Company.—Hon. Mr. Blain.

DIVORCE BILLS

THIRD READINGS

Bill P, an Act for the relief of Frederick Harold Walton.—Hon. Mr. Gordon.

Bill Q, an Act for the relief of Mary Elizabeth Leonard.—Hon. Mr. Fisher.

Bill R, an Act for the relief of Alexander La Rue.—Hon. Mr. McCall.

Bill S, an Act for the relief of Maria Martin Morel.—Hon. G. V. White.

PRIVATE BILLS

SECOND READINGS

Hon. Mr. McCALL moved the second reading of Bill 4, an Act respecting the Dominion Life Assurance Company.

Hon. Mr. BEIQUE: I would like to have some explanation as to the advisability of this Bill. Section 13 of chapter 95 of the Statutes of 1889, which by this Bill is repealed, reads as follows:

The Company shall maintain three separate accounts of the business transacted by it in the "General," the "Abstainer's," and the "Women's" sections, keeping the receipts and expenditures distinct, each section sharing its own profiits, and each section paying its proper proportion of expenses; and the Company may establish a section on the principle of non-participation in profits. In the distribution of profits, directors shall allot to the policy-holders in the participating sections of the Company at least nine-tenths of the profits declared from time to time in the respective sections, which shall be payable as the directors by by-laws or regulations from time to time determine.

It seems to me that special rights have accrued to different classes of policy-holders mentioned in this section, and that there might be some question as to the advisability of passing legislation of this kind, which would affect these rights. There should be some explanation of the Bill.

The motion was agreed to, and the Bill was read the second time.

Bill 5, an Act to incorporate the Fidelity Insurance Company of Canada.—Hon. Mr. Nicholls.

Bill 20, an Act to incorporate the Mayo Valley Railway Limited.—Hon. Mr. Sharpe.

NATIONAL TRANSCONTINENTAL RAILWAY

QUEBEC TERMINALS

The Senate resumed from March 31 consideration of the motion of Hon. Mr. Tessier:

That an order of the Senate do issue for copies of all correspondence between the Government and the Board of Trade and City Council and Harbour Commission of Quebec, since last Session, with regard to the diversion of the Northwestern grain trade to New York, the alleged non-fulfulment by the Government of its undertakings with regard to the terminals of the Transcontinental Railway at Quebec, and of the memorials addressed to the Prime Minister on these subjects.

Hon. D. O. L'ESPERANCE: Honourable gentlemen, when I proposed, on Thursday last, the adjournment of the debate on the motion of the honourable member for De la Durantaye (Hon. Mr. Tessier), it was not for the purpose of delaying discussion of this important question. But my honourable friend from Stadacona (Hon. L. C. Webster) was not in his seat at the time, and this being a subject with which he is quite familiar, I assumed that he would [illegible]

pleased to have an opportunity to be present when it came up again before the House. The honourable member for Stadacona represents the division wherein is situated the port of Quebec. He has acquired considerable experience in the administration of his various business enterprises, some of which are located in the city of Quebec. He was for several years a member of the Quebec Harbour Commission, and made a special study of the possibilities of Quebec to become a great national port. He has built and operates one of the most modern coal plants of Canada in the very port of Quebec, a plant which is to-day one of the principal sources of revenue of that port and stands as a monument to remind our business men that enterprise and energy, coupled with modern methods, are the chief factors in the development of trade. Had my honourable friend's early training been in the grain business I have no doubt that what he has done to develop the coal trade in the port of Quebec he could have accomplished with the same measure of success in the grain business. I feel, therefore, that if he will give us his views on the questions raised by this motion, they are bound to carry very valuable suggestions.

It was my privilege during the course of the Session of 1917 to address honourable members on this very subject. I then expressed a hope, that, with the completion of the Quebec bridge and the acquisition by the Government of the Canadian Northern and Transcontinental railways, the port of Quebec would be used for the export of a portion of the western grain now finding an outlet through American channels. Unfortunately my hopes have not been realized. It is not my intention to repeat to-day the remarks which I made at some length on that occasion. I will merely add that I am glad and proud, as one hailing from Quebec, to note a new spirit among its citizens. Young, energetic, and enterprising men of business are coming to the fore and are giving much of their time to the study of economic problems, affecting not Quebec alone but the whole commonwealth. They have laid the case of the district and of the port of Quebec before the Government in a sensible and business-like manner; but it will not rest there. I trust, therefore, that just grievances will be remedied as fast and in so far as it is in the power of the Government to remedy them.

One of the first things which, in my humble opinion, should be done is to see

that the Quebec terminals are completed and equipped on the lines agreed upon with the city of Quebec. The Government is bound in honour to fulfil that contract. I submit that it is during times of trade depression that we should carry on public works. By so doing we will provide work for the unemployed and make the country ready to take advantage of good times when they return. In other words, I would say to the honourable gentlemen entrusted with the administration of this fast growing Dominion: Plan and build for the future while business is stagnant, money is cheap and unemployment prevails. In times of prosperity and industrial expansion, stop expenditures on public works, economize, and reduce the public debt by increasing taxation, if you must, because the people will then be in a better position to shoulder the burden.

A campaign is now on which every good citizen should help: it is to encourage the purchasing of Canadian instead of American-made goods. May I suggest that this campaign be extended to include the building of Canadian instead of American ports?

And if my humble voice could carry beyond the precincts of this Chamber, I would venture to address the eminent statesman who, in the other House, occupies the seat once filled by that great leader, Sir John A. Macdonald, whose popularity in Quebec was second only to that of my illustrious compatriot, Sir Wilfrid Laurier, and I would respectfully say to him: You are desirous of having my province more largely represented in your Council, and so are we. Those who wish you well in Quebec, and their numbers are fast increasing, realize and appreciate your present difficulties. They are not anxious that you make undue haste in the choice of your French Canadian colleagues. But—in the meantime—an earnest effort to settle grievances such as were submitted to your Government in the memorandum prepared by the city authorities, the Board of Trade, and the Harbour Commission of Quebec will be a step in the right direction; it will help to dispel misunderstandings and to restore confidence.

Hon. LORNE C. WEBSTER: Honourable gentlemen, it gives me great pleasure to support the motion made by the honourable gentleman from De la Durantaye (Hon. Mr. Tessier) and spoken to by other honourable members of this House. There were, I understand, some agreements or contracts between the Transcontinental

Railway Commission and the citizens of Quebec, entered into in the year 1904 and confirmed in 1910, which the public bodies of the city of Quebec claim are still unfulfilled. Perhaps I may be permitted to summarize them as follows. Among the papers asked for in this motion I understand there is a claim by the city of Quebec involving some $600,000, representing money subscribed by the city of Quebec towards the building of two local railways which now form part of the Canadian National Railway system. It is considered that this minority stock, belonging now to the city of Quebec, should be taken over and paid for on the same basis as the stock of Mackenzie and Mann, which, I understand, was paid for at the rate of some 18 cents on the dollar. I have no doubt, honourable gentlemen, that this claim has received and will receive the serious consideration of our Government.

There was also an arrangement made in regard to what was known as the Champlain Street property, in exchange for which, along with some other considerations, a suitable station building was to be erected. The citizens of Quebec claim that the temporary building erected does not meet the requirements nor fulfil the terms of the contract.

The improvement of railway train service in the district of Quebec, in order to afford better railway accomodation for freight and passengers, is also a matter of their petition.

You are all fully aware of the natural advantages and facilities possessed by the harbour of Quebec—deep water channels from Quebec to the sea, deep berths and loading piers in the harbour of Quebec, and docks capable of accommodating several ocean steamers at the same time. A large grain elevator has been built in the city of Quebec at the instance of the Dominion, and track facilities, with railway yards suitable for a large import and export trade through the city of Quebec, have also been provided. There converge in the city of Quebec three transcontinental railways, and nature has certainly designed Quebec to be one of the large shipping ports of this continent. I need not refer to the accommodation available for the shipment of cattle, nor do I need, I am sure, to enlarge on the exceptional facilities for passenger service whereby ocean passengers and travellers may embark to or debark from ocean steamers with the least inconvenience of any port on the North American continent.

Why was the Transcontinental railway built into Quebec? It was built, honourable gentlemen, to save mileage in the haul of Western grain for export; it was built as a spout which would permit the flow of Northwestern grain to ocean steamers; it was built with easy grades and straight lines, so that one locomotive can haul quite as many cars over this system as over other lines of railway that also centre in Quebec. A locomotive can start a train with some sixty cars on the level, and run right through to Quebec. The mileage over the Transcontinental is over 200 miles less than that over the other two lines. I am informed the railways west of Winnipeg also have the right by law to full access to the advantages and privileges of this railway, but I find that since 1916 not one bushel of grain has come from the West on the Transcontinental railway, which was built for the purpose which I have briefly outlined, but that this grain goes instead largely via American ports.

I think, honourable gentlemen, that some measure should be possible to prevent the diversion of our Canadian grain trade to American ports. I realize that there is no fixed rail and water rate on grain from Winnipeg to New York. The railway rate from Winnipeg to Fort William is a fixed rate, but there is water competition governing from the latter port to Buffalo. As far as I can learn, the rate to-day by rail and water from Winnipeg to New York is some 33.96 cents per bushel, while the all-rail rate from Winipeg to Quebes stands at 36 cents. This, I think, is perhaps largely the reason why one of the greatest natural ports in America is not used to the extent that it should be.

I quote from a report which has come to my hand:

> The Government returns show that during six years there were 1,096 million bushels of grain shipped by water from Fort William, of which 518 million bushels went to Buffalo for export via New York, and that of the remaining 578 million bushels sent to elevators and Canadian lake ports a large proportion was converted into flour for local consumption; another large proportion also went to United States seaports, and only a small percentage was shipped at Montreal and St. John. This result is most disappointing and alarming, after all the sacrifices that Canada has made to secure this trade.

By some mysterious influence ocean shipments by the Quebec route were stopped and grain continued to go through New York by the lake route, and now not a bushel is carried over the Transcontinental, which was built for the express purpose of bringing this trade to Canadian seaports.

There is one more important subject, honourable gentlemen, which I should like to touch upon for a minute or two, and which affects not only Quebec, but Montreal and the whole Dominion: that is, the disadvantage under which we are labouring at the present time in regard to marine insurance. Canadian ports are discriminated against, in comparison with American ports, at the present time, and a much higher rate is demanded for insurance on cargoes from those ports, and, as you are fully aware, there are valuable cargoes, amounting to many millions of dollars a year, which require to be insured.

In view of the efficient work done by our Marine Department, and the fact that aids to navigation of the most approved kind have been established, and that we have one of the safest routes in America to-day, this is a question which should be carefully and fully considered. I am aware, honourable gentlemen, of the financial problems which affect not only our country but the whole world at the present time; but if some arrangement can be worked out whereby Canadian grain can be carried by Canadian railways and handled at Canadian ports and exported through Canadian steamers, then I feel that additional wealth and additional prosperity will come to this country. It is in this spirit that I commend this matter to the consideration of this honourable Chamber, feeling sure that what is in the best interests of one port in Canada is also in the best interests of the Dominion as a whole.

Hon. FREDERIC NICHOLLS: Honourable gentlemen, I had no intention of rising to address the House on this question, and I want to confess at the start that I know very little in regard to the details of the situation that has been so capably outlined by the honourable gentleman from Stadacona (Hon. Mr. Webster). I have learned enough, however, to determine me to look into this question further, and to study what appears to be really a considerable menace to this country. We are talking all the time about purchasing in Canada; we are at the moment face to face with a serious depreciation of the Canadian dollar; and when I learn that over 100,000,000 bushels of wheat have been diverted from Canadian ports to United States ports because of a difference of less than 3 cents a bushel, it seems to me that is something that should make us all sit up and take notice. I have had the opportunity since the opening of the House of just glancing at the memorial that has been submitted by the Quebec Board of Trade, and by that I notice that eighty per cent of the grain shipped from Winnipeg goes to American ports. In these days, when we are face to face with the tremendous deficits of our railways, it seems to me absurd to call upon the Government to lower the freight rate instead of raising it in order to make both ends meet. But, after all, while this may not be a cure, if you give business consideration to a business question you may be able to work out some method and reach a conclusion which may be satisfactory. What has made England the great exporting country she is? If she had been making, say, 10,000 articles at $10 apiece, the total would be $100,000. If she looked for a profit of 20 per cent, that would give her $20,000 from a total production of $100,000. But suppose she says, as she has said from time immemorial: "What we want is quantity; by increasing production we can not only reduce the cost and meet world competition, but also reduce the cost to the consumer." Let us figure that out for a moment. If instead of making 10,000 articles at $10, Great Britain makes 50,000 articles at $7.50. What is the result? The cost to the consumer is reduced by $2.50, and the country makes ten per cent profit on $375,000, or 37,500 instead of $20,000. I have not studied the statistics myself; but my authority is the honourable member for Stadacona (Hon. L. C. Webster), and I have not the slightest reason to doubt the statement that not one bushel of grain has been carried since 1916 over the National Transcontinental railway, which was built expressly for the purpose of transporting grain. If that road were so equipped and operated that, instead of carrying 1,000 bushels at $10, it would carry 50,000 bushels at $7.50, it would certainly be most advantageous to the country.

I have been very much interested in what has been said by the honourable member from the Gulf (Hon. Mr. L'Espérance) and by the honourable member for Stadacona (Hon. L. C. Webster); but in reading the resolution that has given rise to this debate, I cannot see that it would bring us very much farther. The motion is simply that an Order of the Senate do issue for copies of all correspondence. We may get the correspondence and the matter may rest there. I think that someone should move a resolution that would lead to a thorough investigation of this whole situation. It is not a question of politics or of geographical position; it is purely a question of business

—a question of proportion and calculation. I hope, honourable gentlemen, that something may be done to secure a study of this question in the interest of Canadian shipments through Canadian ports. We have our merchant marine, and we have to find work for it. We have thousands of miles of railway that are non-supporting. If we can attain the desired end of finding traffic for our own railways and for our own merchant marine, thereby helping to improve the rate of exchange and to divert Canadian money from New York by keeping it in Canada, we shall have accomplished something for the welfare of the country at large.

Hon. RAOUL DANDURAND: Honourable gentlemen, I desire to add but a few words to what has been said on the question which has so opportunely been brought before this Chamber by the honourable gentleman from De la Durantaye (Hon. Mr. Tessier). The purpose of this resolution is to lay before this House the complaint of the city of Quebec regarding the diversion of the northwest grain trade to New York. All that has been said in favor of an effort being made to have the Western crops carried to our own seaports has the full approval, I am sure, of all the members of this Chamber.

There is a question which runs parallel with this, and to which I think attention should be drawn. We have heard the complaint about our trade being diverted to American ports, but there is the question of the return freight from the other side of the line, with which, I think, we could well afford to dispense. It consists of the coal imported from the United States. You have all observed the millions we have yearly paid to the United States to bring anthracite from Pennsylvania to our cities. We all deplore our railway situation, but I am convinced that if some attention were given to the solution of the coal problem there would be freight for our own railways in the hundreds of thousands of tons of coal to be shipped from the West to the East, to the great advantage of this country in the mining of the coal, in its transportation to the East, and in the promotion of that national trade which should be developed to the fullest extent. Our Alberta coal deposits are immense. The mine owners of Alberta have already succeeded in sending their coal as far east as Winnipeg. Our mine owners of Nova Scotia have succeeded in bringing their coal to Montreal. They have not done so since the beginning of the war, but previous to that time they shipped considerable quantities of coal to Montreal. May we not hope that by a slight effort the coal from Alberta could be shipped east from Winnipeg to Fort William and thus reach the province of Ontario? Could we not likewise succeed in getting coal from the East shipped a little farther west than Montreal, so as to supply the whole province of Quebec and part of eastern Ontario? I recognize that we have been in the habit of using anthracite, but in many countries people have heated their homes with soft coal. Great Britain has done so and is still doing so. I am convinced that a process could be devised for transforming our soft coal of the West and of the East in such a way as to make it acceptable to those who have hitherto used anthracite. We have in Alberta coal that has been briquetted.

Hon. Mr. WATSON: What about Saskatchewan?

Hon. Mr. DANDURAND: My honourable friend from Portage la Prairie asks, "What about Saskatchewan?" They have their lignite mines, and there is lignite also in Alberta. I am convinced that if this Parliament and the Government would give serious attention to the problem, we could free this country from a position of dependence upon the United States. Would it not be a splendid thing for Canada to obtain its fuel supply from the immense deposits in the Rocky Mountain district and in the extreme East, and thereby create wealth for the country? It would create wealth at the mines and in the transportation of their products, and would help to overcome the high exchange rate from which we are suffering. I offer these few remarks without having given much thought to the question; but it occurs to me that, as our Western coal has reached Winnipeg and our Eastern coal has reached Montreal, it should be a fairly easy problem to make our coal shipments from the West and from the East meet at some point on the shores of Lake Ontario.

Hon. A. McCALL: I have given a little study in years past to the question that is before the House, so ably brought forward by the representatives of the cities of Quebec and Montreal, and I would like to offer a few remarks. It is certainly a great disappointment to the people of Canada, after their enormous expenditures upon transportation lines, to find that about half the products of the West reach the ultimate

consumers by American channels. But we must face conditions as they are, and I will direct my few remarks to that point.

When the product of the West reaches the lakes at Port Arthur or Fort William it becomes, to a large extent, open to general competition. The American buyer goes there and buys largely. We cannot control the movement of that grain any longer. He prefers to send it through American channels, and it is for that reason, and because he buys largely, of wheat, flax-seed, and oats, that diversion of these commodities takes place.

But there is something more than that. The honourable member who has just spoken has referred to the question of returned cargoes. Now, let us imagine the grain merchant on Monday morning opening up his week's operations. He goes to his office and he gets quotations from Liverpool. He has in a short time quotations from Winnipeg to operate that day. He immediately gets quotations on freight from brokers in Montreal and in New York. There is a difference, as there is always likely to be, depending upon the volume of freight moving and the volume of return cargoes across the ocean. The quotation he gets from New York is more favourable than that from Montreal. Either he is compelled to turn down his day's operations, or a contract is placed and he makes his purchase and makes his sale. He cannot do otherwise and stay in business. He makes his purchase in Winnipeg—we will say 1,000,000 bushels, which is only a very small quantity. He has negotiated his freight, and the shipment follows. In working out that transaction he takes into consideration the question of time. His purchase carries interest and insurance. Now, two vessels start from Fort William at the same time, each carrying 10,000 tons of grain. One reaches Buffalo, and the other, at the same hour, reaches Port Colborne. The shipment from Buffalo can be made over five or six double-tracked railways and can arrive in New York harbour in perhaps 48 hours, or a little longer. The shipment via the Canadian route must go through the Welland canal to Kingston and then be transhipped to barges going to Montreal, and then be transhipped to the ocean steamer. Honourable gentlemen may remember that the late Senator Richardson spoke at length in this House on that question. He was an acknowledged authority on transportation and was the largest shipper of wheat in Canada at the time, and he made it, to my mind, quite clear that we could not control the movement of grain by the American route under present conditions. The American route would be eight or ten days shorter than the other. The interest and insurance and carrying charges for that time would be a very comfortable profit. Honourable members understand that grain is handled on the very closest margin, one-half or one-quarter of a cent a bushel, or sometimes without profit, and many a shipper is glad to get out even with a small loss. With that handicap of time against you there is certainly presented a rather discouraging prospect of controlling the shipment of the products of our own lands through our own channels to our own markets. By the enlargement of the Welland canal, and, later on, the enlargement of the St. Lawrence canal, a 10,000-ton lake vessel could proceed direct to Montreal and tranship there; or possibly the ocean freighter could be built on a little broader lines with somewhat lighter draught, so that it could make the trip through the lakes to Fort William or to Duluth, where a great deal of Canadian grain is shipped at times. We ought to offer a route that would be in time and in rate more favourable than the American channels.

That brings us right up to the question of further expenditure for transportation facilities. Sometimes in reviewing our transportation problems it would occur to one who is not closely informed of the situation that it is perhaps a mistake to have developed the harbours of Port Arthur and Fort William rather than to have built from Montreal or Quebec direct to the Winnipeg gateway a double-tracked line, so that grain would never come to the lakes and never be exposed to American competition. We older men remember that at the inception of the Grand Trunk Pacific the proposition was made that we should proceed by the shortest line—over the line of least resistance—from tide-water to the Winnipeg gateway. We have not succeeded, and that is a matter of regret to us all. But Fort William and Port Arthur have been developed at very large expense to the Treasury of this country, and we have the Transcontinental line, possessing all the advantages that have been stated by my honourable friend here, and it is still a wonder to me that that route has not been developed more largely for grain shipments.

There is the question of rates. If the rate from Winnipeg to Quebec is three cents higher than the rate from Winnipeg to New York, certainly the management of the National system of railways could well afford to make a concession of the difference, in order to bring the traffic through Canada and give employment that is so badly needed just now for our National railways.

Moreover, we have a Canadian merchant marine. I think honourable members all realize that by this time. It would seem that a route could be established that would move grain from the West to Quebec harbour during the season of navigation, and that the storage, interest, and insurance would be at sufficiently low rates to enable grain to proceed during the winter to the port of St. John, which we are developing at an enormous expense.

This is a large question—perhaps a little beyond the grasp of many. I will admit it is a little beyond mine. Perhaps the return that has been asked for will help us to understand it better. It is still early in the Session, and a committee might be named to examine this matter more thoroughly. If there is anything lacking on the part of the Government, or of our trade organization, or shippers, or if there is anything that they can do that has not been done to develop fully our transportation systems, we ought to have all the facts before us in order that we may see just where we stand. I need hardly add that the railway problem is our greatest problem and that honourable members of this House and gentlemen in the other Chamber are a good deal in doubt as to what is the best thing to do. But, whatever may be done, I am sure that the people of this country will face the problem as they have faced many other problems, with courage and ability, and that in time they will work out a solution which well be for the good of our country.

Hon. W. H. BENNETT: I am sure the city of Quebec owes a debt of gratitude to the honourable gentleman from De la Durantaye (Hon. Mr. Tessier) for introducing this resolution, and to the honourable gentleman from Stadacona (Hon. L. C. Webster) for the way in which he has supported it. I do not intend to say anything in regard to the terms of the resolution, which, of course, will as a matter of course pass; but, since the discussion has become general on the question of transportation, with the indulgence of the House I shall make a few remarks.

In the course of the remarks of honourable gentlemen, one undertaking or another has been referred to as having had its beginning in the past twenty years. If Canada could blot out many of the transportation undertakings of the last twenty years, it would be better for the country. But this is no time for vain regrets. We have the National Transcontinental railway, the deepening of the Welland canal, and the threatened enlargement of the St. Lawrence canals, and withal an annual expenditure of $600,000,000. A question which is deserving of the consideration of every man in this House and of every man who has the interest of the country at heart is: is it not time to give this unfortunate—in this respect—country a chance to breathe so that we may know where we really are to-day?

I heard figures of grain rates quoted by the honourable gentleman from Stadacona. I understood him to say that the rate from Winnipeg to New York was 33 cents and the rate from Winnipeg to Quebec over the Canadian National was 36 cents. And the question is asked, why, although an elevator has been built at Quebec, no grain has gone into it. I think the answer is easily given. It is because no person was prepared to ship grain that way, as money would be lost by so doing.

Now, let us take the railway mileages from Winnipeg to Quebec. The mileage of the Canadian Pacific railway from Winnipeg to Quebec is 1,584 miles; the mileage of the Canadian National railway is 1,396 miles; or a difference in favour of the Canadian National of 188 miles.

Hon. Mr. CASGRAIN: No, it is 1,350 miles between Winnipeg and Quebec by the National.

Hon. Mr. BENNETT: That would make a difference in favour of the National road of about 200 miles. Well, if the National road has not carried a bushel of grain by that way, neither has the Canadian Pacific railway. And what is the reason? It is because the Canadian Pacific railway has another system of transportation which excels that in point of expense. It has from Winnipeg to Fort William a rate of about 11 cents a bushel; a rate to Port McNicoll, by water, of about 2 cents a bushel; and a rail rate to Montreal of 3 cents a bushel; or a total of about 16 cents a bushel from Winnipeg to Montreal. Add to that charges for elevation of say 4 cents, and in round figures you have a rate of 20 cents, which

is better by 16 cents than the rate to Quebec. Of course, the National railway has a better haul, but the experience of the success of the other road should prompt people to meditate.

What was the position of the Canadian Pacific Railway? It was a huge concern having untold millions invested in it; it was practically losing the grain trade that it had carried to Fort William. The Canadian Pacific Railway depended on the rail carriage from Owen Sound to Montreal. The company then built a line of railway from the lower part of Georgian bay, Port McNicoll, which compares with any other line on the continent, because on it can be hauled a train of 70 cars, each containing 1,500 bushels. The building of this line necessitated a large expenditure, and I assume that it was not undertaken without due consideration; and the fact that they have worked up the enormous trade of 50,000,000 bushels per year—because that is what it has been in the past few years—must be a sufficient source of satisfaction to the owners of that railway. They were enabled to do this by their fleet of five large vessels on the upper lakes and other vessels. In addition to this grain trade, they carry every year an enormous quantity of flour, which goes over the same line of railway and passes out to Great Britain and Europe.

The trouble with most people, I think, in considering the grain question, is that they do not remember that what is only practically a trifling quantity of our western grain really goes to the Old Country. The Montreal Gazette has published a very readable book with regard to the port of Montreal, and I take these figures from it. There were shipped from the port of Montreal 56,634,539 bushels of assorted grain in 1920—a very considerable amount; and yet, of that grain there was exported to Great Britain: of wheat, only 15,508,764 bushels—the balance, nearly 45,000,000 bushels, being scattered among the different ports of the continent; also of barley, from Montreal, 5,000,000 bushels; of oats, 2,500,000 bushels; of rye, 6,500,000 bushels.

Now, the question is where Canada stands to-day, because we cannot be too solicitous about the Canadian Pacific railway. We have a great engagement on our hands to-day: we have acquired the Canadian Northern railway, and we soon will have the Grand Trunk railway. We have not only these lines in the East, but we have lines in the West as well, and it should be the interest of Canada and of the Canadian Government to see that every energy is devoted to directing the grain trade through these two railway systems.

Hon. Mr. MURPHY: Why cannot they compete?

Hon. Mr. BENNETT: I think if some of these gentlemen were wise enough they would remedy the situation. The Canadian Northern railway is to-day almost a fair competitor of the Canadian Pacific railway, and for the gathering of grain in the provinces of the Northwest, it is a little more than a fair competitor. Take a map of southern Manitoba, and look at the network of railway lines there belonging to the people of Canada; take the map of Northern Saskatchewan and Alberta, and look at the expanse of country traversed by branches of the Canadian Northern and the Grand Trunk Pacific railways. There are lines all through that country, and if it develops as we hope it will in a few years, it will be growing many more millions of bushels of grain. The Canadian Northern railway people claim that they have carried out of the Northwest within the last three or four years about 35 per cent of the whole grain trade of the three prairie provinces; and when you add to that the business gathered up on the Grand Trunk Pacific, you will see that we are going to have a huge aggregate of the grain trade on the National railways.

When the Canadian Northern railway came to the head of the lakes, what became of the grain which had been accumulated? That railway had no lines at all in Eastern Canada. There it stood at Port Arthur with 35 per cent of the grain trade of the Northwest to be taken up by whom? First, by the Canadian Pacific railway, which would carry some to Port McNicoll, and, second, by the Grand Trunk, which was reaching out to carry it to Midland, Goderich, Collingwood, Parry Sound, or other places where it had elevators; then, too, there was always the huge American maritime interest waiting to take it to Buffalo. It was not a matter of sentiment if the owner of grain preferred to ship it from the head of the lakes by the Canadian Northern railway; his only interest was to get it to the head of the lakes as quickly and as cheaply as he could.

Now things have changed. Canada has the Grand Trunk railway and its upper lake ports, and must and will gather in not only the trade of the Grand Trunk

Pacific railway and its branches, but also the trade garnered by the Canadian Northern railway in the West. Where is that grain trade to find an outlet? The Grand Trunk Railway company have a line from Midland, which, as Eastern Ontario men well know, runs to Peterborough and across to Belleville, where it strikes the main line. If that line from Midland were all like the main line, the country would have a great asset; but unfortunately it does not come up to the same high standard. Yet in the past, without having the trade specially directed to it, that line from Midland and Tiffin, which is practically the same place, has carried upwards of 40,000,000 bushels of grain in a season.

The country has these two great railways on its hands, and it must attempt as far as possible to bring the trade of the Northwest over them to Montreal or to some other port that will compete with Buffalo. It is idle to talk about taking the trade in its entirety from Buffalo, because, in the first place, all of the 200,000,000 bushels—putting it at that figure—is not all exported overseas, but much is converted into flour in Ontario and the other provinces. A large proportion always finds its market in the United States, where it is converted into flour.

Then there is another factor. If you look at the map, you will see that the grain trade from Milwaukee and the Western States cannot be carried to the Eastern States by way of Buffalo as cheaply as it can be carried by way of the Georgian Bay ports and Montreal. That trade has always been a large one at Midland, and no doubt the same is true of Port McNicoll.

Assuming for the sake of argument that we could bring half of the grain trade of the Northwest over the Government railway system to ports on the Georgian bay owned by the Government, the next problem is, where are we going to place it in ocean-going ships? In the summer months we could take it to Montreal; but unfortunately the grain for export is only reaching Montreal when that port is closing up, for, as every person knows, the grain of this season cannot be threshed until after Montreal harbour is closed. I read in a paper the other day that the Grand Trunk railway proposed—I assume with the sanction of the Government—to expend $500,000 more on harbour improvements at Portland. Well, if we are to have a winter port for these two Government railways, the only thing I see to do is to utilize Portland, because it gives our railroads the advantage of the main haul, which is no inconsiderable thing, and you could work up a trade from Fort William to the Georgian bay ports that would be favourable to Canadian shipping, because only Canadian vessels could ply between those ports. What next do you do? You give an enormous lot of employment to this co-ordinated system of Government railways; and you give them the benefit of that trade as far at least as Montreal or the border, where I suppose there would be a change of train crews. But Canada is going to get some of that trade. I know honourable gentlemen from St. John will say that the Canadian Pacific railway is carrying grain right through to St. John. It is true that it is, but not in any very considerable quantity. I think last year's figures show that it would be hardly over 5,000,000 bushels.

Hon. Mr. DANIEL: I think the honourable gentleman is mistaken.

Hon. Mr. BENNETT: It was your colleague from St. John (Hon. Mr. Thorne) who informed me.

Hon. Mr. DANIEL: I do not know what the figures are this year; but the last figures I saw showed about 19,000,000 bushels.

Hon. Mr. BENNETT: Well, I hope that is true and that I am in error; but, as I understood the figures, they were about 5,000,000 bushels. That may have been wheat, and the balance may have been other kinds of grain. But, assuming that there are 20,000,000 bushels, so much the better. The Canadian Pacific railway has its line established and must do business, and I hope it may make it pay so well that it will take double 19,000,000 bushels through there. I think it is our duty to make every possible improvement in the harbour if it is required.

I do not want to say anything to discourage the carrying of grain over the Canadian National railway; but if any honourable gentleman will but close his eyes he can think of the spectacle of train after train coming down the line, with its perfect gradients, its absence of curves, etc., and the trains going back—with what? Empties. That is the drawback to all these long hauls to-day. The upper lake system is the system that commended itself to the Canadian Pacific, despite the fact that they had a rather long haul down to St. John. It is the system that commended itself to the Grand Trunk Company in times past, for I know that Mr. Hays, after assuming the management of the Grand Trunk, on

one of his visits to the town of Midland, expressed very high hopes of the large trade that would be developed between that point and Montreal in the summer months, and Portland in winter.

But before we plunge into any more huge expenditures, once again I say, let the country breathe. There are men who tell you to-day about the advantages that would accrue to this country from the deepening of the St. Lawrence canals. Well, it is a big undertaking to deepen the St. Lawrence canals, and the man is more than a dreamer of dreams who can in fancy see a vessel which, with the enlarged canal system, could take a cargo of 200,000 or 500,000 bushles of grain from the head of Lake Superior over to Great Britain. To my mind it is the height of folly. You can bring to-day a 100,000-bushel vessel, or a 90,000, down to Montreal, and at a very light charge you can there transfer the grain into an ocean-going vessel for export to England. That vessel, of course, has its passenger rates, amounting to a large item; it next has its mail subvention; then it has what might be termed its express rates on bacon, eggs, and general freight, and, with the advantage of the large receipts from those sources, it takes in the grain practically for the purpose of ballast. And yet dreamers will tell you that vessels will carry 300,000 or 400,000 bushels of grain from the head of the lakes over to Great Britain. What would she bring back?

There are better plans before the public of Canada, which perhaps may be advocated before this debate is closed. There is the Sydney plan, which I really think has a great deal of merit. I heard it discussed by members of the other House. Sydney is in this unique position, that it can catch the freighters of every country in the world more quickly than any other Canadian port, such as Quebec or Montreal, on account of its position on the coast. Those vessels could go in there and load with coal and come to Montreal, and then, once loaded with coal, if there was anything in the system of carrying grain in a freight vessel right through to the old country, they could do it. They would have had freight both ways. But the Sydney booster —shall I term him?—advocates this plan. Perhaps he is envious of that elevator at Quebec that is not in use. Establish a similar one at Sydney. Load the vessel with coal. Then, on the return, load her with wheat and store it in the elevator at Sydney. It will be in storage there, and a chance freighter that might otherwise be going empty will take it at a low rate. I think that before the St. Lawrence canals are deepened the Sydney scheme had better be taken into consideration, because to my mind it is away ahead of the plan of deepening the St. Lawrence. However, I do not think we need be at all afraid of that for the present.

Once again I say that the honourable gentleman who introduced this resolution deserves the thanks of the House for having given us an opportunity of discussing the question. The city of Quebec and honourable members who are resident there are to be complimented on the arguments advanced in favour of Quebec's case.

Hon. J. W. DANIEL: Honourable gentlemen, I do not wish to take up the time of the Senate at any length; but when the honourable member from Stadacona (Hon. L. C. Webster) was speaking, he made reference to a subject in connection with this transportation system the importance of which appeals to me very strongly, and that is the great difference in the rate of marine insurance between our Atlantic ports and the ports of the United States.

When I was appointed to this Chamber, in 1912, I moved that the Senate issue an Order for a return, which I obtained, showing the rates of insurance from all our Atlantic and Gulf ports from the ports of New York, Boston, Portland, and other New England ports. I intended to make this return the basis of an investigation as to why marine insurance was so much higher against Canadian ports than against United States ports; but as it happened, I was forestalled in that by the Minister of Trade and Commerce, who took up the matter himself and dealt with it, I think, quite thoroughly. He took it up with insurance men in Canada and on the other side, but he did not succeed in obtaining any reduction in the rates of insurance. That was nine years ago. During these nine years there have been considerable improvements in the aids to navigation in the Gulf and around our eastern shores; so I think the time is quite ripe for taking that matter up again and we would probably do so with a greater measure of success than was met with on the previous occasion. There is no doubt that the great excess of our marine insurance rates over those required in the United States ports is one of the principle causes militating against the success of our Atlantic ports.

During this debate on the various causes for so much of our grain going to New

York, Portland, and other United States ports in preference to our own, I have been reminded of some very important evidence that was given last year to the committee on the Hudson Bay of happy memory. I refer to the evidence given by Mr. Payne, which was very interesting and important. To my mind it is a pity that all the members of the Senate could not have an oportunity of reading his testimony. I do not know what is his official title—

Hon. Mr. CASGRAIN: He has lost his job.

Hon. Mr. DANIEL:—but he has something to do with railway statistics and that sort of thing.

Hon. Mr. CASGRAIN: He used to have.

Hon. Mr. DANIEL: And he told us something of which I was not aware, bearing on the reason why so much grain goes to New York, say, in preference to Montreal or Quebec. In his testimony he made this statement, that the freight business, strange to say, does not always follow the line of the cheapest rates; and he instanced the fact that, although at that time grain could be shipped at Montreal at four cents less than at New York, the bulk of it still went to New York. Now, there was some reason for that.

Hon. Mr. CASGRAIN: I know it.

Hon. Mr. DANIEL: There must have been some reason. The reason he gave—and I presume it is the correct one—is this, that at New York, it being a large port, there are always plenty of vessels available. The shipper wanting to have his goods shipped at a certain time would send them by the route on which he could have his desire carried out. So it is not always the cheapest route that carries the business. All these things have to be taken into consideration when we are dealing with such an immense scheme as that of transportation.

It struck me, however, that this matter being of such great importance not only to the city and port of Quebec, but to all our ports and to the whole transportation system of our country, it was a pity that a debate of this character should result merely in the obtaining of certain correspondence. I would suggest to the honourable gentleman who introduced this subject that he go a little further and move for a committee to sit on this matter generally, and see if they cannot, not only by gaining information, but by using pressure where it should be used, do something to help this whole transportation system. There ought to be now a very good chance of success, particularly in reducing marine insurance rates, which are now such a great disadvantage to all the ports on our Atlantic coast.

Hon. J. P. B. CASGRAIN: Honourable gentlemen, as I have given notice that I intend to speak to-morrow on the railway situation in Canada, I do not wish at this moment to worry the House; but, in justice to the honourable member from Stadacona (Hon. L. C. Webster) I must point out that the honourable member from Simcoe (Hon. Mr. Bennett) did not follow what he said. He did not say that it would cost 33 cents to take wheat from Winnipeg to Quebec by the Transcontinental. What he did say was that it took 33 cents and a fraction to take it from Winnipeg to New York by rail and water, and 39 cents and a fraction from Winnipeg to New York all rail. That is what he said. The mover of this resolution, the honourable gentleman from De la Durantaye (Hon. Mr. Tessier) obtained his figures from the Quebec Board of Trade, who must have gone to considerable trouble in getting them. Their contention is that wheat could be carried from Winnipeg to Quebec over the Transcontinental for 17½ cents a bushel.

Hon. Mr. BENNETT: I misunderstood the honourable gentleman.

Hon. Mr. CASGRAIN: I know you did; I am only putting it right.

The honourable member for Norfolk (Hon. Mr. McCall) made a very good speech, and it did my heart good to hear it. The honourable gentleman advocated what our old friend the late John Charlton advocated—a great railway located far from the American boundary, so that there would be no chance of the wheat finding its way to an American port: he advocated the Transcontinental. I have been singing the praises of the Transcontinental in this House for eighteen years. And the Transcontinental is a good thing, a splendid thing; and it did me good to hear the honourable member from Norfolk—it is a pity we do not hear him oftener—because he made a very good speech, he talked commen sense throughout.

The honourable member for Stadacona (Hon. L. C. Webster) also spoke of the advantages of using the Transcontinental, and his remarks also did my heart good.

This is the first time I have heard anybody on the other side of the House say it was of any use at all. The honourable gentleman is perfectly right. Take the passenger service. When an ocean steamer arrives, what train do you see alongside that ocean-going vessel? A C.P.R. train, which takes the people to Winnipeg and westwards. And the C.P.R. has to carry these people, from Quebec to Winnipeg, a distance of 1,581 miles. If those who are managing the Transcontinental now were attentive to their business they would have their train right there and could take those passengers from Quebec to Winnipeg over a line that is only 1,350 miles long—220 miles shorter than the other, and over a much better route. Now, I would like to know who would desire to travel by train in the summer time a distance of an extra 220 miles for pleasure, when he could, after getting off the C.P.R. steamer, step right into the Transcontinental train and go straight to Winnipeg by a route that is only 1,350 miles long?

Hon. Mr. SCHAFFNER: Where are those passengers mostly booked? Are they not booked in the old country?

Hon. Mr. CASGRAIN: That is what I say: government operation is no good. Why are they not booked the right way?

Hon. Sir JAMES LOUGHEED: The C.P.R. book them.

Hon. Mr. CASGRAIN: Yes, but if the Government are going to have a transportation system, have they no agent to look after their business? Let me ask the honourable member from Boissevain (Hon. Mr. Schaffner), is that what you call government operation, to let the competitor get all the trade? That is what I said it would be—that the Government management would be asleep while the other fellows were getting the business. And you see the beautiful result! However, would anybody go C.P.R., or even Canadian Northern, when he could go by that beautiful Transcontinental route, the equal of which, honourable gentlemen—and I say it on my authority as an engineer—does not exist on the face of God's earth. There is not another road that has such straight and long tangents; there is not another road that has such an easy grade. The honourable member from Stadacona was right when he said that on that Transcontinental road one locomotive can do twice as much work as it could do on the C.P.R. If a locomotive on the C.P.R. can take 25 cars, the same locomotive on the Transcontinental can take 50. But I am anticipating what I intend dealing with tomorrow. However, 40 miles an hour, or 35 miles, is not an excessive rate of speed, and at 35 miles an hour the distance of 1,350 miles would be covered in less than 40 hours. If a passenger arriving from a steamer travelled from Quebec to Winnipeg by the C.P.R., the best it can do is 48 hours from Montreal plus 6 from Quebec, or 54 hours—a difference of 14 hours. And there is naturally more expense in operating the 220 additional miles. That is only one of the points. But I do not want to be carried away, for I hope that the honourable members of this House will be good enough to hear what I have to say to-morrow. However it was quite pleasing to hear the Transcontinental vindicated.

Hon. Mr. MURPHY: Vindicated?

Hon. Mr. CASGRAIN: Yes. Of course, nobody who is familiar with transportation matters can claim that rail transportation can compete with water. On water Divine Providence has given the right of way and attends to all its repairs, etc. When wheat can be shipped by water, that method will always be cheaper than by rail. It is a very wonderful thing if, as the honourable member from Simcoe (Hon. Mr. Bennett) said, the C.P.R. can carry wheat from Port McNicoll to Montreal at 5 cents a bushel, because they are charging twice that rate to carry that same bushel from Winnipeg to Port Arthur, which is the same distance. That is very strange. However, the honourable gentleman spoke against the deepening of the St. Lawrence, and in that respect, I agree absolutely with him. It would be absurd. Even if the St. Lawrence were deepened to 20, 25 or 30 feet, no ocean-going vessel would go up there to get freight, because the ocean-going vessel could not waste its time going up the river. The honourable gentleman, living at Midland, is well posted on navigation matters, and he is perfectly right. The International Joint Commission held a sitting in Montreal and heard the evidence of engineers, etc. What do engineers know about navigation? That is not their business. It was my good fortune to entertain the members of the Commission at lunch, and I told them: "You are losing your time. Why all this evidence? Why don't you ask the people who own ships whether they would use that deepended canal or not?" Why, it would have been very simple. All they had to do was to call up the C.P.R. Ocean Service, or Mr. Bosworth, the chief

of it. He would have told them that they would not send ships into those restricted waters. Strange to say, insurance rates are twice or three times as much in such waters as in the open sea. Besides, the building of ships is so expensive that an ocean vessel cannot afford to waste its time in restricted waters and waiting to go through canals. It is one of the craziest schemes imaginable, engineered by someone on the Mississippi river. But there is nothing in that scheme, and it should be frowned down because the people who own ships—and it is very easy to ask them—would not send their ships that way. Lake shipping and ocean shipping are two different businesses: they are not analogous at all.

I am glad that this question has been brought up. There is no doubt, as the honourable member for Norfolk (Hon. Mr. McCall) has said, that when the Transcontinental railway was first built all the railways west of Winnipeg were to be allowed to use it. Why do the Canadian Pacific Railway Company persist in using their own lines to take grain to Montreal, or even Quebec, when they have to haul it up hill and down dale? Why do they not take advantages of that wise legislation by which the Transcontinental railway was obliged to give running rights to the other railways? It was to be a sort of spout, as Sir William Van Horne said, to let the grain of the West flow right down to the nearest tidewater. I have asked some questions, because I know that when the figures are shown it will be seen that one of the best parts of the Canadian National system, now being operated by the Government, is that part of the Transcontinental railway in the province of Quebec.

Hon. GEORGE W. FOWLER: Honourable gentlemen, I was a member of the lower House when the Transcontinental and Grand Trunk Pacific Railway Bills came before that House, and on one occasion I had the pleasure and the honour of moving an amendment looking towards the very thing which has occurred. That amendment, I may say, met with the full opposition of the Laurier Government, which was the Government of the day, and the members supporting that Government. I pointed out that Canada was incurring a tremendous expenditure for the benefit of the farmers of the West, the greater part of which fell upon Eastern Canada, and that it was only fair and proper that Eastern Canada, represented by the ports of St. John, Halifax, Quebec, and Montreal, should derive some benefit from it, and that the only way in which those ports could benefit would be by having the western grain carried over Canadian lines to those ocean ports. I therefore moved this amendment: that all freight, whether it be grain, or cattle, or whatever it might be, the product of the West or of the district through which this road was to run, should be carried over Canadian lines to the Canadian ocean ports.

Hon. Mr. CASGRAIN: Hear, hear.

Hon. Mr. FOWLER: "Hear, hear," says my honourable friend; but his colleagues did not say, "Hear, hear," very much at that time. That amendment received the solid support of the party with which I was identified, and with which I always have been identified, but it received the unanimous condemnation of the party with which honourable gentlemen opposite are identified, and I fancy that there are some honourable gentlemen sitting there now who joined in the condemnation and voted against that amendment.

Hon. Mr. CASGRAIN: No politics in this House.

Hon. Mr. MURPHY: He is just stating facts.

Hon. Mr. FOWLER: Yes, I am making a statement of fact. Mr. Fielding brought down an amendment which he said he thought would meet the views of myself, the member for Kings-Albert at that time. His amendment was that all freight originating along the line, not otherwise routed by the shipper, should be carried over Canadian lines to Canadian ports, which, of course, as I said, did not meet my view at all, and would not meet the conditions at all, and was simply a bit of camouflage—although, that being before the war, that word was not in very frequent use; which enabled the shipper to send the freight where he liked, and that the Grand Trunk at that time had its principle ocean terminus at Portland, and naturally was going to send the grain through Portland. If that amendment as I proposed it had been adopted, we would not to-day have this complaint, and the great port of Quebec would be receiving its due share of the business, and great financial results would have accrued therefrom.

With regard to insurance, which my honourable friends from Montreal are making so much fuss about, claiming that insurance companies discriminate against the port of Montreal—

Hon. L. C. WEBSTER: All Canadian ports.

Hon. Mr. FOWLER: Well, there are in this House representatives from the city of Montreal of great aggregate wealth. Very wealthy men are sitting in this House as members from Montreal.

Hon. Mr. CASGRAIN: Name them.

Hon. Mr. FOWLER: Oh, it would take too long. I do not know a man from the city of Montreal that I would except from the millionaire class. Why do they not get together? I would suggest, if the rates are higher than they should be, commensurate with the risk, that they should get together and form an insurance company. What better investment for their surplus wealth could there be?

Hon. Mr. MURPHY: The rake-off made their wealth.

Hon. Mr. CASGRAIN: I do not want to interrupt. You say why not form a company? Sir George Drummond, a very wealthy man of Montreal, president of the Bank of Montreal, tried to form a company and it lost money.

Hon. Mr. FOWLER: Then the argument that my honourable friends have been trying to make that rates are too high is wrong. That statement does not bear out their contention. If you lose money, how could you expect the insurance companies, which are composed of shrewd, clever men, to carry on at lower rates?

Hon. L. C. WEBSTER: The insurance is largely effected in London, and covers an average from all ports. You cannot make a success of insurance by confining it to one or two ports.

Hon. Mr. FOWLER: Lloyds is an institution which keeps pretty well posted in regard to the risks in various portions of the world. it is a great gambling institution, I may say, a speculative institution, and takes great risks; and I would think they would figure this out on a scientific basis. It does seem to me that that is where you should get to work: you should make your representations to the insurance people, and get them to reduce the rates. I do not know what else you expect, unless it is to have the Government start a company. We have a very paternal Government; there is scarcely anything left for individuals to do.

Hon. Mr. CASGRAIN: They could do it as well as run railways.

Hon. Mr. FOWLER: I am sorry that my prediction has proved true. I would have been very glad, in the best interest of the country, if in 1904 I had been a false prophet when I said that we were spending our money for the sake of building up foreign ports. But much to my regret it has proved true.

On motion of Hon. Mr. Michener (for Hon. Mr. Willoughby), the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

THURSDAY, April 7, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE RAILWAY PROBLEM IN CANADA

DISCUSSION AND INQUIRY

Hon. J. P. B. CASGRAIN rose in accordance with the following notice:

That he will call the attention of the Senate to the railway problem in Canada and especially to the Grand Trunk Railway Company, and inquire if it is the intention of the Government to abandon the arbitration proceedings.

He said: Honourable gentlemen, to-day I intend to give you no words of mine, but simply facts and figures in order that we may dispassionately consider the question of the railway problem that is facing us. When we realize that the amount involved is actually greater than the amount of all the money that we spent in financing the war we shall have some idea of the importance of this question. We are saved the loss of life that there was in the war; but there was one advantage with the war, —it came to an end, whereas I for one cannot see when this railway business will come to an end. I do not know if any honourable gentleman can give us even an approximate estimate as to that, and I must admit that it is absolutely beyond me when I consider that the deficit for every running mile operated by the Government is no less than $5,000. For eighteen years I have been studying this question closely; I do not suppose that anyone has given more time to it; and yet I cannot understand how this deficit can be $5,000 per mile. We are operating in round figures

14,000 miles of railway, and the deficit is $70,000,000, so it is easy to figure out what the deficit is per mile.

Hon. Mr. NICHOLLS: In your compilation of loss or deficit of $5,000 per mile, do you mean a running deficit in operation or a deficit in operation including fixed charges?

Hon. Mr. CASGRAIN: I take the deficit mentioned by the Minister of Railways in another place, although personally I think it is much more than that. Mr. J. L. Payne, Statistician of the Department for many years, has published letters in the Montreal Star in which he says that the deficit is $138,000,000. The figures that I have here are not mine. Some of them have cost me a lot of trouble, and the honourable gentleman from the Gulf (Hon. Mr. L'Espérance) knows the difficulty of getting any information about this matter. Yesterday we were trying to get some figures as to the cost of carrying a bushel of wheat from Winnipeg to New York, and we could not come to any agreement; and we had a talk with the Minister of Finance, who for eight years was Chairman of the Railway Board, and he said that was a question that no one could answer.

Hon Mr. McMEANS: Will the honourable gentleman tell us what roads he means, and where they run?

Hon. Mr. CASGRAIN: I mean the roads under the Government control and operation, outside of the Grand Trunk railway.

What I should like to get, and I think every honourable member would like to have it, is some information as to how it is possible, if any tickets at all are sold, or if anyone pays for any freight, to run behind to such an extent. It is one dollar for every foot of the railway for one year. How is it possible to lose that much money? If there is any question that this House should take an interest in it is this one. I have searched the press, and I have not taken an article from a paper that is not a good friend of the Union or Conservative Government; but I cannot find out why the deficit should be so great.

I do not know whether the deficit is on the freight business or on the passenger business. The figures that I am now going to give this House were a revelation to me, and may be new to some of the other members of this House. I connot state where I got this information, because the gentleman who gave it to me might get into trouble if it were known that he gave it. He is a very responsible person and very high in the railway world, and the information, so far as I know, is perfectly correct.

On the Grand Trunk Railway system, which means not only the Grand Trunk in Canada, but the Grand Trunk in the United States—there are roughly 8,000 miles of road, of which 1,600 miles are in the United States—on the whole Grand Trunk system the freight earnings for the year 1920 were $77,542,723; the earnings from the passenger business amounted to $20,781,281; and the mail and express business amounted to $4,075,258. Honourable gentlemen will notice by these figures, which are authentic, that when the Grand Trunk Railway Company through its agents received $5, $4 was for freight and $1 for passengers. Now, the problem for us is to find out whether we are losing on the passenger service or on the freight service. How can we be losing on the freight? When a man hires a freight car and pays for it, surely the charges must be sufficient to pay for the service rendered. If that is so, the loss must be on the passenger service. But I do not draw that conclusion: I leave it to honourable gentlemen here. That is something to be found out. If this question were referred to a Committee, we might perhaps get information from experts of the Railway Board or the Railway Department, or even the railways themselves, and settle the matter. I suppose the Railway Committee has the right to call for persons and papers, and if it were to take up the question we could find out where this enormous leak is.

Then there is the Grand Trunk Railway of Canada, exclusive of the Grand Trunk western lines and the Grand Trunk New England lines. I take that to mean exclusive of the lines west of Sarnia, and the lines east of Montreal, like the Vermont Central and the line to Portland. The freight earnings of the Grand Trunk Railway Company of Canada were $55,102,054.

Hon. Mr. BEIQUE: I understand the honourable gentleman to state that the figures which he was giving did not include the Grand Trunk railway.

Hon. Mr. CASGRAIN: At present I am speaking of the Grand Trunk railway alone. I am making a distinction between the Grand Trunk railway in the United States and the Grand Trunk railway in Canada.

Hon. Mr. BEIQUE: But when you refer to the loss on the 14,000 miles, that is exclusive of the Grand Trunk railway?

Hon. Mr. CASGRAIN: The Grand Trunk railway does not come into that at all.

The freight earnings of the Grand Trunk railway proper in Canada for the year 1920 amounted to $55,102,054; the passenger earnings were $16,948,180; and the mail and express earnings were $3,239,811. There is a note here which, I am sorry to say, I cannot explain. It says: "Other revenue from transportation or operations not included." I do not know what that means.

Now we come to the Canadian Pacific railway. The Canadian Pacific during the year 1920 received from freight earnings $145,303,400; from passenger earnings, $49,125,739; from mail service, $1,498,231; and from sleeping cars, express and miscellaneous services, $20,713,918; or a total of $216,641,350.

Hon. Mr. MURPHY: I do not like to interrupt, but would the honourable gentleman again give that comparative statement of the receipts of the Canadian Pacific railway and the Grand Trunk railway?

Hon. Mr. CASGRAIN: As soon as I get through I shall be very glad to give it.

Hon. Mr. MURPHY: I want a fair statement, and I would like the honourable gentleman to repeat it.

Hon. Mr. CASGRAIN: Honourable gentlemen will notice from the figures I have just read that of every four dollars taken in by the Canadian Pacific railway, three dollars come from the freight business and one dollar from the passenger business; whereas, in the case of the Grand Trunk railway, out of every five dollars received, four dollars come from the freight earnings and one dollar from the passenger earnings; so that proportionately the Canadian Pacific railway is doing a much larger passenger business.

Hon. Mr. MURPHY: What about the mileage? What I want is a recapitulation of the whole thing.

Hon. Mr. CASGRAIN: I will give you that when I get through.

Last Monday I happened to be in the city of Quebec, where the land surveyors of the province of Quebec were holding their annual meeting and preparing questions for the examination of students before being admitted to the study of land surveying. This is one of the questions that were put:

If the deficit for the last fiscal year of the Canadian National railway is $70,000,000, how many solid silver box cars could be constructed for that amount, taking the weight of one car to be 37,000 pounds and silver at one dollar an ounce? And what would be the length in feet of this solid silver train?

It is a very simple matter to compute the answer, which is: 118 solid silver box cars; and the length of the train would be 4,720 feet, or nearly one mile. And if we take the Grand Trunk railway under Government operation, I am willing to stake my seat in this House that the train would be over a mile in length.

Another question was also asked. It was: "If it is true that we have spent two thousand millions in dollar bills on the war, if they were placed end to end what would be the length of that line of dollar bills?" It works out at 228,853 miles; and, while I have not had the time to verify this, I am told that it would reach from the earth to the moon.

Hon. Mr. FOWLER: Do you take exchange into consideration?

Hon. Mr. CASGRAIN: If honourable gentlemen would like to make the calculation, it is very simple.

Hon. Sir JAMES LOUGHEED: Would the honourable gentleman say who the examiner was who set the examination paper? Was it my honourable friend?

Hon. Mr. CASGRAIN: No, I did not set the examination paper; I am afraid I am too rusty; but I was an examiner some years ago. But these are very simple problems. They are for students who want to be admitted to the study of land surveying.

Hon. Mr. DANIEL: What would the distance be in shinplasters?

Hon. Mr. CASGRAIN: I cannot answer that; but in dollar bills it would make a belt that would go 9½ times round the earth at the equator. If this amount, like the other, were transformed into solid silver box cars, it would make 3,378 of them.

I think the problem of this deficit is a much more important one than the June conference about to be held in London; and I believe that the Premier of this country should stay here, repair his fences and put his house in order before going abroad to see about things which, after all, the war being finished, we are very little concerned with, having absolutely no vote and no more influence in England than the wildest Indian in the Northwest or the filthiest Esquimaux. We have no vote, so I do not see why our Prime Minister should not

stay right here with his colleagues, because, after all, our Prime Minister is a very bright man.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CASGRAIN: But I do not think anybody in this House will say that he is any brighter than Sir Wilfrid Laurier—

Hon. Mr. MURPHY: Oh, yes.

Hon. Mr. CASGRAIN:—and when Sir Wilfrid Laurier went over to England the first time, in 1897, they managed to wriggle out of him the British preference.

Hon. Mr. MURPHY: Wriggle?

Hon. Mr. CASGRAIN: And he came back here and said: "I have given a preference of 33 per cent;" which meant that they could send goods into this country, and, instead of paying $3 on them, pay $2; and, after they had done that, he said, "I have asked nothing in return," and he got nothing: he got what he asked for. Now, I fear that if the Prime Minister goes he will be treated as Sir Wilfrid Laurier was and be drawn into some further expense; and the Lord knows we don't want to go to any extra expense, for we have enough now on our hands. When Sir Wilfrid Laurier went over in 1907 he was accompanied by the Hon. L. P. Brodeur, then Minister of Marine and Fisheries. Mr. Brodeur, when I knew him first, when he came to Montreal, was not only a Liberal —or a Socialist—or a Radical: he was a Nihilist: the burden of his speeches was the downfall of the Romanoffs. But they got around him in London and made an Imperialist of him—so much so, that before he came back, and long before there was any thought of war, he took his son out of college and put him into the British navy. He was worked up to be just as good an Imperialist as I am myself—and that is going some. I wonder if Mr. Brodeur likes Russia now better than he did when it was ruled by the Romanoffs?

The British imperialists got Sir Wilfrid Laurier, who was a man of peace, who hated war, to start the navy, and that navy was Sir Wilfrid's undoing. If he had not touched that he might have died Prime Minister of Canada; but he started the navy, and Quebec would not have it. Quebec said, "You should not have it," and Quebec won out, as it always does, for Quebec took the proper means not to have it, and we did not have the navy. But what thanks did Sir Wilfrid Laurier get from the English provinces for that navy? He was laughed at; they called it a "tinpot navy"; they made fun of the Rainbow and the Niobe, saying they were no good; so he got it both going and coming. In Quebec they were against the navy. To get the navy, and thus help the Empire, Sir Wilfrid took up the reciprocity question, and ran it parallel with the navy, thinking that the people would talk reciprocity and forget the navy; but he fell between the two stools. I remember that in the county of Soulanges, and other constituencies, the candidates were asked if they were for or against reciprocity, and they simply said, "I am for reciprocity and against the navy," because the people were against it, and they saw to it that there was no navy. Mr. Brodeur, who was our Minister of Marine and Fisheries, in conference with the Hon. Mr. McKenna, who was the First Lord of the Admiralty at the time, got blue-prints for thirteen ships, and a big shipyard was erected in Montreal by the Canadian Vickers, with the help of the present Minister of Marine and Fisheries, Hon. C. C. Ballantyne, who got the Vickers people to erect that huge plant without costing this country a cent. That was one good thing, among others, that Mr. Ballantyne did: he got the Vickers people to come to Canada and spend $5,000,000 of English money, which I call good business. They were to build the Laurier navy; but when the Government was forced, at the dictation of Mr. Monk, Mr. Bourassa, and Mr. Lavergne, the navy was called off, and the blue-prints were torn up. If the Postmaster General were in his seat he would corroborate every word I say. They said, "No navy," and we have no navy; and, after all, I don't think that Mr. Bourassa and Mr. Lavergne and those other people were so far wrong, because we have got along without that navy for ten years. We are now trying to get a little navy—I will come to that soon.

I say that our railway problem is such that we have no money to spend on a navy just now. It was easy for Mr. McKenna and the other Imperialists in London to get around those two French Canadians, Sir Wilfrid and Mr. Brodeur, by simply telling them: "If you don't do this, all the English provinces will vote against you; they will say you are disloyal." But the navy was their undoing. If they did that to Sir Wilfrid Laurier and that Nihilist, Judge Brodeur, of our Supreme Court, what will they do to the Right Hon. Arthur

Meighen, who is willing to spend the last dollar and give the last man in the defence of the Empire? What are they going to do with him if he starts with a disposition like that? I don't know what he can give, because we have very little to give now; but of course it was very easy for Mr. Meighen to say, "Give the last man and the last dollar." Perhaps he has not many dollars to give, anyway; and, so far as giving the last man is concerned, I don't see that he gave many sons, although there are members in this House who sent one, two, or three sons to the war.

Hon. Mr. MURPHY: Yes, and four.

Hon. Mr. CASGRAIN: And to keep them fed whilst prisoners in Germany in fact took nearly their last dollar, though we do not hear about that. It is all very well to talk when you don't go yourself. Honours are easy, if Mr. King was too old to go and our Prime Minister was too young.

Hon. Mr. MURPHY: No, that is not true; pardon me.

Hon. Mr. CASGRAIN: We talk about being a nation. Well, we were a nation at the time Sir John A. Macdonald was in power. England was at war in Egypt, and they cabled here to get help, and what was Sir John's answer? "Not a man, not a dollar." Is that right? Then we confirmed that declaration. At the same time Sir Richard Cartwright used to say, "We have got very little to thank England for, and the only way we can do it is by Christian forgiveness." As I go into social circles with the capitalists, the big men, the swells, I find that that great infatuation for Imperialism, those ideals about the Empire, and so on, are dying out, melting away like snow in spring, since there are no more titles to be given. Mr. Nickle did the worst thing that he could possibly do for those social climbers when he wiped out those titles. Since there is no more chance for them to get titles, we do not hear very much more about Imperialism, and I really believe that if we go on for five years more without titles I will be the only Imperialist left in the country.

Hon. Mr. MURPHY: You and I.

Hon. Mr. CASGRAIN: It would have been much easier for me to discuss this matter to-day if I had had answers to those questions that are standing in my name, and that keep standing; because, speaking seriously, I have a purpose in finding out where this leakage is. There is certainly a leakage somewhere, because there is no sense in having a deficit of $5,000 for every mile of railway managed by the Government. Only a few years ago the gross receipts from the C.P.R. were only $4,500 per mile; so how can the Government railways have such a deficit? Some people must pay for their tickets when they travel on those trains, and others must pay the freight charges. The railway must have some money coming in, and $5,000 per mile is a very good revenue on which to operate a railway and have a good business. I asked:

> What is the surplus or deficit per mile of railway on the lines operated by the Canadian National railways, on the operation of these lines in Prince Edward Island—over and above the fixed charges—and what is the mileage?

That question is simple enough, but I have not yet had an answer; perhaps I will get one some time in the near future. I also asked what was the surplus or deficit on the old Intercolonial railway. Well, I am informed that from Montreal to Mont Joli, which is the last division point in the province of Quebec, there is actually a surplus of $2,000,000, while the deficit over the whole Intercolonial railway is $5,000,000. Consequently the deficit in other parts must be $7,000,000; and that deficit must be somewhere outside of the province of Quebec—I don't know where. If somebody would move that this matter be referred to a committee, we might find out where that deficit is.

Hon. Mr. MURPHY: Why don't you move it?

Hon. Mr. CASGRAIN: I am not persona grata with the powers that be.

Hon. Mr. MURPHY: That is your impression.

Hon. Mr. CASGRAIN: I have asked the same question as to surplus or deficit per mile on the lines in Nova Scotia that were formerly part of the Canadian Northern railway system, but now operated by this Government. I think there are some 270 miles operated in Nova Scotia. What was the surplus or deficit there? I have not had an answer to that question either. Then, I have asked what is the surplus or deficit on the Transcontinental line between Moncton and Quebec. I understand that when the railway comes to Edmundston the trains are filled with passengers, and there is very heavy freight traffic from Edmundston to Quebec. I do not know if that is true; it is only hearsay.

I want to know, also, what is the surplus or deficit on that part of the Transcontinental from Quebec to the boundary line between Ontario and Quebec. If anyone can judge by passing along the road, there should be a big surplus on that section. So much pulpwood was taken out of that territory that when I went there professionally last fall the great complaint all along the line was that they could not get enough cars to carry the freight, and the freight rate from La Sarre and the district of Abitibi was $16 for a cord of wood when going to the United States, and there must have been at least $12 of that amount coming to the Canadian railway. As I said in the press, I thought the quantity of freight that was available there would run that railway. There is more freight to be gathered from the pulpwood on the side of that railway than all kinds of freights on any part of the C.P.R. line, whether in Saskatchewan or anywhere else. There is an inexhaustible supply of pulpwood there; enough, at the rate of $16 a cord, to run every mile of the railway. There was $2,000,000 worth of freight along every running mile of railway, and if the usual price were got for that freight it would be sufficient to pay for the railway over and over again. How they can work out a deficit there is beyond my comprehension, and if that can be explained I will be very glad.

Then there is the Transcontinental line running from the province of Quebec to Manitoba. There is a long stretch there. Is there any surplus or any deficit on that section? We don't know. If there is a deficit, is it in the passenger traffic or in the freight traffic?

There is the same thing about the Transcontinental and the Grand Trunk Pacific railways and branches in the province of Manitoba. Are they paying, or are we losing money on them? I see that the Honourable C. A. Dunning, Minister of Finance in the so-called Liberal Government of Saskatchewan, says that they are paying lines, so there cannot be any deficit there. We have a member of this House from Saskatchewan who was the leader of the Opposition there at one time; he might be able to tell us whether those railroads are paying or not. If they are paying lines, where does the deficit come from?

I have asked the same question in reference to the Grand Trunk Pacific Railway and branches in the provinces of Alberta, Saskatchewan, and British Columbia—whether there is a surplus or a deficit. Lastly, I have asked this question:

The same on all the lines formerly operated by the Canadian Northern Railway System—giving the surplus and deficit on per mile of railways now under the control of the Canadian National railway—over and above fixed charges, separately, in each of the above mentioned provinces, and the mileage of these lines in each of these provinces.

Now, honourable gentlemen, I am not expressing an opinion at all, but only quoting and putting before you in a dispassionate way what I have found by researches. I am trying to give my colleagues the benefit of many hours of work on this problem.

I find in the Montreal Star of November 3rd, 1919, an article which is addressed to this House, and I will crave the special attention of honourable gentlemen while I read it:

The Party Whip

Of the ninety-three members of the Senate, how many believe that the Grand Trunk Bill is a good thing for Canada? Probably not one.

I am not speaking; it is the Montreal Star, which is conducted by Lord Atholstan, the biggest Imperialist in the country. It continues:

But, under coercion of the Government, how will they vote?

If the Commons had passed, under the Government's whip-lash, a bill to sell Canada to the United States, how many Senators would have voted for it? But the Grand Trunk Bill threatens to bankrupt Canada, and possibly to bring about a condition for which annexation would be the only remedy.

Now, here is that great Imperialist, Lord Atholstan, the owner, proprietor, and publisher of the Montreal Star, talking about annexation. He goes on:

The people of Canada are watching the Senate to-day as never before. The distrust of the Grand Trunk deal is deep and is spreading. The Senate is properly regarded as the last line of defence against a scheme questionable in its motive, wickedly wasteful of public money in its details and ruinous to the country in its possibilities.

Now, just another short paragraph from the Montreal Star:

The Nation's Credit

The Star's daily mail averages 2,000 letters, coming from all parts of Canada. By this means The Star is enabled to feel the pulse of public opinion on matters that are commanding attention, and is made aware that there is a very strong feeling in most of the Provinces against railroading the Grand Trunk scheme.

The promoters of the sale are using extraordinary means to accomplish their purpose. They are even going so far as to urge the Government to appoint four new Senators pledged in advance to support the Bill. The deficits on

the American roads have been staggering, and in Germany, where Government operation is at its best, the deficit runs close upon $150,000,000.

And they have not many more miles of railway than we have. The article proceeds:

The same schemers who saddled Canada with the bankrupt railway of Mackenzie and Mann are engineering the G.T.R. deal. If a body of men supposed to have some regard for their country's interests can be prevailed upon to pass an act that will make Government operation a permanent policy, God help Canada.

Now I wish to give you a few notes of the Grand Trunk arbitration, from statistics of the Dominion of Canada, which show that 43 per cent of the cost of building the C. P. R. had come from public funds; 73 per cent of the cost of the C.N.R.; 60 per cent of the cost of the G. T. P.; 75 per cent of the cost of the G. T. P. branch lines, and 100 per cent of the cost of the National Transcontinental Railway—

Hon. Mr. MURPHY: Who voted that?

Hon. Mr. CASGRAIN: Whilst the Grand Trunk itself received only 6.64 per cent of this money.

Hon. Mr. MURPHY: I asked the honourable gentleman a question.

Hon. Mr. CASGRAIN: Will the honourable gentleman please not interrupt? He has no right to interrupt without my permission, according to all the rules. These figures included lines to the value of $38,000,000 built and handed over to the Canadian Pacific Railway.

Land grants amounting to 32,000,000 acres were made by the Dominion Government to the railways, and at the same time the Provincial Governments made land grants to the tune of 11,000,000 acres, making in all 43,000,000 acres of land. Who got that? Ninety per cent of the land grants—90 per cent, mind you, or 9 out of every 10 acres—went to the C. P. R. and the C. N. R. Only 21 acres went to the Grand Trunk Pacific proper or to the Grand Trunk Pacific branch lines, and not one acre went to the Grand Trunk Railway—not one. It never received any land at all.

Now, here is an article appearing in the Montreal Gazette—and surely if the Government has a friend in this country it is the Montreal Gazette. This is entitled, "Crisis has arisen in G. T. R. purchase—Government may drop negotiations, leaving road to extricate itself." It is dated April 1:

In the Government caucus—

I do not know who could give any news of what took place in the Government caucus, but I am reading what was printed in the Montreal Gazette—

In the Government caucus to-day the Prime Minister placed before his supporters the problem arising out of the Grand Trunk arbitration. It is understood that the Grand Trunk is asking for an extension of time to complete the arbitration proceedings, and also for a large money grant to meet pressing liabilities.

I have taken the trouble to ascertain, not what were the pressing liabilities, but what was the amount immediately needed. And what do you think it is, honourable gentlemen? The amount which they want right away is no less than $88,000,000.

Hon. Mr. MURPHY: You were at the caucus, were you?

Hon. Mr. CASGRAIN: The total is not stated, but the Grand Trunk wants $88,000,000 right away.

The arbitration proceedings were to have been completed by April 9, and the Government is opposed to both extension of time and further financial assistance. It is said that the railway company insists on the necessity of financial aid, and the negotiations are threatened with complete rupture, leaving the railway company to extricate itself.

In the caucus, it is reported, Sir Robert Borden made a strong speech in defence of the acquisition of the Grand Trunk as necessary to the success of the National system. He also defended the Government operation of a National system.

The Prime Minister—

That is, Mr. Arthur Meighen.

—left the impression that he was very much opposed to further delay in reaching a decision in the arbitration. There is no doubt that a crisis has been reached in the railway situation, and interesting developments may be expected during the next few weeks.

The present Minister of Finance was good enough to give us his opinion on railway operations: we all remember the famous Drayton-Acworth report. If you really want to know the railway situation you should read the report of Mr. A. H. Smith, a man of brilliant intellect, who was president of the New York Central lines for very many years and who has devoted his whole lifetime to railroading. Mr. Smith says that in the United States the rate for carrying one ton of freight one mile is three-quarters of a cent; and the same rate prevails in Canada, as the honourable the Minister of Labour (Hon. Mr. Robertson), who is an old railway man, can corroborate. That is under private enterprise. In Australia, under Government ownership, which has had 20

or 25 years' trial, the freight rate, according to Mr. Smith, is two cents, or one penny per mile—nearly three times as much. I can see my friends the farmers of the West paying three times the freight they are paying to-day; and that is coming. But do not whine, because you voted for Government ownership. Mr. Smith says that in Australia passengers are carried at threepence, or six cents, per mile, which is exactly twice as much as you were paying before the recent increase.

I wish to draw the attention of the House especially to the statement of Sir Henry Drayton, our present Minister of Finance. He may be right, or he may be wrong. He said: "The Government is entitled morally and legally to make the Grand Trunk live up to its contract." That meant, as was said by the honourable gentleman from Nipissing (Hon. Mr. Gordon), that the Grand Trunk Railway shareholders would get just what was coming to them. I never supposed that the Executive of this country, or the House of Commons, or the Senate, was a charitable institution. We are justified in being charitable with our own funds; but we are here as trustees of the people. We are honoured with the confidence of the people, by their entrusting to us the administration of their money. Why should we give to the shareholders, no matter how worthy they may be, the money that has been entrusted to us? If that were done by private trustees, they would be sent to Kingston penitentiary or to St. Vincent de Paul. We have no right to give these shareholders anything but what is due to them. Much as we would like to do it, we have no right to exercise any generosity with other people's money. If we want to help them, well and good; but we have no right to help them with the public money.

Mr. Smith goes on to say that "now"—that means 1917, four years ago—the sum of $30,000,000 would be immediately required to equip the Grand Trunk properly, and that $70,000,000 more would have to be spent in the next five years. That meant that $100,000,000 would have to be spent soon. Four years have since elapsed. Well, they are now asking for $88,000,000; we are not very far from it. If you look at the report of Mr. Smith you will see the confirmation of that statement.

Then Mr. Smith makes a very strong point when he says that if the Government is to undertake to operate the three railways, namely, the Canadian Northern, the Grand Trunk Pacific, and the Grand Trunk, in fairness to the shareholders of the Canadian Pacific railway the Government should also take over that road. That statement appears on page 76 of the report. Mr. Smith rejects absolutely and conclusively the proposition of Government ownership and operation. He claims that, knowing human nature as we know it, knowing that the very warp and woof of our national life is politics, it is impossible in a democratic country to carry it out.

Sir Henry Drayton and Mr. Acworth agree that the Government should not attempt to take over large railways, especially to operate them. Then Sir Henry Drayton proceeds to make recommendations, among which we find one that is really amusing. He would have the railroad entrusted to five commissioners, and he says that these men should be absolutely free and independent of the Dominion Parliament. He would have us hand over to these five men property to the value of one billion and a half dollars, to be used as they please. That is Sir Henry's report. They would have no Parliament or Executive to consult. These five men, although owing their appointment to the Executive, once they were appointed, would be self-perpetuating. They would be like those flowers which are of both sexes and reproduce themselves without the assistance of another flower near by. When one member resigned or died, the remaining members would appoint another; and so it would continue. I leave it to honourable gentlemen in this House to conjecture how long these men would occupy their positions or be kept in office if they displeased the Executive who appointed them.

I really believe that our Cabinet Ministers should remain on their jobs here and not go at all to that conference in June. And why should they go? We have been told that we are a nation, which means an independent state. Are we a nation or are we not? Are we an independent state or are we not? If we are an independent state, why should we go at the beck and call of some other state? Let us adjust these railway problems, our own affairs, first.

A few moments ago I spoke of the navy. What is happening to-day in regard to the navy? Hon. C. C. Ballantyne has accepted from England a few old ships. But there was one thing that the authorities in England did not do: they forgot to send the money to equip and operate those ships. That was a great gift to receive! We shall have to maintain those ships, and we shall be keeping something for others to use. The case will be very much like that of

the poor unfortunate husbands who come before the Divorce Committee, and who are supporting what is for the use of others. At all events the husbands, in applying for divorce, show their resentment, but we do not seem to resent the treatment we receive. There is a word in French for those who are affected in that way, and I would refer English-speaking members to the honourable member from Montarville (Hon. Mr. Beaubien), who will tell them what it is. Mr. Henri Bourassa used it in his paper, Le Devoir.

Hon. Mr. BEAUBIEN: My honourable friend has more experience in that line than I have, and he might complete the explanation himself. But while he is on that subject, may I ask him just one question?

Hon. Mr. CASGRAIN: Certainly.

Hon. Mr. BEAUBIEN: Was he for or against the Laurier navy?

Hon. Mr. CASGRAIN: Gracious! I was not only for it, but I made the longest speech in the Senate in favour of the Laurier navy, and I wound up by saying—and I have always been consistent with this declaration: "It will be an excellent thing to build these thirteen ships. It will give us a start in shipbuilding. There will be a shipyard established, and we shall later see the fruition." And what have we seen? Sixty magnificent ships that are now in the Canadian marine, carrying the flag of Canada across the seven seas. I was in favour of the navy as a means of training our men in shipbuilding. I am glad the point has been brought up. If you read my speech you will see that in concluding I made this prediction: "We shall see the golden wheat of the Northwest carried in our ships, manned by Canadian sailors and proudly flying the flag of Canada on the seven seas of the world."

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CASGRAIN: The Hon. C. C. Ballantyne accepted these few old ships, and those who sent them over said to themselves: "Those poor Canadians are easy and gullible and will take anything. We will send them the ships, and they will maintain them in the meantime, and in the event of war we shall be able to use them." Seeing the honourable gentleman from Boissevain (Hon. Mr. Schaffner) smiling over there reminds me that this is just as if one of his neighbours went to the honourable gentleman, who has a big farm, and said to him: "Senator, you are a great man: you are a nation-builder. I have here an old team of horses. I will give them to you and you can keep them; you can feed them and hire a man to drive them; but you will work them on my farm." What should we think of the mental equilibrium of the honourable member for Boissevain if he accepted such an offer? That is the kind of offer we are accepting when we accept these old ships. We are going to man and equip them and work them—for whom? For other people. Again like the poor husbands before the Divorce Committee; yet we are satisfied.

We talk of being a nation. We are supposed to be consulted before anything is done with the navy. But what took place in the war? On the very day that war was declared a gentleman who had had dinner at the home of Mr. Asquith, the then Prime Minister of England, was there at ten o'clock in the evening, when some of the Cabinet ministers had assembled. When Winston Churchill came in Asquith said: "Churchill, is the navy ready?" and Churchill answered: "It is on its way." Canada was not consulted at that time. Australia was not consulted. The Boers of South Africa, who have the same right as we have to vote in the League of Nations, were not consulted either. Still, we are a nation! We may be committed to war overnight and we may not know it. War may be declared to-morrow. Complications with Germany may arise and troops may be sent. Do you think that General Smuts, who represents the Boers in the League of Nations, will be asked: "May we go to war, Mr. Smuts? How many Boers will you send to help us out?" And South Africa has just the same right as ourselves in the League of Nations: it has one vote, no more and no less than we have. The country I am sorry for is poor little Newfoundland, which has more white men than South Africa has. Why not give Newfoundland a chance and make seven votes instead of six for the British Empire? A few moments ago I said that all we owed to Great Britain was Christian forgiveness. If you want to know what was done with our ships during the war, I refer you to Mr. Edmund Bristol, K.C., Conservative member of Parliament for the city of Toronto. Ask about his correspondence with the then Prime Minister, and probably with the present Prime Minister. Why, they commandeered our ships and used them, and they made 100, 200—nay, 500 per cent

profit, and kept the money, and they have it on the other side yet, although we need it to pay the deficit on our railways.

Hon. Mr. MURPHY: Mr. Bristol is not suffering, is he?

Hon. Mr. CASGRAIN: Mr. Bristol will tell you all about it if you ask him. What about the indemnity? Are we going to get any of that? There were a number of ships taken from the Germans. How many of those ships did we get?

Hon. Mr. MURPHY: The honourable gentleman is not courteous enough to answer my questions.

Hon. Mr. CASGRAIN: Will the honourable gentleman please be quiet? I shall have finished in a little while, and then the honourable gentleman can talk as much as he likes. What about the indemnity? In another place a member from our province has been asking about it. But we have not received any of it. We have not even been promised anything. People must be pretty poor when they cannot even make a promise. Even if we are to get nothing, they might jolly us along and say that we might get something. But we are not even promised anything. Remember, we spent $2,000,000,000. France is supposed to get 53 per cent. Belgium did not begin to suffer as Canada suffered, and did not furnish as many men nor as much money as did Canada. But she is going to get a big rake-off. I travelled in Belgium myself and I could not see very much destruction there. I paid people to show me ruins and they could not show me any.

Now, what has happened? Before the war the area of the British Empire was 15,000,000 square miles. What is it to-day? It is 17,000,000 square miles. The area of the British Empire has increased by 2,000,000 square miles and we will probably be called upon to go and police that territory, and, if there is any trouble, to send soldiers there.

What about the six votes that King George has in the League of Nations? Those six votes are one of the principal reasons why the Treaty of the League of Nations was not accepted by the United States Senate. The Yankees may not be good diplomats like the English, but they would have to be very poor diplomats if they were willing to enter the League and let the British Empire have six throws against their one. How would the game of dice go? They said: "No, that is not fair," and they would not go in.

While I am on the question of expenses, let me remind you that there was not a slice of bacon eaten by our men on the other side that we will not have to pay for. Last year England had a bill against us of some $425,000,000 for sending our men to fight for her. Every cartridge shot off by the Canadian troops has to be paid for.

Those who are in favour of Government ownership argue that it has not been given a chance; they say, "Give Government ownership a chance." I say "Amen" to that: give it a chance. I have said that for forty years. Did we not, for forty years and more, give the Intercolonial a chance? And what has been the result? Did you ever know the Intercolonial to pay interest on the fixed charges, leaving operating expenses out of the question? When Hon. A. G. Blair was Minister of Railways he was all the time going to the United States to buy locomotives out of capital funds, not out of the receipts of the railroad. One reason given why we have deficits is that it is because wages have gone up out of sight—100 or 150 per cent; because the price of material has gone up; because everything has gone up. It is true that costs have gone up; I admit that. But what about the Canadian Pacific railway, which runs into every town where the National railways go? Not only does it do that, but it pays the same wages as the Canadian National or the men would not work for it; it has to pay the same prices for materials or it could not get them. How is it that under private ownership the Canadian Pacific railway, paralleling this Government system, can pay not only operating expenses, not only the coupons on their bonds, not only interest on all their debenture stock, but 10 per cent on the capital in addition? How can you explain that?

Hon. Mr. BENNETT: The honourable gentleman knows that it is not out of the earnings of the road that the 10 per cent is paid. Seven per cent is paid out of the earnings, and 3 per cent out of the land fund.

Hon. Mr. CASGRAIN: I am very pleased to have the honourable gentleman admit that they are paying even 7 per cent. How much are the Government railways running behind? Seven per cent? Now that the honourable gentleman has mentioned it, I do remember seeing that the Canadian Pacific railway paid 7 per cent out of the earnings of the road and 3 per cent out of the land fund, and that the shareholders got

10 per cent. The land fund amounts to something like $119,000,000, according to the Acworth report. Of course, the Canadian Pacific railway has been a fortunate corporation: it has received $359,000,000 from the Government in bounties, guarantees, and so on, and besides that it has received the right to charge what fares it will. But it does seem to me that this House would like to be informed as to how it is possible for one railway paralleling another to have the tremendous deficit of $5,000 per mile, when the other road is earning probably $4,000 or $5,000 a mile. What makes the difference of $10,000 per mile between private ownership and government ownership? Surely, honourable gentlemen, we have enough government ownership now. We do not want any more mileage under government ownership. It would be almost a crazy thing to ask for more government ownership. There is an arbitration going on now; we still have a chance to avoid taking over that extra mileage. You know the old saying, "Quos vult perdere primum dementat Jupiter."

Hon. Mr. MURPHY: Translate that.

Hon. Mr. CASGRAIN: "Whom the gods would destroy they first make mad."

If the railroad is left to itself it will manage to extricate itself. I think I might be allowed a personal allusion. For ten years I ran a railroad of 100 miles in length; it never had a lawsuit, never received a lawyer's letter, and it had the highest mark in the post office for the regularity of the service. It ran 62,000 miles in a year, 100 miles each way every working day. And what were the total receipts of the road? The gross receipts were $330 per mile, which shows what economy and careful management can do. My whole personal expenses that year, for telegrams, telephones, travelling expenses, and so on, amounted to £20. Any one can go to the Railway Department and see the report of the company. So when I am told that a railway is losing $5,000 a mile I become suspicious. This little road that I speak of has been extended to Gaspé, and to-day is 202 miles long, and it has not cost the taxpayers of this country one cent. The taxpayers and the public in that section are being served, although I will admit that the bondholders are not getting any money out of it and never did.

Hon. Mr. MURPHY: Is that the Gaspé railway?

Hon. Mr. CASGRAIN: The bondholders never will get a cent, but they are giving service to the public. The density of population there is about 200 persons per mile of road, and this road carries on, and there are no complaints to the Railway Board or by the Post Office Department. If this country is to pay the bondholders of the Grand Trunk railway, why not pay the bondholders of the Quebec and Oriental, and the Atlantic, Quebec and Western? They have been suffering; they have never got a cent since they invested their money twenty-five years ago. It was a venture, and it has been a loss. People are frightened. They say that if the Grand Trunk railway goes into the hands of a receiver the bankruptcy that will follow will be terrible. After all, railroads are for the public, and the public gets the very best of service when a railroad is in the hands of a receiver. All the railroads west of the Mississippi river have been in the hands of a receiver many a time. The receiver has only one ambition: it is not to pay the coupons, not to pay the bondholders, but to give service to the public.

Would we have all this trouble if the western provinces, especially British Columbia, had not gone on guaranteeing debentures on branch lines? That is where the great trouble is, and honourable gentlemen know it as well as I do. Because millions and millions have been guaranteed by the western provinces why should the prudent provinces be penalized? Why should my province be penalized? We have in Quebec 492 people per mile of railway, whereas in Saskatchewan they have 105, in Alberta 116, and in British Columbia 106. The branches built in the western provinces do not meet the coupons. I had quite a discussion about that with the Finance Minister of Saskatchewan. He said: "Here is my surplus, $1,925,000; what shall I do with it?" I said: "Simply pay your debts; pay the coupons on these roads, and do not ask Prince Edward Island and New Brunswick and Quebec, who never guaranteed anything for anybody, to pay."

I thank you, honourable gentlemen, for the very kind attention you have given me to-day. I hope that some one may continue this debate, or that this matter may be referred at some time to a Committee where we can get some information, because, although I have made considerable investigation, I cannot find out how $5,000 can be lost on every mile of the Government railways.

Hon P. C. MURPHY: I do not think it is in the interest of Canada or in the interest of this House to prolong this rambling discussion. The honourable gentleman who has just spoken has been discourteous to me to the extent that he would not allow a reasonable question. He was also discourteous to the honourable gentleman from Boissevain (Hon. Mr. Schaffner). If the honourable gentleman from Boissevain wishes to speak now, it is his privilege; if not, I would move the adjournment of the debate.

The debate was adjourned.

ADJOURNMENT OF THE SENATE

MOTION

Hon. Mr. McHUGH moved:

That when the Senate adjourns on Friday next, it do stand adjourned until Tuesday next, at 8 o'clock in the evening.

The motion was agreed to.

DIVORCE BILLS

THIRD READINGS

Bill Q, an Act for the relief of Mary Elizabeth Leonard.—Hon. Mr. Fisher.

Bill R, an Act for the relief of Alexander La Rue.—Hon. Mr. McCall.

Bill S, an Act for the relief of Maria Martin Morel.—Hon. Mr. White (Pembroke).

SECOND READINGS

Bill T, an Act for the relief of George Gourley.—Hon. Mr. McCall.

Bill U, an Act for the relief of Thomas Edwin William Flower.—Hon. Mr. Ratz.

Bill V, an Act for the relief of Royland Stanley Morrison.—Hon. Mr. De Veber.

Bill W, an Act for the relief of Arthur Ebenezer Sims.—Hon. Mr. De Veber.

PRIVATE BILLS

THIRD READING

Bill 3, an Act to Incorporate the Canadian Bar Association.—Hon. Mr. Lynch-Staunton.

REFERRED BACK TO COMMITTEE

On the Order:

Consideration of the amendments made by the Standing Committee on Miscellaneous Private Bills to Bill 14, an Act to amend an Act to Incorporate Gilmour and Hughson, Limited. —Hon. Mr. Beique.

Hon. Mr. BEIQUE: I have been given to understand that the Bill as amended would not at all serve the purposes of its promoters. I would suggest that some one should move in amendement that the Bill be referred back to the Committee.

On motion of Hon. Mr. Edwards, the Bill was referred back to the Standing Committee on Miscellaneous Private Bills.

SECOND READING

Bill 6, an Act to Incorporate the General Synod of the Church of England in Canada.—Hon. Mr. Foster.

NATIONAL TRANSCONTINENTAL RAILWAY

QUEBEC TERMINALS

The Senate resumed from yesterday consideration of the motion of Hon. Mr. Tessier:

That an order of the Senate do issue for copies of all correspondence between the Government and the Board of Trade and City Council and Harbour Commission of Quebec, since last Session, with regard to the diversion of the Northwestern grain trade to New York, the alleged nonfulfilment by the Government of its undertakings with regard to the terminals of the Transcontinental railway at Quebec, and of the memorials addressed to the Prime Minister on these subjects.

Hon. W. B. WILLOUGHBY: Honourable gentlemen, the honourable member from Red Deer (Hon. Mr. Michener) moved the adjournment of the debate at my request, because in order to attend the meeting of the Divorce Committee I had to leave before the rising of the House. I do not intend, honourable gentlemen, to occupy the attention of the House very long, because my duties on that Committee have left me no leisure and I have not come prepared with any of the figures which, with more leisure, I intended to submit to the House. There are, however, two or three aspects of the question that I would like to discuss very briefly.

The motion itself—and it is a very proper one, in my opinion—has in view the negotiation between the Government and the Harbour Commission of Quebec. But the people of the Northwestern provinces undoubtedly look at this whole subject from an angle different from that from which the people of the city of Quebec look on it. I do not blame the inhabitants of the city of Quebec, nor the Quebec Board of Trade, for urging the carrying into effect of the negotiations between them and the Government in connection with the routing of freight to their port. Nor do I find fault with any of the representatives of any other Eastern port for supporting its claims and urging that grain should be shipped by way of the Georgian Bay or the St. Lawrence—either by the all-water route or partly by lake and partly by rail. But we in the West, for whom the Grand Trunk

Pacific was primarily built—and such is a matter of record and has been recognized in the course of this debate—are principally concerned with getting our grain to the market in the cheapest way. If the terminal of the cheapest route be Quebec, well and good; if it be Montreal, well and good; if unfortunately it be New York, via Buffalo, then our shipments will have to go there. Personally I should be extremely sorry to think that we have not in Canada sufficient enterprise to enable us to forward our own Western grains to the seaboard over Canadian railways and Canadian waters. I regret exceedingly to find that in the course of many years past the proportion of the grain shipments from Western Canada that found an outlet via Buffalo and New York has been from 40 to 50 or 70 per cent.

There has been undoubtedly a commercial reason for that. It was not based wholly on the comparative freight rates as between Buffalo and say Montreal or Quebec. There was another question involved, namely, the return freight—the freight coming back to our Canadian ports or to New York, or Baltimore, or Boston or Philadelphia, the main American ports from which our grain is shipped by American channels. We must look at the load factor, which unfortunately has always caused a discrimination against Canada. We are not in the North American triangle, as it is called, and, unlike the American ports I have mentioned, we have not had the tramp steamers to depend upon. Such steamers rarely come to Montreal. The important factor, therefore, is not only the outgoing cargo, but the return load from Europe, and it has favoured American as against Canadian ports. This has doubtless been due to the great population of the United States and the larger markets there. But I say, as a Canadian, I am extremely sorry to observe that from 40 to 60 per cent or any large proportion of our grain should be forwarded to the European markets via America channels.

There is now, as we all know, another channel; that is, the Pacific ocean and the Panama canal. Quite recently, as honourable gentlemen are aware, our newspapers reported a trip made with a cargo of Canadian grain by that route. The grain, it was reported, reached the English market in first-class condition. Persons who are far more competent than I to deal with the question of grain shipments and rates believe that it is feasible to ship grain by the Panama route to the old country in competition with the route via Eastern Canada. They believe that grain could be shipped westward from the centre of Saskatchewan—for example—from the government elevator located at Moosejaw, where I happen to reside. The opinion has been expressed by some of the grain commissioners—and their opinion on the subject is authoritative—that the grain could be moved westward via Vancouver and the Panama canal, in competition with the eastern route, provided that the transit through the Panama canal would be safe, that is, that there would be no deterioration in the quality of the grain, by heating or otherwise. I think it has been reasonably demonstrated, not only in this recent attempt, but also in a prior shipment made some years ago, that grain can be transported from the Prairie provinces, from as far east as Moosejaw, or central Saskatchewan, via the Panama route. If that be the case, it is quite obvious to honourable members that an all-water route would be infinitely cheaper than a route by railway of equal distance, because shipments going via the Panama canal have to be hauled 7,000 or 8,000 miles farther than by the all-rail route eastwards.

Hon. Mr. SCHAFFNER: The honourable gentleman states that about 60 per cent of our Canadian grain is shipped by American ports. Can the honourable gentleman give any reason why such a large percentage goes through the United States? In my opinion it is largely because so much of our grain is sold at Winnipeg to American buyers.

Hon. Mr. WILLOUGHBY: It is quite true that the exporter is usually a different person from the buyer; but I do not think the exporter ships via New York merely because he prefers the American port; he exports via New York because it is commercially cheaper.

Hon. Mr. BENNETT: While 60 per cent or 80 per cent of our grain is received at Buffalo, all of that is not exported from United States ports. A large proportion of it is sold right in the United States.

Hon. W. B. WILLOUGHBY: As stated by the honourable gentleman from Simcoe (Hon. Mr. Bennett, a proportion of the grain going via Buffalo is undoubtedly milled in the Eastern states; but I do not think it is a very large porportion. Any person who takes the trouble to look at the milling statistics of the United States will find that Minneapolis is the great milling

centre, and more milling is done there than in all the eastern states together. Minneapolis and Kansas City are the two largest milling cities in the United States. Minneapolis greatly overshadows all other cities. However, we in the West are primarily interested in geting our grain out by the cheapest route. The honourable gentleman from De Lanaudière (Hon. Mr. Casgrain) has just said that we must anticipate an increase in freight rates to three times what they are at present. Now, I make the statement—and I know something about the grain business in the West and the cost of production—that we absolutely must have a reduction in freight rates if we are going to continue profitably the production of wheat. Here are some figures regarding present rates. The rate from Moosejaw to the head of the lakes has been 30½ cents per hundred, or 19½ cents a bushel. That is not the present rate, because there has been a reduction, going into effect on the 1st of January, and it is 31 cents at present. But before this reduction of 5 per cent which has gone into effect, it was 32½ cents per hundred; that is 19½ cents a bushel. In 1914 it was 18 cents: is has spread from 18 cents to 31 cents. The old rate in 1914 and before that date, from Winnipeg to Armstrong, which corresponds to Fort William, was 10 cents per cwt. At the present time the rate is 18 cents. The rate from Armstrong to Quebec was formerly 23 cents; it is now 42 cents. It is quite true, as has been stated by, I think, the honourable member from Stadacona (Hon. L. C. Webster), that the present rate from Winnipeg to New York is somewhere between 33 and 34 cents a bushel.

But what we are primarily concerned in —and I say it with all gravity in this House—is the necessity for something being devised by this country whereby there would be, not an increase, but a diminution in the rates on grain from the Northwest. The management of the Canadian National railways has put in force, I know, many reductions in the passenger rates in the West. Those reductions have been effected by the discontinuance of certain trains, and with that I have no fault to find. We are well served on the Prairies, so far as passenger trains are concerned, and the reduction of passenger services has usually been, I think, in the interest of economy. I have a list from the Railway Commission showing the passenger trains that have been taken off, many of which were running at a cost of $2.50 per mile and were earning considerably less. The revenue from the line between Prince Albert and Swan River was $1.46 per mile, and the cost was $2.50 per mile. On the little branch line from Radville to Bengough the cost of operation was $2.50, and the return was 17 cents one way, and 14 cents the other way. I might give several other quotations of the same kind to show that the management of the Canadian National railways have been rendering good service in the West in cutting off, in view of present conditions, a number of unnecessary passenger trains and thereby effecting economy, because those trains were being operated at a loss. It is well that our own people in the West should know that public opinion supports the railway management in the curtailment of those services.

Let us take, by way of illustration, the C. P. R. or the Grand Trunk. We all know that when we stop calling at a certain station the whole town makes an outcry and sends delegates to meet the management and to urge that the train should stop there, even though the whole schedule must be disarranged. I for one am pleased to see that they have the boldness to do as they have done. But that is not dealing with the freight rates. Wheat has been at high prices for the past few years. The prices have been high in 1917, 1918, 1919 and 1920; but they are now going down. Anybody who looks at the Chicago market to-day will find that July wheat there is at $1.10. I am of the opinion that wheat cannot be grown in the Canadian Northwest and marketed at a profit at that price, owing to the increased cost all round. The costs have diminished somewhat, but I am of the opinion that the growing of wheat is still unprofitable at that price.

Now we are faced by another difficulty, and that is the enactment of the Fordney Bill. I have had the advantage of being recently in the Western states. We all have the oportunity of reading the discussions which are taking place in the United States Congress. While it is rash to predict what may be done by the United States, I do not think there is any doubt that the Fordney Bill or a measure fashioned along similar lines will pass the United States Congress. During the last year we have fortunately had the advantage of a large export trade, particularly in grades 1 and 2, to the United States. We have made large contracts with the United States. Never in an previous year had we shipped as much, or nearly as much grain to that country. If the Fordney Bill or any similar measure should go into effect we

would find great difficulty in gaining access to the American market, which is a profitable access.

There are many differences between the marketing of grain in the Canadian Northwest and in the United States. In the United States, owing to their very much greater population, they do not export in normal years at the outside more than one-third of their grain, either in the form of wheat or flour, divided, in round figures, about 50-50. Relatively their export of flour is very much higher than that of Canada. Our export does not correspond with theirs at all. Their export of flour is very much higher, relatively, than that of Canada. They export from 25 to 35 per cent of their grain in the form of wheat or flour, whereas in Canada we are exporting about 80 per cent of our wheat. The result is that we have to find a market abroad for our surplus wheat to a greater extent than they have. There are times, or whole years, when the domestic price in the United States market exceeds the export price. Normally, we concede the principle that the price of wheat is fixed in Liverpool. There are many years, or portions of years, as I say, when the export price has been exceeded by 10 or 15 per cent in the Minneapolis market owing to the fact, perhaps, that the United States has oversold. It has been only on very rare occasions that Canada has oversold and the domestic price has exceeded the export price. Therefore I say that the situation of Canada cannot be compared with that of the United States. The wheat problem is the great problem. While we export 80 per cent of our wheat, we only consume 20 per cent; therefore the United States has a home market that we do not possess.

We cannot compare Canada with Argentina. Argentina is in a very different position. A ship will make a trip from one of the South American ports, Rio de Janeiro or Buenos Aires, in approximately twice the time it takes to make the trip from New York to Liverpool. A moment ago I said that we shipped wheat from the middle of Saskatchewan via the Panama canal, shipping it a distance that is vastly greater than the distance from the Argentine ports, so you will see that we are faced by a very dangerous competitor in that respect.

Let me deal with another phase of the question. I see the representative of the third party (Hon. Mr. Turriff) present. The wheat question is an acute question on the prairies. The farmers take the not unreasonable position that their products to a very large extent are governed by world prices, and that they are getting no return for the protective duties which bring some advantages to the East. That point of view is not confined to members of one party alone, and I am free to state that I have always taken the attitude that our support of protection in the West—and I have supported it, and I am not pretending to deny it—is largely based on the duty of building up Canada as a whole; and for that we are willing to sacrifice to some extent what might be to the material advantage of the West in view of the wider benefits that may accrue throughout Canada. Other provinces, such as British Columbia, have their own gains to make from a policy of protection; but the people of Saskatchewan find their market abroad, and it is governed by world conditions, and I do think it is the duty of the Government to find some way, no matter where else the shoe pinches, to make the freight rates on grain from the prairie provinces, to the markets of the world, either East or West, as low as it is possible to make them. One dollar and ten cents is the July price in Chicago to-day; we are up against that kind of competition. Wheat has been steadily going down since last August, and I make these remarks hoping that they will fall on the ears of the Government and that they may be able to make some representations to those who control the operations of the railways and to the Railway Commission. There is nothing else that will serve the West as well. I was speaking particularly of Saskatchewan. I hope the Government will take into consideration our peculiar condition and will deal with it, not merely sympathetically but effectively. As Canadians we are all interested in the development of Saskatchewan, the greatest wheat-growing province of them all. If we could get our freight rates adjusted the question of the duties we pay on imports would fade into insignificance.

We have had a Commission appointed at the instance of the Saskatchewan Government, and among other things they have suggested that we should go more extensively into stock raising. They even suggested that we should increase the size of our farms, perhaps to 640 acres, the average size now being about 480 acres. Think of what going into stock raising would mean to the ordinary farmer on a grain farm. He is expected to reserve say 80 acres for pasture; he would have to take

say 50 acres for fodder ground for his stock. That leaves 350 acres. Under our system of cultivation it is necessary to leave in fallow every year one-third of the land, so that every three years it is all left in fallow. So, taking out one-third for fallow, or roughly 115 acres, you have only 225 or 230 acres left. In other parts of Canada, owing to the greater rainfall, it is not necessary to leave fallow land to such if any extent. If the farmer, on his 200 or 230 acres, grew 20 bushels to the acre he would have say 4,000 bushels, of which he would sell 3,000 bushels. If he could save 3 cents a bushel in his freight rates on that grain, it would amount to $90. I am putting it at a low estimate. The tariff imposed on him is not worthy of consideration in comparison. Give him a cheap outlet for his grain so that he may sell it at a price that will be remunerative, because, if the business is not remunerative, that country is going to go out of cultivation. Wheat-growing must be made remunerative, because the farmer of the Northwest is as good a citizen as anyone else. He is thrifty and energetic, and if that country is not good for grain raising, it is good for nothing.

Therefore, I again reiterate what I have said, that I hope the Government will bring about a reconstruction of the grain rates. We are already paying, according to the statement of the Railway Commission, 15 to 18 per cent more than the rest of Canada, and on the long hauls there is no doubt that the rates are not on a parity with the rates in Eastern Canada. Not only do we want that situation rectified, so that we may be put on terms of equality, but we want something better. We are not getting any particular benefit out of the Customs tariff. I am willing to submit to it as a good Canadian citizen, but I want some compensating advantages. If the most beneficial economical policy for every individual could be crystallized into legislation, that would be the best policy for Canada, and I find no fault with it. I think the people of the West are public spirited in their outlook. They are willing to take some of the loss, but they want compensating advantages in the way of cheaper railway rates; and, if we get those, I think things will go well with the West.

On motion of Hon. Mr. Turriff, the debate was adjourned.

ADJOURNMENT OF THE SENATE

Hon. Mr. BEIQUE: May I suggest that, as there is only one Order on to-morrow's Order Paper, the Senate adjourn until Tuesday?

Hon. Mr. MICHENER: There is a requirement by statute that we should attend three-quarters of the sittings of the Senate, and unfortunately some of the Western members, through force of circumstances, were unable to be present early in the Session. Take the honourable gentleman from Moosejaw (Hon. Mr. Willoughby). He probably has to attend every Session of the House to come under the requirements. If we have only three sittings a week, I would point out that he would be unable to qualify under the Act. There are others in a like position, and we would like a chance to comply. Furthermore, those gentlemen who reside in Ontario or Quebec can retire to their homes over the week end, and to them a Friday sitting is not so very important. But those of us who are here in Ottawa until Parliament prorogues would much prefer to have sittings of the House, and it is hardly fair to the Western members to ask them to have nothing to do. From Thursday until Tuesday night is a long time to wait for a sitting, and only three sittings a week is hardly fair to the western members who have to remain in the city until the Session is over.

Hon. Sir JAMES LOUGHEED: Of course, the adjournment has to be unanimous. Does my honourable friend object to the adjournment?

Hon. Mr. BEIQUE: The honourable gentleman is under a misapprehension. The days of the adjournment count as if we were sitting. Of course, it makes no difference as far as he is concerned. I do not object to sitting to-morrow or any other day, but it seems to me that there is really no reason to sit to-morrow.

Hon. Mr. CASGRAIN: Every time there is a sitting of the House, for anyone who is absent it will take three meetings to make that good. If you have a meeting that is not necessary, you compel all those who are not here to attend three further sittings.

Hon. Mr. BOSTOCK: I would suggest to the leader of the Government that, as there is so much difference of opinion as to the real meaning of the Act that we passed last Session, it might be advisable for him to let us know what the correct interpretation is.

Hon. Sir JAMES LOUGHEED: It is open to every member to read. I cannot undertake to do that. If there is any difference of opinion, I move the adjournment until to-morrow.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

FRIDAY, April 8, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

GEE DIVORCE PETITION

REFUND OF FEES

Hon. Mr. PROUDFOOT moved:

That the fees paid upon the petition of Ella Maude Gee praying for a Bill of Divorce, be refunded to the Petitioner.

He said: Honourable gentlemen, the petition referred to was presented at the last Session of Parliament, but was not proceeded with. The fees were paid; but as the parties do not intend to proceed with the Petition they are asking to have them refunded.

The motion was agreed to.

THE GRAND TRUNK RAILWAY

On the Orders of the Day:

Hon. Mr. BOSTOCK: I would like to draw the attention of the leader of the Government to some papers relating to the Grand Trunk situation that were brought down by the Premier in another place, I think two days ago. I think every member of the Senate takes such an interest in this question that he would like to be informed, in the same way as the members of the House of Commons are informed, as to what is contained in this correspondence. I hope my honourable friend will be able to have a copy of the correspondence made and laid on the Table of the Senate.

PRIVATE BILLS

THIRD READINGS

Bill 7, an Act respecting The Montreal, Ottawa and Georgian Bay Canal Company.—Hon. Mr. Gordon.

Bill 21, an Act respecting The Oshawa Railway Company.—Hon. Mr. McHugh.

Hon. Mr. BOSTOCK.

Bill H, an Act respecting The Quebec, Montreal and Southern Railway Company. —Hon. Mr. Beique.

Bill 22, an Act respecting The Thousand Islands Railway Company.—Hon. Mr. McHugh.

Bill 25, an Act respecting The Kettle Valley Railway Company.—Hon. Mr. Barnard.

Bill 26, an Act respecting The Manitoba and North Western Railway Company of Canada.—Hon. Mr. Watson.

Bill 27, an Act respecting The Quebec Central Railway Company.—Hon. Mr. L'Espérance.

Bill 29, an Act respecting The Essex Terminal Railway Company.—Hon. Mr. Watson.

Bill 30, an Act respecting The Ottawa Northern and Western Railway Company —Hon. Mr. McHugh.

SECOND READING

Hon. Mr. BLAIN moved the second reading of Bill X, an Act respecting the Dominion Express Company.

Hon. Mr. BOSTOCK: Would the honourable gentleman explain what the Bill is about?

Hon. Mr. BLAIN: Honourable gentlemen, this is a rather unimportant Bill, the purpose of which is to authorize the conveyance of goods by the company outside of the Dominion of Canada as well as within the Dominion of Canada, and to increase the capital stock from $2,000,000 to $5,000,000.. This company, as honourable gentlemen are aware, is closely affiliated with the Canadian Pacific Railway Company, which assures its good standing in this country. I do not think there is anything in the Bill to which any honourable gentleman would object.

The motion was agreed to, and the Bill was read the second time.

DIVORCE BILLS

THIRD READINGS

Bill T, an Act for the relief of George Gourley.—Hon. Mr. McCall.

Bill U, an Act for the relief of Thomas Edwin William Flower.—Hon. Mr. Ratz.

Bill V, an Act for the relief of Royland Stanley Morrison.—Hon. Mr. De Veber.

Bill W, an Act for the relief of Arthur Ebenezer Sims.—Hon. Mr. De Veber.

The Senate adjourned until Tuesday, April 12, at 8 p.m.

THE SENATE

TUESDAY, April 12, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

BRITISH COLUMBIA HIGHWAYS

INQUIRY

Hon. Mr. BARNARD inquired of the Government:

1. For how many highways in the Province of British Columbia has a "project statement" been approved by the Minister of Railways for Federal grants under "The Canada Highways Act", Chap. 54 of the Statutes of Canada, 1919?
2. What are the highways in respect to which agreements for Federal aid have been reached between the Province of British Columbia and the Minister of Railways?
3. Have any sums been paid the Province of British Columbia under "The Canada Highways Act"?
4. If so, what is the total amount up to March 31, 1921?
5. To what road or roads do these payments apply?

Hon. Sir JAMES LOUGHEED:

1. Ten.

2. Alberni-Victoria highway, section A, extending from Craigflower Bridge to Parson's Bridge, 2.046 miles.

Vancouver—Ladner highway, section A, Lulu Island, 2.65 miles; section B, Lulu Island, 1.89 miles.

Ladner-New Westminster highway, section A, commencing at V.V. and E. railway crossing, extending a distance of 2 miles.

Caulfield-Roche Point highway, section A, extending from North Vancouver City westward 1 mile.

Vancouver-Hope highway, section A, extending from New Westminster south, a distance of 3.27 miles; section B, extending south from termination of section A, a distance of 2.3 miles.

Osoyoos-Crow's Nest Pass highway, section A, near Goat River, 1.28 miles; section B, Thrums-Brilliant, 4.05 miles; section C, Osoyoos-Rock Creek, 6 miles; section D, Rossland westerly, 6.75 miles; section E, Kushanook-Creston 5.66 miles.

Nelson-New Denver highway, section A, extending from Kaslo to Ainsworth, a distance of 4.2 miles; section B, New Denver-Three Forks, 5.17 miles.

Fort George-Hazelton highway, section F, Endako-Burns Lake, 32 miles; section G, Burns Lake to Ross Lake, 16 miles; section I, North Buckley to Houston, 7 miles.

Burns Lake-Francois Lake highway, 15 miles.

Vernon-Revelstoke highway, section A, Boulder west, 3.3 miles; section B, West of section A, 7.84 miles; section C, Mara Lake, 3.22 miles.

3. Yes.

4. $53,770.32.

5. Sections of the following roads: Alberni-Victoria, Vernon-Revelstoke, Burns Lake-Francois Lake, Vancouver-Hope, Caulfield-Roche Point.

NOVA SCOTIA HIGHWAYS

INQUIRY

Hon. Mr. GIRROIR inquired of the Government:

1. For how many highways in the Province of Nova Scotia has a "project statement" been approved by the Minister of Railways for Federal grants under "The Canada Highways Act," Chap. 54 of the Statutes of Canada, 1919?
2. What are the highways in respect to which agreements for Federal aid have been reached between the Province of Nova Scotia and the Minister of Railways?
3. Have any sums been paid to the Province of Nova Scotia under the "Canada Highways Act"?
4. If so, what is the total amount up to March 31, 1921?
5. To what road or roads do these payments apply?

Hon. Sir JAMES LOUGHEED:

1. Six.

2. Halifax-Indian river, Mt. Uniake-Lakelands, Aylesford-Middleton, Elmsdale-Shubenacadie, Liverpool-Caledonia.

3. No.

4 and 5. Answered by No. 1.

NEW BRUNSWICK HIGHWAYS

INQUIRY

Hon. Mr. TODD inquired of the Government:

1. For how many highways in the Province of New Brunswick has a "project statement" been approved by the Minister of Railways for Federal grants under "The Canada Highways Act", Chap. 54 of the Statutes of Canada, 1919?
2. What are the highways in respect to which agreements for Federal aid have been reached between the Province of New Brunswick and the Minister of Railways?
3. Have any sums been paid the Province of New Brunswick under the "Canada Highways Act?
4. If so, what is the total amount up to March 31, 1921?
5. To what road or roads do these payments apply?

Hon. Sir JAMES LOUGHEED:

1. Sixteen.

2. None, but agreements for the following 16 highway projects have been forwarded to the Province for execution: Matapedia-Bathurst, Bathurst-Newcastle, Newcastle-Moncton, Shediac-Port Elgin, Cape Tormentine-Aulac, Aulac-Moncton Moncton-St. John, St. John-St. Stephen, St. John-Fredericton, Fredericton-Woodstock, Woodstock-Perth, Perth-Grand Falls, Grand-Falls-Quebec boundary, St. Stephen Burden Fredericton-Newcastle, Fredericton-Sussex.

3. No.

4. None.

5. None.

SHIPMENT OF CANADIAN PRODUCTS VIA AMERICAN PORTS

MOTION FOR SPECIAL COMMITTEE POSTPONED

Hon. D. O. L'ESPERANCE rose to move:

That a Special Committee of 11 Members of the Senate be 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) to be routed via American instead of via Canadian ports, and that such Committee shall have power to call for persons and papers; and that the said Committee do consist of the Honourable Messieurs Casgrain, Tessier, Watson, Turriff, Nicholls, McCall, Willoughby, Thompson, Chapais, Webster (Stadacona), and the mover.

He said: Honourable gentlemen, with the leave of the House I would like to add to the committee the names of Messrs. Bennett, Tanner and Todd.

Hon. Mr. CASGRAIN: That is only a notice of motion?

Hon. Mr. L'ESPERANCE: It is a motion if the House will permit. It is the same motion as that of which I have given notice, except for the addition of the three names.

Hon. Mr. CASGRAIN: Let it stand as a notice of motion.

Hon. Mr. MURPHY: I might inform the honourable gentleman who has given this notice of motion that it is an unfortunate thing that in this House there are supposed to be only certain provinces in Confederation, and no other provinces have any rights. One province which is important as one of the first in Confederation, and which was the cradle of the Dominion, is not regarded at all.

Hon. Sir JAMES LOUGHEED: Which province is that?

Hon. Mr. TODD.

Hon. Mr. MURPHY: You would probably know if you knew history.

The Hon. the SPEAKER: If there is any objection to the amendment, I think the honourable gentleman (Hon. Mr. L'Espérance) would do well to add the names to his motion and allow it to stand until tomorrow or the day after.

The motion stands.

NATIONAL TRANSCONTINENTAL RAILWAY

QUEBEC TERMINALS

The Senate resumed from Friday, April 8, consideration of the motion of Hon. Mr. Tessier:

That an Order of the Senate do issue for copies of all correspondence between the Government and the Board of Trade and City Council and Harbour Commission of Quebec, since last Session, with regard to the diversion of the Northwestern grain trade to New York, the alleged nonfulfilment by the Government of its undertakings with regard to the terminals of the Transcontinental railway at Quebec, and of the memorials addressed to the Prime Minister on these subjects.

Hon. J. G. TURRIFF: Honourable gentlemen, I was very glad to see the honourable gentleman from Quebec (Hon. Mr. Tessier) bring up this question of the transport of the produce of Western Canada to the markets of Europe via Canadian ports. The Board of Harbour Commissioners of Quebec have taken an active interest in this matter, as they feel that their harbour and their city have been rather neglected and side-tracked. While they, no doubt, take a great interest in this matter, I belive the wheat-growing provinces of Western Canada have even a much greater interest in the manner in which the products of the West are conveyed to the markets of the world.

In my judgment, honourable gentlemen, the question of the route to be taken depends absolutely on its relative cheapness. If the wheat can be transported from the western provinces to Europe via Quebec, Montreal, St. John, or Halifax as cheaply as it can be sent via United States ports, it will go that way; but if it cannot be shipped through Canadian ports as cheaply as through American ports, then I do not think it possible that the grain can be shipped that way.

Wheat, as you know, is an article that is handled in very large bulk and at a very small profit per bushel, and the price per bushel between the sellers or exporters in the city of Winnipeg and the purchasers

in the city of Liverpool will be influenced very largely by a difference of even one quarter of a cent per bushel. When an order comes from the Old Country, the exporters in Winnipeg have to consider the cheapest way of getting the wheat across the water. The freight rate from Winnipeg and the West to Montreal or Quebec versus the rate from Winnipeg to New York is not the only thing to be taken into consideration. We have to take into consideration also the rate from the harbour on this side to the destination in the Old Country. But there is more than that to be considered: there is the time taken in transporting the wheat from Winnipeg to the port of destination, and if it can be shipped more quickly, say by a week, by one route than by another it makes all the difference in the world, because it takes a lot of money to make a shipment of wheat. The exporters go to the bank and borrow the money until they get paid for the wheat, and if, by taking a certain route, they can shorten the time taken in transporting the wheat, that is the route by which they will ship it.

Then there is the question of insurance. There is no doubt in my mind that so far as Quebec and Montreal are concerned we are not likely in the near future to get as low an insurance rate as can be had from American ocean ports. This is because you have from Montreal four hundred miles and from Quebec two hundred miles of more or less narrow water. From St. John and Halifax I do not know exactly why the insurance rates to Liverpool should not be as favourable as the rates from the American ports—I do not profess to be well enough up in that question to say whether they are or not; but if they are not, I do not see the reason why.

There is another question to be taken into consideration, and that is the question of labour. The question of freight rates on the railroads nowadays largely comes down to the question of labour; but I know of my own knowledge, and from residents of Quebec for many years, that there has always been more or less union control of labour in Quebec and that higher wages are in effect there than in Montreal, for instance. I remember a few years ago one of the large steamship companies put on large boats. They made up their minds that those boats would not come up any further than Quebec city. I had been wondering why Quebec city, with its beautiful water front, with water 40 feet deep for miles along the front without any dredging or any expense whatever, had not forged ahead as one of the great export cities of Canada. The manager of this steamship company told me that after bringing these large vessels only as far as Quebec for a few months they had come to the conclusion that they could not continue, as it cost them, I think—it is a good many years ago now and I am not just sure—thirty to thirty-five per cent more to load or unload freight in the city of Quebec than it cost in the city of Montreal. So they changed their decision and brought their vessels up to Montreal. That is a subject that might well be looked into by the committee when they take up this question.

Hon. Mr. McMEANS: Is there any difference between winter rates and summer rates?

Hon. Mr. TURRIFF: I do not think there is any difference on the railroads.

Now, supposing that you can land your wheat as cheaply at Quebec as you can land it at New York, you come to the question of ocean rates. I do not know that ocean rates from New York are so much cheaper than they are from Quebec—probably they are some cheaper; but New York possesses a great advantage in that there are ten vessels leaving there for the old country to every one that goes by the St. Lawrence. The result is that if you land a million bushels of wheat in New York you can get it aboard a vessel and on its way at once. Wheat, as a rule, is not carried in tramp steamers; it is carried by the large passenger liners at a low rate because they want a certain amount of heavy freight as ballast to keep the ship steady and in that way to help the passenger traffic. Package freight does not accomplish their object nearly as well as wheat. Then there is no delay as a rule in shipping wheat by New York, and that is a matter worthy of consideration.

It seems to me that a great deal of useful work can be done by the Committee moved for to-night, and that they should get to work as early as possible and gather all the information available so that something may be done in order that our crop, or part of it anyway, shall be shipped by our own route. We have put hundreds of millions of dollars into railways in this country for that purpose. The main purpose for which these through lines were built was to keep traffic going east and west instead of north and south. It does move east and west for a considerable distance;

but if all our grain has to find an outlet through American ports, then we have made a great mistake in building these railroads. That is a question that can be determined to a certain extent.

The present rate on the Government railways from Winnipeg to Quebec is 36 cents a bushel. When the Grand Trunk Pacific was inaugurated we were told that wheat could be carried on that road for six cents a bushel, or just one-sixth of the existing rate. It looks very much to me as though the management of the Canadian Government railroads were deliberately trying to kill the Grand Trunk Pacific railway. The management is practicaly Canadian Northern all through, and has been ever since the roads were taken over by the Government. I think my honourable friend the leader of the Government should explain why it is that it costs 36 cents a bushel to carry wheat from Winnipeg to Quebec when the rate originally promised was six cents. What is more, three years ago the Government gave a rate of six cents a bushel on wheat from Armstrong on the Transcontinental to Quebec. Armstrong corresponds with Fort William on the Canadian Pacific railway. The present Minister of Railways stated that wheat could be carried at that rate without a loss. But I want to be absolutely fair, and say that he afterwards qualified that statement. But, if wheat could be carried from Armstrong to Quebec at six cents a bushel three years ago, very little more would be the proportionate rate from Winnipeg to Quebec, and why should the present rate be 36 cents? The Harbour Board of the city of Quebec states that wheat can be carried from Winnipeg to the city of Quebec at 18 cents a bushel, and they say that they are prepared to come before the Government or the Railway Board and demonstrate that. I understand that the Transcontinental railway and the Grand Trunk Pacific railway are not under the Board of Railway Commissioners, so that in order to get the facts it would be necessary to get the consent of the Government railways management to an investigation. That is a point that I think the Committee should consider—whether the Harbour Board of Quebec is right that wheat can be carried for 18 cents from Winnipeg to Quebec or the Government is right in saying that it cannot be carried at less than 36 cents without a loss. With all due respect to everybody, I may say that I cannot believe for one moment that it costs 36 cents a bushel to carry wheat from Winnipeg to Quebec. You can load a train of sixty cars of 1,100 bushels each in Winnipeg and transport it to the city of Quebec with one engine and one crew, and make good time all the way. Now, what does that mean? It means that one trainload of wheat from Winnipeg to Quebec would bring in a freight revenue of $23,760. Of course, a good many of those cars might have to return empty; but even suppose they all returned as empties there would be revenue equivalent to $11,880 each way. Now, we know that it does not cost that much; if it does, then let the Government go out of the business of running, or trying to run, any railways that cost that much. I do not for one moment think that it would cost so much. At all events, the Quebec Harbour Board say they are prepared to prove their case, and I think it is up to the Government to see that the board of management of the Government Railways give them an opportunity to do so, and if they cannot that is their look-out. It seems unreasonable that such a charge should be necessary to haul wheat on a road like that, which is practically almost without grades; at least, it has no grades which an engine cannot take by starting on a level. The rate given by the Quebec Harbour Board is 18 cents, instead of 36 cents, and this would amount to $11,880 for the freight of a trainload of wheat.

Hon. Mr. CASGRAIN: It would be $15 a mile.

Hon. Mr. TURRIFF: There are many trains running that do not get $2 a mile every trip, but this rate would give them $15 a mile. The cheap rate on wheat from Armstrong to Quebec was cancelled some three years ago, and much higher rates have ruled ever since, and practically no wheat is now going over that road.

In my judgment, this matter relating to the city of Quebec—and the same remark applies to the railways—appertains to the department of my honourable friend the Minister of Labour. The wages being paid for labour on the different railways in Canada make it absolutely impossible, in my opinion, to carry wheat or any other product cheaply. The wages paid on the railways must be brought down. To my mind this is one of the first things to be done. I do not mean to cut the wages of the labouring man to a low, unfair figure, but under the present schedule of overtime and double overtime we find numbers of men running up bills until it is almost impos-

sible to carry on a railway. I notice in the report of the Government railways for last year or the year before that out of every dollar collected for freight and passenger traffic 75 cents or 78 cents were paid for labour alone.

Hon. Mr. CASGRAIN: Eighty-five cents.

Hon. Mr. TURRIFF: One of the big men of the Canadian National Railways, who had been for many years with the C.P.R., told me that within the last few months there were hundreds of men, engineers and conductors, on the Government lines as well as on the C.P.R. who at the present time were drawing from $5,000 to $6,000 a year. That was told to me by a man who knew what he was talking about. Now, if men are drawing such wages as that, you cannot have reasonable freight rates; and such wages, which to my mind are unreasonable, will have to come down with other things in order to make the Government roads pay anything like their operating expenses, without reckoning any interest whatever on the investment, and yet keep the freight rates within reasonable figures. If freight rates are kept up as at present, they will force stagnation of business; it cannot be otherwise. When passenger rates are raised unduly people can stay at home; but freight must be hauled, whether at a loss or a profit. I do not blame the Government for their action in increasing the wages, because the action of the Government of the United States forced it on the railroads of Canada, and our Government could not very well help it. But now every paper in the United States contains reports of one big interest or another making cuts of from 10 to 15 per cent in the wages of their employees, and the men are accepting the reductions. The cost of living in a good many lines is becoming somewhat less, and wages will have to come down as well as other things.

When I observed that a Committee was being moved for I thought that I might defer my remarks until we had more information such as the Committee might bring out. On the other hand, I thought it might be well to speak briefly, as I have done, and draw the attention of the members of that Committee to these various matters that should be looked into. When the Committee has deliberated on this question we should be in a better position to deal with this subject than we are at present. I have thrown out these few suggestions in the hope that the Committee may take them up and obtain as much information as possible, and when this is secured we can deal with the question more fully. It must be remembered that we have hundreds of millions of dollars invested in railroads, and tens of millions invested in our harbour improvements; we have ships owned by the Government, 15 of which, I understand, are tied up to the wharves in the city of Halifax, while others are running around the ocean looking for freights. It seems to me that there ought to be some way of securing information that would enable us to make some effort to carry our freight through our own country. We all know it would be a very great advantage to do so, with the present rate of exchange against us, for the less freight business we do in the United States the better our rate of exchange will be. I trust, therefore, that something will come from this Committee that will enable us to manage better than we have done in the last few years; and if there has been anything in the way of discrimination against the Grand Trunk I trust the Government will see to it that the Board of Railway Management will see that every part of the Canadian Government railways gets fair play.

The motion was agreed to.

PRIVATE BILLS

FIRST READINGS

Bill 31, an Act respecting the Canadian Pacific Railway Company.—Hon. Mr. Sharpe.

Bill 32, an Act to incorporate the Canadian Transit Company.—Hon. Mr. Watson.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

WEDNESDAY, April 13, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CANADIAN NATIONAL RAILWAYS

DEFICITS IN OPERATION—INQUIRY

Hon. Mr. CASGRAIN inquired of the Government:

1. What is the surplus or deficit per mile of railway on the lines operated by the Canadian National Railways, on the operation of these lines in Prince Edward Island—over and above the fixed charges— and what is the mileage?

2. The same on the old Intercolonial Railway?

3. The same on the lines formerly operated by the Canadian Northern Railway System in Nova Scotia?

4. The same on the Transcontinental Railway from Moncton and Quebec?

5. The same on the Transcontinental Railway from Quebec to the boundary between Ontario and Quebec?

6. The same on the Transcontinental Railway from Quebec to Manitoba?

7. The same on the Transcontinental Railway and the Grand Trunk Pacific Railway and branches in Manitoba?

8. The same on the Grand Trunk Pacific Railway and branches in Saskatchewan?

9. The same on the Grand Trunk Pacific Railway and branches in Alberta?

10. The same on the Grand Trunk Pacific Railway and branches in British Columbia?

11. The same on all lines formerly operated by the Canadian Northern Railway System—giving the surplus and deficit on per mile of railways not under the control of the Canadian National Railway—over and above fixed charges, separately, in each of the above mentioned provinces, and the mileage of these lines in each of these provinces.

Hon. Sir JAMES LOUGHEED:

1. For 12 months ending December 31, 1920, operating deficit per mile, exclusive of fixed charges, $2,644.20; mileage, 275.99.

2. Deficit per mile, $3,921.04; mileage, 1,670.38.

3. Deficit per mile, $2,645.59; mileage 378.1.

4. Deficit per mile $2,146.99; mileage, 462.61.

5. Operating results are not kept separately for each Province.

6. Quebec to Winnipeg, including Lake Superior Branch: deficit per mile $1,162.16; mileage 1,544.10.

7. See answer to No. 5.

8. See answer to No. 5.

9. See answer to No. 5.

10. See answer to No. 5.

11. For Canadian Northern Railway system: deficit per mile, $1,647.45; mileage, 9,868.90.

For Provinces see answer to No. 5.

DIVORCE BILLS

FIRST READINGS

Bill Z, an Act for the relief of Duncan MacDonald Oxley.—Hon. Mr. McCall.

Bill A 2, an Act for the relief of Rose Winifred Smith.—Hon. G. V. White.

Bill B 2, an Act for the relief of Evelyn Campbell.—Hon. Mr. Ratz.

Bill C 2, an Act for the relief of Margaret Thorne Acton.—Hon. Mr. Proudfoot.

Bill D 2, an Act for the relief of Lilian Florence Ansell.—Hon. Mr. Ratz.

Hon. Mr. CASGRAIN.

Bill E 2, an Act for the relief of Ellen Greenwood.—Hon. Mr. Ratz.

Bill F 2, an Act for the relief of Edna Garnet Rabb.—Hon. Mr. Ratz.

Bill G 2, an Act for the relief of Gertrude Gladys Vernon.—Hon. Mr. DeVeber.

Bill H 2, an Act for the relief of Stella Anna Jackson.—Hon. Mr. Proudfoot.

Bill I 2, an Act for the relief of Mabel Marshall.—Hon. Mr. Nicholls.

Bill J 2, an Act for the relief of Margaret Marie Cook.—Hon. Mr. Nicholls.

PUBLIC DOCUMENTS

INQUIRY

On the Orders of the Day:

Hon. Mr. BOSTOCK: I should like to call the attention of the leader of the Government to the fact that certain reports have been brought down in another place that have not yet been laid on the Table of the Senate. I have a list of them here. Perhaps my honourable friend will allow me to send it over to him.

Hon. Sir JAMES LOUGHEED: Is my honourable friend aware of the papers that I laid on the Table yesterday?

Hon. Mr. BOSTOCK: I understand that my honourable friend laid the Public Accounts and the Auditor General's Report upon the Table.

Hon. Sir JAMES LOUGHEED: And certain papers relating to the Grand Trunk railway purchase.

Hon. Mr. BOSTOCK: Yes. I will read the list that I have:

Main Estimates, year ending March 31, 1922.
Supplementary Estimates, year ending March 31, 1922.
Superintendent of Insurance, year ending December 31, 1919.
Patents and Copyrights, year ending March 31, 1920.
Return of 13th General Election.
Report of Department of Agriculture, year ending March 31, 1920.
Report of Department of Immigration and Colonization, year ending March 31, 1920.
Report of Department of Public Works, year ending March 31, 1920.
Report of Department of Railways and Canals, year ending March 31, 1920.
Report of Department of Marine and Fisheries —Marine—fiscal year 1919-20.
Report of Royal Canadian Mounted Police, year ended September 30, 1920.

I think it is desirable that these reports should be brought down in the Senate at about the same time that they are brought down in the House of Commons. I know my honourable friend has a great deal to attend to, and I thought it better to draw his attention to these and ask him to kindly bring them down at a later date.

Hon. Sir JAMES LOUGHEED: I shall be glad to do so.

THE RAILWAY PROBLEM IN CANADA

DISCUSSION AND INQUIRY

The Senate resumed from April 7 consideration of the inquiry of Hon. Mr. Casgrain:

That he will call the attention of the Senate to the railway problem in Canada and especially to the Grand Trunk Railway Company, and inquire if it is the intention of the Government to abandon the arbitration proceedings.

Hon. P. C. MURPHY: Honourable gentlemen, I give credit to my honourable friend from De Lanaudière (Hon. Mr. Casgrain) for bringing this matter to the attention of Parliament.

An Hon. SENATOR: Louder.

Hon. Mr. MURPHY: Some honourable gentleman says "Louder." That shows the acoustics of this building.

Before proceeding I should like to point out that there were two almost analogous motions on the Order Paper. The honourable gentleman from De la Durantaye (Hon. Mr. Tessier) introduced a motion almost analogous to the one I am now discussing; and last night the honourable gentleman from Assiniboia (Hon. Mr. Turriff), speaking on this motion, and I to-day speaking on the other one, are discussing practically the same thing.

The railway situation in Canada to-day demands the consideration of every serious-minded citizen. I congratulate the honourable gentleman from the Gulf (Hon. Mr. L'Espérance) and the honourable gentleman from Stadacona (Hon. L. C. Webster) on having brought to the attention of the House the importance of having Canadian products find their outlet through Canadian ports. They elaborated their arguments and gave their reasons, and I agree with them that if we are ever to become a nation in a true sense we must have ports and we must have population. In order to understand this question we must know the economic conditions. I wish to compliment my honourable friend from Simcoe (Hon. Mr. Bennett) upon the way in which he dealt with the case. He gave reasons why the Canadian Pacific railway got the business and carried it to Canadian ports, although our own Canadian National railways have more lines throughout the country.

For the benefit of the people of the West we have gridironed the West with railways which are at the present time a financial curse to us. It is admitted on the best authority that we are at least fifty years ahead of our time in this respect and that if we are not to lose our nationality and be submerged in keeping up a pace commensurate with this "wild west" building of railways, we must increase our population. I am free to admit that our population was greatly increased by immigration between 1900 and 1910; but, because of the quality of that immigration, measured by the standards of to-day, I do not know what its total benefit has been to Canada. We find to-day that we have to restrict this rapid inflow; and, in a word, we are "hand-picking" immigration, by means of the money test. I do not believe in this test. In my opinion physical and mental fitness should be the only test. Money counts for very little. It may depreciate fifty per cent in a week owing to exchange conditions, and while I would exclude imbeciles, mental degenerates and those physically unfit to be the fathers and mothers of the future citizens of Canada, I do not think a man should be excluded because he has not $250 in his pocket on arrival in quarantine at Quebec. I just want you to consider for a minute, some of you gentlemen who to-day can count your money by the millions, where you would have been if your ancestors had been dumped in the Gulf of St. Lawrence or deported back to the fatherland at the time they struck quarantine, either at New York or at Quebec, simply because they did not have a certain amount of money.

However, this is not the question. In introducing what we now know to be a millstone around the necks of the people of this country, a celebrated man uttered what seemed to me at the time to be a classical blasphemy when he used the phrase, "We want to have something all-Canadian, East and West, within our own territories," and when he held up his hands in pious admonition to the majority of his supporters —who knew his policy was wrong—and said, "Would to God we are not now too late."

Now we have the actuality. We may be too late; but we have got ourselves into such a position that we must do something to save the situation. We did our best; every one shouldered the burden. We have taken over the Canadian Northern railway, which, it is admitted, passes through the best territory in Canada. We took it over because of the crisis in Canada's affairs—a crisis in the history of the world. We

had to save our credit, and we did that which, under ordinary circumstances, perhaps sober-minded men would not have done. We also took over the Grand Trunk railway, and I am free to stand up here in my place and say that I voted in favour of taking it over, but with trepidation, because I anticipated just what has occurred. Financial figures and financial ciphers and workers behind the scenes put a burden upon the people that they would not have accepted if they had known what it meant. But we do not want to haggle over that. We have taken a responsibility put upon us by our ancestors.

There is an East and a West. I do not mind my honourable friend from De Lanaudiere, who was discourteous to the member from Boissevain (Hon. Mr. Schaffner) and myself the other day, and who, in a half-hearted way, ungraciously allowed the question from the honourable member from Montarville (Hon. Mr. Beaubien). In answer to the question of that honourable gentleman, "Did you support that policy?" my honourable friend opposite said, "I not only supported it, but I made the longest speech in Parliament in favour of it." It is no trouble for the honourable gentleman to make a long speech: he could not do anything else.

Hon. Mr. CASGRAIN: That was on the Navy question.

Hon. Mr. MURPHY: My honourable friend reminds me of the moose which, when it wants to sit down, travels round and round and round in a circle, and then travels round and round and round the other way until it comes to the place where it wants to sit down, and then sits down. His speech and his attitude are well described by our late colleague from Halifax, and I do not think, as a physiological student, that I could even admit the opening complimentary phrase of that gentleman.

However, we have this octopus of a railway situation on our hands, and we might as well act as men and grapple with it in the best way possible. It is a serious situation, a situation that makes thinking men sit up in the face of present world conditions, where exchanges are all awry and when we do not know from day to day what cataclysm may be brought about by a clash between labour and capital.

The honourable gentleman from Stadacona (Hon. L. C. Webster) and the honourable gentleman from the Gulf (Hon. Mr. L'Espérance) are capable of looking after the ports of the Upper St. Lawrence; but I have something to say for the Maritime Provinces.

The question of public ownership has been brought into this debate, and its efficiency criticized. As the fathers of public ownership, we in the Maritime Provinces should necessarily have some voice in this matter. We are the original public owners as far as railways are concerned. As far back as 1836 a railway was built in Nova Scotia, which was subsequently extended to Lévis in Quebec and left hanging in the fields for God knows what reason for many years. " Inefficiency again," you may say; but latterly it found its way, by devious means well known by some of my honourable friends, to the commercial metropolis of Canada.

Public ownership with us gave every satisfaction, whether it was efficient from a business standpoint or not. I want to draw the attention of honourable gentlemen to the fact that the building of the Intercolonial railway to Lévis was not a commercial proposition but was in conformity with the terms of Confederation of the Maritime Provinces; and, more than that, in the beginning it was a military road and was built not as a commercia proposition. Therefore, its gradients and curvatures are bad in many places, all making for extra cost in maintenance. It was run for a long time as a political machine—and even political machines are not all run wrong. I do not know that there is any improvement. It was at least as good under so-called political machine conditions—and I am not now talking politics —as it is to-day with all your full-fledged officiality who are supposed to be experts and efficiency experts at that.

We in the Maritime Provinces—and I am speaking now for the territory I represent—have certain rights and we pay, proportionate to our population, as much, if not more, as a consuming population to the exchequer as the people of the other provinces of Canada. We have rights that are inalienable—and guaranteed by the terms of Confederation—rights much deferred while we are paying to make the western wheat fields of which we are proud, but which have never given us, so far as the Maritime Provinces are concerned, a commensurate return, a success. We bought the Northwest Territories, which are now provinces, from the Hudson Bay Company, we helped to build the C.P.R., and we have given of our brawn and our brain to the population of that West some of the best

men that are in those provinces to-day. We have gridironed the country fifty years ahead for those people, and have assumed the vast financial responsibility that is now weighing so heavily on our people without any benefit to them; and what have we received?

Speaking for my own home personally, the province of Prince Edward Island—and a person must be modest in speaking personally, and modesty as you know is not one of my attributes—we had to wait practically 50 years for the fulfilment of the elemental terms of Confederation. We handed over our railroad, which is classified as a debit by such a well-known expert as Mr. Payne, for nothing. It cost us $4,000,000; and, if my judgment of history is worth anything, it was used as a fulcrum to force Prince Edward Island into the Confederation, and I am not sure yet whether or not that was to the advantage of Prince Edward Island. As I have said, we gave this railroad gratuitously and received no credit for it in the original terms. It is true that the Intercolonial railroad, as figured out by Mr. Payne, has shown a deficit, which he has capitalized, which would show an enormous fixed charge for earning power. But when we stop to consider what was given the C. P. R. by the people of this country to implement the terms of Confederation, I think that my western friends should be willing to grant that in the vernacular "they have no kick coming"; and when you consider what we have done since by the building of other lines, and consider also the fixed charges on Canada, of which the Maritime Provinces, and especially Prince Edward Island, which did not have its terms fulfilled for 50 years, is an integral part, I think we have reason for grievance.

I have laboured this for the purpose of appealing to the common sense of everybody that we have a grievance when we ask for the proper facilities of having our railroad, which we gave for nothing, broad-gauged to enable us to send our freight from the routing point to its destination without transfer, and we demand also that a deficit on the Prince Edward Island railroad be not shown by charging up $14,000,000 for the operation of the car-ferry steamer yearly against the owner of the Prince Edward Island railroad, while at the same time the Mulgrave and Hawkesbury ferry is maintained as an integral part of the Canadian National Railway system.

Economically we are to my mind up against the proposition to keep faith with the Maritime Provinces. I think it would be better that what is known as the old Intercolonial and Prince Edward Island system should be operated under separate management than that we should be charged with the sins of the West. We have put up too long with this kind of jug-handled policy. Originally this was a narrow-gauge system built by some nigger-in-the-woodpile men who were behind the scenes, and who could get a contract. In those days railroad building was not well understood. The contractors got so much a mile for building, and they went around creeks and crevices, and avoided grades, and all that sort of thing. Finally they had built some sort of road. It was not very good in the old days, but it cost the country $4,000,000. When our representatives came up here—I was not born then, or was born not long before—those men put it over them, and they handed over the railway. As a matter of fact, they had reached a stage at which they could not borrow money. The province was 500 per cent solvent, but certain influences prevented them from borrowing any more money in England, in order that they might be forced into Confederation. Unfortunately for the party element, the parties got into antagonism, and one ran to Ottawa and the other ran to Ottawa, each trying to make the best of the bargain and take the province out of the chaos, when they could not do anything else with the financiers of London. Although the Province was almost 1,000 per cent solvent and there were great possibilities for fruition, they had to come and beg at the doors. Now, we gave the railway for nothing, but we have asked and we now ask that it be broad-gauged. The car ferry has been built. It took us fifty years to drive the Government to that, but we have absolute communication now. Part of the railway has been broad-gauged—from Charlottetown to Emerald, from Emerald to Borden, and from Emerald to Summerside; but we want the rest of it broad-gauged and we want the line to route us straight through, so that vegetables shipped in the morning can come through the same day and will not have to be transferred.

Here is one of the terms of Confederation, which has been vitiated by non-fulfilment for years:

> Efficient steam service for the conveyance of mail and passengers to be established and maintained between the Island and the mainland

of the Dominion, winter and summer, thus placing the Island in continuous communication with the Intercolonial railway and the railway system of the Dominion.

That is a plain statement of fact. If that means anything it means the same degree of efficiency for Prince Edward Island as along the North Thompson river, where there are two lines, although there is not an inhabitant for four hundred miles on either side of the river: one train blows its whistle at the other. If I can interpret a statute that was made in good faith, this means that justice should be done, and I have fought with the Government that has not done it before, whatever Government it was. The fault lies with both Governments and with the traditions of the times. But millions are as nothing to-day. Millions can be got to-day for a jerk-water road for about thirty of a population, which will probably be derelict in five years.

The people of Prince Edward Island have the compact and they have justice on their side, and I desire to urge upon this House that that compact should be carried out and that our citizens, our manufacturers and our people generally should be placed in a position to develop the "Garden of the Gulf," as it is called, and the garden of Canada. As I have said, I do not desire to labour the question any further, but I thought this was a good time to draw it to the attention of the Senate.

Hon. G. D. ROBERTSON: Honourable gentlemen, the railway question is of importance to Canada and, I think, of interest to all of us, and this may be a fitting opportunity to make just a few observations concerning it.

My hon. friend (Hon. Mr. Casgrain) who introduced the subject in this House made some preliminary remarks, to one or two of which I would like briefly to refer—not at all for the purpose of differing with him, but in order to remove any misunderstanding that might arise from his remarks. In the honourable gentleman's opening remarks he referred, among other things, to the Prime Minister's war effort, saying:

> And so far as giving the last man is concerned, I don't see that he gave many sons, although there are members in this House who sent one, two, or three sons to the war.

Hon. Mr. MURPHY: And they do not boast about it.

Hon. Mr. ROBERTSON: I just want to point out, honourable gentlemen, that to my certain knowledge the Prime Minister's eldest son has not yet passed his sixteenth birthday, and therefore it should not be permitted to be thought anywhere in Canada that the Prime Minister even had a son of military age. I do not think that my honourable friend intended to convey the impression that he had.

Hon. Mr. CASGRAIN: Oh, no.

Hon. Mr. ROBERTSON: Nevertheless his words were subject to that interpretation.

My honourable friend referred also to a number of subjects not directly connected with railway matters. I will not go into details concerning them: but he did propound certain questions which he thought ought to be answered, with reference to deficits, by provinces, on the railways now owned by the public. I think it is probably true that the earnings of the railways owned by the Government and operated by the Canadian National Railways are known by divisions, but not by provinces, and it is certainly true that the deficits can scarcely be accurately classified by provinces. The reasons, I think, are obvious.

My honourable friend, in speaking of the general failure of the public ownership of railways, referred to Australia as one illustration in support of his opinion. I would point out, in connection with the Australian railways, that conditions in Australia are very different from what they are in Canada—that the Australian railways are not a complete system, as our own are, but are divided into groups and have different gauges. In order to transport a car-load of goods from one end of the Commonwealth to the other, it is necessary to tranship at least twice, which adds tremendously to the cost and must greatly reduce the efficiency of operation of the state-owned Australian railways.

Hon. Mr. CASGRAIN: Does that apply to passengers?

Hon. Mr. ROBERTSON: No.

Hon. Mr. CASGRAIN: Six cents a mile!

Hon. Mr. ROBERTSON: The only parallel that we have in Canada to that situation is in the province of Prince Edward Island, whence my honourable friend who has just spoken (Hon. Mr. Murphy) comes; and when we notice that the deficit of the Prince Edward Island railway is about $1,000 a mile more than that of the other lines owned by the Government of Canada, notwithstanding the fact that it is located in what is called "the Garden of the Gulf," one of the most fertile portions of Canada from the agricultural standpoint—and ag-

ricultural production is the chief source of traffic for a railroad—we at once realize—

Hon. Mr. MURPHY: Will the honourable gentleman pardon me? I missed that point. I have here the figures regarding the cost of transfer at Borden, and I intended to give them to the House, but forgot to do so. It would mean a great saving if that road were broad-gauged, or if at least the broad-gauging of it were started, from my own place to Summerside. The honourable gentleman knows that as well as I do.

Hon. Mr. ROBERTSON: I was just coming to the point which my honourable friend has made,—

Hon. Mr. MURPHY: The figures are there.

Hon. Mr. ROBERTSON: —namely, that as soon as it is reasonably possible to do so, and the Prince Edward Island railway becomes a standard gauge railway, the cost of operation will be very materially decreased.

Hon. Mr. MURPHY: Hear, hear.

Hon. Mr. ROBERTSON: And that is the only parallel to the Australian situation that exists in Canada to-day.

But the railway problem is one of long standing and the difficulties are probably due to many different causes. I think that one of the chief causes can be clearly shown in some figures that I shall undertake to quote. Canada began railway building in 1836, and from that time until 1898, a period of sixty-two years, there were constructed in Canada 16,670 miles of railway, or about 272 miles of road per year during that period of sixty-two years. I assume that the people and Governments of that period felt that the railways were being constructed in accordance with the growing necessities of the country. During that time the population of Canada increased by almost 5,000,000, or about 100,000 less than 5,000,000 people. In 1836 we had a population of 436,000; in 1898 there were in Canada 5,371,000, according to information which the Bureau of Statistics gives me. So that while our population increased by 5,000,000 Canada built 16,000 miles of railway, or at the rate of 272 miles per year. But, for some reason or other, which we need not perhaps reflect upon at the moment, from 1898 or thereabouts the epidemic of railroad building in Canada became very pronounced. During the seventeen years from 1898 to 1915 there were built in Canada 18,706 miles of railway, or, I think, exactly 1,100 miles per year; and during that period our population increased by less than 2,000,000 people. It occurs to me, therefore, honourable gentlemen, that the fundamental cause, or one of the fundamental causes, of our present railway difficulties is that over an extended period railway building in Canada was carried on at too rapid a rate. That gives us an idea of the situation, say, up to 1915 or 1916. We all know that the Intercolonial railway has in only one year in its history paid operating expenses. We know that the Grand Trunk Pacific and Transcontinental lines were bankrupt in 1917, both of them. We know that the Canadian Northern was faced with liquidation. And we know that all of those properties named were brought into one system, known as the Canadian National railways, and that those broken-down wrecks, which individually it was impossible to operate except at substantial loss, were brought under Government control, in the hope of remedying so far as possible a bad situation.

Now, honourable gentlemen, I desire to draw the attention of the House to the situation in which were placed all the railways now owned by the state. Let us turn our minds for a moment to the Canadian Pacific Railway, which we all recognize as an economically and efficiently operated system. I submit that it has not its equal in the world. In 1916 the Canadian Pacific Railway gross earnings were 129 million odd dollars, and its operating expenses were 80 millions and a quarter. After paying expenses of every sort, including dividends, it had a net surplus of fifteen and a half millions in that year. Let us draw a mental picture of the situation of the Canadian Pacific as compared with all the railways that about that time came into the Canadian National system, in order that we may fairly give credit to each of the managements of those two great systems now existing, for what they have done. Let us see how the Canadian Pacific has got on since that time. Because of the war, wages increased and the cost of materials advanced rapidly. The total cost of operation of the Canadian Pacific railway, for example, was 128 per cent in 1920 over 1916. To be accurate, the operating costs or working expenses of 1916 were $80,255,000, whereas in 1920 they were $183,488,000, or an increase in operating expenses of 103¼ million, or 128 per cent.

Hon. Mr. BOSTOCK: Was the mileage increased?

Hon. Mr. ROBERTSON: The Canadian Pacific railway mileage meanwhile was not increased very greatly. I have not the exact figures. But I want to point out this,—

Hon. Mr. CASGRAIN: There is something wrong there, surely.

Hon. Mr. ROBERTSON: —that while the gross revenues in 1920 were 216½ millions, having increased 67 per cent, or $86,000,000 odd, the working expenses of the Canadian Pacific increased by $103,000,000, or 128 per cent. I submit, honourable gentlemen, that that was a necessary and unavoidable expense or the Canadian Pacific Railway Company would never have incurred it; and the point is, that if it was necessary and unavoidable for the Canadian Pacific to increase its operating expenses to the extent of 128 per cent in those four years, handling approximately the same quantity of traffic, then it is obvious what must occur on the system known as the Canadian National Railways, which was made up of a number of systems that were bankrupt prior to 1916.

Perhaps it would be interesting to the House to point out the comparative traffic handled in 1916 and in 1920 on the Canadian Pacific. In 1916 that road handled 13,822,000,000 tons of paying freight one mile. In 1920 it carried 13,856,000,000 tons one mile, or an increase of two-tenths of one per cent. That is to say, the revenue freight traffic of the Canadian Pacific, according to their own annual report, was two-tenths of one per cent more in 1920 than in 1916; and for carrying that traffic they received $86,000,000 more by reason of increased freight rates, while their operating rates increased $103,000,000, or 128 per cent.

Hon. Mr. MURPHY: Does the Minister know how much was the increase between 1914 and 1917?

Hon. Mr. ROBERTSON: None whatever. There were no changes in either rates or wages at that time.

Hon. Mr. MURPHY: I am talking about the carrying.

Hon. Mr. ROBERTSON: I have not those figures. Reference was made by my honourable friend opposite the other day to the earnings per mile of road. That, to my mind, is a very important factor in the cost of operation. In 1916 the Canadian Pacific earned $6,860 per mile of road; that was, freight earnings.

Hon. Mr. CASGRAIN: Freight alone?

Hon. Mr. ROBERTSON: Freight alone; and in 1920, for carrying only two-tenths of one per cent more freight, its earnings were $11,072 per mile, or an increase of $5,212; yet all of it was absorbed, and more too, as I pointed out. At the end of 1920 the Canadian Pacific, notwithstanding its splendid position, notwithstanding its net surplus of over $15,500,000 in 1916, found all of its extra revenues exhausted, and all of its net surplus wiped out with the exception of $450,000. I therefore submit that, with that showing on a road which we all recognize as efficiently managed and economically run, it is a wonder that the deficit on the combination of lines which the Government took over and attempted to operate is not very much larger than it is.

Hon. Mr. MURPHY: Not properly co-ordinated.

Hon. Mr. ROBERTSON: I think my honourable friend has in mind the opinion that he held a year ago—that it was unwise to undertake to add the Grand Trunk Railway System to the existing lines owned by the state. On that occasion I occupied some time in showing why I thought it was very desirable that the Grand Trunk Railway System should be brought into the National System. I do not propose to repeat what I said then, except to say that that opinion has in no way been changed, and that I believe very strongly that if the Canadian National Railway System is ever to be profitable it must have access to sources of traffic in Eastern Canada in order that it may have the advantage of long-haul business. To-day there is not a single point east of Fort William—with the exception of Ottawa, where we have connection with the New York and Ottawa Railway—where the Canadian National Railway System connects with any line running into the United States, except through the Grand Trunk. Over those American connections, we sent more than $500,000,000 worth of goods last year, and received from the United States almost twice that quantity. How can we expect that our national railway system will get its reasonable and fair share of the international traffic if we have no direct means of communication with the American railway lines? I feel sure that it is desirable

and wise that the Grand Trunk system should as early as possible come into the general system owned and operated by the people of Canada. Duplicate costs are now being incurred by reason of duplicate management, duplicate equipment, in many cases duplicate train service, duplicate freight and passenger and auditing staffs, duplicate shop staffs, and in some cases by lack of efficiency that results from duplicate movements of cars and motive power; and so long as those economies cannot be effected we will not get the best results from the operation of the roads which we own, as they are run to-day.

Hon. Mr. EDWARDS: May I ask the honourable gentleman whether the benefits that accrue to Canada from the Grand Trunk lines from Windsor to Chicago will be as great under Government as they would under the Grand Trunk system?

Hon. Mr. ROBERTSON: I can only give my honourable friend my own opinion, which is that the conditions will remain exactly the same, because the Grand Trunk has been able to compete successfully with all other lines for a large quantity of through traffic out of Chicago destined for New England points, and has been successful in obtaining a great deal of that traffic, because it has its own lines to New England points over the Central Vermont road. That traffic originating in American territory has afforded employment for many railway men in Canada as it travels through Canada over the Detroit and Port Huron frontiers. I would not expect that traffic would flow over less desirable routes, if the Government owned the road, than if it were owned by the Grand Trunk Railway Company. I do not think it would make any difference.

Hon. Mr. EDWARDS: I understand from the highest railroad authorities in Canada that the great benefits that accrue therefrom will be almost entirely or very largely lost.

Hon. Mr. ROBERTSON: Well, I have had the advantage and pleasure of discussing this general question with many railway officials, and I have never heard that opinion advanced, though it may be so. It is my view that when the Grand Trunk Railway system becomes part and parcel of the general system of railways owned by the state and operated under one management, many economies and much greater efficiency will follow; and until that is done the unnecessary expenditure in connection with operation of both systems will continue.

Now I want to deal briefly with what may be regarded as a somewhat delicate question on which many of us differ—as to the necessity and the causes of the increase in cost of operation of railways. My views may not agree entirely with those of all other honourable gentlemen present, but I think all will agree that they are at least sincere.

Of course the present extremely high cost of operation of our railways would not exist to-day had it not been for the great war; and it is worthy of notice that the cost of operation has increased by 128 per cent in the case of the Canadian Pacific. Their increase in revenue by reason of increased rates on freight was 63 per cent, while their operating expenses increased 128 per cent. I assume that that is a fair barometer by which to judge the other systems. Had the war not occurred, and had normal conditions continued to prevail throughout the period through which we have just passed, the result would have been that the same management and the same efficiency that we have had during the past two years on our Canadian National system would have shown a surplus to-day instead of a deficit, because the rates would have probably remained the same, and the cost of operation would have been cut in half, which would have wiped out the $50,000,000 deficit in operating expenses on the whole Canadian National system. Therefore, had it not been for the war conditions, Canada would have been to-day in this happy position, that the railways now controlled and operated by the Canadian National Railways would have been self-sustaining. As individual units broken up into the Intercolonial, the Transcontinental, the Grand Trunk Pacific, and the Canadian Northern, we know that it could not be so. But it would be well to keep in mind that had normal conditions prevailed that would have been our situation to-day. Unfortunately, however, the war did come, and those uncontrollable increases in operation, by reason of the fact that both materials necessary to purchase for the operation of the railways and also labour costs rose rapidly. The labour costs increased about 100 per cent and the cost of materials about 140 per cent, the average being 128 per cent.

We hear to-day from various sources and from various authorities opinions expressed

and statements made with reference to the causes and the necessity or lack of necessity of the increases that were made in wages to railway employees. I have followed that matter probably as closely as most Canadians, being quite intimately connected with and interested in it, as in all other labour questions; and it is my judgment that the advances to the railway employees in Canada have not been excessive as compared with advances in all other lines of industrial activity, or indeed those made in the compensation to our own Government employees. I am not going to weary the House with any lengthened arguments in connection with this, but will simply attempt to point out three or four facts which are matters of record, and in which I think all will agree, and then briefly endeavour to show how certain suggestions that have been made may represent an isolated case but do not represent the general situation.

I have said that wages increased approximately 100 per cent on our Canadian railways. That is true, and I think the pamphlet showing evidence of that has been distributed by the Department of Labour to every member in both Houses of Parliament. The cost of living in Canada has increased more than 100 per cent during that period. From 1914 to 1918 there were no increases of any general character given to railway employees in Canada, though there were individual exceptions. But in 1918, the cost of living having risen substantially from 1914 to 1918, particularly during 1917, the situation became utterly intolerable from the standpoint of the railway men, their purchasing power, their earnings, being greatly decreased. The same thing occurred in the United States, where the Government had taken over the administration of the railways, and undertook to deal with this problem in a national way. While negotiations were proceeding over there early in 1918 many of the railway employees, through their respective organizations in Canada, presented a request to the various railway companies for a revision of their wage agreement. I think that negotiations began with what are known as the shop trades—men engaged in car shops, round houses, and general shops, car repairers, etc.—at all the various terminal points, representing a little over 30,000 men on all railways in Canada. They were in negotiation with the railway companies through a joint committee representing all the companies, from about April to July. The requests that they presented to their employers on behalf of the Canadian Railway employees in those classes of service were somewhat higher than the rates fixed by the United States Government by agreement with workmen there representing these same classes of employees; and in July, 1918, there were some prospects of difficulty in reaching a conclusion as to what should be the adjustment here, Those negotiations, notwithstanding statements that have appeared in the press, were always conducted between representatives of the employees on our Canadian railways, who were Canadian citizens in every instance, and the Canadian railway companies.

In July, 1918, various other classes such as the train service and maintenance of way employees, who keep the tracks in order, the station agents, the telegraphers—all had represented to the railway companies their desire to have their wages agreements revised. No negotiations had taken place between those employees and the railway companies up to that time. In July, 1918, the Railway War Board, representing the managements of practically all Canadian railways, had a conference in Montreal, and voluntarily reached the decision that it was advisable that Canadian railways should simply adopt what was then known as the McAdoo Award, which had come out a week or two before that, as applicable to Canadian railway employees. Notwithstanding statements to the contrary, the McAdoo award as adopted in Canada was adopted voluntarily by the railway companies, who subsequently came to the Government and asked for an increase in freight rates in order to compensate them for what was obviously necessary in order to pay the increases to their men.

I hesitate to make any statement that seems directly to contradict a statement of any other gentleman, but I think it is quite unfair to the railway employees, and indeed unfair to the people of Canada, because it makes railway employees dissatisfied and disgruntled, when statements are made that do not represent the facts as affecting them. I feel constrained, therefore, to refer briefly to press reports emanating from Victoria, B.C., yesterday, in which the Chairman of the Board of Railway Commissioners is reported as stating that the McAdoo award was given to the Canadian railway workers not because it affected Canada but because slick gentlemen from the United States journeyed to Canada and threatened they would call a strike in this country if the award was not given to Canadian workers. The Commissioner

is further reported as saying that it was difficult to imagine anything more humiliating than that labour leaders in the United States should be able to hold a pistol to our heads.

If the Commissioner is correctly reported he is obviously not familiar with the facts connected with the adoption of the McAdoo award in 1918 by Canadian railways, as I have briefly outlined to you the details.

It is not true that any gentlemen from the United States made any threat of the nature stated.

Hon. Mr. CASGRAIN: Did they come?

Hon. Mr. ROBERTSON: They did not.

I think it is true that no representative of any of the international railway organizations from outside Canada has taken up any matter since 1910, when, on the occasion of the Grand Trunk strike, two officials came over here and succeeded in settling the strike after it had been initiated by the employees themselves. It is true that the Canadian railways did decide to adopt the McAdoo award in 1918 and apply the same to their employees; but the decision of the railway officials was reached voluntarily and not because of any demands for the adoption of the McAdoo award made by representatives of the employees. It is furthermore true that every executive officer of every railway organization in Canada is a Canadian citizen, and no authorized strike can ever occur on Canadian railways except after a majority of the employees affected have voted in favour of such action being taken.

Now, honourable gentlemen, I feel that it is only fair to our 200,000 Canadian railway employees to make these facts known to the House and if need be to the country. It is incorrect to state that any pressure was brought to bear upon either the Canadian railway officials or employees respecting the adoption of the McAdoo award by any interests outside Canada.

The question then arises naturally in the minds of all gentlemen as to whether or not the rates that have been set in the United States are fair and reasonable as applied to Canadian conditions. May I say that prior to 1917 it was my duty and privilege to be closely connected with the making of those agreements with Canadian railways, and it was always the pride of the employees on the Canadian Pacific railway, at least, and in fact on most of the railways in Canada, outside of the Grand Trunk, which at that time had the same standard of rates, that the prevailing rates in Canada were slightly higher than those in the United States, especially in the southern states. There were reasons for that. We know that our climatic conditions are much more severe than those generally prevailing in the United States; that the cost of providing a comfortable home, fuel, and warm clothing for a railway man and his dependents here is higher than the average cost in the United States, and this was generally recognized. But, notwithstanding that, the railway companies themselves came to the conclusion that it was really fair to advance wages in Canada on the same basis as they were advanced in the United States.

Now we might for a moment profitably inquire whether or not those rates were fair. Let us see what the rates are at present. In passing, however, I might say that the McAdoo award of 1918, to which such exception is taken, was subsequently found to be quite inadequate to meet existing requirements, by reason of a further increase in the cost of living, and in 1920 the United States Government further increased the rates, which example was again followed by the Canadian railways.

Now let us see what the facts are as the rates exist at present. There are between 20,000 and 30,000 railway employees in Canada who keep the tracks safe for the trains to travel over. What do they get by way of compensation? Under the United States award, which is condemned as being unfair, and which it is claimed should not be applicable to Canada, but has been adopted by our railways and by our employees, the railway sectionmen in Canada, in Ottawa for example, get 48 cents per hour for their services. That figure can be verified by looking in a railway schedule, or in the document which has been distributed by the Department of Labour to honourable gentlemen.

Hon. Mr. CASGRAIN: How much for extra time?

Hon. Mr. ROBERTSON: I will come to that point in a moment. In the city of Ottawa in 1920 the rate for a factory labourer was 50 cents an hour, or two cents higher per hour than the railway sectionman gets. If a man was working as a labourer on the construction of a building in the city of Ottawa he was getting 60 cents per hour. If a man was employed by the city of Ottawa in cleaning the streets he got 55 cents an hour. If he went down to the railway yard and ran the risk

every hour of the day of being run over and losing his life—and honourable gentlemen know that a railway yard with railway tracks is the hottest place that can be found in summer and the coldest place in winter to work in—he would get the magnificent wage of 48 cents an hour. I submit, honourable gentlemen, it is not an excessive wage.

Hon. Mr. CASGRAIN: If he was a plumber he would get $1.25 in Montreal.

Hon. Mr. ROBERTSON: I do not want to be unfair by way of comparison. Very much stress is laid on the matter of overtime. Ordinarily a man should not be required to work overtime, and is not required to do so, but in some special instances it becomes necessary, especially in railroad work; and, although a workman in the Civil Service or working on a building would work eight hours a day, and then quit regardless of whether the work was finished or not, in railway service it may be necessary for those in authority to order continuation of work for some time, perhaps for hours, and necessarily the employee expects to be compensated if he is required to work beyond his regular day. But because railway employees in many instances work long hours, and seven days a week, night or day, and are paid extra for the sacrifice and toil necessary to make a little more than what seems to be the ordinary wage, a howl goes up over the country that they are being paid too much and that railway wages must be reduced or the country will go to the dogs. I submit, honourable gentlemen, that is not a fair presentation of the case. For example, I assume that all honourable gentlemen will admit that the locomotive engineer on a railway is probably the highest paid class of employee outside of the official staff; and it is my opinion that he ought to be. I do not think there is any greater responsibility resting upon any class of employees than that which the locomotive engineer bears. In the first place, he is put in a charge of great responsibility for the care of an engine worth from $50,000 to $60,000. If he damages it or does not take proper care of it, he is disciplined, and must suffer the consequences of his failure, through inability or carelessness, to look after the implement that is placed in his hands.

Hon. Mr. DAVID: Can you say how much he is paid?

Hon. Mr. ROBERTSON: I will give my honourable friend that information in a moment. He is called for duty at any hour of the day or night, under conditions of rain, heat, fog—all conditions of weather—and must go on duty if he is physically fit unless some good reason can be advanced for not doing so. Now, let us see what this highest paid class of railway employee gets by way of compensation. He gets $7.12 per 100 miles, or 8 hours—100 miles being equivalent to 8 hours. That amounts to 89 cents per hour. Well, a workman who lays a brick wall here gets $1.00 an hour and works 8 hours a day, has three hot meals a day, and a comfortable bed every night. The other fellow goes to another town, pays for his meals and for his bed, and if he can get away with an outlay of less than $60 per month he is fortunate. I submit to you that the pay per hour of a locomotive engineer is not equivalent to that of many classes of trades that are engaged in much less dangerous work, and indeed in work that requires much less training, skill, and experience.

Hon. Mr. BOSTOCK: Could my honourable friend explain how it is that the locomotive engineer running between Kamloops and Vancouver is able to earn enough in a fortnight to lay off the other fortnight of the month?

Hon. Mr. ROBERTSON: Yes, I think I probably can. Kamloops to Vancouver is a distance of about 270 miles, probably a little more.

Hon. Mr. BOSTOCK: 250 miles.

Hon. Mr. ROBERTSON: I thought the divisions were about 135 miles. But the fact that an engineer works two days in one, and runs 270 miles, or works two weeks and then lays off two weeks, does not indicate that he has not done an everage day's work through the month. That is where so many honestly intentioned people fail to understand the real situation of the railway employee, especially in train service.

Hon. Mr. BARNARD: How is 100 miles equivalent to 8 hours?

Hon. Mr. ROBERTSON: In freight service on our railways the time of the train service employees is computed on the basis of miles or hours. If they make 100 miles within 8 hours they are paid by the mile. If they must necessarily consume more than 8 hours in making the trip they are paid pro rata, on the overtime rate—pro

rata of their schedule rate up to 10 hours, and penalty time after they have been on duty 10 hours.

Hon. Mr. BEAUBIEN: Are the engineers that run the passenger trains paid on the same scale per 100 mles?

Hon. Mr. ROBERTSON: No. The rate that I have quoted is for the freight engineer who goes out with a string of 60 cars behind him, and runs at a speed of probably 10 miles an hour over the whole division. The passenger engineer's rate is considerably less per 100 miles, because he makes his run in less time, and he gets less per 100 miles than does the freight engineer.

Hon. Mr. BEAUBIEN: What does he get?

Hon. Mr. ROBERTSON: I am sorry I cannot give that, because I have only the rates for the freight engineer in my figures.

Hon. Mr. McMEANS: Can the honourable gentleman tell us what the locomotive engineers make per month?

Hon. Mr. ROBERTSON: It depends on the number of hours and the number of trips that they put in. If a locomotive engineer works five and a half days a week and takes half a day off on Saturday—if he works the same number of hours that a man does on a building—and gets $7.12 a day, his earnings are easily computed; but if he continues to work day and night, Sundays and Saturdays, he may make double that; and I do not think it is fair to say that he should have to put in all that time and render all that service for no compensation.

Hon. Mr. BEAUBIEN: Do the engineers on the railroads earn $500 a month?

Hon. Mr. ROBERTSON: I do not think so. I may say that for many years I handled the pay-rolls at a divisional point, and paid all classes of railway employees, and in those days I never knew an engineer's salary or earnings to exceed $200, and in very rare instances did they ever reach that point. That was prior to the adoption of the McAdoo award. Since that time it is true that rates generally have increased about 100 per cent.

Hon. Mr. CASGRAIN: 128 per cent, you said.

Hon. Mr. ROBERTSON: No, the operating expenses increased 128 per cent: the wages about 100 per cent, and materials 140 per cent—128 per cent being the average.

Hon. Mr. BEAUBIEN: Did that apply to the second increase that was made after the McAdoo award?

Hon. Mr. ROBERTSON: Both increases.

Hon. Mr. BEAUBIEN: The 1920 increase, too?

Hon. Mr. ROBERTSON: Yes. I am sure that the average at the present time does not exceed $300.

Hon. Mr. TESSIER: A month?

Hon. Mr. ROBERTSON: Yes. There is just one other point I would like to mention in regard to men engaged in train service. It is a very hazardous undertaking and those men pay enormous premiums for life insurance, accident insurance, and so on, which does not fall to the lot of many others. This ought to be taken into consideration when calculating what is a fair and reasonable compensation for men in hazardous occupations.

I wish to refer for a moment to one class of railway service with which I am very familiar, having been in it myself for a number of years: that is, the service of a station and telegraph employee. The minimum rate for a telegraph operator today, in the vicinity of Ottawa, or anywhere east of North Bay, is $130 a month. On the basis of the allotted time that amounts to 62 cents per hour. Go over here into a printing shop and you will find compositors and pressmen and men running the linotype machine, which I do not think is any more difficult or requires any more skill or carries any more responsibility than the handling of train orders, the direction of trains, and so on—I am not saying that I think they get more than they should have—getting in Ottawa $38 a week, or 79 cents an hour, as against the telegraph operator's 62 cents an hour. Some one has mentioned a plumber. A plumber gets 80 cents an hour in Ottawa, and in some other places more than that. I submit that in comparison with other classes of workmen our railway employees as a whole are not paid abnormally high wages. They may make what seems to many people to be abnormally high earnings; but I can assure honourable gentlemen that they have to put in the hours of service to earn that compensation.

The other day I looked over the pay-roll of a certain railway, and in doing so I noticed that the salary of an agent at a

certain station was $160 a month. I noticed also that he was the only man about the place, and that he had been called outside of office hours forty-four different times. In addition to that he had put in fifty-two hours overtime; that is, he had been called upon after his regular day's work was over to remain on duty. That man was on duty virtually night and day. The result was that he got more out of his overtime than he got out of his salary. I admit that that does not indicate the best of management. In his overtime he probably gave only half service, that is, he probably put in half as many hours as a second man would, and you could employ a second man who would give eight hours a day for less money than this man, and better service at less cost would have resulted.

Hon. Mr. DANDURAND: The station agent at a way station who has a few calls during the first eight hours receives his regular pay.

Hon. Mr. ROBERTSON: Quite so.

Hon. Mr. DANDURAND: And if he is called even once after the first eight hours he is entitled to extra pay?

Hon. Mr. ROBERTSON: He is.

Hon. Mr. DANDURAND: And if he is supposed to be there during eight hours he gets the overtime pay for those eight hours. I have heard of that as one of the glaring cases of extravagant charges.

Hon. Mr. ROBERTSON: Would my honourable friend suggest that a telegraph operator or railway employee of any sort should be on duty, and that if his services were not required for any particular hour he should not be paid for that hour?

Hon. Mr. BARNARD: In discussing this question the other day I was informed, on what I thought was good authority, that in a case such as the honourable gentleman has just mentioned with reference to telegraph operators, no time less than two hours was allowed for overtime in any day,—that if an operator came back after his eight hours and was engaged for ten minutes he was paid for two hours; that if a further interval elapsed and he was engaged for another ten minutes he was paid for another two hours and the pay would be double pay; and that by doing that extra twenty minutes work he would be entitled to double pay for the day. Is that right?

Hon. Mr. ROBERTSON.

Hon. Mr. ROBERTSON: No. I am glad that my honourable friend has mentioned that. That is a fair sample of some of the statements going around to-day. If a train crew is going out on a train and the train is cancelled, the crew is paid for one quarter of a day. If a telegraph operator goes home at night and is required to meet a train at two o'clock in the morning, or if a freight train comes along and is delayed waiting for late passenger trains, they call the operator. He may live a mile or more from the station, or in the station. He gets out of bed and comes down to the station, for which he gets two hours pay; but he is liable for one hour's service. The railway companies, like everybody else, are anxious to get all the service they can for the money they pay out; and when a man is sent for to give an hour's service he generally renders the service. I can state quite positively that I do not think a single instance of the kind mentioned by my honourable friend could be pointed out as having occurred anywhere in Canada.

I fear that I have dragged these remarks out to too great length, but I felt that it was fair to our railway employees and to our people that something should be known of the other side of the question, because recently there have been many remarks made that seem to express only one opinion. There are about 200,000 railway employees in Canada, and every time an unfair or incorrect statement is made such as the one I specifically referred to a few moments ago, it makes those employees feel disgruntled and think there are influences at work in the country trying to discredit public ownership, and they ask themselves, "What is the use of trying to make public ownership a success?" They throw up their hands, and say, "If no one else cares, we do not need to," and it tends to destroy the morale on our Canadian National system, which I am anxious should not occur.

Hon. Mr. BOSTOCK: We have listened with considerable interest to the remarks of the minister, and if the House will allow me, I will move the adjournment of the debate.

The Hon. the SPEAKER: On a simple inquiry the reply made by the Government ends the debate.

Hon. Mr. BOSTOCK: I did not understand that the minister was making the reply.

Hon. Mr. CASGRAIN: I have not had any reply to the question.

The Hon. the SPEAKER: I understand that the reply was made by the Minister of Labour.

Hon. Mr. ROBERTSON: Oh, no. I was not intending that my remarks should be regarded as a reply to the question.

The Hon. the SPEAKER: The honourable gentleman spoke as an ordinary member?

Hon. Mr. ROBERTSON: I assumed that I was speaking of the facts concerning the particular points in which I am interested as a member of this House, namely, the labour standpoint of the railway situation.

On motion of Hon. Mr. Bostock, the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

THURSDAY, April 14, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

FIRST READINGS

Bill K2, an Act for the relief of Jean Grey Holt.—Hon. Mr. Gordon.

Bill L2, an Act for the relief of Harry Tolhurst.—Hon. Mr. Ratz.

Bill M2, an Act for the relief of Alphonse Le Moyne de Martigny.—Hon. G. V. White.

Bill N2, an Act for the relief of Rosetta Hood.—Hon. G. V. White.

Bill O2, an Act for the relief of Albert Edwin Gordon.—Hon. G. V. White.

Bill P2, an Act for the relief of Willie Hopkinson.—Hon. Mr. Proudfoot.

Bill Q2, an Act for the relief of Mamie McKillop.—Hon. Mr. Proudfoot.

Bill R2, an Act for the relief of Frederick Robert Studholme.—Hon. Br. Blain.

Bill S2, an Act for the relief of Beatrice Osborne.—Hon. Mr. Taylor.

Bill T2, an Act for the relief of John Verner McAree.—Hon. Mr. Taylor.

CANADIAN NATIONAL RAILWAYS

EASTERN LANDS DEPARTMENT—INQUIRY

Hon. Mr. GORDON inquired:

1. When was Eastern Land, Limited, operating at Felleyet, Ont., acquired by the Canadian National Railways?
2. Who are the shareholders and officials of the company??
3. What assets and liabilities had it at the time of acquisition? And also at the end of its last fiscal year?
4. What has the company produced during the respective years since its acquisition?
5. Who directs the policy of the company and to whom is it responsible for its economic operation?

Hon. Sir JAMES LOUGHEED:

1. The Eastern Lands Department is a department of the railway operating a sawmill at Foleyet, which was built by the railway in 1916.

2. See answer to question No. 1.

3. These properties were constructed by the railway and are therefore included in the assets of same. The value of the buildings, machinery, lumber, etc., on hand as of December 31, 1920, was $740,727.10.

4. Lumber, 10,863,479 feet; lath, 5,766,-098 pieces; shingles, 415,975 pieces; pulpwood, 23,652 cords; ties, 698,034.

5. The management.

EMPLOYEES' WAGES—INQUIRY

Hon. Mr. BEAUBIEN inquired of the Government:

What was, during the last fiscal year of the Canadian National Railways, the yearly average wage paid to the following classes of employees of the said railways, namely: engineers, firemen, conductors, brakemen, track foremen, trackmen, train despatchers, ticket agents, station agents, telegraph operators and baggage masters?

Hon. Sir JAMES LOUGHEED:

Statement showing the yearly average wage paid to the following classes of employees for year 1920: Yard engineers, $2,380; road freight engineers, $3,295; road passenger engineers, $3,655; yard fireman, $1,850; road freight firemen, $2,420; road passenger firemen, $2,595; yard conductors, $2,260; road freight conductors, $2,945; road passenger conductors, $2,910; yard brakemen, $2,090; road freight brakemen, $2,270; road passenger brakemen, $2,027; track foremen, $1,815; trackmen, $1,186; train despatchers, $2,945; ticket agents (exclusive), $1,800; agents (telegraphers), $2,280; agents (non-telegraphers), $2,375; telegraph operators, $1,972; road passenger baggagemen, $2,126; baggage masters, not shown separately.

MANITOBA HIGHWAYS

INQUIRY

Hon. Mr. SHARPE inquired:

1. For how many highways in the Province of Manitoba has a "project statement" been approved by the Minister of Railways for Federal grants under "The Canada Highways Act," chap. 54 of the Statutes of Canada, 1919?

2. What are the highways in respect to which agreements or Federal aid have been reached between the Province of Manitoba and the Minister of Railways?

3. Have any sums been paid to the Province of Manitoba under the "Canada Highways Act"?

4. If so, what is the total amount up to March 31, 1921?

5. To what road or roads do these payments apply?

Hon. Sir JAMES LOUGHEED:

1. Eight.

2. None, but agreements covering the whole or sections of the following 8 highway projects have been prepared and are being forwarded to the province of Manitoba for execution:

Winnipeg-Emerson (entire project, 56 miles).

Winnipeg-Riverton (entire project, 77 miles).

Winnipeg-Portage la Prairie-Brandon-Virden-Elkhorn to western boundary: Section A, 56½ miles; section C, 17 miles; section E, 63 miles.

Portage la Prairie-Westbourne-Dauphin-Gilbert Plains and Roblin to western boundary: Section B, 26 miles; section E, 114 miles; section G, 12 miles.

Dauphin - Sifton - Ethelbert - Pine River - Fisher-Swan River to Benito: Section A, 23 miles; section D, 53 miles.

Winnipeg-Cartier-Oakville to Portage la Prairie: Section A, 10½ miles; section C, 19 miles.

Winnipeg - Carman - Miami - Swan Lake-Belmont - Minto - Elgin - Lauder - Tillson to western boundary: Section A, 33½ miles; section B, 17 miles; section J, 26 miles.

Fort Garry-Culrose-Elm Creek-Rathwell-Treherne-Holland-Cypress River-Stockton-Souris-Pipestone to Saskatchewan boundary: Section A, 48 miles; section D, 86 miles.

3. No.

4. Anwered by No. 3.

5. Answered by No. 3.

MIGRATORY BIRDS CONVENTION BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill Y, an Act to amend the Migratory Birds Convention Act.

Hon. Sir JAMES LOUGHEED.

He said: Honourable gentlemen, I beg to move the second reading of this Bill.

Hon. Mr. BOSTOCK: I do not want to interrupt my honourable friend, but I do not think the Bill has been printed. According to our Minutes it is not printed in English or in French.

Hon. Sir JAMES LOUGHEED: I am informed that it has been printed and distributed. My honourable friend may not have got his copy. However, the Bill is a very unimportant one, and is simply for the purpose of bringing the fine that is imposed under the present Act into line with certain provincial legislation in British Columbia. Under the Migratory Birds Convention Act there is a convention between Canada and the United States by which provincial legislation, so far as that legislation affects migratory birds, shall be carried out by the two Federal Governments, thus depriving the provinces, who are parties to the Treaty, of their authority to enforce their legislation in regard to this class of birds. But in British Columbia, under the Game Conservation Act of that province, a maximum fine of $300 can be imposed. This legislation is in force and effective except in the case of migratory birds. But under the Dominion legislation, which is confirmed by treaty, the maximum fine is $100. It is therefore desirable to increase this amount to conform with the fine imposed by the province of British Columbia for the violation of their Game Preservation Act.

The motion was agreed to, and the Bill was read the second time.

PRIVATE BILL

SECOND READING

Hon. Mr. WATSON moved the second reading of Bill 32, an Act to Incorporate the Canadian Transit Company.

Hon. Mr. BOSTOCK: Explain.

Hon. Mr. WATSON: The object of the Bill is to grant power to a company to erect a bridge between Detroit and Windsor. Of course, concurrent legislation on the American side will be necessary.

The motion was agreed to, and the Bill was read the second time.

THE RAILWAY PROBLEM IN CANADA

DISCUSSION AND INQUIRY

The Senate resumed from yesterday consideration of the inquiry of Hon. Mr. Casgrain:

That he will call the attention of the Senate to the railway problem in Canada, and especially to the Grand Trunk Railway Company, and inquire if it is the intention of the Government to abandon the arbitration proceedings.

Hon. HEWITT BOSTOCK: Honourable gentlemen, yesterday afternoon we had a very interesting statement from the honourable Minister of Labour (Hon. Mr. Robertson), in regard to certain phases of the railway question. I must congratulate the Minister upon the clear statement he made on that occasion, although to some extent I take exception to some of the things he said, because, in discussing the question as it presents itself to this House and to the country at the present time, I would have expected him to give us some particulars as to what he, at any rate, thought to be the reason of the country's being called upon at the present time to pay for a deficit in operating and fixed charges amounting to $70,000,000. I noticed that the honourable gentleman rather left that question aside, and gave us other phases of it which are not so important to the country at the present time. The honourable Minister is, of course, so thoroughly acquainted with the subject that I feel somewhat diffident in saying anything in regard to a question with which he has been familiar from his early years, a subject in which, I might suggest, he has specialized, at least along certain lines. He dealt very fully with the question of the wages of the men and went into certain details in regard to that. I do not think it is advisable in a House such as the Senate to discuss the question in that way, because, in discussing those details backwards and forwards, we are liable to get into some difficulty. In reading the honourable Minister's speech I was rather disappointed at the fact that he as a Minister of the Crown dealt with this question of wages very much as though he were the special advocate of the labour people in the Government. I think that an honourable Minister of the Crown should take a wider view of his position than that—that he should be able to view the conditions confronting the country from the point of view of the country as a whole. Our difficulty in discussing this question is to a very great extent that of getting information. I therefore regret very much that the Minister did not see his way clear to give us more information with regard to the whole situation than he gave us yesterday.

In one part of his speech he dealt with what is known as the McAdoo award. He left the impression in my mind that the McAdoo award was put into effect in Canada almost voluntarily on the part of the railways in order to help the men. I find, upon inquiry, that this question came before the Government, and that an Order in Council was passed which, for the information of the House, I think it would be a good thing to read at length. That Order in Council is No. 1768, and is dated the 15th of July, 1918. It says:

The Committee of the Privy Council have had before them a Memorandum, dated July 15, 1918, from the Minister of Railways and Canals, stating that representations have been made by the Organization of Railway Employees for an increase in the scale of railway wages of the employees engaged on the Intercolonial railway, Transcontinental railway and Prince Edward Island railway, and that similar demands have been made on other Railway Companies in Canada. That the attached letter from the Chairman of the Railway Commission has been received by the Acting Premier, and referred by him to the Minister of Railways and Canals, from which letter it appears that the extra amount of wages which the three larger systems, that is to say, Canadian Pacific, Grand Trunk and the Canadian Northern, would be called upon to pay, should the same rate of wages be adopted in Canada as is now in force in the United States, amounts to the sum of $36,865,494.00, while on Government lines the increase would amount to $5,600,000.00, and it further appears that the Railway Companies are of the view that the wages paid railway employees in Canada ought to be the same as that adopted in corresponding territories in the United States, as the class of work is the same in both countries. That there is a large interchange of traffic, and that as a result, many employees work in both countries; and on the further grounds that different Organizations are international in their scope, and that heretofore the wage scale in both countries have been relatively the same.

That in view of the increased cost of living wages in Canadian territory should be increased as less increased in American territory, by the award commonly known as the McAdoo award, as the same may be from time to time amended or extended, in so far as the Government Railways Systems are concerned, and that it is advisable in the public interest that Companies, privately owned, should make similar increases to their employees.

That the net earnings of the railway systems as a result of increased costs of transportation, which has already accrued, have greatly decreased. That the net earnings of the Grand Trunk in 1917 decreased to £26,279, as against £1,202,281 in 1916, and the deficit of the Canadian Northern largely increased, while the Canadian Pacific net earnings in the first six months of the present year decreased some $7,000,000, while the increased scale of wages as contemplated will cost that Company alone $15,000,000 over and above its present costs.

That in order to enable the railways of Canada to meet the increased wage charges which they will be obliged to pay by reason of the increase herein before referred to, the Minister of Railways and Canals believes that similar action ought to be taken in Canada as

taken under similar circumstances in the United States, and freight rates be raised in Canada as such rates have been raised in adjacent United States territory.

The Minister recommends, under the authority of the War Measures Act:—

(1) That the scale of wages of railway employees as fixed by the "McAdoo" award in United States territory, including any amendments or extensions thereof, be applied in Canadian territory, in so far as all lines of railway owned, operated or controlled by the Government are concerned.

(2) That the wage scales of privately owned railway companies in Canada should be similarly advanced.

(3) That increases be made in the freight rates of all Canadian Railway carriers, subject to the jurisdiction of Parliament, as have been made in the rates of American carriers by the Interstate Commerce Commission, and under orders of the Director General of Railway Administration of the United States.

(4) That on the acceptance by the Canadian Pacific, Grand Trunk, Canadian Northern and other railway Companies of the said "McAdoo" schedule, the Board of Railway Commissioners be required to forthwith prepare a schedule of rates which will grant similar increases in railway freight rates in Canada to the increases already granted in American territory, effective as of August 1, 1918.

The Committee concur in the foregoing recommendation, and submit the same for approval.

(Sgd.) Rodolphe Boudreau,
Clerk of the Privy Council.

Honourable gentlemen will see from that Order in Council that the Government were pretty nearly compelled to adopt the McAdoo award. As they state here: "The wages paid railway employees in Canada ought to be the same as that adopted in corresponding territories in the United States, as the class of work is the same in both countries," and representations were made to the Government by the organization of railway employees for an increase of rates of employees. I understand that as between the two countries the proportion is about one to nine, and that although no representative may have come from the United States especially to press the adoption of the McAdoo award on the Government of Canada at that time, there is at any rate one gentleman who is a member of the International Labour Unions, who has headquarters in Toronto and also at Cleveland, Ohio. This gentleman was certainly on the ground and in a position to furnish necessary information, and also to bring pressure to bear to have that award accepted here. The situation of this country at the date named, July 16, 1918, was so serious—the war being still on and the condition of things in Europe being perilous—that the Canadian Government, in the face of such a situation, would never think of adding to the difficulties of the country by refusing to grant what those men asked for. I think, in view of what I have stated, that the honourable Minister of Labour was hardly correct when he said that the action taken by the Government at that time was voluntary.

The result of the acceptance of the McAdoo award was, of course, that the second recommendation made in that Order in Council was adopted later on. The Government referred this Order in Council to the Board of Railway Commissioners, and in the report of that Board, No. 10, Volume 8, I find the following:

Under Order in Council No. 1768—

—that is, the one I have just read—

—the opinion is expressed that, in view of the increased cost of living, the wages in Canadian territory should be increased as increased in American territory by the award commonly known as the McAdoo Award, as the same may from time to time be amended or extended, in so far as the Government Railway Systems are concerned; and that it is advisable, in the public interests, that the companies privately owned should make similar increases to their employees.

The Order definitely advances the scale of wages of railway employees as fixed by the McAdoo Award for lines of railway owned, operated, or controlled by the Government, and recommends that the wage scale of privately owned railway companies in Canada should be similarly advanced.

The Order further provides that should the privately owned railway companies adopt the McAdoo schedule, the Board of Railway Commissioners shall forthwith prepare a schedule of rates which will grant similar increases in railway freight rates in Canada to the increases already granted in American territory, effective as of August 1, 1918.

Honourable gentlemen will see that it was only when the privately-owned railways adopted the McAdoo schedule that the increased freight rates were to be granted.

The railway companies have notified their employees of their acceptance of the McAdoo scale. The effect of the Order is to reimburse the companies for the additional increased cost to which the railways will be put by the adoption of the scale and in their railway operation. The advance is limited to freight rates, and is also limited to the advances already made in United States territory for the same purpose.

The estimates of the increased costs filed by the Canadian Railway War Board show a total increased cost of $50,616,226, in addition to which there are further claims to be settled by the McAdoo Award which, if settled adversely to the companies, might call for an additional sum of $19,930,000, making a possible outlay of $70,546,260.

The McAdoo Award is popularly supposed to increase rates 25 per cent. In some instances not amounting, however, to a great volume, the McAdoo Award exceeds this percentage. In a larger number of instances, owing to maximum advance limittations and to a flat rate increase, which, while advancing in a higher percentage the rate for the shorter mileages, holds down all longer movements, the increase of 25 per cent is not obtained.

That is what the Railway Commissioners stated at that time; and this order is signed by "H. L. Drayton," the present Minister of Finance. In section 43, on page 289 of that report, the Chairman of the Board stated:

It should be pointed out that in the preparation of the schedule of increases in this report the provisions of Order in Council No. 1768 have been adhered to, and the directions to establish similar increases to those granted in adjacent United States territory have been complied with to the extent the Canadian rate system and conditions permit. In the result the previously existing parity of rates in Canadian and United States territory has been as near as may be preserved, and whenever under the former rate schedules Canadian railway rates have been on a lower rate basis lower rates in Canada have been maintained. In the general result it will be found that smaller increases will obtain in Canada than in the United States. Where it has been found impracticable to give the full increase allowed in United States territory under the McAdoo Order the matter has been fully discussed with the chief traffic officers of the companies chiefly concerned.

And in the final paragraph Sir Henry Drayton stated:

Under all the circumstances it is submitted that the Board be instructed to advise the Cabinet, through the Minister of Railways, month by month, the monthly net results of the operations of the three larger systems, i.e., the Grand Trunk, Canadian Pacific, and Canadian Northern, to the end that any increases that may be found to be unnecessary be promptly curtailed.

Then follow the changes that the Board of Commissioners recommend at that time should be made.

That was the situation in July, 1918. I understand that since that date further extensions have been made on account of action taken in Chicago, and that possibly further increases will have to be made; but I do not propose to take up the time of the House by going into that question.

The honourable the Minister of Labour yesterday dealt with certain items in the rates of pay granted to railway men at present; and I want to draw the attention of honourable gentlemen to an answer that was given in another place to a question asked there, and printed as an appendix to the Commons Debates of April 7, 1921. Honourable gentlemen will find there a very complete list of the rates of pay given to different railway employees, and elaborate notes are added, stating the changes made in wages as between 1916 and 1921. There is an immense amount of information in those answers, but the matter is so technical that I do not think it is a question that the Senate as a body should deal with. I think, however, it is a matter that might very well be taken up by a Committee of the Senate—either the Standing Committee on Railways, Telegraphs and Harbours, or a Special Committee, whichever honourable members of the house might prefer; and such Committee should consider the whole situation with regard to the questions of wages and of rates, and how these affect the business of the country to-day. If honourable gentlemen study the appendix referred to they will see that the changes made in a large number of cases amount to something very considerable. Without going into the details it is impossible to work out the amount that those various changes mean, because there are certain items, such as the difference between the hours of work and the renumeration given on account of overtime, that would involve considerable calculation. Further than that, all sorts of allowances are made to certain railway officials.

I would like to point out to the honourable leader of the Government, however, that this statement refers only to the eastern lines throughout the country. If it were possible, I think it would be of great interest to the country to have a statement of the same kind with regard to the western lines, because the rates of pay on the latter were at one time very much higher than those on the eastern lines. They were fixed because of what was understood to be the greater cost of living in the West at that time. It would therefore be interesting to honourable members to know, if the changes have been made in that way, that the wages paid on the western lines more nearly approach those given for the eastern lines on account of the recognition of the fact that the expenses of living in Eastern Canada to-day have increased to a greater extent than they have in Western Canada. I think all those questions can be better considered by a Committee than by the House itself, and therefore I do not propose to detain the House any longer by discussing this question.

I should like to call attention, however, to certain matters relating to the position of the railways, especially the Government railways, as they stand to-day. The honourable Minister of Labor gave us yester-

day a statement with regard to the Canadian Pacific Railway, showing what they had been able to do notwithstanding the increased expenses—how they had been able to live up to their agreements and yet make sufficient profit to keep up the dividend on the stock to the figure that has been paid for a number of years.

In spite of that fact, we find that the Government road has been falling behind, and the country has been called upon to pay a larger sum every year to meet the deficit in fixed charges and in operating expenses; and I think that a certain phase of this matter might very well be discussed in the Senate at this time. On making a comparison between the figures given by the Canadian Pacific Railway to their shareholders for the years 1919 and 1920 I find that the earnings of that railway from passenger traffic amounted in 1919 to $46,182,151, and in 1920 to $49,125,738. The freight traffic amounted in 1919 to $111,064,441, and in 1920 to $145,303,399.

Unfortunately the report of Railways and Canals which was brought down the other day only gives us figures for the Government roads to March 31, 1920, and therefore we have not the benefit of knowing what those roads have been doing in the year 1920. The only comparison we can make is with the figures given in the Government report. There we find that the Canadian National Railways earned on their passenger traffic in 1919 $22,460,088, and on freight $64,722,420; that is up to March 31, 1920. Honourable gentlemen will see that the Canadian Pacific railway had an increase in their passenger revenue of $2,943,587, while the increase of the Canadian National for passenger traffic was $5,752,464. But when we come to freight we find that the increase taken in by the Canadian Pacific railway was $34,238,958, while the freight increase on the Canadian National railways was only $663,009. The operating mileage of the Canadian Pacific is given as 13,402, and that of the Canadian National railways as 13,945: so that the operating mileage is practically the same. What I want to draw particular attention to is the extraordinary difference between the two railways in their freight and passenger earnings. The Canadian Pacific, in spite of the difficulties that they were up against in the change from war times to a period of peace, were able, by good management and by looking after the expenses, to increase their freight earnings by $34,000,000 odd; but we find on page 10 of the Government report this statement:

Hon. Mr. BOSTOCK.

During the year 1,749,221 more passengers were carried than during 1918-19. The resultant increase in revenue was $5,752,464.58. On the other hand there was an increase in transportation expenses of $6,050,297.27.

There was a falling-off in freight movement following the cessation of the shipment of munitions and war supplies and the return of traffic to normal lines. This was particularly felt on Canadian Government lines leading to the seaboard, where the decrease was 2,728,733 tons. In addition the Canadian Northern carried 850,327 tons less than in 1918. Had the tonnage of the previous year been maintained it would have made a difference of 9,735,054 in the revenue, which practically would have taken care of the operating deficit of $9,813,183.

This is the Government's statement of the reason for the falling off in the freight on the Government railways, and it is pointed out here that had they been able to maintain anything like the business that they did in the previous year, 1918, we would not have been faced with the same operating deficit that we are faced with now.

The question of operation is a very important one for every railway. As honourable gentlemen are no doubt aware, the efficiency of a properly managed railway is shown in the amount of freight that is hauled by one engine. The Government roads, as we all know, have always been said to have an excellent grade. It has been stated that they had this great advantage over the Canadian Pacific Railway, that with one engine they could haul greater loads of freight than could that railway, with its adverse grades in a large number of cases; therefore we might expect to find that the Government roads would be hauling much larger trainloads than the Canadian Pacific, and would be specializing in the freight business rather than—as the figures I have read to the House seem to indicate—in the passenger business. It is generally understood by railway men that passenger business is not a satisfactory class of business to handle; that it is often a losing proposition; and that if railways are to be made to pay they must concentrate a great deal more on freight business than on passenger traffic. There is no doubt that in a country such as Canada, with its enormous distances and its large quantities of natural products which have to be carried to the seaboard, the freight traffic is a much more important class of business than the passenger service. Now, I desire to submit to the House a few figures with regard to the relative positions of the two systems with respect to the freight business.

Taking the Government railway statistics as given for the year ended June 30, 1919—the latest date to which figures of this kind are obtainable—I find that for that year the comparison of tons hauled was:

Canadian National Railways..	24,748,070
Canadian Pacific Railway....	25,894,741

The ton miles, or number of tons hauled one mile were:

Canadian National Railways	6,974,071,639
Canadian Pacific Railway..	11,307,517,134

This represents the best basis of comparison for the calculation of operating results, because it includes the factor of distance, or length of haul, and eliminates the matter of carload or trainload. Comparing the cost of transportation per ton mile, we find that on the Canadian National Railways the cost is .703 cent, and on the Canadian Pacific Railway .565 cent. That is to say, it cost the Canadian National 24.4 per cent more to move a ton of freight one mile than it did the Canadian Pacific. In that fact is to be found at once one of the outstanding causes of the loss which is annually occurring.

Hon. Mr. CASGRAIN: Fifty per cent more.

Hon. Mr. BOSTOCK: Then we come to the question of the trainload that is hauled over these roads, and we find that the Canadian National, in 1919, had an average trainload of but 360 tons as compared with 521.9 by the Canadian Pacific; and this in spite of the favourable grades on the National Transcontinental and the whole Canadian National system. This shows that for some reason or another the management of the Canadian National railways are not taking full advantage of the better location and better grades of their roads. Then we find that, as compared with 360 tons on the Canadian National Railways, the average trainload on the Canadian Northern for the same period was only 338 tons; so that smaller trainloads were being hauled on the Canadian Northern than on the complete system of Government roads. Here is, I think, a further evidence of bad management. These are matters that should be very carefully investigated, because such a condition of affairs shows that somewhere in the management of the Canadian National railways there is—

Hon. Mr. POWER: A big leak.

Hon. Mr. BOSTOCK: —a big leak and a big loss in operation. The honourable Minister of Labour spoke yesterday about the morale of the men. The whole question should be examined into for the purpose of seeing whether or not the men are really doing their duty to the railway system, because it is almost incredible that with the advantage possessed by the Government roads, there should be this difference which I have mentioned in the amount of freight hauled by one engine, if the railway management and staff were looking after their business in the way they ought.

I have had brought to my attention, as showing how in certain small matters a similar condition prevails, a case that occurred here in Ottawa. It seems to me that this point is of sufficient importance, especially as the incident occurred here in the Capital, to appeal to honourable gentlemen in this House and possibly to persons outside the House, as an evidence of the way in which the business of the Government railways is being handled at the present time.

During the month of March, 1921, the J. R. Booth Company, of Ottawa, had 71 cars of paper for shipment to Chicago. The paper was all packed and ready for shipment, but shipping orders were to the effect that the paper was not to leave Ottawa until April 15. To store this 71 cars of paper was no small problem for the J. R. Booth Company. They went to the Canadian National Railways and asked permission to put it in their big freight sheds for storage for approximately one month, after which the railway would transport the 71 cars to Chicago. They were refused permission to store it in these sheds. The Booth Company then went to the Canadian Pacific Railway and asked the same privilege, which was cordially granted them. The paper is now in storage in the C. P. R. freight sheds at Broad street, Ottawa, and on April 15 the C. P. R. will take this freight from Ottawa to Chicago. I have since been informed that some of this paper has already been shipped. An incident of this kind will probably bring home to the minds of honourable gentlemen the thought that there must be something wrong in the handling of the business of the Canadian National Railways. Honourable gentlemen will probably remember that Mr. J. R. Booth at one time owned the Canada Atlantic Railway, which is to-day part of the Government system, and he has always been,

I understand, very loyal to that railway and has up to the present time almost insisted on shipping every pound of freight that he could over that railway, in order to give it business. You can quite understand, therefore, that Mr. J. R. Booth and his company would not take business away from the Government road unless they found it impossible to get their own business properly handled by it.

Here is another point brought to my attention as showing the poor management of the Canadian National Railways. A carload of cattle was shipped from the neighbourhood of North Bay to Carleton Place. The car came to Rideau Junction by C.N.R. and was to be transferred to the C.P.R. and taken up to Carleton Place. This carload of live stock reached Rideau Junction before midday on a certain date in March. About 3.30 that afternoon the owner of this carload of stock asked the C.P.R. why they were not transferring it and getting it on its way to Carleton Place. The C.P.R. officials replied that they had no notice from the C.N.R. that the carload of stock was there; but, being anxious to facilitate the despatch of this live stock, at 20 minutes to 4 o'clock that afternoon they called up the C.N.R. at Rideau Junction. Nobody in authority was there. The report was that everybody had gone home for the day. The C.P.R., acting on its own responsibility, sent an engine for the car and at 5.45 that same afternoon had the carload of live stock safely landed in Carleton Place.

That is another evidence of the way in which business on the Canadian National Railways is being carried on. Honourable members will readily understand that the gentleman who shipped that live stock will not in future ship his live stock over the Canadian National Railways unless he is absolutely compelled to do so, because, as we all know, it is very desirable, when live stock is being moved from one point to another, to get it moved as quickly as possible, and evidently in this particular case the officials of the Canadian National Railways did not consider this business sufficiently worth looking after even to notify the Canadian Pacific Railway that they had a carload of live stock waiting in their yards, and to request the C.P.R. to send for it. If the owner of the stock had not himself inquired of an official of the Canadian Pacific Railway, his live stock might have been left standing in the C.N.R. yards for a long time and they would probably have been a loss on his hands.

I have brought these matters to the attention of the Government because I think that such matters require to be looked into, as they show the position in which the country is placed to-day, and they explain to some extent why we are being called upon to meet such a big deficit, a deficit which, as was stated—

Hon. Mr. FOWLER: May I ask the honourable gentleman a question?

Hon. Mr. BOSTOCK: Certainly.

Hon. Mr. FOWLER: Does the honourable gentleman offer the anecdote that he has related in the way of an argument against Government ownership and Government management? He contrasts the alacrity with which the Canadian Pacific looked after that carload of stock with the lackadaisical manner in which the Government-owned and Government-operated road looked after it. Does the honourable gentleman make that an argument against Government ownership?

Hon. Mr. CASGRAIN: Certainly.

Hon. Mr. BOSTOCK: I simply gave this as an illustration of the way in which the officials of the Canadian National Railways are carrying on the business which they are supposed to be looking after. Nothing that I have said is to be taken as opposing Government ownership, because I do not consider that the question of Government ownership or private management is under discussion.

Hon. Mr. FOWLER: Does the honourable gentleman mean to imply, by the anecdote that he has related, that the reason why the officials of the Government road were not more active in looking after the business of the railway was that it was a Government-owned road? Or does the honourable gentleman consider that the like would have occurred if it had not been a Government-owned road? He introduced that anecdote for either one purpose or another: to show that the officials of the Government-owned railway are not as active as they should be in looking after the business of the road or else I do not know what object he had in introducing it.

Hon. Mr. BOSTOCK: I gave that statement to the House to show the House that the management of the road are not attending to the business of the country and

the business of their clients in the way that I think they ought; consequently there is a deficit.

Hon. Mr. FOWLER: The honourable gentleman perhaps misunderstands me. I do not disagree with him at all. I quite understand how that could occur, and to my mind that is an argument against Government ownership.

Hon. Mr. CASGRAIN: The honourable gentleman can draw his own conclusion.

Hon. Mr. FOWLER: That is my view, and I wanted to know whether the honourable gentleman's (Hon. Mr. Bostock's) view was the same as mine in that regard.

Hon. Mr. DANDURAND: The honourable gentleman is not illogical.

Hon. Mr. BOSTOCK: I want to say to my honourable friend, as I have already stated, that the question of Government ownership is not under discussion.

Hon. Mr. FOWLER: Incidentally it is.

Hon. Mr. BOSTOCK: No; because we have taken over the railways and there is no proposal to do anything else with them. We are to-day faced with the fact that we have these railways on our hands and we have to find the money to make good the deficit; and therefore it is incumbent on us, as representing the people of this country, to find out what is the cause of that deficit and where the trouble lies and to see whether some improvement cannot be made in the management of these roads. It was for that purpose that I brought this matter to the attention of the House.

Honourable gentlemen, I fear that I have taken up considerable time. When the honourable gentleman (Hon. Mr. Fowler) interrupted me, there was one very significant figure that I intended giving to the House, although I am afraid I have wearied the House with the number of figures I have had to read. As honourable gentlemen will remember, the Minister of Railways stated that the deficit to be made good this year amounted to some seventy millions of dollars. If honourable members have before them the report of the Canadian National Railways, they will see on page 9 that the total revenue of the Government roads is given as amounting to $96,782,749. That means that we have to make up a deficit only $26,000,000 less in round numbers than the total amount of the business that we are doing. It is almost a question whether, if we have to meet so large a deficit, it would not be better not to do the business at all.

My honourable friend's (Hon. Mr. Casgrain's) motion deals with the railway problem and refers to the question of the Grand Trunk Railway Company. I do not purpose going into a discussion of that matter at the present time; but I do think that what has come to light within the last few days justifies the position taken by honourable gentlemen on this side of the House when the question of the Grand Trunk railway agreement was before the country. Honourable gentlemen on this side of the House, and other honourable gentlemen also, took the position that the country would be very much better off in dealing with that matter if the Government, instead of arranging to take over the Grand Trunk Railway system, as they at that time proposed to do, had entered into an arrangement with the Grand Trunk Railway Company to exchange traffic at certain points and to relieve the railway to some extent of the financial difficulties under which it was operating at that time.

From the information which we have received from the correspondence brought down, it is very difficult to understand exactly what the position is to-day; but I think the attitude of the Government in this matter has been a very severe blow to the credit of Canada in the financial markets in London, and I fear that a very serious loss will be sustained by the country in the future on account of the feeling in the minds of the financial people in London by reason of the Government's refusal to meet the payments that were due on April 1.

Hon. Mr. FOWLER: May I ask the honourable gentleman what the Government could have done? Does he understand the position? The Grand Trunk people refused to give up the road, and yet they expected the Government to pay the liability. Surely the honourable gentleman does not condemn the Government for conducting itself in the only way that business men could conduct themselves.

Hon. Mr. BOSTOCK: I would point out to my honourable friend that the correspondence shows—I do not know whether he has had time to read it—that in carrying out the arrangement that was made the Government made certain interest payments in July and October of last year and on January 1 of this year, apparently admitting their liability to pay that money.

Hon. Mr. FOWLER: Those sums were interest payments made before the time when the arbitration should be completed.

Now the Grand Trunk people ask for an extension of the time of the arbitration, and ask that further payments should be made by the Government; and if the arbitration is concluded no doubt they will appeal from the findings of the arbitrators, which they should not be permitted to do.

Hon. Mr. CASGRAIN: The option is over.

Hon. Mr. FOWLER: Exactly.

Hon. Mr. BOSTOCK: As I stated when I began, we have not sufficient information before us to enable us intelligently to discuss this matter; but, as I see it at the moment, that is the position, and I think it is a very serious one for the country. I have tried to show the House that there is a tremendous amount of information in regard to this question of the railways which would be of value to the country if it could be obtained; and I think it would be a very good thing if either the Railway Committee of this House, or, if honourable gentlemne prefer it, some special Committee appointed for the purpose, could examine further into the matter, and go more closely into the subject with which I have dealt to-day. I would point out to the House that the information contained in the reports of the Railway Department which we have received in this and in former Sessions is not brought down to a date which would make it possible to compare it with the information contained in the report issued, for instance, by the Canadian Pacific Railway. If we are going to examine into this question intelligently, it is necessary that the information should be brought down to that date. The only way that I see in which we can obtain this information at the present time is by referring the matter to a committee having power to call the officers of the railways in order to get the information which is required.

I may point out that my honourable friend from De Lanaudiere (Hon. Mr. Casgrain) asked a question of the leader of the Government the other day with regard to a certain phase of the railway situation. His reason for asking the question was that he could not obtain the information from the bluebooks which we have before us, or without special reference to the Department of Railways. In answer to four of the questions he asked, he was referred to the reply to question 5, which says:

> The operating results are not kept separately for each province.

Hon. Mr. FOWLER.

I think the information asked for would have been of value to the country in enabling us to find out where the freight originates and what parts of these roads are really getting sufficient freight to make them pay and what parts of them are not. The question of the country finding the money to pay these deficits, and the question of whether we can afford to pay the rates that the railway companies say are necessary in order to make the railways pay, are so serious that I think it would be time well spent by a Committee of the Senate to look into the whole matter.

Hon. J. G. TURRIFF: Honourable gentlemen, I do not intend to make a speech on this subject; but I wish to refer to some remarks made by the Hon. Frank Carvell, at Vancouver. They were as follows:

> He remarked that some statements he made in Vancouver last Thursday has been challenged. He had now names of stations and of the agents to whom, in the first two months of January last, the C.N.R. had paid sums ranging as high as $314, on a wage basis of $130 to $135 per month. The wage he thought reasonable. He could not understand, however, when the agents put in hours enough to make the higher sums. But the figures showed that they got them. He commented that the wage scale for other classes of railway workers were reasonable too. "But it is in the overtime, gentlemen," he added, "where Mr. McAdoo gets in his work."

We have a wage scale of $130 to $135 a month, which I think no one will say is too much for a man at a small station along a railway; but under the present arrangement, which my honourable friend the Minister of Labour endeavoured to justify yesterday, some of these station agents are drawing over $300 every two weeks. No country can stand a situation of that kind. Give the men good wages, but do not fix the pay for overtime so that it will amount to three or four times the ordinary pay. While it may not be possible for the Government to do away with the McAdoo scale, surely it ought to be within their power to make it impossible for an agent at a way station to draw as much as $314 for two weeks work.

Hon. G. W. FOWLER: Honourable gentlemen, I quite agree with the remarks made by the last speaker. This matter of overtime is the most serious part of the McAdoo award. One time, while travelling on a train, I had an opportunity of discussing this matter with a leading official of the Railway Labour Union. We grew pretty warm during the discussion. I told him that in my opinion the overtime was a serious matter, and that I had seen many

instances in my travels in which intentional delays were caused which made overtime for the workmen. He got pretty wrathy at that; but a brakeman who was listening spoke up and said that the overtime was the curse of the whole business. This was the evidence of one of the employees of the road. In the railway station at Sussex, New Brunswick, we used to get along with a day agent and a night agent; but to-day we are paying three men where formerly we paid only two; and other less important stations are in the same position. That is the way the thing accumulates. The train hands, particularly on the branch roads, get the biggest pay. On some of what are called "jerk-water lines" some brakemen make $300 or $400 a month. That is perfectly absurd. Like my honourable friend from Assiniboia (Hon. Mr. Turriff), I am anxious that the men should have a living wage; but it is absurd that a man occupying the position of a brakeman should receive a wage that formerly would have been big pay for a man in a very much higher and more responsible position; or that a man who has devoted years to the study of a subject and has gone to great expense to become fitted for his occupation is not getting as much pay as an ordinary brakeman, who requires very little instruction for his work.

I for one am not a believer in Government ownership. I was trying to get the leader of the Opposition to make a declaration in that regard, but he side-stepped with great agility. I can well believe that the story told by the leader of the Opposition with regard to the carload of cattle was true, because under Government ownership there is not the same check upon the employees that there is in the case of a private corporation that must pay a dividend —when the directors are looking to see that it is paid, and the president is looking after the managers, and so on, to see that money is earned and saved to pay it. Under Government ownership the men would say, "Oh, it is the Government; it doesn't make any difference." I can understand that these gentlemen would go off, perhaps, to a picnic, and leave the office alone and neglect a car of cattle, as the honourable gentleman has told us. Just such things as that militate against Government ownership and Government management; and, so far as I am concerned, I am opposed to it.

I think the only way in which we can get over this great difficulty is in some manner to get rid of direct Government management. We are in a very perilous position in this country with regard to railways. We recognize that in the past too many railways were built; but it is not necessary for us to fix the blame. There was a demand on the part of the general public, and the Government of the day was weak enough to yield to that demand and to give the people what they asked. It was much more than they needed. The people of the West were crying out for additional roads; they said four transcontinental roads would not carry the produce of the western country. Well, we have found that three are not very much overburdened—in fact, that they are not sufficiently burdened—in carrying the produce of that country at the present time. But instead of indulging in recrimination and endeavouring to fix the blame on this Government or that, let us grapple with the situation before us in order to get out of the difficulty. I do not profess to be an authority on railway matters, but I give it as my humble opinion that some method other than direct Government management. will have to be adopted before we make a success of these railways.

Just a word in regard to something the leader of the Opposition said in reference to the Grand Trunk people. I admit at the outset that I have perhaps a prejudice against them. I look upon the Grand Trunk people as being one of the forces that have worked to the injury of Canada. The Grand Trunk Railway Company and the Hudson Bay Company are two corporations that have, in my opinion, been a curse to Canada. In the first place, the Grand Trunk Railway Company selected the very best and most valuable portion of Canada —not only of industrial Canada, but of agricultural Canada—for the scene of their operations; but, through the mismanagement of that company from the very outset in retaining the management 4,000 miles away, they were never able to make a success of the undertaking because men who were unfitted were often put in positions of importance. I do not think we owe the Grand Trunk railway people anything, and that is one reason why I opposed the taking over of the Grand Trunk Railway in the manner in which it was taken over. I said that either we owed them something or we owed them nothing. If we owed them anything, how much was it?

Let us look at the history of the Grand Trunk railway. At a time when the fate, almost, of Canada hung in the balance, when we were building the Canadian

Pacific railway, when the financiers behind that railway had exhausted their credit, when by reason of the fact that they were directors and important officials of the Bank of Montreal, they had borrowed from that bank away beyond their limit, and when it was necessary to raise capital to replace that which they had borrowed, they found themselves faced in the financial markets of London by the lies and calumnies of the Grand Trunk people which prevented them getting the loan which was necessary. The only way in which Canada had been advertised at that time was by that malign influence, the Hudson Bay Company, which had said that Western Canada was fit only for raising beaver and bear, and not for agricultural purposes. These calumnies, because there is nothing so sensitive as the money market—the slightest rumour is sufficient to make a man of money tie a string around his money bags—had the effect of preventing the Canadian Pacific Railway magnates from getting their loans floated in London, and they had to come to the Parliament of Canada. Fortunately for this country there were at that time in charge of the political affairs of Canada men of vision—men who could pierce the mists of the future and see what a wonderful country it was eventually going to be. Those men stood by it, and the credit of the country was pledged to the $30,000,000 loan which enabled the Canadian Pacific Railway people to get out of their difficulties. It mattered not to the people of the Grand Trunk whether their opposition would result in the financial ruin of Canada. It mattered not to them that it might throw us back 25 or 30 years in our development. Their opposition might have had that effect; but it mattered not to them at all: they cared nothing for Canada; they were looking for their own selfish interest in the Grand Trunk, and they regarded the Canadian Pacific Railway simply as a business rival and an injury to them.

Then, later, when they came to us for an extension of their road to the Pacific coast, they first asked for a charter to build a railway from North Bay to the coast, but those in charge of political affairs at that time said: "No; if you want to build you must build from Quebec to the coast." Then the province of Nova Scotia, that most enterprising province down by the sea, was represented at that time by a solid body of 18 members in both Houses, and naturally they had considerable influence with the powers that be; and they said, "You must build that railway so that it will be of some benefit to Nova Scotia, and so you must extend it to Moncton." The Grand Trunk proprietors said: "No, we won't build that; we only want to connect our Ontario lines with the West; that is what we are looking after." The Government replied: "Well, we will make you this offer: we will build from Moncton to Winnipeg; we will relieve you free from the expense of that part of the line."

Hon. Mr. ROCHE: I was in the House of Commons at that time.

Hon. Mr. FOWLER: So was I.

Hon. Mr. ROCHE: Nova Scotia asked for nothing but the line to Moncton, N.B.

Hon. Mr. FOWLER: That is just what I said—the province of Nova Scotia asked that the railway be extended from Quebec to Moncton. My honourable friend from Halifax desires his province to obtain a reputation for more modesty than it is entitled to. The Government said: "We will build the line from Moncton to Winnipeg, and we will give you a lease of that for 50 years, seven years of which shall be without interest, and 43 years at interest at four per cent on the capital cost."

Hon. Mr. CASGRAIN: Three per cent.

Hon. Mr. FOWLER: Three per cent, was it? I thought it was four. So much the better for the Grand Trunk. They entered into a solemn and binding obligation to accept that, and what happened? That road was completed. The Government had changed hands, and it was through; but the Government of Canada never dies; it may change hands, but it goes on forever, and the same contract existed. But the Grand Trunk refused to implement that contract, refused to take over that road, and the Government of Canada was obliged to take it over.

Then the Government had the bonds of the Grand Trunk Pacific, and the company refused to pay the interest on those bonds that they had guaranteed, and so that indebtedness was thrown on our hands. Now, that is the condition of affairs. In every case where there was a contract between us and them, they violated their contract. In every case where they could have helped this country they refused to help it—not only refused to help it, but actively tried to injure it. And yet we are called upon to do what? To repay to those people, with interest, all the money that they have invested in this road. They did not invest

it for the sake of benefiting Canada—not at all, because whenever they had an opportunity to injure Canada they never failed to seize such opportunity and injure this country all that they could.

I was in England at the time the discussion took place when the sale of the road was first mooted before the stockholders of the Grand Trunk. The London Times published speeches made by the different stockholders, and I never read such abuse of Canada in my life as came from those men; and I then vowed to myself that if I was in Parliament at the time this matter would come up I certainly would oppose the taking over of the road and relieving those gentlemen of the obligations they were under with regard to it. I followed that out by voting against the purchase of the Grand Trunk by the Government, and I have never ceased to be glad of having given that vote. I say that we should purchase the Grand Trunk, if we purchase it at all, on the bargain counter, though there is no reason why we should purchase it at all. We are under no obligation to those people who invested their money in it. It was not because they wanted to help Canada, but because they wanted to make money out of Canada, that they invested their money here. We are under no obligation whatever to them, and we should buy the road at the proper price, and that is the price that it would sell for in the market. Yet here we are, holding an arbitration to decide the price, and they have the cheek and the nerve to ask that we should keep on paying these claims, paying interest on those bonds and on those mortgages, and yet allow them to control and manage the road. For gall and cheek I cannot imagine anything to go further; and I cannot understand how my honourable friend the leader of the Opposition, who is a level-headed man, can take the line he has taken in attempting to condemn the Government because at this eleventh hour, as I may say, they have refused to be coerced any longer by this cry of those British financiers. Those gentlemen have found the Governments so soft hitherto in dealing with them that I can quite understand why they ask these favours. But they have at last learned that the Government has stiffened its back and refused to do their bidding. Surely, although my honourable friend was born in the old country, he has lived long enough in Canada to look at these things from a Canadian standpoint, and I am a little surprised and a little pained at the position he has taken. I say, all honour to the Government for the line they have at last adopted, and I wish to Heaven they had adopted that same sort of line earlier in the game; but better late than never. I trust the Government will maintain a stiff hand in this matter, and will make the Grand Trunk Company come through, and convince them that the people of Canada know what is the proper line to take with regard to the business of Canada, and will not be coerced or led away by any false cry, such as they are trying to get up now, that we are interfering with the portion of the widow and the orphan in regard to these bonds and the stock that is now held by the people who own and control the Grand Trunk Pacific. I hope the Government will continue along the line they have adopted, and will not waver or give way one inch.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, the duty cast upon my shoulders is a very light one. From the length of time which this discussion has occupied it would probably strike an onlooker, that the question was a very difficult one to answer. I find that my honourable friend (Mr. Casgrain) has submitted the following question:

That he will call the attention of the Senate to the railway problem in Canada, and especially to the Grand Trunk Railway Company, and inquire if it is the intention of the Government to abandon the arbitration proceedings.

Now, I might say that under the agreement entered into between the Government of Canada and the Grand Trunk it was provided that the arbitration should be completed by the 9th of April; and there was a further provision that the Government had authority to extend the time for the hearing of the arbitration proceedings in the event of those proceedings not having been concluded on that date. Anticipating that there would not be a conclusion of the proceedings on the date fixed in the agreement, the Government was approached with a view to extending the time. The Government submitted certain proposals which would be regarded as conditions for the extension of the time provided the Grand Trunk acceded thereto. There will not be a resumption of the arbitration proceedings unless the Grand Trunk accepts the conditions or proposals of the Government. If there be a resumption of the arbitration proceedings, it will necessitate an agreement being entered into to that effect between the Grand Trunk

and the Government of Canada, and that agreement will probably have to be validated or confirmed by statute, otherwise the arbitration proceedings will not be continued.

Hon. Mr. DANDURAND: Suppose the Grand Trunk will refuse to comply with the conditions imposed by the Government, what will follow?

Hon. Sir JAMES LOUGHEED: The Grand Trunk will have to decide that.

Hon. Mr. CASGRAIN: Run their own show, that is all.

Hon. Mr. DANDURAND: Will that mean that the understanding which was arrived at between the Government and the shareholders of the Grand Trunk will fall to the ground? I suppose that would be the natural implication. I am not expressing any opinion.

Hon. Sir JAMES LOUGHEED: My honourable friend can read the agreement quite as well as I, and form his own conclusions as to what will follow.

Hon. Mr. DANDURAND: I confess I would not at all regret that conclusion—that the whole thing would fall to the ground, and that we would not purchase the Grand Trunk.

Hon. Mr. CASGRAIN: Hear, hear.

Hon. Mr. BOSTOCK: Might I ask my honourable friend a question? Would he consider a proposition to refer the whole railway question to the Railway Committee or to a Special Committee?

Hon. Sir JAMES LOUGHEED: Does my honourable friend mean a Committee of this House?

Hon. Mr. BOSTOCK: Yes.

Hon. Sir JAMES LOUGHEED: Well, I need not say to my honourable friend that it is not for me to say yes or no to that: the matter is entirely in the hands of the House, and it seems to me that if there is one particular work in which this House can advantageously engage it is to inquire into subjects of that kind. It is entirely in the hands of my honourable friends as well as my own.

Hon. Mr. CASGRAIN: I understand the honourable gentleman has no objection to this matter being referred to the Railway Committee. Is a notice of motion necessary, or will it be referred to the Railway Committee? That Committee has been doing practically nothing this Session; we have had very few Bills.

Hon. Sir JAMES LOUGHEED: I would suggest to my honourable friend that he make a motion. I am not expressing any view upon the subject. As I have already said, it is absolutely in the hands of the House to determine what they should do on a subject of that kind.

Hon. Mr. CASGRAIN: Well, I give notice.

Hon. Mr. FOWLER: Make a formal notice of motion.

Hon. Mr. CASGRAIN: Will you second the motion?

Hon. Mr. FOWLER: Yes.

Hon. Mr. CASGRAIN: Then I will give notice of a motion to-morrow that the railway problem be referred to the Standing Committee on Railways, Telegraphs, and Harbours.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

FRIDAY, April 15, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE ROYAL ASSENT

The Hon. the SPEAKER read a communication from the Governor General's Secretary, announcing that the Right Honourable Sir Louis Davies, acting as Deputy Governor General, would attend in the Senate Chamber at 4.30 p.m. this day for the purpose of giving the Royal Assent to certain Bills.

PRIVATE BILL

FIRST READING

Bill 8, an Act respecting The James MacLaren Company, Limited.—Hon. Mr. Edwards.

APPROPRIATION BILL No. 1

FIRST READING

A message was received from the House of Commons with Bill 42, an Act for grant-

ing to His Majesty certain sums of money for the Public Service of the financial year ending March 31, 1922.

The Bill was read the first time.

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of the Bill.

Hon. Mr. BOSTOCK: Is my honourable friend going to give us any explanation of this Bill?

Hon. Sir JAMES LOUGHEED: I may say, honourable gentlemen, that this Bill is for the purpose of granting one-sixth of the amount of each of the several items set forth in the Main Estimates for the fiscal year ending March 31, 1922, and one-sixth of the amount of the item for a provisional bonus allowance for the inside and outside Civil Service, set forth in the Supplementary Estimates for the fiscal year ending March 31, 1922, amounting to $71,499,703.70. The total Estimates are made up to the total Main Estimates of $419,623,222, and the total Supplementary Estimates of $9,375,000, which in all amount to $428,998,222, or a reduction from last year's Estimates of some $31,162,712.82.

I understand His Honour the Deputy Governor is coming down this afternoon to give assent to the Bill, and as the fiscal year, as honourable gentlemen know, expired on March 31 last, and as the Government has been making commendable efforts to induce the Commons to pass the Supply Bill, I am glad to say that at last we have it before us for our consideration.

Hon. Mr. CASGRAIN: Is this the Bill that was put through under closure?

Hon. Sir JAMES LOUGHEED: I do not know what took place in the other House.

Hon. Mr. DANDURAND: The honourable gentleman has not considered the advisability of sending this Bill to the Committee on Finance, presided over by the honourable gentleman from Middleton (Hon. W. B. Ross), in order to see if we could not do some more pruning?

Hon. Sir JAMES LOUGHEED: If the honourable gentleman from Middleton is extremely anxious to deal with it, of course I am within the judgment of the House. I do not hear anything from him.

Hon. Mr. BOSTOCK: I must congratulate the honourable leader of the Government on his confidence in the members of the Senate that they would allow a Bill of this kind, involving such a large sum of money, to pass without any opposition whatever. Of course, honourable members of the Senate realize that my honourable friend has left himself entirely in the hands of the House—that if any honourable gentleman objected he would not be able to proceed further.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: I do not purpose offering any objection in that way, but I think it is only right to point out to the House that the vote which we are to make on this occasion, amounting to one-sixth of the total Estimates, contains a large number of items some of which might fairly be questioned.

I would point out that in these Estimates there is a total appropriation of $179,000,000 for railways alone, including an item of $89,000,000 as a loan to the Grand Trunk Railway Company. I understood my honourable friend (Hon. Sir James Lougheed) to say yesterday, in answer to the question which was before the House at that time, that the agreement with the Grand Trunk Railway Company was practically at an end for the time being. In voting one-sixth of the Estimates to-day, we are practically agreeing to that loan to the Grand Trunk Railway Company.

There has been a great deal of discussion with reference to another item that appears in these Estimates—the item of $8,000,000 to the Marine Department for the mercantile marine. The advisability of spending that money is at the present time very doubtful. We all know that the Government embarked on this policy at a time when there was or there was expected to be a great scarcity of tonnage on the seas, and it was considered necessary to help to supply that want; but although that need existed at the time this policy was started upon, the Government had it in their power to discontinue the policy when they saw the trend of business conditions in this country and throughout the world, and I think it was their duty to bring it to an end. In the province from which I come, the Minister of Marine gave an order for the laying of the keels of two ships after the first of January of this year. This was said to have been done for the purpose of providing employment for—

Hon. Mr. CASGRAIN: Returned soldiers.

Hon. Mr. BOSTOCK:—men who were out of work at the time; but if it was necessary to spend money for that purpose, it would have been better, in my opinion, to

have supplied those men with money directly rather than to embark upon the building of ships which cannot be of any use to the country, at any rate for a long time to come. The present situation in regard to these ships is that for many of them, at any rate, there is no business, and, unless the Government sets them aside and pays off the crews, they will be a cause of considerable expense to the country, without any return. In making an appropriation of this kind, we are asking the country generally to provide money for an expenditure which is non-productive. The consequence will probably be—although we have had no statement from the Finance Minister, as the budget has not yet been brought down—that at least some of the money will have to be borrowed and we shall be obliged to pay interest on it. We are in the position of having to borrow and provide money for expenditures on non-productive work, which will bring in no return, and the country will have to pay the interest and the sinking fund at a later date. I think that the Government cannot be too strict at present in curtailling the expenses of the country in every possible way, because my reading of the condition of affairs in Canada is that any man, no matter in what business he is engaged, may consider himself fairly lucky if he comes through this year without a loss; and if that is the position throughout the country the Government are going to find it exceedingly difficult to raise the amount of money required for carrying on the country's business. If the Government cannot raise the money, they will have to borrow it, and we are to-day in this position, that the United States is the only country in the world outside of Canada in which we can borrow money. I for one do not want to see Canada applying continually to the United States to borrow money in order to carry on the country's affairs. It must be remembered that, unfortunately, the borrowing is being done not only by the Dominion Government, but by the Governments of the provinces as well, and both Dominion and Provincial Governments must obtain their revenues from the same people. It is not as if the persons paying taxes to the provinces were different individuals from those paying taxes to the Dominion; and if we could get a statement of the amount of money for which the people of Canada are liable, showing the taxation per capita, we should be very much surprised and considerably frightened at the amount.

I do not wish to take up the time of the House in discussing this question further, but I do think that the Government should endeavour in every possible way to reduce the estimates and the expenditures of the country at the present time.

Hon. J. G. TURRIFF: Honourable gentlemen, I do not intend to delay the House to any extent, because the Government have made up their minds to pass these estimates, and naturally they have the power to do so and they must accept the responsibility. But I wish to place myself on record as protesting against the extremely large expenditure. While many of the items are, I know, fixed charges that cannot be avoided, yet there are certain appropriations that could be reduced materially if the Government would make up their minds to cut down expenditure as it should be cut down, in view of present financial conditions in Canada.

My honourable friend who has just taken his seat (Hon. Mr. Bostock) spoke of our borrowings in the United States. I saw the other day a statement giving a list of borrowings in the United States, by municipalities and provinces, as well as by the Dominion, showing that we had borrowed in that country since the commencement of the war considerably over one billion of dollars. The interest on that at six per cent would amount to about $60,000,000 a year, adding to that extent to the balance of trade against us. The purchasing of goods in the United States has not so much effect as the borrowings in that country, and I agree with my honourable friend who has just taken his seat that every effort should be made to curtail expenditures. I do not believe the Government have made as great an effort as they might have made under the circumstances.

I wish to protest particularly against the item of $8,000,000 for shipbuilding. We have already invested, I understand, $70,000,000 in that business. For some of the mistakes made by Governments in the past there was some excuse. I think there was reason for starting the building of ships under the circumstances that prevailed during the war, but when the armistice was signed, over two years ago, it was time to curtail such expenditures instead of continuing them and sinking millions upon millions of money that was bound to

be a loss. I am not saying this in any vein of criticism against the Government, but I claim that the Minister of Marine and Fisheries has led the country into all sorts of extravagant expenditures for which there is absolutely no justification. My honourable friend the leader of the Senate will find, and the Government will find, that many of their own supporters are just as much opposed to the foolish expenditure that has been made in connection with the shipbuilding program as are other members of the community. It is an expenditure that we shall never get any interest on, that will not do any good, and that will be practically a dead loss. It is not only the interest that we shall lose. Our losses may run up to $100,000,000, for I see it estimated that this expenditure of $8,000,000 will not begin to complete the program. As my honourable friend (Hon. Mr. Bostock) pointed out, a contract has been let within the last three and a half months for the building of two ships out in Vancouver.

Hon. Mr. ROBERTSON: Will my honourable friend permit me a question? Can he give us the authority on which he bases the statement that contracts for ships have been let within the last three months? I never heard of it.

Hon. Mr. TURRIFF: If my honourable friend will look at the Ottawa Citizen of January 6 or 7, he will see a telegram from Vancouver to the effect that the keels of two ships were laid that day. I have already brought this matter up in this House, and the statement has never been contradicted. The statement has been made time and again in the other branch of Parliament and has not been contradicted. The keels of those ships were laid, I think, on January 6 last, about three and a half months ago, and the building of those ships is going on now.

Hon. Mr. ROBERTSON: Could my honourable friend tell us when the contracts for the construction of those ships were let? He states that the contracts were made within the last three months.

Hon. Mr. TURRIFF: Supposing I am wrong in that, honourable gentlemen; if the contracts were let before that, why in the name of common sense was the building of those ships proceeded with in January last, when there were dozens of ships already built, that were tied up in harbours and doing nothing, or sailing all over the world in search of freight? Why were not the contracts cancelled before any money was expended? Why should the Government do as they have done in regard to the steel plate contracts—allow the contracts to be proceeded with until they become liable for a bill of damages amounting to millions and millions of dollars? Honourable gentlemen, there is absolutely no justification for what the Department of Marine and Fisheries have done in connection with the building of the merchant marine. The country is committed to an expenditure of $100,000,000, which will be practically a dead loss. We are now spending probably over $50,000 a day to keep those ships in commission. Some time ago there were ten of them tied up in Halifax harbour, with the full complement of officers and men, and doing nothing. So I say there was absolutely no excuse for laying the keels of those two ships on January 6 last, whether the contract had been let some time previously or not. My honourable friend (Hon. Mr. Robertson) might tell us when the contract was let: I should be very glad to get the information. But I do not see, honourable gentlemen, that the date of the contract makes very much difference. The contract should have been cancelled when there would have been no heavy bill of damages.

In order to show that not only opponents but also friends of the Government are very much opposed to such expenditures, let me read what the Halifax Herald says upon the subject. I do not know the newspaper very well, but I understand that it gives a pretty consistent support to the Government. If I am wrong in that I shall be corrected, no doubt. Here is what the Halifax Herald says:

> The announcement in parliament that the deficit on the government owned and operated railways amounts to something like seventy millions of dollars, is not only startling, but really alarming. In placing the figures at seventy millions it is stated the Minister of Railways was "breaking the news gently," and by that it would occasion no surprise if the actua' deficit ran up to over a hundred millions.
>
> But while public attention is focussed on this enormous and really staggering deficit of the railway system, a note of alarm is being sounded from other quarters. There are rumors to the effect that the railway system is not the only utility that is losing money.
>
> For instance, there is the Canadian Merchant Marine. This gigantic enterprise must have cost the people of Canada a huge sum of money. To-day it is costing a huge sum of money. How many millions of dollars went into this enterprise, we do not know. How many millions of dollars are being spent annually by this same enterprise we do not know.
>
> We think it would be well for the Parliament of Canada to take this matter in hand.

Are the millions of money being spent wisely? That is the question the people would like to have answered.

Are all those ships earning their keep? That is another question the people would like to have answered.

There are about ten of those fine ships in Halifax harbour at the present time, anchored in the stream. Some of them have been there for quite a length of time, and there does not appear to be any hope of their leaving their anchorage at an early date.

The maintenance of a steamer of any size costs money. The maintenance of the ten steamers of the Canadian Government Merchant Marine service cannot cost under one thousand dollars a day for each ship, or, at the inside calculation, ten thousand dollars a day. These ships are fully manned. The officers and members of the crew are sustained at the Government's expense and they are paid out of Government money.

Why are those ships lying idle in Halifax harbour?

If there are ten of those ships lying idle in Halifax harbour how many are there lying idle in other harbours?

Would it be a fair estimate to place the loss occasioned by the maintenance of those idle ships of the Canadian Government Merchant Marine service at $50,000 a day?

Why maintain all those ships if there is nothing for them to do?

Why use them to crowd out privately owned ships on routes of trade which private capital and enterprise have taken years to build up?

Why should the Government enter into competition with its own people?

There are many millions of dollars invested in those steamers. But the first cost is only a bagatelle in comparison to the cost of maintenance and if Canada is not careful, if Parliament does not put on the brakes, does not find out the reasons why, there is a possibility of the country getting another shock of equal if not greater proportions than that served up by the Minister of Railways last week.

The taxpayer of Canada should keep both eyes on the Canadian Merchant Marine.

Honourable gentlemen, to my mind that sums up the situation fairly well. There was absolutely no justification for the greater part of the expenditures in that enterprise. Not only did the Government fail to stop the expenditure a year ago, when their ships were idle, but they have kept on spending money. They have started within the last three months and a half the building of those two ships to which I have referred, and I observe that it has been stated in the other House that it will cost in addition, not merely $8,000,000, but $20,000,000, to complete the program; and here is a newspaper, a supporter and friend of the Government, calling upon Parliament to do something to see that the money is wisely expended, and to endeavor to put a stop to such expenditures.

There are other expenditures that could have been cut down, but have not been. While I do not intend delaying the House further, honourable gentlemen, I just wish to place myself on record with regard to this shipbuilding matter. I have done so in the past two or three years, when I was supporting the Government, because I could foresee that the expenditure was an act of great folly, and it should have been stopped as soon as it was seen that we were not going to need ships. For the continuance of the policy of shipbuilding there is absolutely no excuse whatever.

Hon. CHARLES E. TANNER: Honourable gentlemen, I want to take up only two or three minutes on this subject. Inasmuch as my honourable friend from Assiniboia (Hon. Mr. Turriff) has referred to some comments made by a Halifax newspaper regarding the shipbuilding policy of this Government, I desire to read, for the information of that honourable gentleman and others, what has been said on this subject by the Prime Minister of Nova Scotia, Hon. George H. Murray, one of the most prominent Liberals in Canada to-day and, I believe, a gentleman who was one of the chairmen of the Dominion Liberal convention of 1919, held in this city. I will read just two or three remarks of Hon. Mr. Murray, as reported in the Morning Chronicle, which is the leading Liberal organ in the province of Nova Scotia.

Hon. Mr. ROCHE: No.

Hon. Mr. TANNER: My honourable friend from Halifax is away behind the times. The Morning Chronicle is away ahead of him, and he has not been able to catch up. These remarks were spoken on December 19, 1920, and were published in the morning Chronicle of December 20, 1920. They were made on the occasion of the launching of one of the Canadian ships:

Hon. George H. Murray said that he regarded the event most important. The splendid organization of the company had been demonstrated when the ship launched herself and nothing happened (Hear! hear!). The Premier said that Nova Scotia constituted perhaps the most unique instance in the world at one time, when her less than half a million population held such a proud position in the shipping interests. The Halifax Shipyards were not the pioneers in the steel ship building industry of Nova Scotia. The Nova Scotia Steel Company at New Glasgow were, for they had built several steel ships before the first was launched at Halifax, and they had been built by private enterprises. He said, "I always agreed with the shipbuilding policy of the Government, and no man has a stronger appreciation of the courage of the men who had the faith to invest their millions in the shipbuilding industry than I have, and I regard the industry of Nova Scotia as national in its character. The man with the hindsight," said Mr. Murray, "was not much good to the city or country. When the Government policy was inaugurated, it was a time when the salvation

of the country depended on the struggle between submarines and shipyards. It was a question of Mr. Ballantyne doing his duty when a distinct fact stared him in the face—and he did it. That was all that could be expected of him."

The Hon. Mr. Murray, as you will observe, gives the Government and Hon. Mr. Ballantyne unstinted and unqualified support. When my hon. friend read from another Halifax paper I merely desired to put this on record also, and to say that I am afraid my honourable friend from Assiniboia (Hon. Mr. Turriff) is in the class referred to by Premier Murray—a gentleman who has a great deal of hindsight but very little foresight.

Hon. W. H. BENNETT: Honourable gentlemen, in this Chamber we are of course not supposed to discuss the financial affairs of the country in the same way that they are discussed in the House of Commons. But when two years ago a so-called Finance Committee was appointed in this House I did hope it would be productive of good results. Whether it is, like Mahomet's coffin, hanging between heaven and earth, or where it is, I know not; but I have never heard of any reports from that Committee, and I assume it is where it started—in statu quo, so to speak.

If there ever was a time when the people of the country should seriously consider the matter of the finances of the Dominion, surely that time is now. Here we are, right on the eve of the spring months, when, if there is going to be any development in the building or the manufacturing industries, one might reasonably have expected it to start; but to-day, in the city of Toronto for instance there is more unemployment than there was last winter. Take Toronto's case last year. I do not know how many hundreds of thousands of dollars the unemployment situation cost the people of that city; thousands were practically paupers, and the same condition of affairs prevailed in the city of Montreal. It is idle to talk about this huge expenditure. It has been pledged and voted, and the money has been expended to a great extent. If during the past two or three years we had taken a stand on the expenditures undertaken by the country—I do not say that they are wrong, but I do say that they could have been postponed—we would be in a different position to-day. But regrets are vain; the only thing to do is to make everybody observe the law, so that those who have money will be compelled to pay their full share under the Income Tax.

I hold in my hand a copy of this morning's Ottawa Citizen, from which let me read a statement made in the House of Commons by Sir Henry Drayton. It is as follows:

> The Minister of Finance stated that up to March 31 this year there had been collected in Income Tax a total of $38,000,000, as against $17,000,000 at the same date last year.

That is a startling statement. What does it mean? Does it mean that, due to additional energy put into the collection of the tax, the receipts have been increased from $17,000,000 to $38,000,000? There must be some explanation. When this system of taxation was introduced in this country it was apparent that it was going to be difficult to get it into working order. I believe that increase is attributable to several things. Any person who reads the daily papers sees that from time to time some person here or there has been haled before a magistrate and fined for not making a proper return of his income, the result being that in addition to a very considerable fine he has had to pay his back taxes. That may help to account for the increase; but the amount collected in that way must have been infinitesimal in comparison to the total increase. This country is to-day seething with discontent. What do we see in the province of Ontario? There is a state of criminality existing such as was never known before: in the coldest blood men go into a house to steal, and if there is any opposition they shoot down their victims. There is a want of employment and lack of work. The Government cannot supply this need—no Government could—but it can force the payment of income tax by people who, I honestly believe, are not paying. Anyone reading of the enormous variation in the amounts collected in the two years I have referred to must see that there is something very lax in the enforcement of the law. I do not blame the department for that. I think the increase is due to a great extent to their energy during the last year or two. A return was made in the House of Commons the other day which was simply a laughing stock. Can anyone believe that there are only eleven men in Canada liable to pay an income tax on $200,000? I do not believe that you would have to go outside of this building to find more men than that who have a taxable income of $200,000. I heard a couple of gentlemen discussing a while ago the question of how many men in the city of Montreal had incomes of $200,000 or over, and twenty odd were named without any hesitation. In the province of Ontario, outside of the cities of Toronto,

Ottawa, and Hamilton, how many men have incomes that exceed $200,000? There are men in Western Ontario whose incomes far exceed that figure. Any man conversant with the returns made in respect to succession duties in the province knows that many men die worth $2,000,000 or $3,000,000. And yet we are told that from one end of this Dominion to the other only eleven men have made returns showing that they were in receipt of incomes of $200,000. I know it will be at once said that many have purchased Victory Bands, which are exempt from taxation. If that is the case, so much the worse for the country. If the multi-millionaires are not going to pay, who is? One thing is sure, that many people are not paying these taxes at all. A return was made here a year ago which showed, I think, that about ten farmers in the province of New Brunswick paid income tax; and the list from Ontario was so small that it was ridiculous. The numbers in the Western Provinces exceeded the number in Ontario, and any man who knows anything about the rural life of Ontario knows that there are many farmers who have incomes much in excess of $2,000 a year, who should be taxed.

The honourable gentleman from Assiniboia (Hon. Mr. Turriff) has made a protest, which is all very well, but he has not suggested any remedy. When the Finance Committee of this House was appointed, it was promised that they would have something to say to the Government, and would formulate ideas that might result in benefit to the country. The tariff is not going to be so materially changed that the customs returns will be greatly increased. In my opinion there is only one way in which the Government can increase its revenues, and that is by means of the income tax. What I have said does not refer to Dominion taxes alone. In the province of Ontario there will be a law, if it goes into effect, prescribing that you cannot sell a parcel of land without paying a very considerable tax, and I understand the tax increases as the value of the land increases.

I would not publish a list of all the people in this country who have paid income tax, but I would publish the statement that in the city of Ottawa so many men have paid on the basis of $5,000 income, so many on the basis of $10,000, $15,000, and so on up, and I would extend that principle to every town and village in the country. If that were done the Government would get a great many anonymous communications, particularly in the small towns, stating that certain people were shirking the payment of their taxes. It is all very well for you or me to say that So-and-so has not paid his taxes. I am very strongly of that opinion with regard to certain people in my own locality—I am not saying where; but that is of no use. The law should be enforced. Mr. Breadner has proven to be a marvel in his office, but he cannot do everything; and until the Government publishes classified lists showing how many persons have paid their taxes, it is not going to get the money.

Hon. Mr. FOWLER: Why not publish the names of the men who have paid? What argument is there against that?

Hon. Mr. BENNETT: It might be considered very inquisitorial, or it might be all right. But I would first give them a chance in the way I have suggested. I do not suppose one man in twenty who lives outside of the province of Ontario can tell me where the village of Huntsville is. It is a little village up in Northern Muskoka. There is a man there, a tanner, who maintains a band in connection with his organization, for his self-glorification, and he pays the leader $12,000 a year. I do not say that he has not made a return showing that his income is over $200,000; I just give that as an instance of the wealth that is scattered throughout the province, more particularly since the war.

I do not believe, and no man can convince me, that honest returns are being made in every case. And let me show you how this state of things works out and causes ill feeling. You can go into a town where a company employs a number of men —single men earning over $1,000 and married men over $2,000—and you will find that that company, in the most exact manner, lifting its hands aloft and thanking God it is so honest about the law, makes a return for every man in its employ, showing what he receives. In this way the poorer men are pounced on for every dollar, and these men, who are intelligent men, read in the newspapers about the small returns which have been made in many instances.

Once again I say that this is no time for vain regrets. Large expenditures have been made, and we have to take conditions as we find them. The point that I wish to make is that we should increase our revenue by making those pay who should pay. It is not only what you might term the

richer class that is not paying its share, but there are people with incomes of three or four thousand dollars who are not paying at all. I have nothing against the farmers, but I believe that they are not paying anything like their proper proportion of the income tax. The statement of the Finance Minister shows that the receipts from income tax have more than doubled in a year. I am convinced that incomes have not increased in the same proportion in that time, but that the increase is because of greater activity on the part of the officials, and I hope the Government will see its way clear to publish lists along the line that I have suggested in order to produce greater results.

Hon. E. L. GIRROIR: Honourable gentlemen, criticism of public expenditure is a very proper thing. I do not think we should pass estimates through this House without being given an opportunity for inquiry and criticism. It is true that this country is passing through a great crisis; it is true that there is unemployment in many sections of the country; it is true that we have an enormous debt, that it is increasing, and that we are having great difficulty in keeping it down. But these conditions do not pertain to Canada alone; they are world wide. They are the result of what has passed. They arise from the fact that we have been engaged in a great war that has demoralized the whole country, in a business way, in a financial way, and in every possible respect. These being the conditions, these being, briefly, the facts, what are we going to do about them?—that is the question. Some gentlemen say that when a storm is on the proper thing to do is to scuttle the ship. Others think the best way is to sail on—to keep agoing; to batten down the hatches if you like, but to keep her head to the wind and carry on. If the Government of this country, in the present state of unemployment and business uncertainty, is to save the country, we must not be afraid to go on with our public business. If we are afraid to carry on the undertakings which we have believed to be in the best interests of this country, if we stop all public works and all expenditures and fold our arms, what do you suppose will happen to the business people of this country? The only thing that will happen will be that they will lose confidence, not only in the Government, but also in the business security of this country. I think that the Government are to be commended on the fact that they are not afraid to face the music—that they are not afraid to carry on, to build up and prepare for the great prosperity that is bound to come, and will come just as soon as we get over the crisis that is facing us now. Honourable gentlemen laugh when the word "prosperity" is mentioned in connection with this matter. Well, it may be very funny to some honourable gentlemen. It may be very funny indeed to contemplate great prosperity in this Canada of ours. Looking to the future, I do not see why we cannot confidently feel that Canada is going to be a prosperous and great country. We have great resources, many of them undeveloped. We have a good sound population—people who are ready to put their shoulders to the wheel, their hands to the plough, and carry on and build up this country. Why then should it not become a great and prosperous country? Because at the present time there are difficulties in the way, and because the whole world is disturbed, is no reason why we should take the part of children. All the more reason why we should take the part of men and face these difficulties and overcome them, as our predecessors faced difficulties and overcame them and made of Canada what she is to-day.

The Government entered upon a shipbuilding policy. Why did they do that? They entered upon it because they felt it was necessary to the success of their railway policy. The C.P.R. has been a great success largely because of the fact that she had ships in connection with her railways and could take a man's grain and carry it from the prairies to the coast and from the coast to the great market of the world and land it there; she could give service—the kind of service that the shipper wanted. And if we who have undertaken to compete with her are to succeed we must render effective service.

Therefore I think that, while the situation is difficult, while at times we become afraid that success may not reward our efforts, yet on the whole the situation in Canada to-day is not so bad as compared with that of other countries. I think we are in a very fair situation. We owe money, it is true, but we have the resources to pay that debt, and we have the people to develop those resources when the opportunity comes, and the debt will be paid. I do not at all object to criticism, as I believe it is a wholesome and proper thing. It is only by criticism and discussion that we can get the proper view of subjects that come before us here, and the more discussion and the more criticism we have

the better. But through all that criticism, through all that discussion, I think we are justified in having abiding faith in the resources of Canada, in our people, and in our country's future, and that we need have no craven fear that the great undertaking which this Government have launched will not eventually succeed and add materially to the wealth of Canada.

Hon. Mr. TURRIFF: May I ask the honourable gentleman a question? He referred to the fact that the C.P.R. had ships to carry their grain across the water, and he gave that as one of the reasons for their success. I would ask him if he can tell us why the Government, who are operating the Canadian National railways and have idle ships, are not doing the same thing.

Hon. Mr. GIRROIR: My honourable friend has asked a question which involves a great deal of inquiry and covers a multitude of subjects. He might just as well ask me why certain Canadian ships are not at this moment loaded with grain and carrying grain across the ocean. He says, in effect, that I have asserted that the C.P.R. have used their ships in connection with their railways to carry freight across the ocean, and he asks, "Why are not the Government doing the same thing?" Well, if my honourable friend will wait a little while, until we get our organization complete, I think we shall be doing the same thing. The whole purpose of our building the system is to enable us to carry on as the C.P.R. has been doing.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

THE SENATE CHAMBER

APPOINTMENT OF SPECIAL COMMITTEE

Hon. Mr. FOWLER (for Hon. Mr. Foster) moved:

That a Special Committee of the Senate be appointed to take into consideration, with the Architects and such other persons as they may deem best, the question of changes that may be desirable in the Senate Chamber, such Committee to consist of the Hon. Sir James Lougheed, the Hon. Messieurs Bostock, Nicholls, Boyer, Fowler, Michener, Casgrain, Ross (Middleton), McLean, Watson, Blain, and the mover.

Hon. Mr. GIRROIR.

ADJOURNMENT OF THE SENATE

MOTION

Hon. Mr. DONNELLY (for Hon. Mr. Smith) moved:

That when the Senate adjourns to-day it do stand adjourned until Tuesday next at eight o'clock in the evening.

The motion was agreed to.

PRIVATE BILLS

FIRST READING

Bill U2, an Act respecting the Maritime Coal, Railway and Power Company, Limited.—Hon. W. B. Ross.

SECOND READING

Bill 31, an Act respecting the Canadian Pacific Railway Company.—Hon. Mr. Sharpe.

THIRD READINGS

Bill 6, an Act to incorporate The General Synod of the Church of England in Canada. —Hon. Mr. Foster.

Bill 4, an Act respecting The Dominion Life Assurance Company.—Hon. Mr. McCall.

DIVORCE BILLS

SECOND READINGS

Bill Z, an Act for the relief of Duncan MacDonald Oxley.—Hon. Mr. McCall.

Bill A2, an Act for the relief of Rose Winifred Smith.—Hon. Mr. White (Pembroke).

Bill B2, an Act for the relief of Evelyn Campbell.—Hon. Mr. Ratz.

Bill C2, an Act for the relief of Margaret Thorne Acton.—Hon. Mr. Proudfoot.

Bill D2, an Act for the relief of Lillian Florence Ansell.—Hon. Mr. Ratz.

Bill E2, an Act for the relief of Ellen Greenwood.—Hon. Mr. Ratz.

Bill F2, an Act for the relief of Edna Garnet Rabb.—Hon. Mr. Ratz.

Bill G2, an Act for the relief of Gertrude Gladys Vernon.—Hon. Mr. DeVeber.

Bill H2, an Act for the relief of Stella Anna Jackson.—Hon. Mr. Proudfoot.

Bill I2, an Act for the relief of Mabel Marshall.—Hon. Mr. Nicholls.

Bill J2, an Act for the relief of Margaret Marie Cook.—Hon. Mr. Nicholls.

FIRST READING

Bill V2, an Act for the relief of Fergus McKee.—Hon. Mr. Bennett.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

The Right Honourable Sir Louis Davies, acting as Deputy Governor General, having come, and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the Right Honourable the Acting Deputy Governor General was pleased to give the Royal Assent to the following Bills:

An Act for the relief of Frank Alexander Staunton.

An Act to amend the Exchequer Court Act.

An Act to incorporate The Canadian Bar Association.

An Act respecting The Montreal, Ottawa and Georgian Bay Canal Company.

An Act respecting The Oshawa Railway Company.

An Act respecting The Thousand Islands Railway Company.

An Act respecting the Kettle Valley Railway Company.

An Act respecting The Manitoba and North Western Railway Company of Canada.

An Act respecting The Quebec Central Railway Company.

An Act respecting The Essex Terminal Railway Company.

An Act respecting The Ottawa, Northern and Western Railway Company.

An Act for the relief of William Henry Coulson.

An Act for the relief of Elizabeth Alexander.

An Act for the relief of William Gleaves Doyle.

An Act for the relief of Dorothy Mearuel Score.

An Act for the relief of Henry William Maynard.

An Act for the relief of George Elmor Glossop.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending March 31, 1922.

The Right Honourable the Acting Deputy Governor was pleased to retire.

The House of Commons withdrew.

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, April 19, at 8 p.m.

THE SENATE

TUESDAY, April 19, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

FIRST READINGS

Bill W2, an Act for the relief of John Edward Kelly.—Hon. Mr. McMeans.

Bill X2, an Act for the relief of Annie Belle Westbeare.—Hon. W. B. Ross.

Bill Y2, an Act for the relief of Christina Wilson Stephens.—Hon. Mr. Proudfoot.

Bill Z2, an Act for the relief of Alice Andrews.—Hon. Mr. Proudfoot.

Bill A3, an Act for the relief of Esther Annie Vanzant.—Hon. Mr. Proudfoot.

Bill B3, an Act for the relief of Werden Grant Parker.—Hon. Mr. Proudfoot.

Bill D3, an Act for the relief of James Edward Nixon.—Hon. Mr. Blain.

PRIVATE BILL

FIRST READING

Bill C3, an Act respecting the Montreal Central Terminal Company.—Hon. Mr. Chapais.

CANADIAN NATIONALS BILL

FIRST READING

Bill 17, an Act to define Canadian Nationals, and to provide for the renunciation of Canadian nationality.—Hon. Sir James Lougheed.

CORRUPT PRACTICES AT ELECTIONS BILL

FIRST READING

Bill 39, an Act to amend the statutes relating to corrupt practices at elections.—Hon. Sir James Lougheed.

JUDGES BILL

FIRST READING

Bill 60, an Act to amend the Judges Act.—Hon. Sir James Lougheed.

FRENCH TRADE AGREEMENT BILL

FIRST READING

Bill 61, an Act respecting a certain Trade Agreement between His Majesty and the President of the French Republic.—Hon. Sir James Lougheed.

ST. JOHN AND QUEBEC RAILWAY BILL

FIRST READING

Bill 71, an Act to authorize an extension of time for the completion of the St. John and Quebec Railway between Centreville, in the county of Carleton, and Andover, in the county of Victoria, New Brunswick.—Hon. Sir James Lougheed.

WINDING-UP BILL

FIRST READING

Bill 72, an Act to amend the Winding-up Act.—Hon. Sir James Lougheed.

CANADIAN WHEAT BOARD BILL

FIRST READING

Bill 75, an Act concerning the Canadian Wheat Board.—Hon. Sir James Lougheed.

PRIVATE BILLS

FIRST READING

Bill 34, an Act respecting the London and Lake Erie Railway and Transportation Company.—Hon. Mr. Blain.

THIRD READING

Bill 14, an Act to amend the Act to incorporate Gilmour and Hughson, Limited, as amended.—Hon. Mr. Edwards.

SECOND READING

Bill 8, an Act respecting The James Maclaren Company, Limited.—Hon. Mr. Edwards.

DIVORCE BILLS

THIRD READINGS

Bill Z, an Act for the relief of Duncan MacDonald Oxley.—Hon. Mr. McCall.

Bill A2, an Act for the relief of Rose Winifred Smith.—Hon. Mr. G. V. White.

Bill B2, an Act for the relief of Evelyn Campbell.—Hon. Mr. Ratz.

Bill C2, an Act for the relief of Margaret Thorne Acton.—Hon. Mr. Proudfoot.

Bill D2, an Act for the relief of Lillian Florence Ansell.—Hon. Mr. Ratz.

Bill E2, an Act for the relief of Ellen Greenwood.—Hon. Mr. Ratz.

Bill F2, an Act for the relief of Edna Garnet Rabb.—Hon. Mr. Ratz.

Bill G2, an Act for the relief of Gertrude Gladys Vernon.—Hon. Mr. DeVeber.

Bill H2, an Act for the relief of Stella Anna Jackson.—Hon. Mr. Proudfoot.

Bill I2, an Act for the relief of Mabel Marshall.—Hon. Mr. Nicholls.

Bill J2, an Act for the relief of Margaret Marie Cook.—Hon. Mr. Nicholls.

SECOND READINGS

Bill K2, an Act for the relief of Jean Grey Holt.—Hon. Mr. Gordon.

Bill L2, an Act for the relief of Harry Tolhurst.—Hon. Mr. Ratz.

Bill M2, an Act for the relief of Alphonse LeMoyne de Martigny.—Hon. Mr. G. V. White.

Bill N2, an Act for the relief of Rosetta Hood.—Hon. Mr. G. V. White.

Bill O2, an Act for the relief of Albert Edwin Gordon.—Hon. Mr. G. V. White.

Bill P2, an Act for the relief of Willie Hopkinson.—Hon. Mr. Proudfoot.

Bill Q2, an Act for the relief of Mamie McKillop.—Hon. Mr. Proudfoot.

Bill R2, an Act for the relief of Frederick Robert Studholme.—Hon. Mr. Blain.

Bill S2, an Act for the relief of Beatrice Osborne.—Hon. Mr. Taylor.

Bill T2, an Act for the relief of John Verner McAree.—Hon. Mr. Taylor.

MIGRATORY BIRDS CONVENTION BILL

CONSIDERED IN COMMITTEE, AND REPORTED

Bill Y, an Act to amend the Migratory Birds Convention Act.—Hon. Sir James Lougheed. Hon. Mr. Daniel in the Chair.

CRIMINAL CODE FORMS BILL

FIRST READING

Bill E3, an Act to amend the Criminal Code.—Hon. Mr. Lynch-Staunton.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

WEDNESDAY, April 20, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

McKILLOP DIVORCE PETITION

On the notice of motion:

That the fees paid upon the petition of Mamie McKillop, praying for a Bill of Divorce, be refunded to the petitioner less the costs of printing and translating, if any.

Hon. Mr. PROUDFOOT: Since the petition was heard, an application has been made to the Committee for a remission of the fees. It appears that the counsel acting for the petitioner overlooked making the application when he should have made it, and the only way the Committee can now deal with it is by bringing the matter up in the House. I therefore move that the subject of this motion be referred to the Committee to deal with; they will then have to report to the House whether or not they think the fees should be remitted.

The motion was agreed to.

DIVORCE BILLS

THIRD READINGS

Bill K2, an Act for the relief of Jean Grey Holt.—Hon. Mr. Gordon.

Bill L2, an Act for the relief of Harry Tolhurst.—Hon. Mr. Ratz.

Bill N2, an Act for the relief of Rosetta Hood.—Hon. Mr. G. V. White.

Bill O2, an Act for the relief of Albert Edwin Gordon.—Hon. Mr. G. V. White.

Bill P2, an Act for the relief of Willie Hopkinson.—Hon. Mr. Proudfoot.

Bill Q2, an Act for the relief of Mamie McKillop.—Hon. Mr. Proudfoot.

Bill R2, an Act for the relief of Frederick Robert Studholme.—Hon. Mr. Blain.

Bill S2, an Act for the relief of Beatrice Osborne.—Hon. Mr. Taylor.

Bill T2, an Act for the relief of John Verner McAree.—Hon. Mr. Taylor.

SECOND READING

Bill C2, an Act for the relief of Fergus McKee.—Hon. Mr. Bennett.

MIGRATORY BIRDS CONVENTION BILL

THIRD READING

Bill Y, an Act to amend the Migratory Birds Convention Act.—Hon. Sir James Lougheed.

PRIVATE BILL

SECOND READING

Bill U2, an Act respecting the Maritime Coal, Railway and Power Company, Limited.—Hon. W. B. Ross.

GOLD AND SILVER MARKING BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Lynch-Staunton, the Senate went into Committee on Bill C, an Act to amend the Gold and Silver Marking Act. Hon. Mr. Daniel in the Chair.

On section 1—addition to permissive marks on gold-plated and silver-plated articles:

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, I think it is well to explain, shortly, the object of this Bill. In the Gold and Silver Marking Act of 1913 it is provided that gold and silver articles may be marked, but as for gold-plated and silver-plated articles, there is very peculiar legislation. Gold-plated and silver-plated articles are referred to in section 10:

> This section applies only to plated articles wholly or partly composed of the materials known to the trade as rolled gold plate, gold filled, gold electro-plate, rolled silver-plate, silver filled, silver electro-plate, or of such materials of like nature as are defined and designated by regulations made by the Governor in Council.

Hon. Mr. FOWLER: How far does that description of "gold filled" and "gold plate" extend? Does it extend to teeth?

Hon. Mr. LYNCH-STAUNTON: I will explain to the honourable gentleman in a moment. The section goes on to provide:

> There shall not be applied to any such articles any mark other than a mark authorized by this section.

I think this legislation is unique. Subsection 3 says:

> If any such article has applied to it any mark it must have applied to it a trade-mark registered in accordance with the The Trade Mark and Design Act.

Then subsection 4 provides:

> In addition to such trade-mark there may be applied all or any of the following marks:
>
> (a) a mark indicating truly and correctly, in accordance with the provisions of subsection 1 of this section, the designation, as known to the trade or as established by regulation aforesaid, of the material;
>
> (b) numerals intended to identify the article or pattern and not calculated to mislead or deceive;
>
> (c) the name or initials of a dealer.

One may apply to the article the term "gold filled," "gold electro-plate," "rolled silver-plate," "silver filled," "silver electro-plate," but he may not state on the article what it is composed of.

For example, of rolled gold there are many qualities. There were produced to me the other day three watch chains, all of which were to the eye exactly identical, but one of them had in it ten per cent of gold, another about two per cent, and the third five per cent. These were shown to me by a Government inspector, and I have no doubt that his statements were perfectly correct, but I had no way of ascertaining whether they were correct or not.

Hon. Mr. BLAIN: Was there no stamp on the chain?

Hon. Mr. LYNCH-STAUNTON: It is not allowable—I want the House to remember this—to stamp on the chain how much gold is in it. Anyone doing so is subject to severe penalties. A gold-filled article is an article which has not the gold laid on, or painted on it—if one may use that expression—but in which the amount of gold is blended through the entire material. The base may be lead or

brass or some other metal. One of these gold chains made with 10 per cent gold will last a lifetime. A chain made with 5 per cent gold or 2 per cent gold, will last perhaps six months or a year, when it will disclose itself under its true colours. A man going into a shop and buying a chain may have the cheap one palmed off on him as the good one, as the law says that there shall be no mark to distinguish the pinchbeck from the real thing.

I was asked to introduce this Bill on behalf of a firm who are starting business —I think, in Sherbrooke. It is a very well-known and reputable firm of manufacturers in New England, and makes rolled gold goods with 10 per cent of gold in them. It has established a factory in Canada for the purpose of continuing the manufacture of this class of goods in this country, but find now that there is no use in making a high-class article, because it must be sold in competition with the cheaper stuff. All manufacturers must make the cheaper class in order to compete in the market, as when sold to the public there is no way of distinguishing the good from the bad. I want to have the Bill amended by the insertion of three words, providing that any of these goods made in Canada may be marked by the manufacturer so that the public will know what they are.

Hon. Mr. BRADBURY: Why not compel manufacturers to stamp the true quality of the goods?

Hon. Mr. LYNCH-STAUNTON: I do not know why; I am not interested in that. The people asking for this change are not clients of mine and I am not at all interested in them professionally, I was asked by Sir John Gibson's firm in Hamilton, who are their solicitors, to bring in this measure.

Hon. Mr. BELCOURT: May I ask my honourable friend if he knows the reason why, in the legislation now on the statute book, manufacturers are not permitted to do that?

Hon. Mr. LYNCH-STAUNTON: I do not know. I have inquired everywhere—in the department and of many jewellers —and I cannot find anybody who can explain it or give any reason for it.

Hon. Mr. BELCOURT: Can my honourable friend point to any reason?

Hon. Mr. LYNCH-STAUNTON: I cannot point to any reason. It passes my understanding. It may be that there is some profound reason why a man should not be allowed to mark on his goods their quality, but I am not aware of the reason.

Hon. Mr. BEIQUE: Following up the same question, may I ask, has the honourable gentleman ascertained whether it would be easy for the Department to ascertain the amount of gold that there is in a given article?

Hon. Mr. LYNCH-STAUNTON: No. You see, in England every gold or silver article must be submitted to the Government and the Government stamps on the article the quality and quantity of gold or silver in it. No person is allowed to sell any article unless it has the hall-mark. It is for that reason that people are always sure of what they buy.

Hon. Mr. BEIQUE: Does that apply to plated articles in England?

Hon. Mr. LYNCH-STAUNTON: I am not aware.

Hon. Mr. BEIQUE: I do not think so.

Hon. Mr. LYNCH-STAUNTON: I understand that there are no manufacturers of this plated ware in England. I am not an authority on it and do not know, but I have been told that it is not manufactured in England—that it is entirely of American and Canadian manufacture; that is, what is, called rolled gold. Now, I am not stating that on authority: I am told so, but the person who told me may not know any better than I do.

Hon. Mr. BELCOURT: My honourable friend spoke of the hall-mark in England. Can the public, on looking at that hall-mark, discern the quantity of gold or silver?

Hon. Mr. LYNCH-STAUNTON: Certainly. There are 24 parts of gold in every pure gold article, and when you see "14 karat," that means there are 14 twenty-fourth portions of gold. You can always tell the quantity of gold that is in any article.

Hon. Mr. DANDURAND: Is the number of karats indicated?

Hon. Mr. LYNCH-STAUNTON: It is marked on the article. Anybody who has an English watch can see it marked there. It is marked on watch chains on every link.

Hon. Mr. DANDURAND: Does that apply to silver?

Hon. Mr. LYNCH-STAUNTON: It applies to silver. You can get in the Library here books which give all the hall-marks

from Queen Elizabeth down. There are innumerable hall-marks, and the way people tell the age of a gold or silver article is by looking at the hall-mark and seeing in what reign it was made. So English gold and silver wares are absolutely to be relied upon.

You will notice, as I have said, that it is forbidden to mark gold-plated and silver-plated articles; and, so far as I can ascertain, nobody knows why. Now, I want to have a Bill passed which will provide, with respect to Canadian-made goods anyway, that when a person enters a shop to buy a plated article, he will know whether he is buying something that will last three months or something that will last twenty years. As I say, I have been told that there are people who oppose this, and the only reason I conceive for their doing so is that a man may be able to buy cheap goods and palm them off as better than they are.

Hon. Mr. BOYER: Gold brick.

Hon. Mr. LYNCH-STAUNTON: He wants to sell gold bricks to the public. I have asked jeweller after jeweller about this, and have not found one who could give any reason against it. I do not care about it personally, because I do not buy jewellery.

Hon. Mr. DAVID: Would the law apply to articles made in Switzerland, Belgium, and Flanders?

Hon. Mr. LYNCH-STAUNTON: No. While I think it ought to apply to them all, I only suggest that it should apply to Canadian-made articles.

Hon. Mr. BOYER: That would be a handicap.

Hon. Mr. LYNCH-STAUNTON: It would be no handicap. My reason for asking this is that it would give the Canadian manufacturer an advantage over the foreign manufacturer. A Canadian-made article having that mark on it would sell more readily than a foreign-made article.

Hon. Mr. BELCOURT: Is that the reason you are not making it compulsory?

Hon. Mr. LYNCH-STAUNTON: I do not care if you do make it compulsory. All that these gentlemen want is to have this prohibition removed from them. They want the right to mark their articles what they are. That is the whole case, and I cannot make it any stronger.

Hon. Mr. DANDURAND: Will the honourable gentleman tell me if I understood him aright as saying that clause 10 did not cover silver plate or gold plate which is made by dipping?

Hon. Mr. LYNCH-STAUNTON: Oh, no, the honourable gentleman misunderstands me. I said that articles that are called rolled gold do not come within what he defines as articles that are dipped. Rolled gold is a compound. I may point out that in all other businesses in which people sell compounds—if one may use the word compounds with relation to a metal—for instance, mustard, which is usually adulterated—no person is allowed to sell a compound in this country as pure mustard unless it is marked on the container that it is a compound. You will see "pure mustard" marked on a big tin and on the side the words, "this is a compound." The public need not be deceived if they take the trouble to look at the label—although, I must say, the words, "this is a compound" are put in small type down at the corner of the label. But a rolled gold article can be sold as pure gold, because no person, no matter how astute he is, can tell whether it is pure gold or not unless he is an expert.

Hon. Mr. DANDURAND: Will the public be able to distinguish between an alloy and a gold-dipped article?

Hon. Mr. LYNCH-STAUNTON: They will only be able to distinguish by seeing the mark on it. But when a man is selling a good article, even though it is rolled gold, he will say, "You see there 10 per cent gold," or "14 karat" or "16 karat," as the case may be. The trade will do as they do now when asked if an article is real silver. At present they say, "look at the hall-mark on it;" and it is a penal offence to misrepresent an article which is marked, or to mark it incorrectly. The public will have some protection; now they have none at all.

Hon. Mr. DANDURAND: What protection has the public when it is offered an article which has a very light gold veneer on it, obtained by dipping?

Hon. Mr. LYNCH-STAUNTON: The public has no protection now. An article containing one-tenth of one per cent gold can be sold for as much money as an article containing ten per cent gold. You might as well pass a law declaring that a man should not put on a can of mustard

the words 'this is a compound" as leave the law as it stands. This would be at once evident if a law were passed saying, "It is prohibited to say that an article is a compound."

Hon. Mr. BEAUBIEN: If I understand my honourable friend correctly, what he wants is simply to permit the manufacturers to state the real value of their goods.

Hon. Mr. LYNCH-STAUNTON: Yes, the real composition of their goods.

Hon. Mr. BEAUBIEN: Which means the real value.

Hon. Mr. LYNCH-STAUNTON: Yes.

Hon. Mr. BEAUBIEN: Is that going far enough to protect the public? A merchant who will sell as 10 per cent gold an article containing only 2 per cent gold can continue to do so in the future. The honest manufacturer can state what his goods contain, and will do so, but there is no danger that the honest manufacturer will attempt to rob the public. The precaution has to be taken against those who are not honest. I think my honourable friend is going in the right direction, but I take the liberty of suggesting to him that he does not go far enough, and that if he wants to protect the public he could do it more effectively by making the legislation compulsory.

Hon. Mr. LYNCH-STAUNTON: As I have said, this Bill is being promoted by manufacturers. I have thought a great deal about the question of whether the law should be compulsory or permissive. The manufacturers are satisfied that it should be permissive, because they know that if it is passed, even though it is permissive, the public will not buy anything that is not stamped. You cannot sell an unstamped article in England, and you cannot sell it to an educated person in this country. The public will very soon come to know that the only reliable article is the one that is stamped, and then all the manufacturers will stamp their articles.

Hon. Mr. BELCOURT: Is the law not compulsory in England?

Hon. Mr. LYNCH-STAUNTON: Oh, yes, but not in Canada.

Hon. Mr. BELCOURT: If it is compulsory in England, why should it not be compulsory here?

Hon. Mr. LYNCH-STAUNTON: I am not asking that we go that far; there might be a hundred objections to that that I do no know of. You must remember, too, that the market is full of goods that are not marked.

Hon. Mr. BELCOURT: Fix a date.

Hon. Mr. DANDURAND: You would have to fix a date a long way off.

Hon. Mr. LYNCH-STAUNTON: I am not asking anything more than that we should not continue prohibiting people marking their goods correctly.

Hon. Mr. BLAIN: Honourable gentlemen, when the present Act was presented to Parliament in 1913, I think it was, the matter was gone into very carefully in both Houses before the Act was placed upon the statute book. Some time ago I took the trouble to mail a copy of the proposed legislation to amend the Gold and Silver Marking Act to a number of the jewellers of Canada, and I have in my hand answers to almost every communication that I sent out, and I may say that there is not one dealer of any reputation who assents to the proposition of my honourable friend.

Hon. JOHN WEBSTER: Why?

Hon. Mr. BLAIN: I will read to my honourable friend a letter which I received from a very reputable firm, P. W. Ellis & Co., Toronto. It refers to the time when the present Act was put upon the statute book, and says:

> We were then and are now opposed to stamping the fineness of gold and of silver on any article that is not all gold or all silver, as it makes an opening for the unscrupulous dealer to misrepresent the article when selling.

Hon. Mr. BELCOURT: It does not say how?

Hon. Mr. BLAIN: I have also an answer from Ryrie Bros., of Toronto, which reads:

> In reply to your inquiry of the 7th inst, permit me to say that we have been closely associated with the terms of the Gold and Silver Marking Act which was passed by the Senate some few years ago, and the retailers as a whole have profited much by its adoption. We have discussed the amendment with the Executive of the Canadian National Jewellers' Association within the past few days, and without one exception the Board is entirely opposed to the adoption of this amendment. A great deal of time and study, in both the interests of the trade and the public at large, was spent upon the drafting of the present Gold and Silver Marking Act, and in our opinion it should not be upset. This Act was drafted largely to prevent plated goods being sold to the public as solid gold. If this amendment should go through it would

bring about the old conditions whereby plated goods would be stamped 10-karat and 14-karat, with some designation following this mark, but which would often be undiscernible while the quality mark such as 10 or 14-karat could be easily read.

Hon. Mr. BELCOURT: That is begging the question.

Hon. Mr. BLAIN: That means that if an article were stamped 10-karat under this Act the public would be misled by the mark. I claim, honourable gentlemen, that we have a good Act upon the statute book, an Act that has given satisfaction to every class of the people of this country. My honourable friend has not presented any statement whatever to the contrary; nor would he attempt to state that any prominent wholesale, retail, or manufacturing jeweller, or any prominent gentleman taking care of the public interest in respect of the buying and selling of jewellery, favours the adoption of this amendment. This very question was before Parliament for discussion at the time the present Act was passed, and was not accepted.

I read from a letter from P. W. Ellis & Co. It says:

> This Act was only completed after the utmost care and discussion by all the branches of our trade, and this very point now sought to add was discarded as opening a very dangerous clause to the underlying principle of the whole Act—absolute protection to the public.

The public are well protected now, because the Act which we now have upon the statute book was a copy, as near as possible, of what is called the Hall-marking Act of England.

Hon. Mr. LYNCH-STAUNTON: Oh, no; that cannot be.

Hon. Mr. BLAIN: Yes, as nearly as possible.

Hon. Mr. LYNCH-STAUNTON: I would like an opportunity to look at the English Act, because I am quite sure there is no such clause in it as clause 10.

Hon. Mr. BLAIN: I am not discussing that part of it.

Hon. Mr. POWER: I do not feel that I am qualified to enter into a discussion of the merits of this measure; but there is one thing about it that strikes me. The present law has been in operation for some considerable time, and, as far as I can gather, no strong expression of disapproval has come to our knowledge. There are two bodies specially interested in this measure. It does not look to be a very important one, but there is a good deal, I think, behind it. It does seem to me that before we undertake to alter a law as to which there is no complaint we should first have some evidence that there is a strong desire that it should be altered. The honourable gentleman promoting the Bill has not told us that the people engaged in the jewellery business, who are a very large and fairly important section of our population, have asked for this measure or anything like it, and I think that that fact should make us hesitate about undertaking to make a radical change. Then, again, I do not understand that the public, on whose behalf this measure is supposed to be introduced, have in any way testified their eagerness that this measure should become law. For these reasons, honourable gentlemen, I do not feel, as at present advised, that I could vote for the measure.

Hon. Mr. DANDURAND: Honourable gentlemen, I ought to have devoted more time to the study of this Bill, in order to be in a position to give a clear reason for expressing doubt as to the appropriateness of this amendment. I have simply looked over the Act while the discussion proceeded, and I think I find in section 8 the reasons for the prohibition in section 10 which has been cited by my honourable friend. Subsection 2 of section 10 says:

> There shall not be applied to any such article any mark other than a mark authorized by this section.

Subsection 3 of section 8 states:

> There shall not be applied to a gold article any mark indicating or purporting to indicate the gold in the article to be of less than nine karats in fineness.

So that in a gold article the number of karats may be indicated if there are more than nine; if there are less, then the number of karats cannot be marked. Perhaps this is wise legislation. If the number is marked, then the public knows, even if the figure can be discerned only with difficulty, that the number is not less than nine. Parliament has decided that there is no reason for requiring or allowing the morking of articles of less than nine karats.

Hon. Mr. LYNCH-STAUNTON: No article is gold that is below nine karats.

Hon. Mr. DANDURAND: So that if there is no indication on the article, it means—

Hon. Mr. LYNCH-STAUNTON: That it is not gold.

Hon. Mr. DANDURAND: That it is below nine karats.

Hon. Mr. LYNCH-STAUNTON: Yes.

Hon. Mr. DANDURAND: The honourable gentleman has been asked to introduce this amendment to permit the marking to be done by the manufacturer who produces an article containing, say, eight karats or six karats, in order that he may indicate to the public the value of his article as compared with the article that does not announce on its face any value at all.

Hon. Mr. LYNCH-STAUNTON: But, the honourable gentleman will notice, he must also put on the other words.

Hon. Mr. BELCOURT: "Gold filled."

Hon. Mr. DANDURAND: I might read the whole of section 8:

> This section applies only to gold articles.
> 2. As respects gold articles—
> (a) marks indicating the quality of gold in the article shall state the fineness of the gold in karats, thus: 12K, 18K, or as the case may be;
> (b) the number of karats so stated shall bear the same proportion to twenty-four karats as the weight of the pure gold in the article bears to the gross weight of the article, except such parts thereof as are mentioned in sections 4 and 5 of this Act; that is to say, 18K shall be deemed to mean that eighteen twenty-fourths of the gross weight of the article, with the exceptions herein provided for, are of pure gold, and six twenty-fourths of other ingredients; and—
> (c) The actual fineness of the gold in the article shall not be less than the said proportion—
> (i) by more than one-half of a karat, if solder is used, or
> (ii) by more than one-quarter of a karat, if solder is not used.
> (3) There shall not be applied to a gold article any mark indicating or purporting to indicate the gold in the article to be of less than nine karats in fineness.
> 4. There shall not be applied to a gold article any mark consisting of or including words purporting to describe the quality of the gold in the article, except however that if—
> (a) the article is composed of gold of not less than nine karats in fineness; and—
> (b) the quality of the gold is truly and correctly indicated in the manner required by subsection 2 of this section; the words "Gold" or "Solid Gold" may be applied together with the karat quality mark, thus: 14K Gold, Solid 14K Gold, or as the case may be.

The next clause deals with silver:

> The actual fineness of the silver in the article shall not be less than the said proportion—
> (i) by more than 25 parts in 1,000 when solder is used; or—
> (ii) by more than 10 parts in 1,000 when solder is not used.

So the principle laid down by the Act that we have before us is that there shall be no indication given of the quality of gold that is below nine karats. That is the principle which we have to face. Now my honourable friend proposes to modify the Act by allowing:

> A mark indicating truly and correctly the fineness of the gold and of the silver in the article and the proportion of each to the gross weight, at the time the article is sold or delivered by the maker.

I have an open mind on the question.

Hon. Mr. LYNCH-STAUNTON: I think I can explain the difference. The honourable gentleman has pointed out that it is not permissible to indicate the fineness of the article that is below nine karats; but what this Bill proposes to do is to provide that the proportion of gold shall be stated. There is no prohibition against indicating the proportion of gold in the article now; it is only the fineness that may not be indicated. When you add the proportion of gold to the fineness, you are not impinging on that prohibition at all. It is only an article sold as gold, but containing below nine karats, that may not be marked, because it is not recognized by the trade as a gold article at all. The purpose of this Bill is to provide for the marking of the quantity of gold and the fineness. If the quantity of gold is indicated, an article that contains only 10 per cent, cannot be palmed off on the public as a gold article.

Hon. Mr. DANDURAND: If there is 10 per cent, this modification is unnecessary, because by virtue of section 8, if the article is at least 9-karat, it can always be marked.

Hon. Mr. LYNCH-STAUNTON: But the 10 per cent has nothing to do with the 9-karat. You first have the quantity of gold; that is, say, 10 per cent. Then you have the quality of the gold; that is, say, 14-karat. If I mark an article as 10 per cent gold and then show that it is 14-karat, that means 10 per cent of 14-karat gold. But a gold article must be 100 per cent 14-karat. That is the distinction. You see, if you have 100 per cent 8-karat, you have not a gold article at all. The section to which the honourable gentleman refers prevents any person from marking an article that is 100 per cent 8-karat gold and leading the public to think there is 100 per cent of gold. My proposition is that by this Bill he shall be obliged to show, if such is the case, that there is only 10 per cent gold in an article, and of what karat it is. That is all there is to it.

Hon. Mr. BEIQUE: For my part, I am in sympathy with the Bill, but it would be

desirable to examine the Act as it stands in the statute book to see what would be the effect of this amendment. I would suggest to the honourable gentleman that he move that the Committee rise and report progress and ask leave to sit again.

Hon. Mr. LYNCH-STAUNTON: I would make that motion if I might, because I would like to obtain the view of the Department regarding the Bill.

Hon. Mr. DANDURAND: Then, would not the honourable gentleman consent to referring this Bill to a standing Committee of the House?

Hon. Mr. LYNCH-STAUNTON: I would be very glad to have that done.

Hon. Mr. DANDURAND: So that we might hear from a representative of the Department and obtain some expert evidence. I would suggest, not that we go very far, but that we might hear two or three experts or men of the trade. I think that would be of advantage to members of this body, who know very little about the trade.

Hon. Mr. LYNCH-STAUNTON: I would like very much to have that done, because I do not want the Bill to pass if there is really any proper objection to it; but, as I say, although I have discussed the matter with the trade, nobody has ever gone any further than the honourable gentleman (Hon. Mr. Blain) who read from Ellis & Co.'s letter to say that they objected to it. I have never heard anybody give a real objection. If there were a real objection, I would be ready to withdraw the Bill.

Hon. Mr. SCHAFFNER: Honourable gentlemen, I do not know whether I am competent to speak on this subject or not. However, it seems to me that an obligation resting upon us as members of this House is to legislate in the interests of the people, if we can ascertain what the legislation should be. It may be our duty to legislate for the manufacturer, but to me it seems that we have a greater duty—to legislate for the general public. The general public are more suspicious of jewellery than of any other commercial article. The honourable members of this House are, in my opinion, men who have had experience and perhaps a good deal of education; yet I do not think that any honourable gentleman who desired to purchase jewellery anywhere in this country, would go to the ordinary jewellery store for the genuine article. What would he do? He would go to a firm upon whose reputation he could depend. Why must he depend upon the firm's reputation? Because, in the opinion of the general public, there is more imposture in the sale of jewellery than of any other article. I do not see very much in the letters received by the honourable gentleman from Peel (Hon. Mr. Blain). They come from the trade. My honourable friend across the floor (Hon. Mr. Dandurand) said he had an open mind. That is the attitude we should all endeavor to take. From the point of view of the general public—and, so far as I am concerned, it is to their interest I wish to devote my best efforts—I have heard no good reason why a manufacturer of jewellery should have the slightest objection to stamping on an article the quality and quantity of gold or silver it contains.

There is another reason that appeals very strongly to me. I did not know it before. The honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton) says that jewellery cannot be sold in England, as it can be in this country, unless it does bear the stamp. It seems to me that that argument is worth considering. So far as I am concerned, without labouring the question further, I may say I am strongly in favor of this Bill, because I believe that if passed it will protect the public, and the protection of the public, I feel, is our principal duty.

Hon. Mr. BOYER: Would the honourable gentleman allow me one question? Who is to do the stamping?

Hon. Mr. LYNCH-STAUNTON: The manufacturer. It is the manufacturer who does it now. He puts on all the stamps that are required by the present Act. The reason that the trade gives for that is that if the Government stamped the goods they would have to be sent all the way from Sydney and Vancouver, or the Government would have to maintain offices in various centres for that purpose. They say that London is a much closer centre in England than Ottawa is in Canada. As a matter of fact, London is 400 or 500 miles distant from some places in England. However, that was the reason given for not having the stamp put on by the Government, as is done in England.

Hon. Mr. BOYER: Then what is to prevent a dishonest dealer from buying jewellery from a manufacturer, with no mark on it, and taking that to his own shop and stamping it as 14-karat, or 10-karat, or 9-karat?

Hon. Mr. LYNCH-STAUNTON: The only thing is the penalty under the Act.

Whether that is of any use or not is another question. Under the Act, any person who marks jewellery falsely may be prosecuted, just the same as a person who sells mustard that is adulterated.

Hon. Mr. BOYER: If we buy mustard, we take it with a grain of salt; but jewellery is a different thing. I was taken in once. I bought an "18-karat" gold chain in London from a very respectable dealer. Every second link was stamped "18-karat." That was the first chain that I ever bought in my life. I bought it as a boy, and wore it for 25 years. When I wanted to part with it I took it to a very respectable dealer in Montreal, and to my astonishment he told me that all he could allow me was $50. I told him I had paid 20 guineas for that chain. "Well," he said, "that is where you were taken in. Every second link is only 7-karat gold, and the other links are 18-karat.

Hon. Mr. LYNCH-STAUNTON: Yes, but the 7-karat links were not marked.

Hon. Mr. BOYER: No, but they should have been.

Hon. Mr. LYNCH-STAUNTON: My watch chain has a mark on every link.

Hon. Mr. BOYER: Ever since then I see to it that there is a mark on every link.

Hon. Mr. LYNCH-STAUNTON: I move—

Hon. Sir JAMES LOUGHEED: Before my honourable friend makes that motion, it may not be out of place, and perhaps it is my duty, to point out to the House that there has been considerable communication between the Canadian National Jewellers' Association and myself as to the propriety of this Bill passing. I would say to my honourable friend that on the part of the trade as represented by the Jewellers' Association of Canada there is a distinct opposition to this Bill. I am unaware, from the communications which I have received, that any of the trade are in favour of the Bill, and many reasons are pointed out why it should not be passed. Moreover, it was represented to them that the Bill had been withdrawn, and I have communications indicative of that; hence any organized movement to oppose the Bill ceased. Now that the Bill has been revived they have indicated a desire to make representations to Ottawa as to why it should not be passed.

I would point out to my honourable friend, without discussing fully the merits of the proposal before us, that it would involve a much wider change or amendment in the Act than that embodied in the present Bill. If my honourable friend will peruse the Act as we have it to-day, that is, chapter 19 and the amending Acts, he will observe that throughout the statute the policy is maintained of prohibiting the marking of plated goods; consequently the change proposed would require something more than simply the amendment of section 10. I would refer my honourable friend to the penalty clause, section 14 of the Act, and particularly to paragraphs a and b:

> Every one is guilty of an indictable offence and liable on conviction thereof to a fine not exceeding one hundred dollars, who, being a dealer within the meaning of this Act,—
>
> (a) applies to a plated article any mark which guarantees or purports to guarantee, or nduces or tends to induce a belief, that the gold or silver with which the article is plated will wear or last for any time whether specified or not;
>
> (b) makes in Canada, sells in Canada, or imports or otherwise brings into Canada any plated article to which any such mark is applied.

My honourable friend (Hon. Mr. Lynch-Staunton) gave as his reason—and I have no doubt that whoever is interested in the passage of this legislation has pointed out—that the superiority, say, of a 10 per cent plated gold chain lies in the fact that it will last for a lifetime, whereas a plated chain of 5 per cent, or 2 per cent, may last but a short while; hence the virtue or the merit of the legislation lies in its quality of wear: if the article itself will wear longer, that is the reason why it should be stamped. The whole policy of the Act is against that, as I have said. Furthermore, subsection b says:

> Makes in Canada, sells in Canada, or import or otherwise bring into Canada any plated article to which any such mark is applied.

If my honourable friend will look at some of the preceding sections of the Act he will find that probably this feature of the Gold and Silver Marking Act is more largely dealt with and elaborated upon than any other feature in the legislation we have upon the statute book. If that be the case, honourable gentlemen will have to consider the whole policy of the Bill. I am not now discussing the question whether it is desirable to depart from that policy or not; but there is the further consideration, which I think it was pointed out at the time we discussed this Bill in the Senate in 1913 and the amending Acts—and I might say, by the way, that very few Bills caused more discussion and controversy—that gold below 9-karat cannot be distributed on plated ware with a degree of accuracy sufficient

to determine the amount or percentage of the gold; that when the minimum point, so to speak, of 9-karat is reached, scientifically or mechanically it cannot go below that point. I may be wrong in that, but I think there was somethig advanced along that line, and that is the reason we stopped at 9-karat. I would further point out for the consideration of the House, and particularly of my honourable friend when he brings the matter up again, the question of the value of stamping plated ware if it has not the sanction of law but is simply made permissive. If it is permissive there is no force of law to it; there is no authority by which the accuracy of the stamping may be determined; there can be no penalty attached to it. Consequently an unscrupulous manufacturer could put his stamp upon an article, although it contained very little gold, showing that it contained the maximum quantity. Who is going to determine that?

Hon. Mr. LYNCH-STAUNTON: That applies in the same way to section 8, which is only permissive.

Hon. Sir JAMES LOUGHEED: That applies to gold articles: of course, that is a different matter. The difference lies in this: that if you are buying a gold article you want to know exactly what gold is in it; but if you are buying a plated article, I doubt if you would think of there being any machinery by which the quantity of gold in it could be determined with exactitude. It might simply be a wash; it might possess a greater or a less quantity; but up to the present, from all I can understand, there is no way of determining.

Hon. Mr. BEAUBIEN: Supposing a manufacturer stamped goods 2 per cent and sold them for 10 per cent, would my honourable colleague think that he would not be responsible to the trade?

Hon. Sir JAMES LOUGHEED: I would not think he would be any more responsible than a man who sold a horse. I think caveat emptor applies in that case as well as in the case of a horse.

Hon. Mr. BEAUBIEN: There is a distinction there: the defect is a hidden one.

Hon. Sir JAMES LOUGHEED: How is my honourable friend going to determine who the manufacturer is? How is he going to determine who stamped the article?

Hon. Mr. LYNCH-STAUNTON: How can he do that under the section now?

Hon. Sir JAMES LOUGHEED: He has an opportunity of determining at once whether or not it is gold. May I say to my honourable friend that that is done under the Trade Mark and Design Act. It must be registered, and it is subject to inspection.

Hon. Mr. LYNCH-STAUNTON: The honourable leader of the Government points out that under section 14, subsection b, it is prohibited to make in Canada, sell in Canada, or import or otherwise bring into Canada, any plated article to which any mark is applied. That is where, to use a street expression, "they put it all over Parliament"; because they know that in the United States and in other countries they are bound to mark their goods. They said, "If we can get that section put in here, it will prevent anyone bringing foreign goods into Canada." That section was not to protect the public at all; they got that put in to prevent importation from foreign countries; and I do not object to that in the least; I think it is a good thing.

Hon. Sir JAMES LOUGHEED: Here is the reason urged in general terms by the Canadian National Jewellers' Association:

> The passage of the proposed amendment would, however, open the door to abuses and fraud of the worst character, as unscrupulous manufacturers and dealers would seize the opportunity to flood the market with gold-filled articles on which the quality mark would be prominent and the quantity mark almost illegible. Manufacturers of gold goods would be peculiarly disadvantaged as the cheaper lines would be sold in many quarters as solid gold, with the karat mark as the lever.

I simply point these matters out, not that I have any strong feeling on the question one way or the other, but because I have no doubt, if the discussion of the matter is adjourned, that by the time we resume it the Jewellers' Association will have an opportunity of presenting their views.

Hon. Mr. LYNCH-STAUNTON: Does the honourable gentleman propose that we should continue in Committee of the Whole?

Hon. Sir JAMES LOUGHEED: My recollection is that the Act of 1913 and the amending Acts were discussed in Committee of the Whole?

Hon. Mr. FOWLER: How are you going to hear the representations of the jewellers? Are you going to call them to the Bar?

Hon. Sir JAMES LOUGHEED: There would be nothing to prevent that.

Hon. Mr. DANDURAND: Why not send it to the Committee on Banking and Commerce?

Hon. Mr. FOWLER: Oh, no, let it drop.

Hon. Sir JAMES LOUGHEED: We might appoint a Select Committee.

Hon. Mr. LYNCH-STAUNTON: I suggest that we appoint a Select Committee. But if the honourable leader of the Government is opposed to it there is no use going on with it.

Hon. Sir JAMES LOUGHEED: I am simply stating the views of the Department of Trade and Commerce, which is charged with the administration of this Act. Representations seem to have been made to that Department as well as to myself, and it seems to me that the promoters of the Bill should take the matter up with the Department of Trade and Commerce, which they have not done.

Progress was reported.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

THURSDAY, April 21, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routines proceedings.

DIVORCE BILLS

FIRST READINGS

Bill F3, an Act for the relief of Joseph Sorton.—Hon. Mr. Proudfoot.

Bill G3, an Act for the relief of Gladys Frances Annie Wheeler Bernard.—Hon. G. V. White.

Bill H3, an Act for the relief of William Carr.—Hon. W. B. Ross.

Bill I3, an Act for the relief of Ada Florence Keenan.—Hon. W. B. Ross.

Bill J3, an Act for the relief of Gertrude May Turner.—Hon. Mr. Gordon.

Bill K3, an Act for the relief of James Henry Bigrow.—Hon. Mr. Gordon.

Bill L3, an Act for the relief of Emelina Dunsmore.—Hon. Mr. Blain.

CANADIAN NATIONAL RAILWAYS

RATES OF PAY—INQUIRY

Hon. Mr. BOSTOCK inquired of the Government:

1. Are the rates of pay on the Canadian National Railways given in the answer brought down to the House of Commons by the Minister of Railways as the rates for the year 1921 the same as the rates of pay that were fixed under the McAdoo award?

2. What is the amount actually paid or due for wages for the first 20 of the most highly paid men on the Canadian National Railways in the following classes:—

(1) Engineers; (2) Firemen; (3) Trainmen; (4) Local Firemen; (5) Yard Foremen; (6) Yard Helpers. Give the amount per month in each case starting from July 1, 1920, up to January 1, 1921, and the total for the six months in each case?

Hon. G. D. ROBERTSON: I can give the information to my honourable friend concerning the first part of his inquiry, wherein he asks if the rates of pay given in the answer brought down in the House of Commons by the Minister of Railways as the rates for the year 1921 are the same rates of pay that were fixed under the McAdoo award. The answer to my honourable friend's inquiry is no.

Hon. Mr. BOSTOCK: Are they an increase?

Hon. Mr. ROBERTSON: The rates of 1921 are higher than those made in the so-called McAdoo award, the increase being a result of the adoption of what is known as the Chicago award of July, 1920.

As to the second part of my honourable friend's question, might I respectfully draw his attention to the fact that there are probably between 60,000 and 70,000 employees on the Canadian National railway system. He asks for information concerning the wages earned by 20 of the highest-paid men in six different branches of the service. To obtain that information would entail a very great deal of inquiry on the part of the railway executive. They would have to inquire of every divisional superintendent over the entire system in order to obtain the facts as to what rates were paid to, or earned by, the employees in all the several classes; then it would be necessary to pick out the 20 highest in the whole system; and, after the information would be obtained, I submit to my honourable friend that it would not mean anything, because in any branch of railway service or any other business activity there are always circumstances arising from time to time whereby one or more employees may earn abnormal or unusual amounts in

a particular month. May I also point out to him that a few days ago the honourable leader of the Government in this House brought down a return showing the average wages of each of the men in the different classes of service to which my honourable friend refers. The obtaining of the information he asks for in the second part of his question would entail a great deal of difficulty and considerable expense.

Hon. Mr. BOSTOCK: May I be allowed to say, in answer to the honourable minister, that I do not want to ask for information that would cause a great deal of expense or trouble. I would, however, like to point out that the answer that was given the other day to the honourable Senator from Montarville (Hon. Mr. Beaubien) referred only, as I understood it, to the men employed in the eastern part of Canada. If I understand rightly, there is a difference between the rate of wages paid in Eastern Canada and the rate paid in Western Canada. There is a division made somewhere about Fort William or Port Arthur, and the western scale applies west of that point and the eastern scale east of it. Possibly my honourable friend could give me an answer showing the different classes of men and the higher rates of wages paid under those two different scales.

Hon. Mr. ROBERTSON: I think information could be obtained readily showing the difference in the rates of pay as between Eastern and Western lines. In the service with which I am personally familiar, the telegraph service, the minimum rate here is $130, and I believe that west of Fort William it is $160 per month for the same class of service. In some of the other branches of the service there is a discrepancy of the same kind, but it is very much less than it was prior to 1918. In days gone by, because of the much higher cost of living in the West, there was a very marked differential; but that has been decreased, and in some cases has been entirely wiped out.

Hon. Mr. BOSTOCK: What I wanted to get was the actual amount paid to individuals in the different classes—first, in the western divisions, and, secondly, in the eastern divisions.

Hon. Mr. ROBERTSON: If my honourable friend insists upon obtaining that information, which will require a perusal of the entire pay-roll, and which would take some time to gather together, I suppose we will have to apply for it.

Hon. Mr. BOSTOCK: If it were only the case of one man in each class, surely that would make quite a difference in the answer—the actual amount, for instance, paid an engineer on a train running into Vancouver.

Hon. Mr. ROBERTSON: Without a survey of the entire pay-roll for engineers it would be quite impossible to locate the engineer who drew the highest pay.

Hon. Mr. BOSTOCK: If I were to change it to the average pay—

Hon. Mr. ROBERTSON: That information has already been brought down.

Hon. Mr. BOSTOCK: That is only for the Eastern part.

Hon. Mr. ROBERTSON: I think there would be no difficulty in getting the information for the Western lines.

Hon. W. B. ROSS: How would it do if the leader of the Opposition got this information for the six highest paid men in one of the divisions instead of in all? I would like to see a statement of the maximum earnings of these six classes of men; but if it is going to entail an enormous amount of labour covering the whole system, I would suggest taking one division only.

Hon. Mr. DANDURAND: Could the honourable gentleman inform the House if any time has been fixed for the maintenance of the rates that are at present in force?

Hon. Mr. ROBERTSON: I think I am correct in stating that the present rates of pay on our Canadian railways are subject to cancellation on 30 days' notice by either party at any time. So far as I know, no steps have been taken by either the companies or the employees to abrogate the existing agreement. I do note in the press, however, that in the United States notice has been given that the existing agreement will expire on July 1 next, and that steps are being taken towards making a new agreement between the railway companies and the employees.

Hon. Mr. DANDURAND: So the Canadian National Railways or the Canadian Pacific Railway could renounce the rates at a certain date without applying to the Railway Board for a revision of the rates.

Hon. Mr. ROBERTSON: The agreements that exist between the railway companies and practically all of their employees are, I think, terminable on 30 days' notice by either party.

COMMERCIAL AGENTS IN FOREIGN COUNTRIES

DISCUSSION AND INQUIRY

Hon. L. O. DAVID rose in accordance with the following notice:

That he will call the attention of the Senate to the desirability of improving our commercial relations with foreign countries, and of increasing the volume of our exports, and inquire whether it is the intention of the Government to appoint commercial agents in the principal centres of the United States and of those countries?

He said: Honourable gentlemen, I wish to explain in a few words the object of my inquiry. My object is not so much to speak myself as to induce some of the other members of this House to express their views on the question, which is one of great importance. It has been said, and I am one of those who have been of this opinion, that the Senate ought not to wait for legislation to come from the House of Commons, but should, in the interest of the country, and in its own interest, discuss questions of great importance in order to demonstrate the usefulness of this House and to maintain its prestige.

I have thought that the question raised by the present inquiry deserved the consideration of this House. The adverse balance of trade, the depreciation of our money in the markets of the United States, and our commercial relations with that country are necessarily causes of anxiety. There is only one opinion as to the necessity of removing the evil done to Canada by that state of things, and all kinds of remedies are suggested to improve the situation. One of the remedies suggested by some eminent public men, such as presidents of banks, and even by the Minister of Finance, is that we should induce our people to discontinue buying in the United States articles which can be bought in Canada. With that purpose they have made eloquent appeals to patriotism and public spirit; but, alas, in matters of trade and commerce sentiment is frequently missing, and self-interest induces people to buy where they can buy cheapest. In the discussion which took place on the motion of the honourable member from De la Durantaye (Hon. Mr. Tessier) as to the carrying of wheat from the Northwestern provinces by Canadian railways and the export of it through Canadian ports, it was stated by several members of this House that that was a matter which was governed not by sentiment but by rates. The same thing can be said of our trade relations; and, despite the patriotic appeals which have been made, our people continue to buy in the United States, and as a result the balance of trade against us continues to increase. What is going on in the world to-day shows that patriotism has lost much of its authority—and I might say the same thing of religion. Both have been excluded more or less by certain associations. We begin to see the results of the exclusion of these two great beneficial factors in human action, and we have not yet seen the worst. We must, then, seek elsewhere for some remedy for the situation.

It has been said that higher duties on articles manufactured in the United States which can be manufactured in Canada would have the effect of decreasing our importations, and improving our commercial and industrial situation. I share that opinion. Honourable gentlemen may remember that I have already expressed my views on that question, and I do not wish to repeat them. This is not the time to discuss the question of the tariff. I intend to-day to limit my observations to the principal object of my motion, and to say briefly that, in my opinion, the appointment of commercial agents in some of the principal centres of Europe and the United States would be highly beneficial to our commercial situation. All the great countries, and especially the United States, have commercial agents; and they consider that the money spent for that purpose is wisely spent and in the best interests of those countries.

It is said that the United States and Canada are so closely connected that our neighbours know exactly what we have and what they can buy in Canada; but, on the other hand, it is alleged, and quite properly so, that a country which is in the beginning of its development cannot do too much to make its resources known and appreciated. There are countries alert to study the requirements of other countries, and to find customers for their products. That is the reason why, as I have said, many countries have commercial agents in other parts of the world.

We have one of the richest countries of the world, and its immense resources are only beginning to be known. A great number of our neighbours, when they visit our country, admit that previously they had not known the abundance and importance of some of those resources, and they express themselves upon them in glowing terms. But there are thousands who do

not come to Canada, or who, if they do, content themselves with casting a cursory glance at the natural beauties of the country or with passing through our principal towns without making any serious investigation. And what I say of our neighbours applies to European people many of whom know nothing about our country. Active and intelligent commercial agents, well provided with maps, statements, and books of information, could do a great deal along the line of expanding our trade with other countries. There is in this House an honourable gentleman who for the last two years has given the greater part of his time and activity to an endeavour to develop our commercial relations with France and other countries. He has organized what are called exhibition trains, which I think are a very good idea, and I hope the honourable gentleman will give us the result of his experience and will give the House the benefit of his opinion as to the appointment of commercial agents not only in the United States but in Europe; and I hope that other honourable members will take part in the discussion of this important question.

Hon. C. P. BEAUBIEN: Honourable gentlemen, I wish to add just a few words to what has been said by the honourable member for Mille Iles (Hon. Mr. David) in support of his motion. I might state at the outset that he does not need to convert the Government or the Department of Trade and Commerce to his idea. I find in the report of the Department dated the 31st March, 1920, the following passage.

> There are yet many fields in which trade commissioners could be established, and it is preferable that representation should be established in a larger number of countries rather than that the total expenditure should be concentrated in a few.

I understand that the policy of the Department of Trade and Commerce is to develop, as time and means will permit, a system of trade representatives throughout Europe. To me this seems absolutely necessary. After all, the expansion of the trade of a nation is similar in many respects to that of an ordinary firm. Would any man think of establishing a business of any importance without making his wares known to those to whom he wishes to sell? The honourable gentleman who has spoken to the motion has stated that I had some little experience through my travels in France. Let me tell you, honourable gentlemen, that in a country which has no doubt its fair share of enlightenment and knowledge I have found the densest ignorance of the resources of our country. I once heard it asserted by the president of a chamber of commerce in a large centre that he learned for the first time that we in Canada had any pulpwood for the manufacture of paper. Prior to the war, honourable gentlemen, every pound of nickel consumed in France was brought from France's immortal enemy, Germany; yet we produce 85 per cent of the total output of the world. Prior to the war every pound of asbestos purchased by France was obtained from Germany; and we produce practically 90 per cent of the world's output.

Honourable gentlemen, if, instead of having, now and then, one trade representative in France, a country with a population of 38,000,000, which last year purchased over $60,000,000 worth of our produce and the year previous over $90,000,000 worth, and the year before that over $210,000,000 worth—if, instead of having there only one representative, with a small office and but limited resources at his disposal, we had at least three representatives, one in the centre, at Lyons, and one at Marseilles, which is among the greatest ports in the world, and if our representatives were well chosen, well qualified, well directed, is it not reasonable to think that Canada would be well advertised all over France, and that France would consider it to her advantage to obtain directly from us those products which we now practically supply to the entire world?

I may add something more. In the selection of Canadian trade representatives I find that small countries, which have done very little business with us, with which we have practically every year an adverse balance of trade, have been favoured. It seems to me that a very careful study should be made of the markets in which we can sell our goods. If at this table were gathered a board of directors of a company desirous of extending their business by ordinary, every-day means, what would they do? They would select the territories wherein their goods could be introduced and their trade developed, and in those territories they would spend money in advertising. It seems to me, honourable gentlemen, that such a policy has not been followed as much as it might have been. There are, I believe, large fields in Europe which are practically unknown to us, which certainly have been entirely neglected by us, and it is high time for us to turn our attention to them. The

best way of doing that would perhaps be to establish therein trade representatives, well qualified, well directed, and, let me add, to render their work effective.

Hon. RAOUL DANDURAND: Honourable gentlemen, I believe that this country can benefit by extending its agencies thoughout a number of countries in which we have no representatives to-day. I know that in the last analysis this is a question of money. If we will vote a sufficiently large sum to the Department of Trade and Commerce, that Department will naturally seek to utilize it. I know that the department has been in the habit of taking a few young men who desired to equip themselves as commercial representatives abroad and giving them inside training for a year or two before sending them out to represent Canada. I am not aware of the number of universities that have opened a special branch to train young men for that work; but I know that for the last seven or eight years the Provincial Government of Quebec has maintained in Montreal a school for higher commercial studies, fully equipped with the necessary number of professors, and that it has drawn young men who had finished their classical studies into that vocation. Until that school was founded, young men in the province of Quebec who had completed their classical course considered only law, medicine, and engineering as openings for their activities. At the inception of this institution it was feared that it might not be patronized, because our young men were accustomed to enter the liberal professions. In the first year only six or seven entered the school. This year there are, I understand, over 330 students taking the course and preparing themselves to take their part in commercial life. Many of the students have found work in the large corporations, because those corporations felt that these young men were specially qualified to enter their higher office staff, in as much as they had the theoretical training.

If the Government of Canada decided, in order to extend our present activities, to employ 10, 20, 25 or 30 more agents, I am sure they would find among those students young men perfectly trained in French and English—and the two languages are of considerable importance in many places outside of Canada—to do that work effectively. I am sure that there are in other provinces institutions of a similar nature.

The time is opportune for Canada to reach out for more trade, as we are now an exporting nation: the proof of this is found in the expansion of our banking institutions. Our large banking institutions are now reaching out into Europe and into South America. I know of one bank, if not two, in Montreal, that give free tuition in Spanish every week to their clerks in order to train a staff that can be sent to South America. Those banks find it profitable to train their staffs in that way, and if the banks find it profitable to expand beyond our own borders, to reach out to the four corners of the world, it follows, I think, that there is trade to be done by Canada with all those countries. For this reason I believe that, although we are passing through difficult times, Canada could well afford to make some monetary sacrifice in order to expand its foreign trade.

Hon. WILLIAM ROCHE: I am very sorry to have to differ in some respects with the gentleman who has just sat down. If commercial relations are to be extended, and if the articles produced in Canada are to be sold in foreign countries, the first to represent those articles and to advocate that trade ought to be a commercial man, a man who is familiar with the articles that are produced in the country and qualified and alert to discover how articles of that kind could be profitably sold and consumed in the various places where they would be placed and where the representative would be authorized to operate. It is quite true that scientific knowledge and abstract academic knowledge would qualify a man to represent the high culture of Canada, but in trade that does not prevail. I see a great obstacle to any expansion of that kind in a poor and comparatively undeveloped country, in the fact that Canada is a country where the highest prices prevail for all articles of export, and it would be very difficult for them to compete with much lower-priced articles from nearer countries. I think the object to be aimed at is to produce articles more cheaply, to obtain means of rapid and cheap conveyance, and also to utilize the practical knowledge of men who have been conversant with either the manufacture of these articles or their sale, in our country and also in foreign parts.

Hon. W. C. EDWARDS: I would like to ask, honourable gentlemen, what does Canada produce that it cannot sell abroad? Personally I do not know. Of Canada's natural resources she can sell everything she produces, and does sell everything.

Hon. Mr. LYNCH-STAUNTON: Cement.

Hon. Mr. EDWARDS: Therefore I do not think that question is involved at all.

My honourable friend (Hon. Mr. Beaubien) speaks of ignorance in France with regard to Canada. I am sorry to say that as great ignorance prevails in Canada as in France with regard to our own country, and it is because of Canadians' ignorance of their own country that Canada is in her present financial difficulties and is burdened with railways as she is to-day. That is the whole cause, honourable gentlemen, and the sooner Canada begins to study herself and know herself the better it will be for Canada.

In manufactured goods this country cannot compete abroad except by selling at a lower price than in Canada. There is not a single article manufactured in Canada that can be sold abroad unless it is sold at a price lower than that at which the article is sold in this country.

Hon. Mr. DANDURAND: Is not that the case in the United States as well?

Hon. Mr. EDWARDS: My honourable friend asks if the situation is not the same in the United States. To a certain extent it is, but not to such an extent as in Canada.

I am in the unfortunate position of not being able to make a speech. I am almost exhausted now. I wish I could, because these questions interest me exceedingly.

My honourable friend referred to the question of exchange. I would invite honourable gentlemen to study the exchange situation between Canada and the United States. From Confederation up to the time of the war, under natural conditions, without borrowing abroad, the exchange was against Canada every year. Then our borrowing abroad adjusted that situation. But it cannot adjust matters to-day. The only period in the history of Canada when the exchange was balanced, and more than balanced, was during the war, because of the high prices of munitions and of our agricultural and other products. But we have now reverted to natural conditions, and, honourable gentlemen, I venture to say that unless Canada economizes, as this cold northern country must necessarily economize, and unless our people work for less pay and longer hours, the exchange will be against us while Canada is Canada. The situation cannot be otherwise. I invite a study of that question. I also implore our Canadian people to study their own country and know themselves. I meet but few Canadians who know much about Canada.

I would not presume to discuss this question as I do but for the fact that I am a lumberman who hungered after timber limits, and I do not hesitate to claim publicly that I have explored more of Northern Canada than any other lumberman in this country, and I know what I am talking about. Climatically, conditions are against us. Geographical conditions are against us. Canada is but a narrow strip, and transportation for everything produced is too costly. Honourable gentlemen, Canada is the most expensive country in the world in which to produce, and the only way you can make existence of any importance at all is to work harder, economize, and work longer hours.

Hon. F. L. BEIQUE: Honourable gentlemen, I am in favour of the appointment of commercial agents in European countries. I do not believe that in the past Canada has done what should have been done in that respect; but I cannot see eye to eye with the honourable gentleman from Mille Iles (Hon. Mr. David) on the present occasion. I do not believe that we need any commercial agents in the United States, and I think it would be money wasted to appoint them. In all important branches of commerce between the two nations, Canadian houses—and I know there are a number—have their own agents and their own offices in New York or some other American city. In the same way American companies have their offices and their agents in Canada when they are interested in doing business in this country. I think at this time especially it would be the wrong policy for us to follow, for two reasons: first, because of the exchange situation, and, secondly, because, by reason of the exchange situation, we are interested in decreasing the amount of our purchases in the United States. Of course, I quite understand that the object of the motion is not to foster purchases, but to foster sales, on the other side of the line. But if there were any necessity for such agents, the agents of the business companies would discharge the function. They would answer inquiries made by one country or the other. For my part, I think what we should be concerned with now, and for a great many years to come, is to diminish our expenditure instead of enlarging it by all kinds of things. We should conserve our finances for essentials.

Hon. A. BOYER: Honourable gentlemen, our old friend from Ottawa (Hon. Mr. Edwards), as he gets younger day by days, does not mend his ways at all. It was just fifty years ago last summer that three young men, full of courage and pluck, and believing in the resources of this Canada of ours, started down the Ottawa river, one with a pickaxe, another with a shovel, and I don't know what the third carried.

Hon. Mr. DANDURAND: A saw.

Hon. Mr. BOYER: Yes, a saw. They canoed or walked down the Ottawa river. Among the three they founded a saw-mill which turned out to be—well, you might call it successful for such a poor country as this; and, after a few years of struggling, one of them retired and, if we can believe history, sold out for seven million dollars. It must have been a mighty poor country to settle in.

I am one who has always believed that Canada is one of the richest countries on the face of the earth, and my reasons for believing that are these. Take our long winters which last for practically seven months. Canada is purely an agricultural country; and a country that will feed the population that it has fed ever since it was founded, an increasing population year by year, is not a poor country. When you have to keep your cattle indoors doing nothing for practicaly seven months, you have to reap enough in three or four months' time to keep your cattle and yourself alive during the winter. Have we ever had a famine in Canada? Have we ever been starved in this country? I remember one time dining with a foreign gentleman who was astounded to find that we had butter on our table three times a day. I was not alone in having butter three times a day; I believe each and every one of us has had as much as he wanted from childhood up. We have never run short of bread; we have never run short of anything; and I say it is wrong to run down this country. What we should do is to boost our country. The more you cry "Hurrah for Canada" the more people will believe in it. The more you boast of your resources, whether they exist or not, the better things will go. That is the way to found a country and a nation. Let those that come into it discover their error; let them try to mend their ways, and say, "We have started on the wrong tack," and then the country will prosper as it has done in the past. There is no other country in the world that can boast of being so plentifully provided for as Canada is, and no people are as cheaply fed as Canadians are to-day. We have gone through four or five years of terrible war; we have had high prices; but we could always get what we wanted provided we had the money to pay for it. How much did we retrench? I know from personal experience that instead of having two eggs for breakfast I had only one, and that is the only economy I could practise; and there were many like me. Let us cry up our country. Let us advertise abroad that we have plenty of good lands for those who are willing to stand the climate. Let us cite the example of those three young men who went down the Ottawa river, and see what kind of men will come into this country. I do not believe in having agents abroad. We had no agents in Rumania, and God knows we made a bad enough bargain with Rumania. We sold goods to the people of that country to the extent of $22,000,000, and we can sell that quantity of goods again to other countries at the same rate and under the same conditions without the help of any agents.

Hon. W. H. BENNETT: I think the honourable gentleman who has introduced this matter to the House is to be congratulated. There is one thing that we can congratulate ourselves upon, and that is the way in which we have come out of the war. We have come out of it better than any other country in the world. Conditions in this country to-day are better than those in any European country, and better even than those of the United States.

The honourable gentleman from Rideau (Hon. Mr. Edwards) has recommended that everyone should travel in this country. The trouble is that everyone is not furnished with a pass, as we are who are fortunate enough to be members of this or the other House.

This country is being advertised and has been advertised by our efforts in the war, and I think that advertising will be productive of a great deal of good. Perhaps one of our troubles is that we do not all know what the Government is doing in the way of advertising. I may mention something for the benefit of any gentlemen who have not visited that interesting exhibit of the Department of Trade and Commerce on Wellington Street, where they produce moving pictures. You may ask what they do with these moving pictures? They have sent men to take pictures in the West on the prairies; they have sent

them into the Niagara district and the fruit districts of British Columbia, both when the trees were in bloom and when the crop was being harvested; and those pictures have been shown not only in Canada and in the United States, but in Australia and Europe. If there ever was a time when every energy of the people and of the Government of Canada should be directed to increasing our trade, it is the present time, because other countries are putting their best foot forward and are doing all in their power to recover from their present attenuated condition.

The honourable gentleman from Rideau (Hon. Mr. Edwards) has referred to the lumber business. I assume that there was never a time when we had greater competition in that business in the European markets. Let me give an instance mentioned to me by a gentleman, a Canadian, engaged in the lumbering business in Russia. It may be all very well for people to work longer and to eat less—I think my honourable friend got that idea a great many years ago from Sir Richard Cartwright—but there are other countries in which the people have to work much harder and eat much less than we in Canada. The gentleman that I have referred to is to-day engaged in lumbering on the Baltic. There stumpage for lumber is cheap; employees are paid 60 cents a day and their board. This gentleman and his associates employ 1,500 men, and, as I was informed, men never worked as hard or as well. It is difficult to get into the European markets. After the war there was a cry that every mill in this country would be working overtime in preparing material for the construction of houses. This prediction looked all very well at the outset, but it did not work out so well in the end. I just mention this to show how keen competition is, and how much harder we must work in order to secure trade with Europe and with other countries. I do not think that the United States is a very fertile field for our products to-day, owing to the fact that there is a heavy tariff against us and that their productions are much akin to ours. But there is one lesson that we can learn from them. The United States has benefited by time and experience, and surely we can do the same.

Only the other day I read an address of the Minister of Agriculture, Hon. Mr. Tolmie, and, as it was in the public press, I have no doubt that other honourable gentlemen have read it as well. He said that British Columbia, once a mass of mountains, is to-day being cultivated as assiduously and keenly in the fertile spots that lie between the mountains as any other place in the world; and he referred to the fact that not only was there to be a huge production of apples, pears, and peaches, but that the people there were looking forward to the production of figs and olives. It has been my pleasure and good fortune to have been in California; and in my opinion if you review the whole United States you will come to the conclusion that no state in the Union is producing more wealth than the state of California. What were great sandy plains are to-day irrigated lands covered with smiling orchards. Some years ago California was undeveloped, and to-day it is the greatest producing country in the world. The production of figs, olives, and olive oil in that state is enormous. May we not hope that British Columbia, with good soil and similar conditions, can do as California has done. If it were not for the drought that seems to be prevailing throughout the world, British Columbia might even go in for grape growing. As for the prairie provinces of the West we have only to wait for the world to get settled down when we will have an ever-increasing flow of immigration year by year from Europe and from the United States.

I am not posing as a know-it-all, but I am going to remind honourable gentlemen of some of the things that we have in this country. Little Switzerland does not live on what it produces in the way of cereals or fruit: it lives on tourists; and Canada can have an enormous trade in that respect. If you go up to Fort McNicoll, the Canadian Pacific Railway Company's depot on the Great Lakes, you will see tourists not only from Great Britain but from France and other countries—and before the war they were to be seen in even greater numbers than to-day—taking the Great Lake steamers on their way to the West and the Orient, by way of Vancouver. They stop at high-priced hotels throughout the country and leave a great deal of money behind them.

In the province of Ontario, by reason of the development of our water powers, we have cheap production, wonderfully cheap production; and the development that has taken place in the province of Quebec is absolutely amazing. I remember some 25 or 27 years ago the members of the two Houses were invited to go on an excursion down to Quebec city. We returned by way of Shawinigan, where the development of

water-power was just commencing at that time. I had the great pleasure of going back there again last summer, and I had almost to ask myself before I could believe it if it was the same place, with its huge pulpwood factory and the other industries that are located there to-day. There were huge piles of paper addressed not only to Toronto, Montreal, and other Canadian cities, but to points in Australia and Europe; and, if I am not mistaken, some of them were addressed even to China and Japan. That is an incentive to us to try to secure export trade. The province of Quebec has made wonderful advances along the line of manufacturing owing to water-power development, and we in Ontario enjoy the same advantage in even greater measure.

The province of Ontario to-day can boast of probably the greatest gold mine the world has ever seen—the mine known as Hollinger. I am told that no other mine in the world has ever produced anything like the quantity of gold that is in prospect in that mine. The production of gold must of necessity enrich us. And the Hollinger mine is not a solitary mine. I could mention many others. Cobalt is not a thing of the past; and development work is going on in the Gowganda district to an almost unlimited extent in silver.

I can only say that I agree with my honourable friend from Rideau (Hon. Mr. Edwards) as to the need for economy. We have engagements by way of interest on railroads and other undertakings that we have got to meet. But, in the meantime, let us strain every nerve to increase the trade of the country to bring in the dollars from outside, because the more dollars that are brought in the better it is going to be for us. The paper business is going to be a wonderful business; the fruit business will develop—and I am reminded by the presence of my honourable friend from Wentworth (Hon. Mr. Smith) that to-day we can go out and almost beat the world in fruit products. I say to the honourable gentleman from Rideau: Have a heart; everything is going to be all right; but at the same time let us economize as much as we can and reach out for the dollars wherever we can.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, my honourable friend from Mille Iles (Mr. David) has directed the attention of the House to the inquiry which is on the Order Paper. The only answer I can give to my honourable friend is this:

> Commercial agencies are established in such foreign countries as seem open to profitable work under present conditions. These will be added to as opportunities open and conditions warrant. The appointment of agents in the United States is under consideration.

May I add a few observations to what has already been said? We are fully agreed upon the fact that the influence, the power, the importance of any country is entirely dependent upon its volume of trade and its commercial status amongst the nations of the world. Unfortunately, it seems to me, for Canada, we are relying very largely upon the machinery of Government for the development of our trade. We have in Canada trade interests which represent probably billions of dollars, and which are the most powerful influence in the country; and yet that enormous influence that enormous power, is practically unorganized and is doing very little for the purpose of making Canada felt as a trade entity throughout the various countries of the world. They are relying very largely upon the machinery of Government, upon what may be done in the Department of Trade and Commerce or some of our other departments, while they themselves are very commendably developing industries as best they know how. But if we could visualize for one moment the entire trade interest of Canada, extending from the Atlantic to the Pacific, being properly organized, we then could very well appreciate the overwhelming effect this enormous trade interest would have in extending the influence of Canada, in developing its trade and in making this country felt in the markets of the world. When one thinks, honourable gentlemen, that the trade interests of Canada are sitting, so to speak, idly by, without conducting a propaganda for the purpose of overcoming the balance of trade which is against us, between Canada and the United States, one really feels a degree of humiliation at the want of enterprise on the part of the trade interests of this country. We are buying from the United States, in round terms, practically a million dollars worth a day more than we are selling to them; yet we are sitting calmly by and permitting this condition to exist, and paying the ruinous rates of exchange which have been facing us since the war. I challenge any of the trade interests of Canada to point to any organized movement which they are promoting for the

purpose of overcoming this difficulty. Yet, honourable gentlemen, the Department of Trade and Commerce, or this Government, with what little machinery we may have in operation, are being relied upon by the enormous influences which I have pointed out, to overcome those disadvantages from which we are suffering every day. I say, honourable gentlemen, it is the duty of the trade interests of Canada to-day to overcome this difficulty. They are disloyal to the best interests of Canada if they sit idly by and permit these abuses to develop which we have been watching patiently for some years past, and I say without hesitation that they should not rely upon paternalism of the Government to overcome the difficulty which I have indicated.

Now, let me point out to you, honourable gentlemen, some items mentioned in a short article which was intended, not to make a deep impression on the public mind, but to illustrate what we are suffering from. This article I noticed some days ago while casually looking over a paper, which is not a trade journal. I refer to Saturday Night, of Toronto. The article stated that we are importing at the present time $24,000,000 worth annually of breadstuffs. Why, we have been under the impression that Canada has been, so to speak, the food basket for this continent. Yet we are importing from the United States annually $24,000,000 worth of foodstuffs. Of eggs we are importing $3,000,000 worth. Of fish we are importing $4,000,000 worth. Why, honourable gentlemen, we have enough fish in the waters of Canada to feed the world. We are importing $4,000,000 worth of ribbons. Of silk we are importing $33,000,000 worth annually. Of woods we are importing nearly $32,000,000 worth annually. Yet the woods of Canada, I might say, are full of wood. My honourable friend from Rideau (Hon. Mr. Edwards) could have given us some information as to that and might have impressed upon the House that we could successfully compete in the markets of the world at least in wood.

Hon. Mr. FOWLER: But those are largely woods that we do not grow, I suppose.

Hon. Sir JAMES LOUGHEED: Precisely; but why should we import, may I ask my honourable friend? Surely we could get along without those expensive woods we are importing from the United States.

Hon. Mr. FOWLER: Well, these buildings are partly the answer to that question.

Hon. Sir JAMES LOUGHEED: Yes; I quite appreciate that my honourable friend is perfectly right. We are importing mahogany and other expensive woods for our dwellings—

Hon. Mr. FOWLER: And chestnut.

Hon. Sir JAMES LOUGHEED:—and other buildings and for our architectural pretensions in Canada; whereas we grow in Canada woods that are sufficiently good for all purposes.

Hon. Mr. BARNARD: Can the honourable gentleman tell us what this wood is in the wall panels?

Hon. Sir JAMES LOUGHEED: That is oak, and I venture to say it is imported from the United States.

Hon. Mr. FOWLER: And this floor, covered with red carpet.

Hon. Sir JAMES LOUGHEED: We were always under the impression, honourable gentlemen, that we could grow in Canada enough vegetables for our needs, but we import over $6,000,000 worth of vegetables annually. Vehicles: go where you will in Canada, from the Atlantic to the Pacific, and you will find large industries engaged in the manufacture of vehicles; but we are importing over $30,000,000 worth annually. Of furs we are importing $9,000,000 worth annually, although Canada is the home of probably the greatest volume of furs that can be found in the world. We are doubtless exporting to the markets of Europe—I cannot say positively the amount, but it is certainly far in excess of what we are importing from the United States. This category might be continued to show the folly of the course that we are pursuing and the fool's paradise in which we are living. Yet we are protesting against the Government for not doing more, and are talking about the grievances by which we are oppressed owing to the rate of exchange between ourselves and the United States. Honourable gentlemen, until Canada embarks upon propaganda to impress its people that we are a self-contained country, that within our boundaries we can produce what we need to live upon, those difficulties will have to be faced.

I am not for one moment saying that we must not trade with the United States. We must trade with the United States. The fact of the matter is that our balance of trade with the entire world is in our favor,

but the balance of trade so far as the United States is concerned is absolutely against us, and until we overcome that adverse balance of trade Canada will be a hewer of wood and a drawer of water, and it is for the loyal people of Canada to protest against the continuance of this kind of thing and to rise in their might determined that they shall build up for themselves, within their own boundaries, a trade by which this adverse balance will be overcome and there will be an equilibrium of trade, to say the least, between Canada and the United States. Canada can do this. I pointed out a few moments ago the enormous influence represented in Canada by its trade interests; and when you take into consideration, honourable gentlemen, that by our part in the war we established in the eyes of the world a reputation for enterprise and energy that is not paralleled on the part of any of our allies, to say that we should sit idly by and permit this balance of trade between ourselves and the United States to overwhelm us is not worthy of a Canadian.

Hon. GEORGE McHUGH: May I ask the honourable gentleman a question? He gives the amount of breadstuffs that we imported from the United States into Canada. Could he give us the amount of breadstuffs we exported from Canada into the United States, also the amount of furs we exported, and the amount of vegetables exported, in order that we might see how the balance of trade in those lines would stand?

Hon. Sir JAMES LOUGHEED: I would point out to my honourable friend that that will not overcome the difficulty. If we continue buying from the United States a million dollars worth a day more than we are selling them this difficulty will continue.

Hon. Mr. McHUGH: But it is not in those articles that the honourable gentleman has mentioned.

The discussion concluded.

EMPLOYMENT OFFICES IN NOVA SCOTIA

INQUIRY

Hon. Mr. TANNER moved:

That an order of the Senate do issue for a Return showing:

1. The names and addresses of persons in charge of employment offices in Nova Scotia.
2. The salary of each; and amount paid to each to date.
3. The persons by whom such employment officers were selected or appointed.
4. The references as to qualifications and character furnished by each employment officer, and the names and addresses of all persons who recommended each of said employment officers.

Hon. G. D. ROBERTSON: May I point out to the honourable member from Pictou that it is scarcely necessary to pass a motion for a return, because I can give him the information now if he desires it, and this would avoid the delay that would be necessarily entailed if a return were to be brought down. If the honourable member is willing to accept the information now, instead of asking for an order for a return, I am prepared to give it to him.

Hon. Mr. TANNER: That would be quite satisfactory to me.

Hon. Mr. ROBERTSON:

1. C. J. Cotter, Halifax; James Watling, Amherst; R. J. Ingraham, Sydney; Warren Jollymore, New Glasgow.
2. (a) C. J. Cotter, $1,800; James Watling, $1,500; R. J. Ingraham, $1,500; Warren Jollymore, $1,500.
   (b) No information.

Note.—The officers in question are appointed and their salaries paid by the Provincial Government, fifty per cent of the expenditure being met by the Dominion Government, under the terms of the Employment Offices Co-ordination Act. With reference to the latter portion of question No. 2, the provincial accounts covering the latest quarter are not to hand and precise information is therefore not available.

3. Answered by reply to No. 2.
4. No information.

CURRENCY BILL

FIRST READING

Bill 78, an Act to amend The Currency Act, 1910.—Hon. Sir James Lougheed.

WEST INDIES TRADE AGREEMENT BILL

FIRST READING

Bill 59, an Act respecting a certain agreement between Canada and certain of His Majesty's colonies in the West Indies. —Hon. Sir James Lougheed.

MONTREAL HARBOUR COMMISSIONERS BILL

FIRST READING

Bill 77, an Act to extend the time for the payment of certain debentures issued by the Harbour Commissioners of Montreal.—Hon. Sir James Lougheed.

THE NEW ONE-CENT COINS

On the Orders of the Day:

Hon. Mr. BOYER: Before the Orders of the Day are called, may I ask the honourable leader of the Government, with reference to the amendment of the Currency Act, if he could not have a few sample coins brought here, so that we could see what we are doing. He might have a few pieces fastened to the table. So far as I can see, the new one-cent piece is of exactly the same size as the ten-cent piece. It would not cost much to have a sample or two, in order that we might see what the coins looked like.

Hon. Sir JAMES LOUGHEED: Do you think it would be safe?

Hon. Mr. DANDURAND: That new cent, while not exactly the size of a ten-cent piece, is so near it that one is often unable by touch to tell the difference, and I have heard many complaints. If we had had the samples before us we would have suggested that it be made just a shade larger.

Hon. Sir JAMES LOUGHEED: I think it will be safe to bring a few of them down.

DIVORCE BILL

THIRD READING

Bill V2, an Act for the relief of Fergus McKee.—Hon. Mr. Bennett.

CANADIAN NATIONALS BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 17, an Act to define Canadian Nationals, and to provide for the Renunciation of Canadian Nationality.

He said: Honourable gentlemen, this Bill consists of two sections—one dealing with the defiinition of Canada Nationals, and the other making provision for the renunciation of Canadian nationality. We have entered into the League of Nations, which, as honourable gentlemen know, is constituted of most of the nations of the world. Terms are used that must necessarily be made common to all the members of the League. This term "Nationals" has been used, and, inasmuch as there are certain rights and privileges growing out of membership in the League, it is very desirable that there should be a clearly-defined interpretation placed upon the terms that are used in the League. Hence it is desirable that we should legislate upon this subject.

We have upon our statute book two laws, the Immigration Act and the Naturalization Act, which deal with citizenship, or practically the term that is before us; but there is no definition given to this particular term in those Acts. This definition is peculiarly needful owing to the many self-governing entities which make up the British Empire and which have the right to legislate upon these questions. Without the definition there might be confusion, and it has been thought desirable to legislate as proposed in the Bill.

I may explain to honourable gentlemen that this in no way cuts down or invades the citizenship rights of a British subject. It simply defines what shall constitute a Canadian National, in the event of the question arising in connection with the League.

Hon. Mr. TURRIFF: Would it not be more suitable if that definition were put in as an amendment to the Immigration Act or to the Naturalization Act?

Hon. Sir JAMES LOUGHEED: No; because it has not necessarily to do with the Immigration Act. That is to say, the Immigration Act deals with the subject of immigration, and the definition placed in that Act upon citizenship has to do only and entirely with the question of immigration. This definition deals with an entirely different subject, and to embody it in another Act might lead to confusion. My honourable friend might suggest—and it would be more pertinent—that the Naturalization Act should be amended.

Hon. Mr. TURRIFF: Yes.

Hon. Sir JAMES LOUGHEED: But that Act has to do with an entirely different subject from this. This is practically a new subject that has arisen from the League of Nations; it is therefore desirable that it should stand by itself.

Hon. Mr. LYNCH-STAUNTON: Does this amendment in any way affect the question of the deportation of undesirables?

Hon. Sir JAMES LOUGHEED: No; it in no way affects the Immigration Act.

Hon. Mr. BOSTOCK: Honourable gentlemen, it is somewhat difficult to understand exactly what is the meaning of a Canadian National. I noticed in reading the discussion that took place in another chamber that apparently no very definite conclusion was reached as to what was really meant by this term. I do not think that the members of this House wish to

oppose the principle of the Bill if the Government think it necessary to define the term in this way for the purpose of dealing with the question which apparently has been raised by the Treaty; but I hope that when we go into Committee my honourable friend will be able to give us a full explanation of what really constitutes a Canadian National and what are his rights.

Hon. Mr. LYNCH-STAUNTON: And why.

Hon. Mr. DANDURAND: There was a time, honourable gentlemen, when there were to be found in Canada men who thought they possessed Canadian nationality, or citizenship, because they had obtained naturalization papers under a Canadian Federal Act. I recall the case of prominent Americans who came here and renounced their United States nationality to adopt another nationality called the Canadian. It was found that on leaving Canada they were nationals, or citizens, of no country at all. Our Naturalization Act did not give to those gentlemen any status in the outside world. When they travelled outside of Canada they were disowned by American consuls and ambassadors; yet they were not recognized by British representatives abroad. They had an acquired nationality only when they were within Canada. Without mentioning names, I will simply draw the attention of the Chamber to very prominent men who came from the United States to develop our railway systems. If in the past we have had Canadians who were nothing outside of Canada, we shall henceforth have in Canada Canadians who will be known by many different names: there is the Canadian citizen under the Immigration Act; there will be under this Act the Canadian National; there will be the British Canadian. Under the Census Act we are not Canadians; we are British Canadians, or English Canadians, or Scotch Canadians, or French Canadians. In the census that was taken last there was no column for Canadians; they were non-existent; we were anything but Canadians. Under the Census Act, if I remember rightly, we were obliged to say where our parents came from, in order that we might be described. But now, as I say, we have Canadian citizens, we have Canadian Nationals, and we have Britishers pure and simple, who, roaming about the Dominions, feel at home and call themselves British; and there are some among us who think themselves Canadians. I wonder if we could not simplify the situation considerably by defining a Canadian. My honourable friend may be able now to explain to me the necessity of defining a Canadian National. When I attend the League of Nations shall I be obliged to say, if I am asked what I am, or from what country I come, "I am a Canadian National?" I confess I would prefer to say simply, "I am a Canadian." Will not this Act preclude me from calling myself a Canadian if by this Act the official definition of what I am is a "Canadian National?"

Hon. SIR JAMES LOUGHEED: It is wonderful the difficulties against which my honourable friend has been struggling for years past. I wonder that he has flourished so prosperously as he has done. He seems to have entirely overlooked the fact that we have departed from the Naturalization Act which we had on the statute book some years ago.

Hon. Mr. DANDURAND: I know that.

Hon. Sir JAMES LOUGHEED: And the difficulties which he has so graphically pointed out have been overcome by the Naturalization Act which is in operation throughout the Empire. Of course, it must have been quite apparent to my honourable friend that until that Act was passed we would have had no authority to pass legislation which would give effect to naturalization outside of Canada. But, as my honourable friend very well knows, that difficulty, about which he has said nothing, has been overcome long ago.

Hon. Mr. ROCHE: Honourable gentlemen, I think the honourable Minister in his explanation might have assured us whether the purpose of this Bill was to expand or to restrict the present regulations concerning naturalization in Canada, and especially with regard to its effect upon citizens of foreign nations who may wish to make their domicile in Canada. I do not know what this will effect. Lately Great Britain has entered into relations with foreign countries under the League of Nations. If there is anything in this Act that would restrict the privileges or rights of citizens of foreign countries, partakers in the League with Great Britain, they would immediately call upon Great Britain as being allies under the League of Nations to control and restrain the Act of the Dominion Parliament so that all those would have access to the dependencies or colonies of Great Britain, and, under the League of Nations, they being allies, they

would be entitled to the very best treatment. If there were any Acts of ours to restrict those rights or privileges, Great Britain would be called upon to restrict those Acts.

Hon. Mr. LYNCH-STAUNTON: Before this Bill passes, may I ask what is a "Canadian National?"

Hon. Sir JAMES LOUGHEED: It has grown out of the use in the treaty of the term "Nationals." My honourable friend's attention must have been directed to that. Consequently it becomes necessary for us to define what a "National" is. It is necessary for Canada, it will be necessary for Australia, and it may be necessary for all countries which are members of the League, to do this. It is simply owing to the use of a word which will be applied in common by all the members of the League. It is apparent that it is very desirable to do that. We have adhered as strongly as possible to the substance of what has always constituted British citizenship in Canada. There is no distinction; it does not create a new status of citizenship.

Hon. Mr. LYNCH-STAUNTON: Is a similar Act being passed by the other Dominions?

Hon. Sir JAMES LOUGHEED: I could not say; but I should think it would be desirable on account of the use of the term. Let me illustrate. My honourable friend has been following the deliberations of the League of Nations. He will observe at the present time, for instance, that there is being discussed the organization of a Court of International Justice, and provision has been made in the constitution of that Court that any member of the League may have one of its own representatives a member of that Court. The word "National" is used. The question then might arise, in the election of a member who would be entitled to sit on that Court, as to whether he would come within the term "National." For instance, you could not take the term "Canadian citizen under the Immigration Act" and say that he would possess all the qualifications of British citizenship necessary for that office, because a restricted meaning is given to the term in certain statutes which have in view a particular object. Possibly if we slumber on it we may be able to make it more illuminating.

Hon. Mr. DANDURAND: I would ask my honourable friend to be prepared to give us, when we go into Committee, the distinction between a Canadian citizen and a Canadian subject.

Hon. Sir JAMES LOUGHEED: It will depend upon the statute that uses the term.

Hon. Mr. DANDURAND: I once suggested to a very prominent American who had many dealings in Canada that he should take Canadian nationality, as he had thrown in his lot with us. He struck an attitude and said, "Abandon my American citizenship to become a subject?" and he said it with such an appearance of indignation that I began to pinch myself to see to what extent I felt my enslavement, and I had to explain that it was but a term, a form of speech, and that I was as proud of my Canadian citizenship as he was of his American citizenship. But I find that we have moved away from subjection to become Canadian citizens according to the Act.

The motion was agreed to, and the Bill was read the second time.

CORRUPT PRACTICES AT ELECTIONS BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 39, an Act to amend the Statutes relating to Corrupt Practices at Elections.

He said: Honourable gentlemen, this is a Bill we probably all understand: it deals with corrupt practices.

Hon. Mr. DANDURAND: Will the people who offer for election?

Hon. Sir JAMES LOUGHEED: We have two statutes which practically deal with elections—the Dominion Elections Act and the Dominion Controverted Elections Act; and owing to a conflict of the terms used in these Acts it has been thought desirable to reconcile them as far as possible so as to include in the Controverted Elections Act the term "illegal practices" which has been used in the Dominion Elections Act. The term "corrupt practices" has been used in the Controverted Elections Act, and the consequence is that conflict might arise in legal minds in the event of any question being raised which would permit of that.

The other sections of the Bill deal largely with procedure, and it is unnecessary for me to deal with them in detail. It may be appropriate for me to say that this Bill,

having come from the Commons, and having passed through the hands of the members of that chamber who are very closely in touch with the operations of these Acts, I think we can rely absolutely upon the scrutiny which they have given to the provisions of the Bill.

Hon. Mr. BOSTOCK: Is there the same penalty for a "corrupt practice" as for an "illegal practice"?

Hon. Sir JAMES LOUGHEED: I cannot say. I do not know whether the one is as heinous as the other; I think they are practically synonymous.

Hon. Mr. BOSTOCK: Perhaps my honourable friend will be able to tell us when we go into committee.

The motion was agreed to, and the Bill was read the second time.

JUDGES BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 60, an Act to amend the Judges Act.

He said: Honourable gentlemen, this is a Bill consisting of three clauses. The first has to do with the exemption from taxation of the Chief Justice of the Supreme Court up to the amount mentioned within the clause. It will be recalled that at the last Session of Parliament, I think it was, we amended the Judges Act, making certain of the judges' salaries liable to income tax. But, in dealing with the salary of the Chief Justice, apparently the salary which he was then receiving became liable to income tax, which it should not have done. Furthermore, the $5,000 which the Deputy Governor has received in the past, and which is now added to the salary of the Chief Justice of the Supreme Court, would have become liable to the tax. The question arose as to whether or not it was susceptible to that tax. Apparently the House of Commons has drawn a distinction between the salary of $10,000 which the Chief Justice formerly received, making that exempt from the application of the tax, and the $5,000, which apparently was made liable to the tax. When the Bill was first brought into the House of Commons it evidently exempted the whole; but, owing to a discussion that took place in that Chamber, the amount of $5,000 was separated from the other amount. Inasmuch as this is peculiarly a money Bill, and therefore within the authority of the House of Commons, we find ourselves without any authority to amend it even though we may consider that an injustice is being done to the Chief Justice by making the $5,000 susceptible to taxation.

Hon. Mr. SCHAFFNER: Why is there an exception made in the case of the Chief Justice?

Hon. Sir JAMES LOUGHEED: The situation, I would say, is this: that the only amount taxable in the case of the other judges would be the increase over their former salaries. I think I am correct in saying that the Act of last Session provided that any judges appointed after the passage of that Act would be subject to income tax on their salaries; but, inasmuch as the former salaries were exempt, the judges then appointed had something in the nature of a vested right. But the additional salary is liable to the tax.

Hon. Mr. FOWLER: I thought the income tax was based upon the whole salary; that is, that if a judge accepted the increased salary, he accepted it subject to the condition that he must pay a tax on the whole salary.

Hon. Sir JAMES LOUGHEED: I understand the contrary to be the case.

Hon. Mr. FOWLER: That is the way the matter was explained: that is, if a judge were to accept $2,000 or $3,000 extra he must pay income tax on the whole amount. I do not see why he should not. Members of the highest court in the land pay a tax on their income.

Hon. Sir JAMES LOUGHEED: We need not discuss the question of what the law is, because it will be apparent from last Session's statute. My impression is that it is only on the increase that a judge pays, but that all the judges appointed after the passage of that Act accept appointment subject to the income tax.

Hon. Mr. FOSTER: I understand that the tax upon this $5,000 is put upon this judge as exercising functions entirely outside of his duties as a judge—acting as the representative of the Governor General. Is not that it?

Hon. Sir JAMES LOUGHEED: The explanation, so far as I can gather it, is this, that the Chief Justice of the Supreme Court for many years past has acted as Deputy Governor and has been entitled to $5,000 by reason of that. The impression did exist that that $5,000 was not subject to income tax, but upon the matter being brought before the House of Commons and

further inquiry being made, I understand that an opinion was given, which was accepted by the House, that that $5,000 had always been subject to the tax. Consequently the House of Commons said: "That being the case, we will not exempt it."

Hon. Mr. DANDURAND: Will you allow me, honourable gentlemen, to give my explanation? I happened to open Hansard, and I never enjoyed myself so much before as in reading the whole debate, inasmuch as the Minister of Justice had to give an explanation, somewhat elaborate, at least twenty times. It was not a very easy thing to explain. As soon as he had given an explanation, another member would come in and say: "I was not present: would the honourable gentleman repeat it?" And they kept him for two hours repeating the explanation that he had originally given.

The explanation, if I may try my hand at it, is this. The judges were appointed with fixed salaries, which could not be touched by law. The Minister of Justice says that was a contract between the country and the judges that their salaries were to be so much and no deductions could be made by future legislation. Now, we increased their salaries and said to them: "If you accept that increase, you must stand the tax on your whole salary."

Mon. Mr. FOWLER: That is it.

Hon. Mr. DANDURAND: I think that all of them, considering it to their advantage, accepted the large increase, and became subject to the income tax. The Chief Justice was then in receipt of $10,000 as Chief Justice and of a bonus, or call it what you will, of $5,000 for acting as Deputy Governor General. The Act increasing the salaries of the judiciary declared at the same time that the salary of the Chief Justice should be $15,000, equalling the $10,000 and the $5,000 that he was receiving. Instead of receiving $5,000 as Deputy Governor, he was to have that amount added to his salary and henceforth to receive a salary of $15,000. We do not call it a salary in the case of a judge—

Hon. Sir JAMES LOUGHEED: It is a salary.

Hon. Mr. BEAUBIEN: A stipend.

Hon. Mr. DANDURAND: A stipend.

Hon. Mr. FOWLER: Emolument.

Hon. Mr. DANDURAND: Emolument.

Hon. Sir JAMES LOUGHEED: Oh, call it a salary.

Hon. Mr. DANDURAND: And the Chief Justice was made subject to the condition imposed on the other judges, that if they wanted the increase in their salaries they would have to stand the income tax. That condition was imposed upon him although he represented to the Minister of Justice, the day after the Act was passed, that he was receiving no increase. He had been receiving $10,000 as Chief Justice and $5,000 as Deputy Governor: the $5,000 was withdrawn from him as Deputy Governor and tacked on his salary as Chief Justice. He said: "It is not fair to deduct anything from my $15,000 by way of income tax, since in reality you are giving me no increase."

Hon. Mr. LYNCH-STAUNTON: Yes, I see his point.

Hon. Mr. DANDURAND: Hence this Bill.

Hon. Mr. SCHAFFNER: My understanding of this Bill is about what the honourable gentleman (Hon. Mr. Dandurand) has said. I think the explanation given to the other House as to why the Chief Justice should be exempt from income tax while the other judges have to pay the tax was that the salary, or whatever you may call it, of the Chief Justice was not increased.

Hon. Mr. DANDURAND: Was not increased in reality, because he had been receiving $5,000 under that other head.

Hon. Mr. LYNCH-STAUNTON: He got no more money.

Hon. W. B. ROSS: Perhaps the Chamber would bear with me if I tried an explanation. As I understand it, the salary of the Chief Justice was $12,000. That salary, as has been said, was not really increased. The statute said it should be increased to $15,000, but that was done by taking away what was formerly paid to him for acting as Deputy Governor General. Now, the complaint on the part of the Chief Justice is that he did not get any increase at all in substance; the difference was merely in the working of the statute. Now he says: "Put this payment back as it was and leave my salary at $12,000." That $12,000 is exempt from income tax, because the statute provided that when we increased the salaries of the judges they should elect either to take the increase and pay income tax on their whole salary, or else within

three months give notice that they would not accept the increase, but would continue under their old salary.

Hon. Mr. BOSTOCK: Without paying income tax.

Hon. W. B. ROSS: It was free from income tax. The case for the Chief Justice, as stated by the honourable member who has just sat down, is that his salary was not increased. It was $12,000. Now, the only other question is whether or not it is fair that the Chief Justice should have the allowance for his extra-judicial duties; but that, as I understand, is to be subject to the income tax. This measure would leave the Chief Justice in the position of a judge who has not had his salary increased.

Hon. Mr. BOSTOCK: According to the honourable gentleman, the Chief Justice would then receive $17,000 a year, would he not?

Hon. Mr. McMEANS: He was getting only $10,000.

Hon. Sir JAMES LOUGHEED: He was getting $10,000, not $12,000.

May I say to the honourable member for Kings and Albert (Hon. Mr. Fowler) that he is perfectly right. I was wrong in the contention I made as to the increased salary alone being susceptible to the tax. If the judge elects to accept the increased salary, it becomes in its entirety liable to the tax.

Hon. W. B. ROSS: The matter is a little mixed yet. I wish to give notice of an amendment that I propose should be added. It is an amendment to the main Act and not to the Bill that is immediately before you. The Act we are dealing with, the Judges Act, is chapter 56 of the Statutes of 1920. Section 12 of that Act provides, in subsection 2, that every judge who is nominated by the Governor General in Council and assigned to try any matter shall proceed to do so. I will read the subsection:

> Every judge who may be nominated for the purpose by the Governor in Council shall execute without additional remuneration any commission or enquiry for which he may be appointed as commissioner under any authority in that behalf . . . .

I propose to strike out the words "or the Lieutenant Governor in Council." The judges are appointed by the Dominion. They are used by the provincial government to investigate all kinds of subjects, including road scandals and things of that kind. You have timber limit scandals, I think, in Ontario, and there is a very dirty road scandal in the province of Nova Scotia. I know that so far as the Nova Scotia judges are concerned, they complain of this work which is assigned to them and which is intensely political. They feel that to compel them to try such matters is simply doing two things: it is taking them away from the regular duties of the Courts, and, besides that, it is involving them in political squabbles. They are Dominion judges, and I think that the sooner the provincial governments arrange for commissions of their own to try those matters the better for our courts, because I am perfectly satisfied myself that public confidence in the courts is daily being weakened on account of taking the judges to deal with those matters that are not part of the regular work of their courts at all. It is quite possible for the provincial authorities to get good commissioners without using the judges. I do not want to enter into any lengthy dissertation, because I think every member of this House realizes quite as well as I do the great importance of every one in the country feeling that the judges are impartial and not involved in any of the political squabbles within the country.

Hon. Mr. DANDURAND: Was not this amendment which the honourable gentleman intends to move carried by this Chamber before?

Hon. W. B. ROSS: No; I am going to propose it now.

Hon. Mr. DANDURAND: But was not a similar amendment moved last year?

Hon. Mr. POWER: There was a statute passed last year.

Hon. W. B. ROSS: Oh, we had last year a Bill which was thrown out. Under the Bill of last year all the judges were to be prevented from being used on commissions at all. The Bill of last year was wider than this proposed amendment. My objection to judges acting on commissions, whether they are appointed by the Governor in Council or by the Lieutenant Governor in Council, still remains; but this amendment does not go so far as last year's Bill went, because it still leaves the appointment of judges as commissioners in the hands of the Governor General in Council.

Hon. Mr. FOWLER: Is the honourable gentleman trying to have the Act of last year limited?

Hon. W. B. ROSS: Yes; I am proposing that half of the subsection should be cut out. I would like to see it all cut out, but I know I cannot get that done, because there are certain reasons given why the Governor General in Council should have the right to appoint judges on commissions. Judges are appointed to act as arbitrators in labour disputes, and we are told that labour will not accept as a referee or umpire anyone but a judge.

Hon. Mr. McMEANS: If that amendment should pass, it would not prohibit judges from being appointed commissioners by provincial governments. It merely says, as I understand it, that they are not compelled to accept the commissions; but they could accept the work and be paid for it. There is nothing in the Act to prevent the judges being appointed commissioners by provincial governments.

Hon. W. B. ROSS: As a matter of fact, I know of judges who were asked to act as commissioners when commissioners were highly paid, and who refused to do so at that time, and it is on record that they refused. The statute which we passed last year gives them no remuneration; but that is not the complaint: they complain that they are asked to leave their regular duties and engage in what is really a political squabble—that their influence in the country is lessened and the work of the courts obstructed.

Hon. Mr. McMEANS: But will the honourable gentleman's amendment stop that?

Hon. W. B. ROSS: It will do it in this way, that it will enable a judge to decline to accept a commission from the Provincial Government. Take the last commission appointed in Nova Scotia: a judge of the Supreme Court was told by the Provincial Government, "You have no choice; the statute says that you shall do it."

Hon. Mr. McMEANS: There is just one thing that I do not quite understand in it—

Hon. Mr. BOSTOCK: I do not want to interrupt the honourable gentleman, but this is all very irregular. I think the honourable gentleman from Middleton (Hon. W. B. Ross has given this as a notice of motion, and we had better discuss it when it is moved.

Hon. Mr. McMEANS: The honourable gentleman's amendment, as I understand it—if I may be permitted to say so—means merely that the judge cannot be compelled to sit on a provincial commission; but if he is appointed it is his duty to say whether he will sit or not. If he accepts the appointment, I presume he will receive extra pay, and that is where the trouble always came in before, with regard to the judges sitting on political commissions.

Hon. Mr. DAVID: Just one remark. I want to put a question to the honourable gentleman from Middleton. Under a statute of the province of Quebec 25 persons may apply to a judge for an investigation in municipal matters, and there have been cases in which this statute was put into operation with good effect. If the amendment proposed by the honourable member is adopted, shall we in the province of Quebec be able to put that statute in operation?

Hon. W. B. ROSS: What can be done in the province of Quebec, and in the other provinces, if desired, is to arrange that any dispute between municipalities may be taken into the regular courts. A petition could be filed, and it could be answered, and then the matter could be determined by the judges, just as they happen to come to the case. It might be the Chief Justice, or it might be a puisné judge. However, if this proposed amendment passes, the provincial government of the day will not have the right to tell a judge on the Bench to go out to some district in the country and investigate some politcal squabble out there. But there is no difficulty in arranging for those disputes of which the honourable gentleman speaks, because this amendment would not prevent the judge from acting; it would leave him entirely free to carry out the regular duties of his office.

The honourable gentleman from Winnipeg (Hon. Mr. McMeans) asked a question. There is an older statute than this which prohibits a judge from going outside of his regular work. If this amendment passes, it will be correct to say that he could not take the commission.

Hon. Mr. McMEANS: But judges have been doing it, even in spite of the Act.

Hon. W. B. ROSS: But the old Act allowed the Governor in Council to appoint them.

Hon. Mr. FOWLER: I would like to ask the honourable gentleman if he is quite

sure that his amendment is in order. It does not seem to be an amendment to the Bill before us.

Hon. W. B. ROSS: It is an amendment to the Act. I understand the objection of my honourable friend; but the rule which prevails in the English House has never been acted upon in this House. I have raised the same objection several times and have got sat upon.

Hon. Sir JAMES LOUGHEED: I may say to honourable gentlemen that there are two other sections of the Bill which I had intended explaining to the House; but honourable gentlemen were so voracious to enter upon a discussion of the salary of the Chief Justice that I did not get an opportunity. I can assure honourable gentlemen that the other two sections are very good legislation.

Hon. Mr. FOWLER: I agree with one of these sections. Section 3 says in part:

> In the province of Nova Scotia no judge of the Supreme Court shall receive any travelling allowance for courts or chambers held at the city of Halifax.

That is all right. Then it goes on to say:

> In the province of New Brunswick no judge of the Supreme Court shall receive any travelling allowance for courts or chambers held at either one of the cities of Fredericton or St. John unless he resides at the other of the said cities or in the immediate vicinity thereof.

This interferes with the judge who resides in the city of Moncton. Moncton is, as perhaps all honourable gentlemen know, the second city in importance in the province of New Brunswick. It is a thriving and growing city, and a great deal of legal business is done there, and there is a judge of the Supreme Court who, since his appointment, has lived there. Under the regulations, chambers must be held in Moncton by a Supreme Court judge one day in the week. It will add nothing to the cost to the country to allow the judge to remain in Moncton. If this is not done he will be compelled to move to St. John, and then the St. John judge will have to go to Moncton. There is another judge who resides in Sussex, and while it is a very thriving town it is not of such proportions as to require the presence of a Supreme Court judge.

Hon. Sir JAMES LOUGHEED: Is there anyone here from Sussex?

Hon. Mr. FOWLER: I am here from Sussex. As I say, Sussex is not of such proportions as to require the presence of a Supreme Court judge, and I have a general idea that the cost of that privilege in the past was altogether too much, and I am very glad to see that it is being done away with. But with regard to the Moncton matter, I would be glad to have the Bill stand until I may have an opportunity of discussing it with the Minister of Justice.

Hon. Sir JAMES LOUGHEED: I shall be very glad to let it stand in Committee.

Hon. Mr. FOWLER: I will not be here next week.

Hon. Mr. BENNETT: To eliminate the flavour of political patronage, I think that the selection of the judges who will take these commissions should be made by the Chief Justice of the province or the judges of the province. In the province of Ontario there are two divisions of the Supreme Court—the Appellate division and the Surrogate division. It may be that through illness there is a scarcity of judges in one division, and the Chief Justice could make a selection of a judge for commissioner which would be most convenient.

Hon. Sir JAMES LOUGHEED: When the Bill comes up in Committee we can consider that point.

Hon. Mr. WILLOUGHBY: Owing to the sitting of a Committee, I have not been present during the discussion on this Bill; but I am interested in it and would like to have an opportunity of discussing it freely.

Hon. Mr. McMEANS: Why is this provision limited to the judges of the Court of Appeal or of the Court of King's Bench? Should not the County Court judges be included?

Hon. Sir JAMES LOUGHEED: That will be a very pertinent question when the Bill comes before Committee.

Hon. Mr. FOWLER: The County Court judges are local judges.

The motion was agreed to, and the Bill was read the second time.

ST. JOHN AND QUEBEC RAILWAY BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the Second Reading of Bill 71, an Act to authorize an extension of time for the

completion of the St. John and Quebec Railway between Centreville, in the County of Carleton, and Andover, in the County of Victoria, N.B.

He said: Honourable gentlemen, this Bill deals with a railway known as the St. John and Quebec railway, an undertaking which is being carried out by the Government of the province of New Brunswick. The construction of the road was planned in three sections, and I understand two of the sections have been completed. This is to permit of an extension of time being granted to the Company to build the section which runs from Andover in the County of Victoria to Centreville in the County of Carleton.

Hon. Mr. DANDURAND: Is this presented as a Public Bill or a Private Bill?

Hon. Sir JAMES LOUGHEED: It is in the nature, practically, of a Public Bill. The Government has assumed to look after the legislation on account of the work being done at the instance of the province of New Brunswick.

Hon. Mr. BOSTOCK: The Government is operating the road?

Hon. Sir JAMES LOUGHEED: The Government is operating such sections of the road as have been finished, under an agreement entered into between the two Governments.

The motion was agreed to, and the Bill was read the second time.

WINDING-UP BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 72, an Act to amend the Winding-up Act.

He said: Honourable gentlemen, the object of this Bill is to throw certain duties upon the liquidator. The first clause makes it obligatory for the liquidator to prepare within sixty days after his appointment a statement of the assets, debts, and liabilities of the company, and of the value of such assets as shown by his books and records. Under the present law, I understand, there is no limitation fixed, and it is thought desirable to fix a limitation.

The next section casts upon the liquidator the duty of reporting to the Dominion Statistician the information set out in paragraphs a, b, c, and d, with a view of furnishing the public with statistics attending the winding-up of companies, which may be of benefit to those who are more or less interested in that class of business.

The motion was agreed to, and the Bill was read the second time.

CANADIAN WHEAT BOARD BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 75, an Act concerning the Canadian Wheat Board.

He said: As honourable gentlemen are aware, we by legislation some time ago instituted what is known as the Canadian Wheat Board; and in November, 1919, by legislation, we extended the time for the completion of the duties of that Board some eighteen months, I think. It is now desirable that the time should be further extended to permit of the Board completing its duties. As honourable gentlemen will probably recall, there are certain participation certificates outstanding which would entitle those farmers, whose wheat the Board took over, to the difference between the amount realized, less the costs of the Board, and the amount which they, the farmers, may have received. Furthermore, there are certain financial questions to be adjusted by the Board before they can finally wind up their labours. It is thought that the operations of the Board can be brought to a conclusion during the present year. The purpose of the Bill is confined entirely to these matters, and it does not permit of the Board entering upon any new duties except those defined in the Bill, which I have already mentioned.

Hon. Mr. WATSON: Has the honourable gentleman any information as to the amount that is still outstanding on those participating receipts?

Hon. Sir JAMES LOUGHEED: I understand that there is very little. Some participation receipts have not been presented; but it is thought by the Board that it would probably cost more than the fractional amounts which may be owing to canvass the whole situation. Furthermore, what cash may be on hand will be required for the adjustment of the accounts yet to be settled; and should there be any surplus, it will go into the Consolidated Revenue account. The operations of the Board have not cost the public anything; they have been covered entirely out of the proceeds

of the receipts which have come in to the Board, and which, less the costs, have been paid out to the different farmers interested in the sales of wheat.

Hon. Mr. WATSON: I think at the date at which the participating receipts were all to be turned in, some months ago, there were some millions of dollars outstanding.

Hon. Sir JAMES LOUGHEED: The Board has no way of ascertaining where those receipts are. I understand that many of them have been lost, and it may be that they will not be forthcoming at any time. But should the affairs of the Board be wound up, that money will have been paid into the Consolidated Revenue account, and I have no doubt that upon satisfactory evidence being submitted the Government will be prepared to pay what the participation certificates may require.

Hon. Mr. WILLOUGHBY: I happen to know that the Board has paid for lost certificates on the submission of what to them was satisfactory evidence, and I presume the Government will be equally equitable in their dealings, because there will be a lot of the certificates.

The motion was agreed to, and the Bill was read the second time.

DIVORCE BILLS

SECOND READINGS

Bill W2, an Act for the relief of John Edward Kelly.—Hon. Mr. McMeans.

Bill X2, an Act for the relief of Annie Belle Westbeare.—Hon. W. B. Ross.

Bill Y2, an Act for the relief of Christina Wilson Stephens.—Hon. Mr. Proudfoot.

Bill Z2, an Act for the relief of Alice Andrews.—Hon. Mr. Proudfoot.

Bill A3, an Act for the relief of Esther Annie Vanzant.—Hon. Mr. Proudfoot.

Bill B3, an Act for the relief of Werden G. Parker.—Hon. Mr. Proudfoot.

Bill D3, and Act for the relief of James Edward Nixon.—Hon. Mr. Blain.

PRIVATE BILL

SECOND READING

Hon. Mr. CHAPAIS moved the second reading of Bill C3, an Act respecting the Montreal Central Terminal Company.

Hon. Mr. BOSTOCK: Would the honourable gentleman give us some explanation of this Bill, as to how much work has been done?

Hon. Sir JAMES LOUGHEED.

Hon. Mr. CHAPAIS: Honourable gentlemen, I believe there is very little explanation of the Bill needed. The best explanation I could give would be to read the only clause it contains:

> The Montreal Central Terminal Company may, within five years after the passing of this Act, complete the works mentioned in chapter one hundred and nine of the statutes of 1909, and if, within the said period, the said works are not completed and put in operation, the powers of construction conferred upon the Company by Parliament shall cease and be null and void as respects so much of the said works as then remains uncompleted.

I can really give no further explanation. I suppose the Bill will have to be referred to the Committee on Railways, and then and there the promoters will explain it.

The motion was agreed to, and the Bill was read the second time.

CRIMINAL CODE FORMS BILL

SECOND READING

Bill E3, an Act to amend the Criminal Code.—Hon. Mr. Lynch-Staunton.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

FRIDAY, April 22, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

MONTREAL, OTTAWA AND GEORGIAN BAY CANAL COMPANY

MOTION FOR RETURN

Hon. Mr. TURRIFF moved:

That an Order of the Senate do issue for copies of all correspondence between the Government of Canada, or any department thereof, and the Montreal, Ottawa and Georgian Bay Canal Company, or between the Government and the New Dominion Syndicate of London, England, or its agent or representative, Clinton Johnston Edgerly, of New Hampshire, U.S.A., from 1899 to 1921.

The motion was agreed to.

REMISSIONS OF PENITENTIARY SENTENCES

MOTION FOR RETURN

Hon. Mr. McMEANS moved:

That an Order of the Senate do issue for a return showing:—

1. The number of persons now under sentence in all the penitentiaries in Canada.
2. The number who have been pardoned during the last five years.

3. The number who have asked for a reduction of their sentences during the last five years.
4. The number of cases in which reduction of sentences has been granted during the last five years.
5. The number of those who have asked for further investigation into their cases during the last five years.
6. The number of investigations that have been held during the last five years.
7. The number who have asked for parole during the last five years.
8. The number who are now out on parole.

The motion was agreed to.

POSSESSION OF WEAPONS BILL

FIRST READING

Bill M3, an Act to amend certain provisions of the Criminal Code respecting the possession of weapons.—Hon. Mr. Belcourt.

DIVORCE BILL

FIRST READING

Bill N3, an Act for the relief of Alfred William Wells.—Hon. Mr. Prowse.

WAGES OF RAILWAY EMPLOYEES

INQUIRY

On the Orders of the Day:

Hon. L. McMEANS: Honourable gentlemen, I desire to call the attention of the honourable Minister of Labour to a published statement by the Chairman of the Railway Commission in regard to wages of railway employees. While the Minister of Labour was discussing in this House a few days ago the wages paid by the railways, I asked if it was true that conductors and engineers were drawing over $500 a month, and I think his answer was that they earned about $300 a month. Mr. Carvell says in a statement published in the press this morning that some of them are drawing over $600 a month. I would ask the honourable Minister of Labour for some explanation of the very great difference between his statement of the amount and the statement of the gentleman who has the honour of being Chairman of the Railway Commission.

Hon. Mr. ROBERTSON: I presume, honourable gentlemen, that this is not an opportune time to enter into any debate on this subject. As I recall my remarks, I stated that in my opinion the average salary would not exceed $300 per month. My attention was almost immediately called to the figures from the Department of Railways and Canals that were brought down in another place in answer to an inquiry, and which showed that the average salary was considerably less than $300 a month. It is true that the gentleman who is Chairman of the Board of Railway Commissioners has found on a particular run in Saskatchewan one train crew, an engineer and a conductor, who, because of special service involving almost twenty-four hours' work in twenty-four hours, did in a particular month earn something like $500 or $600; but I submit that that is no yardstick by which to measure the income of the whole railway service throughout Canada. I think it is quite ridiculous.

Hon. Mr. McMEANS: I would draw the attention of the honourable Minister to one instance, taken from the Canadian National railways:

> He said a conductor drew for the first 12 days of the month of February this year $289.80, and for the second period $238.30; making a total of $528.90 for the month's work.

And then he goes on:

> In March the same man totalled $598.90 for his month's work. Brakesmen on the same construction job were drawing $403.15 and engineers $616.65 for a month's work.

There must be something wrong somewhere.

Hon. Mr. ROBERTSON: I would point out to my honourable friend that the article refers to construction work and not to railway train service at all. Instances can be found, I assume, where a particular train crew is sent out on a construction job—perhaps an emergency repair job—on which they may work almost day and night for some time, and certainly they will be paid for the time they put in. But that is no indication of the average earnings of railway employees.

LAKE OF THE WOODS CONTROL BILL

CONCURRENCE IN COMMONS AMENDMENTS

Hon. Sir JAMES LOUGHEED moved concurrence in the amendments made by the House of Commons to Bill D, an Act respecting the Lake of the Woods Control Board.

He said: Honourable gentlemen will doubtless recall the fact that we passed this Bill, which originated in the Senate, and it went from here to the House of Commons. The Commons have added two amendments to the Bill, which are in a sense not material. On page 21, line 29, they have inserted after the word "secure" the words "severally and." These amendments have been put in at the suggestion of the Ontario Government.

Hon. Mr. WATSON: How does the clause read now?

Hon. Sir JAMES LOUGHEED: I would have to look that up. On page 2, line 25, add the following words after paragraph d of section 3:

Just save and excepting the operation and control of all dams and regulating works extending across the international boundary, and the dam and regulating works across the Canadian channel at Kettle Falls.

The object of this latter amendment is to preclude the Commission from dealing with strictly international waters, or at least waters that cross the boundary. It was never intended that they should interfere with those particular streams. The main object of the Bill, as honourable gentlemen will recall, was to regulate the flow of the Lake of the Woods. My only object in asking for concurrence in the amendments is to enable us to inform the Ontario Government, who are rather hesitant about asking the Legislature to pass the Bill on account of our not having dealt with it in this House, that it has had its third reading. If, therefore, the House agrees, I move concurrence in the amendments the effect of which I have considered, and which in no way interfere with the principle of the Bill.

Hon. Mr. BOSTOCK: Honourable gentlemen, I have not had an opportunity of seeing the amendments; but I would like to draw the attention of the House to the second amendment, which, as I understand it, takes the water at Fort Frances out of the control of the Board that is being appointed under the Bill. The boundary line between the United States and Canada passes through the Lake of the Woods, as I understand the situation; so of course all the water of the lake is boundary water. I think the question was discussed when the Bill was before us previously. The danger of the whole situation as I see it is that this Board will be allowed to deal with boundary waters, and it is quite possible that difficulties may arise on that account. I understand, from what my honourable friend says, that this is the result of an arrangement come to with the Ontario Government.

Hon. Sir JAMES LOUGHEED: The waters are specified in the second amendment, are they not?

Hon. Mr. BOSTOCK: Yes.

Hon. Sir JAMES LOUGHEED: It only affects the works?

Hon. Mr. BOSTOCK: Yes. The question that I think arose before was to the extent of the control which the International Waterways Commission, which has been sitting for some time now, and which has made a report, would have over the work of this Board of Control; and possibly in the working out of the arrangement the Board of Control will consult with the International Waterways Commission. But there is nothing in the Act that safeguards that situation. I think it is a rather important point and one that should have been considered. However, as this is a matter of arrangement between the two Governments, I do not think it would be wise to take any strong objection.

Hon. Sir JAMES LOUGHEED: The best answer to that is that this has been done on the recommendation of the Joint Commission. They in a report unanimously agree that a commission should be appointed by the Canadian Government to control the water of the Lake of the Woods; and of course there is nothing to prevent the American Government from appointing a similar Board.

Hon. Mr. BOSTOCK: I understand that there is no provision in this Act whereby this Board of Control could join with a Board appointed by the United States. As I understood the report of the International Waterways Commission, it suggested that a joint Board should be appointed.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. WATSON: As I understand, the Government is not taking any power away from the International Joint Commission.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. WATSON: The object of this Bill is to appoint a Board to regulate the flow of water out of the Lake of the Woods. Honourable gentlemen should understand that the Lake of the Woods is the source of Winnipeg's power —in fact, the power of the whole Province of Manitoba—and we are greatly interested in having this legislation passed. It is feared that if this is not done certain powers which Backus has received from the Ontario Government may interfere with the water of the Winnipeg river, which controls the whole power situation of Manitoba. I submit that it would be well to pass this Bill, as the Ontario House may not sit very long, and if they

have no intimation that this House has passed the Bill they may not pass a similar Bill in that House.

The motion was agreed to, and the amendments were concurred in.

DIVORCE BILLS

THIRD READINGS

Bill W2, an Act for the relief of John Edward Kelly.—Hon. Mr. McMeans.

Bill X2, an Act for the relief of Annie Belle Westbeare.—Hon. W. B. Ross.

Bill Y2, an Act for the relief of Christina Wilson Stephens.—Hon. Mr. Proudfoot.

Bill Z2, an Act for the relief of Alice Andrews.—Hon. Mr. Proudfoot.

Bill A3, an Act for the relief of Esther Annie Vanzant.—Hon. Mr. Proudfoot.

Bill B3, an Act for the relief of Werden G. Parker.—Hon. Mr. Proudfoot.

Bill D3, an Act for the relief of James Edward Nixon.—Hon. Mr. Blain.

PRIVATE BILLS

THIRD READINGS

Bill X, an Act respecting the Dominion Express Company.—Hon. Mr. Blain.

Bill 20, an Act to incorporate The Mayo Valley Railway, Limited.—Hon. Mr. Sharpe.

Bill 31, an Act respecting the Canadian Pacific Railway Company.—Hon. Mr. Sharpe.

Bill 32, an Act to incorporate The Canadian Transit Company.—Hon. Mr. Watson.

CANADIAN NATIONALS BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 17, an Act to define Canadian Nationals and to provide for the renunciation of Canadian Nationality. Hon. Mr. Taylor in the chair.

On section 1—Canadian Nationals defined:

Hon. Sir JAMES LOUGHEED: I hope my honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) has seen light since we discussed this matter yesterday.

Hon. Mr. BOSTOCK: I thought my honourable friend was going to give us some further information as to what a Canadian National really is.

Hon. Sir JAMES LOUGHEED: I rather flattered myself that I fully explained this yesterday on the second reading of the Bill, notwithstanding the doubt expressed by some honourable gentlemen on the subject.

Hon. Mr. BELCOURT: I am not going into that question, because I am afraid that nobody can answer it satisfactorily, not even my honourable friend with all his sagacity and readiness. But what is the occasion of this Bill?

Hon. Sir JAMES LOUGHEED: The occasion of the Bill is this: that in the League of Nations Treaties the word "National" has been used, and it is a term that has been made common to those who would represent what I might call the citizenship of the different members of the League. The term is what might be called a peculiarly European term. It is largely used in France, and it is used in Germany; but the interpretation from the French into English of the word used in the Treaties is somewhat difficult.

Hon. Mr. BELCOURT: Is it the translation of the French word "ressortissants"?

Hon. Sir JAMES LOUGHEED: Yes, and the English word used is the word "National." As honourable gentlemen know, we have not used that word in any of our statutes in defining citizenship; consequently it is necessary to define what constitutes a national. A national in Canada would be a British subject in Canada, and it is desirable to so express it. On the other hand, we have used the word "citizenship" in the statutes in accordance with the particular object of the statute that deals with the term. We have used it in the Immigration Act, and a certain meaning is placed upon it, in that Act, and may be placed upon it in any other Act, because we have in view the application of the law to the citizenship so mentioned. There is nothing in this Bill to cut down the citizenship of a British subject in Canada, or the citizenship of anyone entitled to naturalization in Canada, once he is naturalized.

Hon. Mr. LYNCH-STAUNTON: I have been told that the necessity for this definition is that before the League of Nations Canada stands on her own feet—that a person from this country appears before the League's tribunals, not as a British subject, but as a resident of Canada, because if he appeared as a British subject he would necessarily be represented by the

persons who represent the United Kingdom of Great Britain and Ireland. But we have an independent representative or representatives at the League of Nations—

Hon. Mr. ROCHE: Who are they?

Hon. Mr. LYNCH-STAUNTON:—and the people who are behind our representatives cannot appear under the name of British subjects, because if they did they would be at once told: "You are represented by the representation from the United Kingdom of Great Britain and Ireland." So an expression must be coined for all the Dominions so that there may be an Australian National, a South African National, a Canadian National or a British National, for the purpose of placing him behind his representation. I am told that that is the meaning of this clause; but, although I looked casually at the debates in another place, I did not see it laid down in that way. But there must be some real reason for this definition of a subject. "Les ressortissants," as I think my honourable friend (Hon. Mr. Belcourt) called them—the people who are entitled to the protection of the country—are those who are covered by this definition, and I cannot see that it affects our Immigration Act, either to increase or decrease, or extend or narrow, one's status. If that is the meaning of it, I should be glad to know. I am curious to understand what the real meaning of this legislation is.

Hon. Mr. BOSTOCK: Can the honourable gentleman cite a case in which, for instance, anyone from Canada would appear before the League of Nations as a Canadian National? Would Sir Herbert Ames hold his position because he is a Canadian National?

Hon. Mr. LYNCH-STAUNTON: No, but when our representatives are there they may be asked, "For whom do you appear?" The answer will be: "We do not appear for the subjects of the British Empire; we appear for a section of the subjects of the British Empire." That is all I understand from it.

Hon. Sir JAMES LOUGHEED: My honourable friend is perfectly right in the reasons which he has given. Perhaps I can better illustrate the position in this way. It is proposed to establish an International Court of Justice, or a Court of International Justice, and it is proposed that that Court shall be made up of eleven members and, I think, four assistant members; but it is immaterial what number constitutes the Court. There is a provision that any member of the League may be appointed to this Court, but he must have a majority of the Council and a majority of the Assembly. But, Canada being an entity and a member of the League as fully as Great Britain itself, if a Canadian is elected a member of that Court of International Justice, how would you define him? What would you call him?

Hon. Mr. BELCOURT: A Canadian citizen.

Hon. Sir JAMES LOUGHEED: Well, how would you determine that he is a Canadian? There is no such word in the statutes as a Canadian.

Hon. Mr. LYNCH-STAUNTON: Or in international law.

Hon. Mr. BELCOURT: Yes, the Immigration Act defines "Canadian citizen."

Hon. Sir JAMES LOUGHEED: The Immigration Act simply provides for those who come within that Act.

Hon. Mr. BELCOURT: Oh, no; it does not provide only for them.

Hon. Mr. LYNCH-STAUNTON: But this is international, not domestic law.

Hon. Sir JAMES LOUGHEED: Of course, we are taking the meaning that is in the Immigration Act, but we are passing a Bill which will be limited to the definition to be applied to "Canadian National."

Hon. Mr. FOWLER: Why not say "Canadian" instead of "Canadian National"? I object to having anything tacked on the name.

Hon. Sir JAMES LOUGHEED: Because that is the language of the treaty.

Hon. Mr. FOWLER: I do not care anything about the language of the treaty. I object to being called a hyphenate. I am a Canadian. My family have lived in this country for 150 years—145 odd years—and I consider that I am a Canadian. I am no hyphenate of any sort.

Hon. Sir JAMES LOUGHEED: How many hundred years did my honourable friend say he lived in this country?

Hon. Mr. FOWLER: I said my family have lived in this country nearly 150 years, and I think I am entitled to be called a Canadian, without anything being attached to the name.

Hon. Sir JAMES LOUGHEED: My honourable friend overlooks the fact that

we are dealing with language which is found in the treaty, and the question is how we can meet that language and come within it.

Hon. Mr. FOWLER: We have helped to make that treaty as Canadians, and I think that name is good enough.

Hon. Mr. BELCOURT: May I draw attention to the Immigration Act, in which will be found the definition of "Canadian citizen."

Canadian citizen means,—

(i) a person born in Canada who has not become an alien;
(ii) a British subject who has Canadian domicile; or
(iii) a person naturalized under the laws of Canada who has not subsequently become an alien or lost Canadian domicile.

It seems to me that is a complete definition, and I do not see the need for this definition unless it is for the purpose of getting a term which is exactly the same as what is used in the treaty. But "Canadian citizen" is well defined in our statutes now.

Hon. Sir JAMES LOUGHEED: Oh, yes; but it is not said there that a Canadian National, using the term in the treaty, is the same as a Canadian citizen. We have to pass some statute to couple up those terms.

Hon. Mr. BELCOURT: That may be so, but I do not think there is any distinction whatever—

Hon. Sir JAMES LOUGHEED: No, there is no distinction.

Hon. Mr. BELCOURT: —between the word "ressortissant" in French, or the word "national" in English, and the word "citizen." I do not think there is the slightest difference in the meanings of these terms; I think they are synonymous. That is why I do not quite see the necessity for this statute.

Hon. Mr. ROCHE: It seems to a layman that the explanation of this Bill presupposes conditions that do not exist. Canada is not national. It has not been demonstrated that it is a nation. This measure seems to be the thin edge of the wedge to have Canada recognized as a nation, when it is not one. It would give the title of "national," although every Canadian at present is only a dependent of the British Empire, and Canada is represented in the League only by allowance, and not by its own volition. It seems to me that there is involved a question which is far wider than what is implicated in this Bill.

Hon. Mr. BELCOURT: My honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) said a moment ago that this Bill neither added to nor subtracted from the persons who are citizens.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BELCOURT: Yes, you are adding paragraph b. That is entirely new.

Hon. Sir JAMES LOUGHEED: I was under the impression that paragraph b came within the Naturalization Act.

Hon. Mr. BELCOURT: That may be. I would not be sure.

Section 1 was agreed to.

On section 2—declaration renouncing Canadian nationality:

Hon. Mr. BELCOURT: What is meant by "any person who though born out of Canada is a Canadian national?" I do not know what that means. Perhaps it may be the case which is provided for in subsection c of section 1.

Hon. Mr. BOSTOCK: Exactly.

Hon. Mr. BELCOURT: "Any person who though born out of Canada is a Canadian national," refers to paragraph c of section 1?

Hon. Sir JAMES LOUGHEED: That would come within the Naturalization Act.

Hon. Mr. BELCOURT: That would be the case under subsection c?

Hon. Sir JAMES LOUGHEED: Yes, I fancy that is what it means.

Section 2 was agreed to.

The schedule, the preamble, and the title were agreed to.

Hon. Mr. BELCOURT: I wonder how the representatives who attended the last two or three meetings obtained their qualification.

Hon. Sir JAMES LOUGHEED: On the credentials of this Government, I fancy.

Hon. Mr. WATSON: The new "National" Government.

The Bill was reported without amendment.

PRIVATE BILL

SECOND READING

Hon. Mr. Blain moved the second reading of Bill 34, an Act respecting the London and Lake Erie Railway and Transportation Company.

Hon. Mr. BOSTOCK: Has the honourable gentleman any explanation to make of this Bill?

Hon. Mr. BLAIN: Honourable gentlemen, I think the Bill pretty well explains itself. The company is authorized to dispose of its property.

Hon. Sir JAMES LOUGHEED: That is reasonable.

Hon. Mr. BLAIN: This simply means that the Company is going out of business and wants power to sell its effects.

The motion was agreed to, and the Bill was read the second time.

CORRUPT PRACTICES AT ELECTIONS BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 39, an Act to amend the Statutes relating to Corrupt Practices at Elections. Hon. Mr. Girroir in the Chair.

On section 1—"Illegal Practices;" "Official Agent":

Hon. Mr. BOSTOCK: The wording of that seems to be rather peculiar. Perhaps my honourable friend can give us an explanation. It says:

> "Illegal practices" means acts in relation to elections which are declared to be illegal practices by the Dominion Elections Act.

I presume there is a definition of "illegal practices" in the Dominion Elections Act. Is it the intention to make that definition apply to Dominion controverted elections?

Hon. Sir JAMES LOUGHEED: Yes. The term "illegal practices" is used in the Dominion Elections Act, but in the Dominion Controverted Elections Act the words used are "corrupt practices." They are practically synonymous terms; it is desirable, however, that they should be reconciled by this statute.

Hon. Mr. BOSTOCK: But if that is the explanation, that does not make it clear, does it?—because in that case it should surely read "corrupt practices." This Bill does not make any connection between the two terms, "corrupt practices" and "illegal practices."

Hon. Sir JAMES LOUGHEED: But it has to do with controverted elections; it refers to offences under the Controverted Elections Act.

Hon. Mr. BOSTOCK: It makes the illegal practice an offence?

Hon. Sir JAMES LOUGHEED: Yes; it brings the illegal practice within the Controverted Elections Act. The term "corrupt practices" is also brought within the Act. This gives the court authority to deal with illegal practices just the same as corrupt practices.

Section 1 was agreed to.

Sections 2 and 3 were agreed to.

On section 4—avoidance of election by corrupt or illegal practice:

Hon. Mr. BELCOURT: What is the change?

Hon. Sir JAMES LOUGHEED: The note which I have from the Chief Electoral Officer is:

> This section directs the avoidance of elections for corrupt practices. The consequences of a finding that there has been a corrupt practice differ from the consequences of a finding that there has been an illegal practice, and section 51 of the Act requires amendment accordingly. It might be repealed and reenacted in the following form, the amendments to be indicated by italics.

Hon. Mr. BELCOURT: That seems to be the object of nearly all the provisions of this Act.

Hon. Sir JAMES LOUGHEED: Yes, very largely.

Hon. Mr. BELCOURT: To assimilate the terms "corrupt" and "illegal."

Hon. Sir JAMES LOUGHEED: Yes.

Section 4 was agreed to.

On section 5—avoidance of election by illegal employment:

Hon. Sir JAMES LOUGHEED: The period of eight years mentioned in the present Act requires correction, in view of the provisions of section 87 of the Dominion Elections Act.

Section 5 was agreed to.

On section 6—exoneration of candidates, etc.:

Hon. Sir JAMES LOUGHEED: That is the same. It covers illegal practices.

Section 6 was agreed to.

Sections 7 to 10, inclusive, were agreed to.

On section 11—Judge's report published:

Hon. Mr. BELCOURT: What is the meaning of this?

Hon. Sir JAMES LOUGHEED: Section 22 of the Disfranchising Act contains machinery for keeping the name of a disfranchised elector off the voters' list used for Federal purposes. The machinery is inapplicable to the Dominion Elections Act in its present form, and should be struck out of this Act. The amendment, therefore, is in the form submitted in the Bill.

Hon. Mr. BELCOURT: To what is the section applicable?

Hon. Sir JAMES LOUGHEED: Apparently it is made applicable to the law as we are now amending it.

Hon. Mr. BELCOURT: I am speaking now of section 11 of the Bill. You are allowing part of the old section to remain, and inquiry is as to what that provides for.

Hon. Sir JAMES LOUGHEED: It strikes out practically the whole of the section.

Section 22 reads as follows:

The Secretary of State shall publish a report in the Canada Gazette.

Hon. Mr. BOSTOCK: That is the Judge's report?

Hon. Sir JAMES LOUGHEED: Yes.

Section 11 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

ST. JOHN AND QUEBEC RAILWAY BILL

CONSIDERED IN COMMITTEE AND REPORTED

Bill 71, an Act to authorize an extension of time for the completion of the St. John and Quebec Railway between Centreville, in the County of Carleton, and Andover, in the County of Victoria, N.B.—Hon. Sir James Lougheed. Hon. Mr. Watson in the Chair.

WINDING-UP BILL

CONSIDERED IN COMMITTEE—PROGRESS REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into committee on Bill 72, an Act to amend the Winding-up Act. Hon. Mr. Donnelly in the Chair.

On section 1—liquidator to prepare statement:

Hon. Mr. BOSTOCK: What is the change in this?

Hon. Sir JAMES LOUGHEED: This section provides a certain time within which the liquidator shall make the return referred to. It is thought desirable to limit him to 60 days.

Hon. Mr. BELCOURT: There is not very much sanction to this. When it is prepared, what is he to do with it? Put it in his desk? I think that ought to be carried further—that he should deliver it, or publish it, or do something with it.

Hon. Sir JAMES LOUGHEED: I think the criticism is well directed, and that some such provision should be made if it is not made now. Of course, there may be a provision in the Act penalizing the liquidator for any remissness in carrying out his duties.

Section 1 stands.

On section 2—documents to be forwarded to Dominion Statistician:

Hon. Sir JAMES LOUGHEED: The object of this section is to furnish the Dominion Statisticion with the information referred to for statistical purposes.

Hon. Mr. PROUDFOOT: What is the object of continuing the Act at all? Now that we have the Bankruptcy Act, this whole Act should be repealed.

Hon. Sir JAMES LOUGHEED: There may be a winding-up of a company without it being bankrupt.

Hon. Mr. LYNCH-STAUNTON: There could be a voluntary winding up under the Bankruptcy Act.

Hon. Sir JAMES LOUGHEED: It seems to me that if the remedy of the Bankruptcy Act were sought it would be prima facie evidence of bankruptcy.

Hon. Mr. LYNCH-STAUNTON: This should be limited to a voluntary winding up. It is making a lot of confusion: people are rushing for orders under this Act and the other Act; I saw a gentleman in Toronto who did not know under what Act to apply.

Hon. Mr. BELCOURT: I think there are provisions in the Winding-up Act which ought to be preserved. The two Acts serve different purposes in many respects.

Section 2 was agreed to.

Progress was reported.

CANADIAN WHEAT BOARD BILL

CONSIDERED IN COMMITTEE AND REPORTED

Bill 75, an Act concerning the Canadian Wheat Board.—Hon. Sir James Lougheed. Hon. Mr. Barnard in the Chair.

CRIMINAL CODE FORMS BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Mr. Lynch-Staunton, the Senate went into Committee on Bill E3, an Act to amend the Criminal Code. Hon. Mr. Blain in the Chair.

On section 1—substitution of new forms:

Hon. Mr. BELCOURT: May I ask my honourable friend if he has submitted the provisions of this Bill to the Attorneys General of the Provinces?

Hon. Mr. LYNCH-STAUNTON: I understand that they have been submitted to him, but not by me. The Bill is purely for the purpose of shortening the forms and abolishing the necessity for sealing warrants.

Hon. Mr. BELCOURT: I do not think you need consult anyone about the latter portion of it. I think the Bill is quite a good Bill; but I hardly think we should take the responsibility of passing on the forms without advising with the gentlemen who have charge of the law in the Provinces; and therefore I think it would be proper to have the opinions of the Attorneys General before we pass it.

Hon. Mr. LYNCH-STAUNTON: Nothing of any moment contained in the original forms has been taken out; they have only been shortened. The short forms have been drawn by a magistrate of 30 years' experience.

Hon. Mr. BELCOURT: I would ask my honourable friend to let the Bill stand for the purpose of submitting these forms to the Attorneys General of the Provinces.

Hon. Mr. LYNCH-STAUNTON: What have the Provinces to do with it?

Hon. Mr. BELCOURT: The Provinces have the administration of the criminal law.

Hon. Mr. LYNCH-STAUNTON: I am not going to take the trouble to send it to all the Attorneys General in the Dominion. Any lawyer can read these forms, and he will find that there is nothing in them that makes any change at all. This is simply for the purpose of cutting out unnecessary verbiage and doing away with the necessity of sealing warrants. I know of cases in which the absence of a seal has vitiated a warrant.

Hon. Mr. BELCOURT: Nobody has objected to that.

Hon. Sir JAMES LOUGHEED: It shows the disinterestedness of the legal profession.

Hon. Mr. BOSTOCK: Can my honourable friend explain the difference, for instance, between the first form now proposed and the present form?

Hon. Mr. LYNCH-STAUNTON: This only eliminates a few unnecessary recitals and words. Take this first form: "remand for prisoner." The prisoner comes up for trial and is not ready to go on, or else the Crown is not ready to proceed, and then the magistrate has to write out a document to be delivered to the jailer, ordering the jailer to receive the prisoner back into jail, and hold him until the remand is over. In the police courts of large centres like Montreal, Toronto, and Hamilton, there may be twenty or thirty remands. The magistrate now has to write out a remand for each person. The proposal in this Bill is that he may put them all down in one remand. You will notice on the second page of the Bill columns for the person's name, the offence, and the date of the remand. Why should it be necessary, where there are ten or fifteen remands, for the magistrate to write out so many papers when one would do? This is a purely formal matter.

Hon. Mr. BOSTOCK: I suppose these are all printed forms?

Hon. Mr. LYNCH-STAUNTON: All printed forms.

Hon. Mr. PROUDFOOT: Suppose that the carriage to take the prisoners back to jail would not hold them all, what would you do?

Hon. Mr. LYNCH-STAUNTON: Take them in another carriage. This document is of no use to any one but the jailer who receives the prisoner. If someone questions his right to hold the prisoner, he produces the commitment. If a habeas corpus is issued, the jailer has to show the court his justification for holding the man. He produces the demand, which is a complete answer; but he must produce it. That is the only use of the commitment. The police will not let the man go. This is purely a matter of form.

Hon. Mr. BELCOURT: I do not object to that at all; I agree with my honourable friend; but I want to see that these forms are correct.

Hon. Mr. LYNCH-STAUNTON: Well, if this Parliament has to submit every amendment of the Criminal Code or any other law in which a province is interested, to the provincial authorities for their concurrence, I do not think there will be much legislation enacted.

Hon. Mr. BELCOURT: Oh, yes, plenty of it.

Hon. Mr. GIRROIR: Suppose they disagree?

Hon. Mr. LYNCH-STAUNTON: My honourable friend (Hon. Mr. Belcourt) might do that, but I certainly am not going to take that trouble.

Section 2 was agreed to.

The schedule was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

The Senate adjourned until Tuesday, April 26, at 8 p.m.

THE SENATE

TUESDAY, April 26, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CANADIAN NATIONAL RAILWAYS

WAGES OF EMPLOYEES—INQUIRY

Hon. Mr. BOSTOCK inquired of the Government:

What is the amount actually paid or due for wages for the first 20 of the most highly paid men on the Canadian National Railways in the following classes: (1) Eigineers; (2) Firemen; (3) Trainmen; (4) Local Firemen; (5) Yard Foremen; (6) Yard Helpers. Give the amount per month in each case starting from July 1, 1920, up to January 1, 1921, and the total for the six months in each case?

Hon. Sir JAMES LOUGHEED: As my honourable friend will see, I hold in my hand what is practically a pamphlet. The answer to this question would fill a book, literally. I would suggest to my honourable friend that he should change this question into a motion for a return, because it is quite apparent that the thirty or forty pages which I hold in my hand should not appear in Hansard, as they would if this were given as a reply to an inquiry.

Hon. Mr. BOSTOCK: I shall be very pleased to accede to the request of the honourable leader of the Government and have the inquiry changed into a motion for a return, to be laid on the table of the House.

Agreed to as a motion for a return.

RAILWAY MILEAGES AND POPULATION

INQUIRY

Hon. Mr. CASGRAIN inquired of the Government:

1. What was the number of persons per mile of railway in operation in Canada in 1896, 1911 and 1914?
2. What was the number of persons per mile of railway in operation in each of the nine provinces (Alberta and Saskatchewan, as now bounded), giving the mileage in each of the provinces in 1896, 1911 and 1914?

Hon. Sir JAMES LOUGHEED: There are no statistics of railway mileage or population by provinces for 1896. Figures for 1911 and 1914 are as follows, those relating to population and persons per mile of railway for 1914 being estimates:

1911

	Population figures June 30	Miles of railway	Persons per mile of railway
Ontario	2,523,274	8,322	303.21
Quebec	2,003,232	3,882	516.03
Nova Scotia	492,338	1,354	363.62
New Brunswick	351,889	1,548	227.32
P. E. Island	93,728	269	348.43
British Columbia	392,480	1,842	206.07
Manitoba	455,614	3,466	131.45
Saskatchewan	492,432	3,121	157.78
Alberta	374,663	1,494	250.78
Yukon	9,000	102	88.24
Canada	7,158,000	25,400	281.81

1914

	Population estimated to March 31	Miles of railway	Persons per mile of railway
Ontario	2,627,000	9,255	283.85
Quebec	2,114,000	4,043	522.88
Nova Scotia	502,000	1,365	367.77
New Brunswick	358,000	1,839	194.67
P. E. Island	94,000	279	336.92
British Columbia	488,000	1,978	246.71
Manitoba	509,000	4,075	124.91
Saskatchewan	569,000	5,089	111.81
Alberta	437,000	2,544	171.77
Yukon	9,000	102	88.24
Canada	7,725,000	30,569	252.67

FRASER RIVER ENTRANCE

INQUIRY

Hon. Mr. TAYLOR inquired of the Government:

1. What depth of water in the channel at the entrance to the Fraser river has been the objective of the Government since work has been in progress under the modified Le Baron scheme?
2. What depth is now available, so far as indicated by reports received at Ottawa by the Publics Works Department?
3. What is the departmental estimate of the time required to attain the objective indicated in question 1?

Hon. Sir JAMES LOUGHEED:

1. Such depth as is warranted by the needs of commercial navigation.
2. 25 feet below the sloping surface of the river on a 12-foot tidal rise.
3. The department is now considering whether the existing depth should be increased, or whether it is sufficient for present needs.

PUBLIC HARBOURS BILL

FIRST READING

Bill 40, an Act to amend the Canada Shipping Act (Public Harbours).—Hon. Mr. Casgrain.

GRAND TRUNK ARBITRATION BILL

FIRST READING

Bill 80, an Act respecting the Grand Trunk Arbitration.—Hon. Sir James Lougheed.

ROYAL CANADIAN MOUNTED POLICE BILL

FIRST READING

Bill 82, an Act to amend the Royal Canadian Mounted Police Act.—Hon. Sir James Lougheed.

PRIVATE BILLS

FIRST READINGS

Bill 15, an Act to incorporate the Metropolitan Trust Company of Canada.—Hon. Mr. Proudfoot.

Bill 33, an Act respecting the Credit Foncier Franco-Canadian.—Hon. Mr. Chapais.

Bill 44, an Act respecting the Western Dominion Railway Company.—Hon. Mr. Watson.

Bill O3, an Act to incorporate the Commonwealth Bank of Canada.—Hon. Mr. Blain.

Bill P3, an Act for the relief of Elizabeth Gertrude Connor.—Hon. Mr. Proudfoot.

Bill Q3, an Act for the relief of Louise Sullivan.—Hon. G. V. White.

DE MARTIGNY DIVORCE PETITION

DIVISION—THIRD READING

On the Order:

Third reading, Bill M2, an Act for the Relief of Alphonse LeMoyne de Martigny.—Hon. G. V. White.

Hon. ARTHUR BOYER: May I be allowed to offer a few remarks about this Bill? First, I wish to thank my honourable friend (Hon. Mr. White) for having consented last Tuesday to the postponement of the third reading of this Bill until to-night. This divorce—the only one, I am glad to say, coming from amongst countrymen of mine in the province of Quebec—is so very repugnant to my feelings that I cannot allow the Bill to pass without first criticizing the report of the Committee and asking the members of this honourable House not to consent to such a stain being put upon the province of Quebec.

To begin with, in reading over the evidence we find that Mr. De Martigny was married to a Miss Dupuis. Everything went well for four years. In the mean-

time, nine months after they were married a daughter was born. Four years after the marriage they separated, and the reason given to the committee was incompatibility. Nobody asked the question on what point they differed or what were their reasons for separating. It was just incompatibility; and, the gentleman added, "She said she could no longer stand me." Well, that strikes me as being a very poor reason for coming before a committee of such importance as the Divorce Committee of the Senate. Is there not something that could be done to manœuvre around that incompatibility and restore peace once more? They divided: the wife went her way, taking the only child, and the husband went his way, and for about nine or ten months altogether lost sight of his wife. Then, he said, his health broke down. I suppose he felt so sorry at losing his wife, about whom he apparently did not care a button, that his health gave way; and he had to go to California to rest and recuperate. When he came back his wife telephoned him and according to the evidence informed him that she was living with another man, and he said he would not stand it. How very generous, how very husband-like of a man who bears a proud name! Instead of taking the proper means to put an end to the scandal, if a scandal existed, he said he would not stand it. In the meantime, the child was left with the wife, and, although it is not mentioned in the report of the committee, a lawsuit was entered for alimony a year after they separated, and the judge granted Mrs. de Martigny an allowance of $75 a month, which, the following year, was increased to $125 a month. Suddenly this man felt some kind of regret that his child should be left in such bad company as that of his former wife and the man whom he accused of living with her, and he took an action in the Superior Court in Montreal to have the child restored to him. In his evidence before the committee this man says that he consulted Mr. Aime Geoffrion, who gave it as his opinion that no judge would give him the custody of the child. For what reason? It was not stated before the committee. The reason is very plain: the gentleman was living with another woman as his wife: he had a wife number 2. He did not care; he went further and asked that the child be given to him, and he took another action in the court and the child was confided once more to his tender mercy. A few days afterwards, the child fretted so that, after consulting with his own mother, he decided that the little girl should be given back to his wife, provided that she stopped living with a paramour. That was one condition that was never carried out, and the gentleman cared nothing further about it. The child was allowed to live with a mother who was accused of living with a paramour.

And who are the witnesses who are brought to prove that this woman was living with this man? When you read it over you are struck with the kind of testimony which they gave. An old man, eighty-four years of age, testified that he was the janitor of the building in which these people lived, and that he knew Mrs De Martigny quite well and thought that the man living with her was her husband. Did it never occur to the members of the Committee, and does it not occur to the members of this honourable House, that this man, who was known by the name of Perry, lived eleven months in one house? The janitor in the building used to receive the letters and parcels, and he never inquired who Perry was. Perry passed for De Martigny, and this witness swears that he knew he was not De Martigny, that he never went to his room after dark. Then there were two other witnesses who gave testimony. One was a woman who said she lived in the house and slept in an adjoining room; but when asked if she had ever seen anything wrong, she said no, never, that she retired between half-past 8 and 9 o'clock to her own room, and that Mrs. De Martigny had a room and that Mr. Perry had another room, and she never saw anything wrong and never heard endearing terms used between the two. The other witness, a seamstress, simply said that she saw this man and this woman living together, that they always passed for husband and wife. Surely, in the course of three or four years, Perry received at least one letter or parcel addressed to him in his own name; and of all these witnesses, although they were working in the house not one seems to have taken any notice of it. They did not know; They always took him to be Mr. So-and-so—anybody else than Mr. Perry; and upon that evidence the Committee has granted a divorce.

I am not a lawyer, but according to the information which I have from a good many lawyers, the evidence does not prove sufficient for the granting of a divorce. I might also refer to another case which was thrown out by the Divorce Committee—the case of William Barnes Crockett against Annie

Lenora Crockett. In this case, a man by the name of Dufresne, a motorman, had relations with Mrs. Crockett intimate enough to permit him to address her endearing letters, which always began, "My dear wifie Lenora." When it came to a question of finding a proper room in which they could meet they had a house on Dorchester Street in which they did meet now and again; and Mrs. Crockett at last made it a point that he should take a bath before she met him. Further evidence was given which showed that Dufresne and Mrs. Crockett had often met at a house occupied by a Miss Babineau, whose house was afterwards raided by the police as being a house of assignation. After that evidence the divorce was refused.

I maintain that the evidence in the De Martigny case was just as weighty as that in the Crockett case. In the former you have the evidence of a seamstress, and that of a man eighty-four years of age, who apparently did not know what he was talking about, and could not understand English, and who, when he was asked a question, very often answered something else. For the honour of my province I cannot allow this divorce Bill to pass, and I beg to move, seconded by my honourable friend from De la Durantaye (Hon. Mr. Tessier), that this Bill be not now read the third time, but that it be read six months hence.

Hon. JULES TESSIER: Honourable gentlemen, I consented a few minutes ago to second this motion. I have carefully read the evidence and came to the conclusion that there was nothing to justify the verdict by the Committee.

The lady is accused of having committed adultery six different times, but I defy any member of the Committee to produce evidence that she has committed adultery once. Are we going to take it upon ourselves to put upon her the scarlet letter: to decide that this woman, who is a mother, is going to be branded in our statutes as guilty of adultery? Are we going to dishonour her for life and compel the child to bear part of the dishonour when there is not the slightest evidence?

As my honourable friend has just said, the only evidence that appeared is that she, being separated from her husband, has lived in apartments. It appears that a man called Perry has lived in the same apartments with her. Two or three witnesses were called, one of whom did not seem to understand any of the questions put to him; another was a woman eighty-two years old. I cannot come to any other conclusion than that they were coached to give one answer to the questions—that these people lived as man and wife because they were staying in the same apartment. Did Mr. Perry pay rent to this lady in order to help her to get an honest living? Evidently she wanted money to pay rent to live with her daughter. All of these witnesses, when they were asked, "Did you ever see any thing wrong between Mr. Perry and the defendant?" said, "No, we never saw any sign of anything wrong, only they were living in the same apartment." I say that is not sufficient evidence upon which to render a decision against the defendant. Moreover, no court of justice would have rendered such a decision without completing the evidence, as it would have been very easy to do. There is a man called Perry, residing in Montreal, whose name is mentioned by all the witnesses. In a court of justice the judge would order this man to appear before him and would hear him as a witness before giving judgment. Why was not the evidence completed? Why was not Perry ordered to appear? It is true the woman was not present before the Committee—we do not know why. It looks a little like connivance. She probably is glad to get rid of the husband; but that is no reason for granting a divorce. We are not here to give divorces to couples because they do not want to live together. That is entirely contrary to the spirit of the Act; so much so that in all divorce cases it has to be proven that there is no connivance. As the evidence reads now, it strikes me that there was connivance. This woman did not defend the case. If she had done so, it is evident that the petition would have been refused.

Hon. Mr. BOSTOCK: Why did she not put in a defence?

Hon. Mr. CASGRAIN: Perhaps there is collusion.

Hon. Mr. TESSIER: She probably consents to the divorce.

Hon. Mr. CASGRAIN: That is collusion.

Hon. Mr. TESSIER: But is that a reason for granting the divorce? Do you grant a divorce simply because the woman consents to it, if there is no evidence? That is only another reason why, when a case before a court is not defended, the

judge always requires stronger evidence. If the party is too poor to defend herself, it would be the duty of the judge to appoint a lawyer to defend her. It is the duty of the judge to use all possible means to get at the truth and to provide for the defence which she is probably not in a position to make for herself. At any rate, so far as I am concerned, I will certainly not take the responsibility of voting in favour of this divorce. I make these remarks simply because I am convinced that there is not the slightest evidence to justify the granting of the divorce.

Hon. Mr. PROUDFOOT: Honourable gentlemen, as Chairman of the Committee I suppose I should make a few remarks for the purpose of pointing out the course taken by the committee and the reason why the committee has recommended the divorce. The mover and the seconder of this motion are apparently very solicitous that this divorce should not be granted. They knew, or should have known, that it was being applied for. Apparently they knew that there was some talk in the city of Montreal in reference to these parties, who evidently had been before the courts on various occasions. That being so, I think it was the duty of the honourable gentlemen to appear before the committee and mention some of the facts which they now state. It is also quite evident that the respondent did believe that the facts set forth in the petition were true. She was served with the petition; she was given notice. She is a woman of intelligence, as I understand; and, not only that, but she has apparently been in court before and knew that it would be necessary for her to put forward a defence. Yet we find that the respondent did not see fit to appear before the committee; and, not having appeared before the committee, then, according to the usual rules of the courts, she admits that the statements contained in the petition are true. And I venture to say that either of the honourable gentlemen who have just spoken, on reading that petition, will come to the conclusion that there is quite sufficient in it, if the facts stated there are true, to grant the divorce.

Now, what are the facts? The petitioner swears to a certain statement of facts. He says that this respondent admitted to him that she had committed adultery. Then we have the evidence of the man who was in charge of the elevator. He says that this respondent and Mr. Perry lived as man and wife in that apartment; they lived there for a period of eleven months. We have the evidence of a seamstress who was there; she saw them living there, and the place was conducted just as an ordinary place would be by a husband and wife living together. There is also the evidence of the servant—I have forgotten her name. I have not the evidence before me, and I am just speaking from recollection. But she also swore that they were living there together and that this Mr. Perry was supposed to be Mr. De Martigny, and that the people about the place so understood.

In dealing with cases of this kind one cannot shut one's eyes to the facts. To prove adultery you cannot always catch people in the act; you have to apply your common sense. Where the opportunity exists, as it did here, these people living together as they were living what more do you require? They were living there openly. The apartment was rented by this man Perry and occupied by him for about eleven months, and this woman was living there with him. Everyone thought she was his wife. That being so, I say that the evidence on which the Committee acted was quite sufficient on which to recommend a divorce, and I further say if honourable gentlemen outside of the mover and the seconder who have just spoken and who say that there is not sufficient evidence, will read that petition without any bias and consider the evidence in the same way as the Committee considered it, they can come to no other conclusion, as men who have ordinary intelligence and who understand the mode of life, than that it was a proper case in which to grant a divorce.

Take, for instance, the statement made by the honourable mover of the motion that this petitioner was himself living in adultery. He does not say that this woman was not living in adultery with Perry. You have, then, before you this situation. Here are two couples who are, according to the honourable gentleman's statement, living in open adultery. Is it not very much better for the morals of the people in that section of the country, and for the morals of the two couples, that a divorce should be granted? Instead of living an immoral life, as they are now doing, is it not better that they should be placed in a position in which they may live a moral life? That of course is not the ground on which divorces are granted, but I say that when you have, as we thought we had, sufficient evidence on which to grant a divorce, you can take

these other facts into consideration and in that way uphold, and, I think, uphold fairly, the action of the Committee.

The Committee, so far as I am aware, knew nothing of these parties, until the evidence was placed before them, and they dealt with the evidence, I think, fairly and with due regard to what they believed was their duty as members of the Committee entrusted with the hearing of divorce petitions, and with due regard to all the circumstances with which they must deal in such cases; and I would ask the honourable gentlemen in the House, who have no doubt read over the evidence, to form the same opinion that the Committee formed and to uphold the action of the Committee in dealing as they have done with this particular case.

Hon. Mr. TESSIER: Honourable gentlemen, I do not like to interrupt the honourable member, but I cannot allow to pass without protest his remark that I was prejudiced in this matter. Let me tell the honourable gentleman that I do not know these parties at all. I never knew them. I never heard a word about this case before. The parties do not belong to my city. I formed my opinion only upon reading the evidence, aud upon nothing else. I have no right to speak again, but I cannot at all agree with the honourable gentleman's interpretation of the evidence, and I am quite sure that if honourable members will take the trouble to read it carefully, they will not come to the conclusion that he has stated, but will come to the conclusion that I have reached.

Hon. Mr. CASGRAIN: Honourable gentlemen, I have heard the Chairman of the Committee on Divorce, and if there is a good reason for throwing out this Bill, it is his speech. He has not brought before us one tittle of evidence that adultery has been committed. He could not swear himself, if he were put in the witness box, that adultery has been committed, and I understand that divorces are granted according to the evidence. I may say that I read this evidence and was surprised that the divorce was granted. The only time that I went to the Divorce Committee was when Mr. W. C. Lighthall, K.C., appeared as counsel in a case. I do not know who the parties were. It seemed to me the clearest case that could possibly be made out, and I said to him, "The divorce will certainly be granted," but the divorce was refused—why? Because he could not produce witnesses to testify that adultery had been committed. And in this case the House is asked to approve of a divorce. It is an ex parte case: the Chairman admits that. The lady in the case was not represented—did not appear in person or by counsel. Therefore the Committee should be all the more careful. Does the Committee not think that there may have been collusion between the husband and wife to be separated? In the twenty years I have been a member of this House, I have always understood that when there was collusion the divorce was not granted.

Hon. Mr. PROUDFOOT: There was no evidence of collusion.

Hon. Mr. TESSIER: It looks very much like it.

Hon. Mr. CASGRAIN: There was no evidence of adultery either.

The honourable gentleman who has moved the motion against the third reading of this Bill said that the husband was in the same predicament as the wife—that he was living with somebody else—that they were alike. Well, if they were alike, leave them together. "Birds of a feather flock together."

Hon. Mr. WATSON: No, separate them.

Hon. Mr. CASGRAIN: I have read the proceedings in this case with the greatest of care, and I have not seen one single phrase to prove the adultery. Every witness said the respondents were living like man and wife, but when the question was asked whether they were ever caught even in a compromising position, there was nothing of the sort. It is usual to accept the report of the Committee which has heard the parties, but in this case the Committee did not hear the parties; they heard only one party. I really believe that this divorce should not be granted on the grounds stated. To grant it would be contrary to the practice that has been followed for the period of more than twenty years that I have been in this House, and I for one, if there is a vote, will certainly vote against granting this divorce.

The motion of Hon. Mr. Boyer was negatived, on division.

The Senate divided on the motion for the third reading of the Bill, and the same was carried on the following division:

CONTENTS

Honourable Messieurs

Barnard,	Ratz,
Bennett,	Ross (Middleton),
Blain,	Ross (Moosejaw),
Bostock,	Schaffner,
Fisher,	Sharpe,
Laird,	Stanfield,
Lougheed (Sir James),	Tanner,
McCall,	Taylor,
McLean,	Thibaudeau,
McMeans,	Thompson,
Michener,	Todd,
Milne,	Turriff,
Mulholland,	Watson,
Nicholls,	Webster (Brockville),
Planta,	Webster (Stadacona),
Proudfoot,	White (Pembroke),
Prowse,	Willoughby—34.

NON-CONTENTS

Honourable Messieurs

Beaubien,	Forget,
Blondin,	Lavergne,
Boyer,	Mitchell,
Casgrain,	Montplaisir,
David,	Tessier—10.

CANADIAN NATIONALS BILL

THIRD READING

Bill 17, an Act to define Canadian Nationals and provide for the Renunciation of Canadian Nationality.—Hon. Sir James Lougheed.

CORRUPT PRACTICES AT ELECTIONS BILL

THIRD READING

Bill 39, an Act to amend the Statutes relating to Corrupt Practices at Elections. —Hon. Sir James Lougheed.

ST. JOHN AND QUEBEC RAILWAY BILL

THIRD READING

Bill 71, an Act to authorize an extension of time for the completion of the St. John and Quebec railway between Centreville, in the county of Carleton, and Andover, in the county of Victoria, N.B.—Hon. Sir James Lougheed.

CANADIAN WHEAT BOARD BILL

THIRD READING

Bill 75, an Act concerning the Canadian Wheat Board.—Hon. Sir James Lougheed.

CRIMINAL CODE AMENDMENT BILL

THIRD READING

Bill E3, an Act to amend the Criminal Code.—Hon. Mr. Lynch-Staunton.

DIVORCE BILLS

SECOND READINGS

Bill F3, an Act for the relief of Joseph Sorton.—Hon. Mr. Proudfoot.

Bill G3, an Act for the relief of Gladys Frances Annie Wheeler Bernard.—Hon. G. V. White.

Bill H3, an Act for the relief of William Carr.—Hon. W. B. Ross.

Bill I3, an Act for the relief of Ada Florence Keenan.—Hon. W. B. Ross.

Bill J3, an Act for the relief of Gertrude May Turner.—Hon. Mr. Gordon.

Bill K3, an Act for the relief of James Henry Bigrow.—Hon. Mr. Gordon.

Bill L3, an Act for the relief of Emelina Dunsmore.—Hon. Mr. Blain.

WEST INDIES TRADE AGREEMENT BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 59, an Act respecting a certain Agreement between Canada and certain of His Majesty's colonies in the West Indies.

He said: Honourable gentlemen, this has to do with a treaty, known as the Treaty of 1920, recently entered into between Canada and the West Indies. Long previous to Confederation Canada traded with the West Indies. Our trade relations with the West Indian Islands have always been a feature of Canadian trade, particularly that section of trade which relates to the Maritime Provinces. Previous to 1897 Canada at its own expense maintained steamship transportation between our ports and those of the West Indies. In 1897 we extended to the West Indian Islands a trade preference; and we not only did that, but we continued to maintain the steamship transportation. In 1912 it was thought desirable that if at all possible a treaty should be negotiated between the West Indian Islands and our country, and that we should have clearly defined trade relations with those islands. Consequently, in that year the Government of Canada entered into a trade agreement with them under which we subsidized lines of steamships to ply between our ports and theirs, and by which we continued to extend to them a trade preference; they extending to us in return a preference of 20 per cent. Unfortunately this particular agreement did not include all the West Indies, there being omitted from it some of the more important islands—for instance, Jamaica, the Bahamas, Bermuda, and

British Honduras, which at that time did not see their way to entering into the treaty along with the other islands which became parties thereto.

That treaty, imperfect as it was, continued for some ten years. Upon the approach of its termination it became obvious to the Government of Canada as well as to the West Indian islands that it was in the interest of both parties that there should be a more definite treaty, to which all the West Indian islands should become parties. Consequently, in 1920, as honourable gentlemen doubtless recollect, negotiations were entered into for the purpose of completing a more extended treaty than we then enjoyed. A conference was held in Ottawa, at which were represented, I think, all the West Indian islands. As an outcome of that conference we have the treaty which is embodied in the Bill for which I am asking a second reading.

Generally speaking, this treaty proposes on the part of Canada to extend to the islands a 50-per cent preference. The West Indian islands have been divided into practically three groups, and the preference which is to be extended by them to Canada varies according to the group. Honourable gentlemen will observe that under Article V, paragraph a, of the treaty, which is to be found on page 3 of the Bill, the Barbados, British Guiana and Trinidad give to Canada a 50-per cent preference upon goods going into those islands. In paragraph b we have another group, composed of British Honduras, the Leeward Islands, and the Windward Islands, that give to us a preference of 33⅓ per cent. Under paragraph c another group made up of Bermuda and Jamaica extend to us a preference of 25 per cent.

Hon. Mr. PROUDFOOT: Seventy-five per cent.

Hon. Sir JAMES LOUGHEED: No, the preference is 25 per cent. They will not levy upon our goods more than 75 per cent of their regular tariff.

The Bahamas, which are placed in a rather peculiar position owing to the requirements of revenue, felt at the time of the Conference that they could not extend a preference of more than 10 per cent; but since the representative of the Bahamas returned, and since the matter has been discussed in their Legislative Assembly, they have expressed a willingness to enter into group c, so that we shall enjoy from the Bahamas, together with Bermuda and Jamaica, a 25-per cent preference.

Hon. Mr. CASGRAIN: It says 90 per cent in the Bill.

Hon. Sir JAMES LOUGHEED: They will not charge more than 90 per cent of their tariff. That is a preference of 10 per cent. All the islands, with the exception of Bermuda, have signified their willingness to become parties to the treaty. Bermuda is singularly placed in its trade relations with the United States, and being apprehensive that should it become a party to this preference reprisals might possibly be undertaken by the United States it withheld its consent to entering into the treaty. We have not yet heard from the Barbados; so, as we have heard nothing to the contrary from them, I think we may conclude that all the islands with the exception of Bermuda will have entered into the treaty.

I might point out to honourable gentlemen that the growth of trade between Canada and the West Indies has been very gratifying. In 1897 the total trade imports and trade exports amounted to $2,842,968. That volume of trade had grown between 1897 and 1912 to $16,-161,598; and in 1920, when this treaty was negotiated, it totalled the very satisfactory sum of $35,124,736. Since 1897 it had grown from an amount less than $3,000,000 to practically $36,000,000.

Hon. Mr. ROCHE: Which has been the larger increase—that of the exports from Canada or the imports to this country?

Hon. Sir JAMES LOUGHEED: I am sorry I cannot give that information just at the moment. It will therefore be seen, honourable gentlemen, that we may trade advantageously with the West Indian Islands. Furthermore, as blood is thicker than water, it is very gratifying to be able to build up a trade with a part of the Empire such as is constituted in those Islands.

There are other features of this treaty of which it is not necessary for me to enter into an explanation, inasmuch as the agreement, which is to be found on page 4 and the following pages, is self-explanatory. A steamship service will be established of a much more satisfactory character than that which has obtained in the past. It is well recognized that trade may be greatly improved by transportation facilities: that, I might say, is axiomatic. It is unnecessary to labour

upon a proposition of that character. Canada already has improved its steamship service between Maritime Province ports and the ports in the West Indies with which we are trading. We are contributing a substantial subsidy to the maintenance of that steamship service; but the opinion is that, with the assistance of the West Indian Islands and the substantial contributions which they purpose making to an improved steamship service, we may look forward to having at a very early day a service that will far exceed in volume and efficiency the service which we have enjoyed in the past.

Upon page 5 of the Bill honourable gentlemen will observe a statement as to the contributions which will be made by the different West Indian Islands to this steamship service. For instance, Barbadoes will contribute not less than £5,000; Bermuda, not less than £2,000; British Guiana, not less than £7,500.

Hon. Mr. MURPHY: Bermuda is not contributing.

Hon. Sir JAMES LOUGHEED: Bermuda is not at present, but at some time may contribute to the steamship service. I see no good reason why Bermuda should not do so, because there is nothing to prevent our trading with Bermuda, notwithstanding the fact that that Island has not entered into the treaty. The Leeward Islands propose to contribute not less than £2,500; Trinidad, £7,500; the Windward Islands, £2,500. I may say that consideration is at the present time being given to improving our steamship service with those islands.

Hon. Mr. BOSTOCK: Are any of the mercantile marine ships being used in this service?

Hon. Sir JAMES LOUGHEED: Yes; we have established a very satisfactory trade between Canada and the Islands with those ships. They have been doing a very satisfactory trade with all the West Indian Islands, and I hope will continue to do so.

Hon. Mr. DANDURAND: Are they competing with our own subsidized lines?

Hon. Sir JAMES LOUGHEED: No, they are not competing. I suppose it might be said in a way, they are competing; but, competition being the life of trade, I fancy the volume of trade has been very largely increased by reason of our activity in building up trade routes with a couple of lines of steamships.

The features which I have pointed out to honourable gentlemen are, I think, the cardinal features of the Bill, and the House will agree with me, I have no doubt, that it is very desirable that we should pursue the policy which has very largely developed our trade from before Confederation down to the present time, and which every year is very substantially increasing it.

Hon. Mr. McMEANS: May I ask the honourable leader of the Government if Canada has any trade agents in those different Islands?

Hon. Sir JAMES LOUGHEED: Oh, I think so.

Hon. Mr. McMEANS: Well, I know we have not in Bermuda, because I happened to be there when this treaty was rejected, and I was informed by several very prominent Canadians there that they thought the Canadian Government were neglecting them; there was nobody then to look after the trade with the Island—nobody who could do anything in the way of helping the trade relations between Bermuda and Canada. The position of Bermuda is probably a little different from that of any of the other Islands, because there is a tri-weekly service between New York and Bermuda, and there are two very large steamships in that service.

Hon. W. B. ROSS: A bi-weekly service.

Hon Mr. McMEANS: I think it is tri-weekly.

Hon. W. B. ROSS: The steamer used to leave every Wednesday and Saturday. Maybe the sailings are changed.

Hon. Mr. McMEANS: The large steamers are crowded with American people going over to Bermuda, and they bring back its produce, its early vegetables, to the city of New York. I was told that the reason why the treaty was rejected in Bermuda was that its people were afraid it might prejudice their trade with the United States, and they would like to sell all the goods they can to the United States and at the same time do business with Canada. It does appear to me that the Government are not fully alive to the situation; otherwise they would accede to the request that a trade agent be appointed on behalf of Canada, even if he receives no salary. There are good Canadians there—

Hon. Sir JAMES LOUGHEED: Do you know where we can find any persons of that kind?

Hon. Mr. McMEANS: Yes; I can give the honourable gentleman the name of a very staunch Canadian who is engaged in business in Bermuda who told me of gentlemen who would accept a position without any salary if they could once get the Canadian Government sufficiently interested in the Island and in the trade that might be done with Canada to appoint somebody to look after that trade.

Hon. Mr. CASGRAIN: Will the honourable gentleman who has just taken his seat permit me to ask him one question?

Hon. Mr. McMEANS: Certainly.

Hon. Mr. CASGRAIN: How many white people are there in Bermuda?

Hon. Mr. McMEANS: About 8,000. Of course the traffic between America and Bermuda may be to a certain extent attributable to the fact that prohibition does not prevail on the Island. Still, the whole Island is simply swarming with Americans, who spend a great deal of money.

Hon. Mr. CASGRAIN: That was not the cause of the honourable gentleman's visit?

Hon. Mr. McMEANS: Well, not the recent one, but it may be in the future. I have mentioned the point with regard to a trade agent because I think it is really a matter of importance, and the people of Bermuda would be very much pleased if some representative, even without salary, were appointed.

Hon. Sir JAMES LOUGHEED: I shall be very glad to direct the attention of the Minister of Trade and Commerce to what my honourable friend has said.

Hon. Mr. CASGRAIN: For the 8,000 people.

Hon. Mr. ROCHE: Honourable gentlemen, I would be very happy to support any proposal or any movement to promote profitable Canadian trade. My honourable friend the leader of the House did not go far enough back in the history of trade between Canada and the West Indies. Prior to the year 1834 preference was given by the British Government to trade between the provinces of Canada and the West Indies. American goods could be imported into the provinces of Canada, and sent from Canada to the West Indies, enjoying there a substantial preference; so that the trade in our products and in those imported from the United States could be carried on profitably with all the West Indies.

That preference was repealed in the year 1834 and the United States were then allowed to export their productions to the West Indian Islands and introduce them there on exactly the same terms as goods sent from the various provinces of Canada.

About ten years ago—I think it was in 1912—the British preference was given. It was thought that the preference being given to West Indian products in Canada would result in a large benefit being received by the people of Canada, particularly in the cheapening of sugar, which is sent from the West Indian Islands. What was the fact? Sugar produced in San Domingo and some other Islands—Cuba, and Porto Rico, now belonging to the United States—was at a much lower rate than the sugar from a British Island. What did the London syndicate do which handled the products of Trinidad, Demerara and some other West Indian Islands? They immediately increased the enlarged price of sugar nearly to the value of the foreign sugar and the duty; so that we were paying a very high price in this country and were deprived of the benefit of the preference given by Canada. I believe that without preference a large portion of the sugar imported into Canada could be bought in Cuba, in Porto Rico and in San Domingo.

Now, with regard to the increase in the gross amount of trade conducted between the West Indian Islands and Canada, please remember that the cost of sugar and other West Indian commodities is more than doubled, and the cost of our productions sent out to the West Indian Islands is more than doubled also; so that the vast increase which has been spoken of by the Minister (Hon. Sir James Lougheed), and on which he congratulated himself, arose, not from the increase of the volume of trade, but from the very much higher prices of the articles, both those sent out and those received. In some of those islands—I think some of them are mentioned in the treaty—there are very few white inhabitants and they do not look very much to Canada for foodstuffs; but the large islands like Trinidad and Jamaica are growing in population and in wants. Jamaica is restoring itself to its old prosperity which it enjoyed in times long prior to our recollection, when members of the nobility of England lived there.

This brings me to the question of transportation. We have had a good deal of money expended in Canada in building ships and preparing them for this trade.

The trade to Honduras, the trade to the Bahamas or the trade with the small islands in the West Indies, is of very little value, but the trade to the large islands —to Demerara, to Cuba, to Porto Rico —which was once of very large dimensions, is worthy of our attention and worthy of the best efforts that we can make to secure a larger volume of business. When we have expended so much money in building ships that are well adapted to the trade, or could be well adapted to it by adding passenger accommodation, why do we pay large subsidies to British and other corporations for running their boats? We have our own boats, our own captains and our own crews, and facilities for running that trade ourselves and reaping all the benefits which can be derived from it. In addition to that, we have home-managed ships, whose managers are well acquainted with the products of our country and well disposed to send those products to the West Indian Islands, with or without a treaty. I approve of the treaty; I approve of all that can be done to increase our trade and to bring us into closer communication and better relations with the West Indian Islands; but I say—and I wish the honourable the Minister would bear this in mind —that, with our present facilities and with the expense the Government has been under to provide these ships, we ought to run our own business and not submit to foreign companies enhancing the price of sugar for their benefit and running their ships under large subsidies. That business could be conducted, passengers could be carried, and the products of both countries received and sent, by our own people and to our own advantage.

Hon. Sir JAMES LOUGHEED: I have no desire to interrupt my honourable friend, but may I give him the explanation of why we are still running ships that do not belong to the Government? We had, some time ago, entered into an agreement, a mail contract, by which, I think, the Royal Mail Packet plied between Canadian ports and West Indian ports. That contract dates back some years. It is only recently that our own ships have been available for that purpose, and, unfortunately for our present requirements, they are not passenger ships. Recently we have added accommodation for about thirty passengers on each of those freighters, but as my honourable friend knows, the Royal Mail Packet Company's ships leaving Halifax can each carry several hundred passengers. The subsidy contract with that Company expired some months ago, and it has been renewed temporarily, but I hope, with my honourable friend, that the day is not far distant when we may be able to have our own ships plying to those ports.

Hon. Mr. BOSTOCK: I would like, with the permission of the House, to move the adjournment of this debate, if my honourable friend has no objection.

Hon. Sir JAMES LOUGHEED: Did my honourable friend from Halifax (Hon. Mr. Roche) complete what he was about to say? I interrupted him, and I did not understand him to have concluded.

Hon. Mr. ROCHE: If the debate be adjourned I will supplement it with a few facts, but the bulk of my remarks have been given.

On motion of Hon. Mr. Bostock, the debate was adjourned.

MONTREAL HARBOUR COMMISSIONERS BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 77, an Act to extend the time for the payment of certain debentures issued by the Harbour Commissioners of Montreal.

He said: There are two issues of debentures which have been made by the Harbour Commissioners of Montreal, and which have matured. It is desirable that they should be renewed. This Bill is for that purpose. These issues should be kept current. It is intended that they shall run on, like the brook, continuously. Therefore I move the second reading of the Bill.

Hon. Mr. BOSTOCK: May I ask the honourable gentleman if the interest on these debentures is paid regularly?

Hon. Sir JAMES LOUGHEED: Regularly. If my honourable friend will speak to the honourable gentlemen to his right, I am sure both of them will corroborate all that I have said.

The motion was agreed to, and the Bill was read the second time.

CURRENCY BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 78, an Act to amend the Currency Act, 1910.

He said: We are minting for the people of Canada some more money—a very much needed article. It is proposed to substitute for the present five-cent piece a nickel coin which I have no doubt will be more convenient, and from which the Government of Canada will derive some profit. There is also a clause in the Bill prohibiting the melting down of gold or silver legal tender. It goes without saying that, particularly at this time, when exchange is very much against us, this prohibition is desirable. It is only recently that legislation has been passed in England prohibiting the melting down of coin of the realm. During the recent war legislation for that purpose was passed in the United States, but that legislation terminated shortly after the war ceased. In Great Britain, however, the legislation placed upon the statute book continues to be enforced, and it is proposed that we should enact similar legislation in Canada, and enforce it as best we know how. It may be of interest to honourable gentlemen to point out that the nickel five-cent piece that we propose issuing is of pure nickel, and will differ from the nickel coin issued in the United States, which is composed partly of nickel and partly of copper. The superiority of the pure nickel piece is quite recognized. Furthermore, it may be pointed out that in an issue of say five million coins, as between silver and nickel, there will be a profit to the Government of $52,562.50, accepting the price of nickel and the price of silver as they are quoted to-day. Further, the new coin will be more convenient than the present one. These are the two features of the Bill.

Hon. Mr. BOSTOCK: My honourable friend has spoken of the profit on the proposed five-cent coin. I should have thought that the present five-cent piece would be the more profitable coin for the Government, because I think every honourable gentleman who has handled them has had the experience of losing many of them, and I think they disappear from circulation very easily.

Hon. Sir JAMES LOUGHEED: You can lose the nickel in the same way.

Hon. Mr. BOSTOCK: I think the Government has made considerable profit on its coinage, but the remarks of my honourable friend indicate that he thinks there is a great deal more profit to be made from the nickel five-cent piece than from the silver coinage. I understood that last Session or the Session before we degraded the currency so as to enable the Government to make a profit on their coinage; so I presume they are making such profit to-day, and therefore the question of profit would not enter exactly into this matter. I think it would be very interesting if, at the Committee stage, my honourable friend would let us see the dies of this new coin, or let us know what it is going to be like when it is struck. Three years ago we passed an Act changing the one-cent piece, and the coin that the Government is now issuing is one that I do not think we can be very proud of; it is very small, and personally I do not like it nearly as well as the old one-cent piece, though I understand some people prefer it on account of its being smaller than the old one. I understand there has been great objection to the one-cent piece from its being very often mistaken for the ten-cent piece. I suppose that nickel has proved to be a thoroughly good metal for the purpose of coinage, but I presume the new coin will be a great deal thicker than the present five-cent piece, and I should have thought some objection might be made to it by tramway companies and various other organizations which use it.

Hon. Sir JAMES LOUGHEED: It will be the same size as the United States nickel.

Hon. Mr. BOSTOCK: But the tramway companies in this country have certain receptacles for the present five-cent piece.

Hon. Sir JAMES LOUGHEED: They will have to adjust the slot in the box to take the new one.

Hon. Mr. BOSTOCK: The Government's own machines for selling stamps will also have to be adjusted in the same way, and it might be interesting to know what that is going to cost the country. For myself, I would very much like to see this coin that is going to be struck, because I am not in favour of the American five-cent piece; it is not a good coin, from what I have seen of it.

Hon. Mr. CASGRAIN: It will be just a mere token; it will not represent five cents in value; it will have a fictitious value.

Hon. Sir JAMES LOUGHEED: It will be legal tender for payments up to five dollars, and there will be nothing fictitious about it. If you can get enough of them you will be very well off.

The motion was agreed to, and the Bill was read the second time.

WINDING-UP BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into committee on Bill 72, an Act to amend the Winding-up Act. Hon. Mr. Laird in the chair.

On section 1—liquidator to prepare statement of assets and debts:

Hon. Sir JAMES LOUGHEED: When this Bill came up for consideration in Committee of the Whole on Friday last the honourable gentleman from Ottawa (Hon. Mr. Belcourt) pointed out that in section 33A there was no instruction to the liquidator as to what he should do with the statement which he is obliged to prepare within sixty days. Honourable gentlemen will see that new section 33A, when read by itself, would naturally suggest that question; consequently we allowed the matter to stand over in order to ascertain what the liquidator would do with the statement. We omitted to look lower down in the Bill, if we had done so we would have found that the statement referred to in the new section which was then under consideration had to be sent to the Dominion Bureau of Statistics. The object of this Bill is purely statistical. It is desirable that the Dominion Statistician should have full information as to all the subjects enumerated in the Bill; consequently it is unnecessary to further adjourn the consideration of this Bill because the question is fully answered there. I therefore move the adoption of section 1.

Hon. Mr. BOSTOCK: I presume that does not prevent anybody else from getting a copy of that statement if desired?

Hon. Sir JAMES LOUGHEED: Oh, no.

Hon. Mr. MURPHY: What about the creditors?

Hon. Sir JAMES LOUGHEED: It has nothing to do with the creditors; it is merely for statistical purposes.

The section was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

WEDNESDAY, April 27, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

RAILWAY GUARANTEES OF PROVINCES

INQUIRY

Hon. Mr. CASGRAIN inquired of the Government:

1. What was the total amount of securities guaranteed for railways by the Governments of Britsh Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island?
2. Has the Dominion paid any interest or coupons on any of the above mentioned securities in lieu of the Provinces?
3. If so, what amount has been paid, naming the provinces and the amount in each case?
4. Have any of the Provinces paid any interest or coupons on securities guaranteed on the railways within their boundaries?
5. If not, why not?
6. Is it the intention of the Dominion Government to saddle Canada with these provincial obligations?

Hon. Sir JAMES LOUGHEED:

1. See Page x et seq. of Railway Statistics for the year ended June 30, 1919. (Sessional Paper No. 20B, 1920).
2. Yes.
3. Payments of interest coupons have been made on Grand Trunk Pacific Branch Lines Bonds, as follows:

(a) Guaranteed by Province of Alberta, $295,755.50.

(b) Guaranteed by Province of Saskatchewan, $1,155,755.72.

4. Not a matter of Dominion Government record.
5. Answered by No. 4.
6. The Government has decided, having in view the present situation of the Grand Trunk arbitration, not to pay interest presently due (May 1) on Grand Trunk Pacific Branch Lines Bonds referred to in answer to question No. 3.

DIVORCE BILLS

THIRD READINGS

Bill F3, an Act for the relief of Joseph Sorton.—Hon. Mr. Proudfoot.

Bill G3, an Act for the relief of Gladys Frances Annie Wheeler Bernard.—Hon. G. V. White.

Bill H3, an Act for the relief of William Carr.—Hon. W. B. Ross.

Bill I3, an Act for the relief of Ada Florence Keenan.—Hon. W. B. Ross.

Bill J3, an Act for the relief of Gertrude May Turner.—Hon. Mr. Gordon.

Bill K3, an Act for the relief of James Henry Bigrow.—Hon. Mr. Gordon.

Bill L3, an Act for the relief of Emelina Dunsmore.—Hon. Mr. Blain.

SECOND READING

Bill N3, an Act for the relief of Alfred William Wells.—Hon. Mr. Prowse.

WINDING-UP BILL

THIRD READING

Bill 72, an Act to amend the Winding-up Act.—Hon. Sir James Lougheed.

JUDGES BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 60, an Act to amend the Judges Act. Hon. Mr. Mitchener in the Chair.

On section 1—section 11 of chapter 56 of statutes of 1920 not to apply to present Chief Justice:

Hon. Mr. CASGRAIN: Explain.

Hon. Sir JAMES LOUGHEED: I explained to the House on the second reading of the Bill.

Hon. Mr. CASGRAIN: We would like to hear the honourable gentleman.

Hon. Mr. DANDURAND: We want to give you another chance.

Hon. Sir JAMES LOUGHEED: The application of it is this. As honourable gentlemen will doubtless recall, when the Judges Bill passed this House, I think at the last Session of Parliament, the honorarium—I supose we had better call it that—given to the Chief Justice in his capacity as Deputy Governor was $5,000. It was proposed that this should be included with his salary and that hereafter there should not be a distinct honorarium paid to the Chief Justice for the performance of those duties; that in his capacity as Chief Justice he should discharge the duties of Deputy Governor.

Hon. Mr. DANDURAND: That was last year?

Hon. Sir JAMES LOUGHEED: Yes. He had been, previous to that, in receipt of practically a $15,000 salary; that is to say, $10,000 as Chief Justice and $5,000 as Deputy Governor. The impression prevailed that it was not the intention to make the income tax applicable to the salaries which the judges received previous to that date; consequently this $15,000 was exempted from the income tax. During the present Session, after the Bill had been introduced to exempt the whole amount from the income tax, the question was raised in the House of Commons, and the impression there was that the $5,000 had always been liable to the income tax, and therefore should not be exempted as part of the entire salary paid to the Chief Justice. I need scarcely point out, honourable gentlemen, that no good purpose is served by discussing this matter in its different aspects, inasmuch as it is peculiarly a money Bill, which we in this House could not very well interfere with. At least it comes under the class of money Bills.

Hon. Mr. CASGRAIN: We could reject it.

Hon. Sir JAMES LOUGHEED: We could reject the whole Bill.

Hon. Mr. DANDURAND: But we could reduce the amount as well.

Hon. Mr. CASGRAIN: No, no; we could reject it.

Hon. Sir JAMES LOUGHEED: However, I do not think the Senate would assume to amend a money Bill of this class; and of course a reduction of it would be an amendment of it. And I do not think there is any disposition to reduce the salary of the Chief Justice of Canada below the amount fixed, which is not an over-generous salary for so important an office. That is the explanation of this clause. It simply exempts his salary as it was always exempted—that is, the $10,000—from taxation, and it makes the $5,000 liable to it.

Hon. Mr. SCHAFFNER: Why does it apply to the gentleman who holds the position rather than to the office itself? Why name Sir Louis H. Davies? Supposing he died to-morrow and we had a new Chief Justice, would it be necessary again to amend the Act?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. DANDURAND: I was just going to put that same question. Is it the intention to free from the income tax the emolument accruing to the Chief Justice, whatever his name?

Hon. Sir JAMES LOUGHEED: The legislation of last Session may be suscep-

tible to this interpretation, that, the $5,000 having constituted an increase in the salary of the Chief Justice, therefore, under section 11, as it is at present framed, the incoming Chief Justice, accepting the position under the provisions of that section, would have his whole salary liable to taxation.

Hon. Mr. DANDURAND: So this legislation simply applies to the present Chief Justice?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: And a future appointment would fall under the general Act?

Hon. Sir JAMES LOUGHEED: Yes, it would fall under the general provision of the statute.

Hon. Mr. CASGRAIN: The judges do not pay any income tax?

Hon. Sir JAMES LOUGHEED: Yes. Under the legislation last year, if they accept the increased salary, then their whole salary apparently becomes liable to the income tax.

Hon. Mr. CASGRAIN: But on the former salary they did not pay it?

Hon. Sir JAMES LOUGHEED: No, not before that.

Hon. Mr. DANDURAND: Was the $5,000 which the Chief Justice received previously to the legislation of last year as Deputy Governor General liable to the income tax?

Hon. Sir JAMES LOUGHEED: I understand that it had not been taxed, but it was liable to the tax, and therefore it remains liable to the tax under the new conditions.

Hon. Mr. DANDURAND: But it has been replaced by the increase.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. DANDURAND: It has been cancelled. The present Chief Justice cannot receive $5,000 as Deputy Governor, but it has been replaced by this increase in his salary from $10,000 to $15,000.

Hon. Sir JAMES LOUGHEED: Yes, but he performs the duties of Deputy Governor in connection with his office, and therefore, with respect to the moneys received by him, made up of salary and of the emolument paid to the Deputy Governor, the position of the Chief Justice is to-day precisely what it was previous to that legislation, the intention being that it should not be disturbed—that he should enjoy whatever emolument he received formerly.

Hon. Mr. CASGRAIN: I suppose the honourable leader of the Government could not tell us how that $5,000 was initiated?

Hon. Sir JAMES LOUGHEED: No, but perhaps my honourable friend can. Can he?

Section 1 was agreed to.

Section 2 was agreed to.

On section 3—when judges not to be paid travelling expenses:

Hon. Sir JAMES LOUGHEED: I desire to move an amendment which I think will cover the point raised by the honourable gentleman from King's and Albert (Hon. Mr. Fowler). In fact, this amendment is being made at the instance of the Minister of Justice, who has given full consideration to its application. It is proposed on page 1, line 28, after the word "thereof," to insert the following words: "or unless he be the judge who under the authority of the laws of the province resides at Moncton."'

Hon. Mr. CASGRAIN: Moncton?

Hon. Sir JAMES LOUGHEED: Yes; owing to some special legislation it is apparently necessary to make that particular condition.

Hon. Mr. BOSTOCK: What will be the effect of that exactly?

Hon. Sir JAMES LOUGHEED: He resides at Moncton—

Hon. Mr. BOSTOCK: And he gets travelling expenses?

Hon. Sir JAMES LOUGHEED: He does not reside at St. John; consequently if he goes to St. John he will be entitled to his travelling expenses; but he would not be entitled to travelling expenses in performing his judicial duties at Moncton.

Section 3 was agreed to.

Hon. W. B. ROSS: Honourable gentlemen, I gave notice of an amendment that I would move to this Bill that is now before you. I think I can explain the amendment in very few words. The Dominion appoints the judges for the Superior and County Courts. The provinces themselves constitute the courts. Now, the greater part of the work of the judges is of course prescribed in the statutes of the different provinces constituting the courts. If there is in any one province any civil matter

that involves a dispute, it can be transferred to any of the courts, either the Supreme Court or the County Court, and the judges of those courts would deal with it. Outside of the work that is assigned to the judges by the Acts constituting the courts, there is a sort of floating liability of the judges to do certain things. That is to say, the Governor General in Council can call upon a judge of any one of the courts to act as an arbitrator or as an umpire.

Hon. Mr. CASGRAIN: Or commissioner.

Hon. Mr. ROSS: Or commissioner. That is one liability. We are not concerned with that to-day. But by the statute that we passed in 1920 we also gave power to the Lieutenant Governors in Council to use Dominion judges in the very same way. If there is some dispute about a road commission or about expenditure upon a highway, or any matter of that kind, the Lieutenant Governor in Council can refer it to one of the judges. My own opinion, and, so far as I can ascertain it, the opinion of the Bar, of the judges themselves, and of the general public, is that calling upon the judges to leave the regular work of the courts and to go out and become involved in what are, after all, political squabbles, is working irreparable damage to the standing of our courts and to the confidence of the general public in them. There was in Nova Scotia an investigation in connection with a highway—a very nasty scandal; I should say, one of the worst that has ever occurred in Canada. One of the judges of the Supreme Court was called to act as a commissioner in connection with an investigation in that matter. It is impossible for a judge to get into a matter of that kind and not become involved in a political fight, no matter what way he rules. If he rules for one side, the other side accuse him of being partisan, and so on, and the inquiry is made, "What Government appointed him?" and "Whom was he seen walking with?" It is altogether a degrading thing, and, more than that, it is throwing the work of the courts into confusion. Our judges have to go on a circuit. There is a Supreme Court that sits at Halifax; we call it the court sitting en banc. Then twice a year they go out over the province. The circuits have to be arranged weeks ahead. If the Lieutenant Governor in Council can come in and demand the services of one of these judges to investigate a petty political squabble, the whole circuit is thrown out of gear.

I am simply asking now that this section 34, which gives that power to the Lieutenant Governor in Council, be amended by striking that out. These are the words of the section:

> Every judge who may be nominated for the purpose by the Governor in Council or the Lieutenant Governor in Council shall execute without additional remuneration any commission or enquiry for which he may be appointed as commissioner under any authority in that behalf exercisable by the Governor in Council or the Lieutenant Governor in Council, including the discharge of the duty of arbitrator in any case in which he may be named to act by competent authority.

My amendment is to strike out the words "Lieutenant Governor in Council." That would leave the judges, who are appointed by the Dominion, still at the disposal of the Governor in Council. If the Lieutenant Governors in Council in the provinces have squabbles that they want to have settled, they can get leading counsel or laymen—good police magistrates or stipendiary magistrates—to sit as arbitrators and try those matters. There is no reason on earth why they should call upon the judges of the Supreme Court. That is the whole amendment.

Hon. Mr. CASGRAIN: May I ask the honourable gentleman, is it mandatory? Are the judges obliged to act?

Hon. Mr. ROSS: They have to act, as the statute reads now.

Hon. Mr. CASGRAIN: They have to act without pay, and they cannot decline?

Hon. Mr. ROSS: Yes.

Hon. Mr. DANDURAND: I do not know whether the honourable gentleman has explained why he would leave the power of appointing to such commissions to the Governor General in Council and not to the Lieutenant Governor.

Hon. W. B. ROSS: If I could strike out both, I would; but I think half a loaf is better than no bread.

Hon. Mr. DANDURAND: But is not the principle the same?

Hon. W. B. ROSS: The objection is largely, but not quite, the same. I regard both things as objectionable. But the Minister of Labour last year, as you will remember, explained that when there were labour disputes the employers named an arbitrator and the men named an arbitrator, and for some reason or other the men would not have anyone but a judge

as an umpire. I think the question of whether the Governor General in Council shall continue to have this power to appoint judges under these conditions can be discussed in the future; but I think it would be helpful to go as far as this; and, although I am prepared to vote to take this power from the Govenor General in Council, I say let us take one thing at a time and deal with the Lieutenant Governors in Council first.

Hon. Mr. DANDURAND: Why does the honourable gentleman feel that he could go that far in the present Parliament while if he attempted to go further he would fall down?

Hon. W. B. ROSS: Because I fell down last year. I do not want to fall down again.

Hon. Sir JAMES LOUGHEED: A burnt child dreads the fire.

Hon. Mr. BEIQUE: I should like to ask my honourable friend whether, even if his suggestion carries, it would not be open to the Governor General in Council at the instance of the Lieutenant Governor in Council to make an appointment.

Hon. W. B. ROSS: I do not think so.

Hon. Mr. WILLOUGHBY: I would ask the leader of the Government to be kind enough to look at the second page of the Bill. It provides in the case of Saskatchewan:

> No judge of the Court of Appeal or of the Court of King's Bench shall receive any travelling allowance for courts or chambers held at the city of Regina.

Then in the last two or three lines it says:

> Provided that nothing in this paragraph shall affect a judge's right to receive travelling allowances if he reside at a place at which he is by order of the Governor in Council required to reside.

The specific thing that I want to bring out is this. We have a judge of the Supreme Court resident in Moosejaw. At the time of his appointment it was intended that he should reside in Moosejaw. There is another judge who will be a resident of the city of Saskatoon, I believe. I do not know technically what takes place in the appointment of a judge if he resides in the place in which by the order of the Governor in Council he is required to reside. I fancy his patent, or whatever it is, names the place rather than the order appointing him as judge. I think this is only contemplating the case in which subsequent to the appointment of the judge the Governor in Council for good reasons sees fit to direct a place of residence other than the capital. If that were the case of a judge who was resident in Moosejaw, and who resided there at the time of his appointment, he would be precluded from getting his fees and per diems.

Hon. Sir JAMES LOUGHEED: May I ask the honourable gentleman if the judges to whom he has referred would not come within the last four lines? I think they would. I am assuming that if they are residing respectively in Moosejaw and Saskatoon, they are doing so by virtue of an Order in Council. They should be residing there under some authority.

Hon. Mr. WILLOUGHBY: I do not know whether that authority would be given by the patent of appointment or by an Order in Council.

Hon. Sir JAMES LOUGHEED: May I suggest to my honourable friend that he would have ample time to inquire of the Department of Justice before the third reading of the Bill?

Hon. W. B. ROSS: I do not know that what has been said is applicable to the amendment. I thought that the honourable gentleman from Moosejaw (Hon. Mr. Willoughby) was going to speak to the amendment.

I do not think there is the slightest possibility of any public inconvenience, not to say public wrong, being done by the amendment, because, as I pointed out, the provinces constitute the courts in the way they want them, and if there is anything like a recurrent dispute they can assign that to the court, and it can be taken up by a judge of the court who is discharging the duties of that court in the regular term. It is part of his work. As I mentioned, the local Government of Nova Scotia appointed a judge on a road commission and there has been a commission of two judges sitting in Ontario, and anyone who has read the papers can see quite well that what is going on before those two judges is not for their edification, and is not going either to exalt or keep unimpaired the high standing of the judges.

Hon. Mr. CASGRAIN: There is a Commission in Manitoba too.

Hon. Mr. PROUDFOOT: The great objection I see to the clause as it stands is that permission is practically given to

the judges to sit as arbitrators. In the province of Ontario, where I understand the situation pretty thoroughly, we have two Commissions sitting at the present time. Two judges of the Supreme Court are engaged on one Commission which is dealing with a question more or less of a political nature, or at least which is so regarded by one of the political parties of the Province. The result is that the judges have been very severely criticized, and criticized in such a way that in my opinion the efficiency of those judges may be very much impaired. We have another judge sitting on a Commission for the purpose of taking evidence in connection with the Hydro. Thus three of the judges of the Supreme Court of Ontario are tied up. The Supreme Court of Ontario is composed, I think, of nineteen judges. There are two Courts of Appeal—one called the First Divisional Court, the judges of which are permanent, and the Second Divisional Court, which is composed of five judges who are picked out from the remaining fourteen judges, and who sit for a year and are then replaced by five other judges. You will observe that three or four judges are tied up on these Commissions; the vacancy created by the death of the late Sir Glenholme Falconbridge has not yet been filled, and another justice of the Supreme Court has been ill for a matter of several months; so that there are five judges of that Court who are not actually carrying on their judicial duties at the present time. What is the result? The business of the Court is very much congested. The only way, in my opinion to overcome the present situation is to provide, not only in the interest of the public so far as the business of the courts is concerned, but in the interest of the judges themselves, that judges shall not be appointed to act on commissions. I would therefore ask my honourable friend to amend his motion in that way.

Dealing with the amendment as it stands, I do not think it will cover all that my honourable friend intends it to cover, because by striking out the words in lines 2 and 3 you only accomplish half your object, because in lines 6 and 7 the same words are repeated, and I think they also should go.

Hon. W. B. ROSS: The words "Lieutenant Governor in Council" ought to be struck out, not only in the first line, but wherever they occur in the section.

Hon. Mr. PROUDFOOT: I thought that was what you intended.

Hon. Mr. PROUDFOOT.

Hon. Mr. LYNCH-STAUNTON: Strike out the whole section.

Hon. Mr. PROUDFOOT: We ought to go a little further even than that, because if you strike out the whole of subsection 2 you leave it optional with the judges to accept appointments as arbitrators or commissioners, as the case may be, which would leave the law as it was previous to the time this section was inserted. I want to go a step further and place the judges in such a position that they will not be bound to accept appointments as arbitrators or commissioners, even if they are willing.

Hon. W. B. ROSS: Does not the last clause of the statute preclude the judges from acting?

Hon. Mr. PROUDFOOT: Oh, no, I do not think so. They have always had the right to act as commissioners if they saw fit.

Hon. W. B. ROSS: No, no; that is why this Act was passed.

Hon. Mr. LYNCH-STAUNTON: It is to give them the right.

Hon. Mr. PROUDFOOT: This does not do away with the right they had, but it prevents them taking remuneration.

Hon. Mr. LYNCH-STAUNTON: I think they are forbidden to act in any capacity other than a judicial capacity. I think the honourable gentleman is mistaken.

Hon. Mr. PROUDFOOT: I may be mistaken, but I would like to see the authority for that.

Hon. W. B. ROSS: What the honourable gentleman states to be so was the case; then there was an Act which allowed them to take pay and travelling expenses; then that was cut down so that they could not take anything except travelling expenses.

Hon. Mr. PROUDFOOT: Then I would ask the honourable gentleman to let this matter stand over until I have an opportunity of looking into it. I do not agree with my honourable friend, and the reason I make my statement so emphatically is that as far back as I can remember the judges in the province of Ontario have been in the habit of acting as arbitrators and commissioners when they saw fit; and not only that, but they were paid for so acting. We all remember that a short time ago Sir William Meredith acted as an arbitrator in connection with a railway matter; and he was paid for his ser-

vices. I am not particularly concerned with the matter of the pay; I am considering the position the judges are placed in and the position of the public.

Hon. W. B. ROSS: If this question is going to stand until to-morrow, we need not say very much about it to-day. But the position was this. There was a time when the Governor in Council could put a judge on a commission and pay him. Then, after the Laurier Government came into power, the salaries of the judges were increased, and there was a provision put in the Act prohibiting them from acting in other than a judicial capacity. That provision was in its turn cut down by another statute which allowed them to act and to take pay if they were appointed by the Governor in Council or the Lieutenant Governor in Council.

Hon. Mr. PROUDFOOT: My honourable friend will notice that subsection 2 does not give direct authority to the judges to act. It says: "Every judge who may be nominated."

Hon. W. B. ROSS: Yes, then it says he shall act.

Hon. Mr. PROUDFOOT: It does not say he shall act. It says: "He shall execute without any additional remuneration."

Hon. W. B. ROSS (reading): "Every judge who may be nominated for the purpose by the Governor in Council or the Lieutenant Governor in Council shall execute without additional remuneration." He shall do it: he has no choice. That is the question that came up in Nova Scotia. A judge refused to act, and the Governor in Council said, "You have no choice," and the matter was left to the court to decide, and the full court decided that the judge could not refuse.

Hon. Mr. CASGRAIN: What would be the penalty?

Hon. W. B. ROSS: Impeachment.

Hon. Mr. BENNETT: When this Bill was up before, I intimated that I was going to submit an amendment. In the first place, I believe there may be many questions to be inquired into in which it is particularly desirable that judges should act. I am not one who believes that judges should not act on commissions at all; but, in view of the fact that the Dominion Government pays the judges and that such matters may come up for discussion in Parliament, I propose to move an amendment on this line:

That from and after the passing of this Act a judge shall not act as a commissioner until after permission shall have been granted by the Minister of Justice; and further, that the Minister of Justice shall not grant such permission until the Chief Justice of the Court of which such judge is a member shall have certified in writing that in his opinion the judicial business of such court will not be delayed or affected by such judge accepting a commission to act thereunder or continue to act on a commission already issued.

In the first place, that puts it up to the Minister of Justice of the day to say whether or not a judge shall act on a commission. The Government of the day will then be responsible to the public, and the question of whether it was a commission with which a judge should be entrusted can be fairly discussed in either House. I quite agree with what the honourable gentleman from Goderich (Hon. Mr. Proudfoot) has said as to the condition of affairs in Ontario. I understand that some of the judges are very elderly men, and the result is that there is actually a shortage of judges in the province, and I would gather from the remarks of the honourable gentleman from Middleton (Hon. W. B. Ross) that a similar situation prevails in the province of Nova Scotia. Not only for political reasons, but also for the reason that they are overworked, judges do not wish to participate in these concerns. The second clause of the amendment, if passed, would have this result, that if a certain judge were suggested, then the Chief Justice of his court should say whether or not that judge should go.

I quite agree with all that has been said regarding the intervention of judges in certain commissions. There is no question that in the province of Ontario the judges as a whole have suffered from the participation of certain judges in such inquiries, because as a rule these inquiries have been political. Take for instance what was known as the timber scandal in Ontario, more popularly known as the Gamey case. That case was aired from one end of the province to the other. It was discussed on every public platform and in the public press, and, I may say, there was not much regard paid to the finding of the two judges who participated in that trial. There is a matter now being investigated in Ontario, and I will not foreshadow what may be the opinion of the public as to any findings that may be brought down by the Commission. I do not think it will be to the general benefit of the judiciary of this province. I would therefore move this amendment, seconded

by the Honourable Mr. Bradbury, and the two amendments might be taken into consideration to-morrow.

Hon. Mr. CASGRAIN: May I ask the honourable gentleman, before he sits down, what happens if the Chief Justice himself is called? I refer to the second part of his amendment.

Hon. Mr. BENNETT: I would add to the amendment, then, that in the event of the Chief Justice being nominated, it should be the senior judge in the province.

Hon. Mr. CASGRAIN: Better add it, then.

Hon. Mr. DANDURAND: I would draw the attention of my honourable friend to the fact that by his amendment he places the responsibility for the administration of justice in a Province in the hands of the Minister of Justice, who from his seat in the other House will let the honourable gentleman know that he is not charged with the administration of justice in a province, but that that duty devolves upon the Provincial Attorney General.

In asking for an adjournment the honourable gentleman has anticipated my own suggestion. I intended suggesting that the attorneys general of the provinces be asked for their opinions regarding the proposed amendment of my honourable friend from Middleton (Hon. W. B. Ross). We have stayed our hand from curtailing the powers of the Governor in Council because of the representations of the Minister of Labour that judges are welcomed as members of boards of conciliation, and are insisted upon by one of the parties. If that reason was sufficient for refusing to amend the Act so as to prevent the Governor in Council from appointing a judge, it is possible that we might hear from the provinces reasons why we should stay our hand in their case also. I recognize that there is considerable to be said against the utilization of judges on arbitration commissions, but we have one case which has been held to justify the issuance of a commission by the Governor in Council. Might not the provinces, which are entrusted with the administration of justice, claim that on the whole there was considerable advantage in appointing men from that serene sphere of the judicature to preside over some cases? I have not many in mind. However, it is possible that the province might consider itself very much handicapped by being prevented from calling upon judges to sit upon certain commissions, and I was wondering if in this respect, when our action may have such a far-reaching effect, it would not be well to solicit from the attorneys general of the Provinces an expression of their opinion as to the advisability of curtailing the power to call upon judges.

Everybody will recognize that in the cases which have been mentioned the effect will be to impair somewhat the prestige of some of the judges; but the same argument might apply to appointments made by the Dominion Government. The case has been mentioned of a Chief Justice from Ontario who took it upon himself to declare that a block of Canadian Northern shares was worth $16 a share. I think we should enact a law requiring him to take those shares at $1 each as an evidence of good faith in his valuation of them at $16.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, it seems to me that the substitution of the Minister of Justice or the Attorney General for the Governor in Council is simply appealing from Cæsar drunk to Cæsar sober, or from Cæsar to Cæsar, because the Minister of Justice will not do anything that the Government does not want done.

Mr. W. B. ROSS: Is it not rather from Cæsar sober to Cæsar drunk?

Hon. Mr. LYNCH-STAUNTON: Perhaps so.

Hon. Mr. DANDURAND: Or vice versa.

Hon. Mr. LYNCH-STAUNTON: The honourable member from Huron (Hon. Mr. Proudfoot) voiced my feeling in the matter. I have been asked by judges from Ontario, in letters, to try to have a Bill passed to prevent judges being called upon to act as arbitrators, or to act in any other capacity than that of judges.

Hon. Mr. CASGRAIN: Hear, hear. Quite right.

Hon. Mr. LYNCH-STAUNTON: We who practise in Ontario know that the judges of the High Court, or the Supreme Court, as it is now called, have sufficient judicial business to keep them busy all the time, and they have no time for commissions; and I am satisfied that they have no inclination for them, as the law now stands. Therefore, if my honourable friend does not move it, I will to-morrow move an amendment, that we strike out this clause entirely and prohibit judges from acting in any capacity except as judges, or, as they do now, in performing duties

under the provincial statutes as judges in the surrogate court, as auditors of local accounts, and such duties as are positively outside of any controversial subject.

Hon. Mr. CASGRAIN: What would the honourable gentleman say about judges acting as professors in universities? It was claimed—and a very strong case was made out—that it was necessary to have them.

Hon. W. B. ROSS: This does not touch that question.

Hon. Mr. LYNCH-STAUNTON: So far as I know, we have none in our province. Having no experience, perhaps I can speak without fear: I should not object to a judge being a professor in a university.

Hon. Mr. SCHAFFNER: I can understand that this is a matter with which lawyers are most familiar—

Hon. Mr. CASGRAIN: And surveyors.

Hon. Mr. SCHAFFNER: But the question has arisen in my mind: if, as my honourable friend has said, the judges in the provinces were not permitted to act as commissioners, who would be appointed? Who would do the work?

Hon. Sir JAMES LOUGHEED: Other persons.

Hon. Mr. SCHAFFNER: That is not very definite. I can understand how the influence of the judges throughout the Dominion might be impaired by their acting as commissioners in some cases, and we have certainly had instances in which this has occurred. On the other hand, there is no class of men in whom we have more confidence that they will give an independent, unprejudiced opinion. It appears to be right that the judges not only should not be compelled to act, but should be compelled not to act; but it is a question in my mind who in the provinces are to be substituted for the judges in these important cases?

Hon. W. B. ROSS: In reply to the last speaker I might remind him that I pointed out a little while ago that if a judical man is wanted, there are men of very high standing available in the stipendiary magistrates and men who are active at the Bar, who are quite as good as, perhaps better than, any judge. But, apart from that, it may not be a purely judicial affair; and, as a matter of fact, nearly all these disputes are questions not for a judge at all, but for an accountant, and the best arbitrator or commissioner you could have would be a good chartered accountant. And if you want to assure the people that you have an impartial man, you can go outside the province. For instance, Nova Scotia could send over to St. John for a man who does not know the local parties, or could send up to Montreal. One of the things that the judges complain of is that they are put on these commissions and that they are not fitted for them. Take, for instance, the expenditure of hundreds of thousands of dollars on a railway. It involves calculations with regard to cuts and fills, boulders, bridging—

Hon. Mr. CASGRAIN: Classification.

Hon. Mr. ROSS:—and things of that sort. It is not fair to a judge to expect him to deal with them. A judge said to me: "That is not my work and I am not going to do it."

Hon. Mr. CASGRAIN: He calls in an expert.

Hon. Mr. ROSS: I want to say this to the honourable gentleman who spoke of striking out this clause altogether. It is a clause that I have always objected to, and I would be only too glad if we could get it all taken out; but I would be very much better pleased to get half of it out this year than to have the whole of it left in. If you pass an amendment here to strike out the whole of that subsection 2, you will find, what I found before, that nothing will be done. I think there is a fighting chance to get what I have asked for. I have discussed this matter with the honourable member for Ottawa (Hon. Mr. Belcourt) and he has told me that he looks forward to the time when the whole of that clause will be taken out, and I shall be only too glad if it is.

Hon. Mr. ROBERTSON: Honourable gentlemen, just a word with reference to this matter. The attitude taken by this House a year ago in endeavouring to amend the Act in such a way that it would not debar us from using the services of judges on boards of conciliation under the Industrial Disputes Investigation Act was deeply appreciated. Notwithstanding that the Act permits the Governor in Council to appoint a judge, it does not permit the Governor in Council to pay him for his services. The result is that we have not had judges serving on boards of conciliation for a year past. I have no hesitation in saying that I think it was unfortunate.

My honourable friend from Middleton (Hon. W. B. Ross), I think, mentioned as a reason for not making the change that the labour men desired that judges should be appointed to boards of conciliation. That was not exactly the situation; but they took the view that the recommendations of judges as chairmen of boards did command respect and in many cases were adopted by the workmen throughout the country more readily than would be the recommendations of laymen, who might be charged with having more or less direct interest in the subject under dispute. But, inasmuch as we have not been able to use judges in this capacity for the past year, by reason of the difficulty in paying them, and have had to resort to other gentlemen as chairmen of boards, I desire to say that, so far as the administration of the Industrial Disputes Act is concerned, I have no objection now to the clause being wiped out entirely, because we have had to get along for a year without the judges and I fancy we can continue to do so.

Hon. Mr. McMEANS: One of the great objections to the appointment of judges on commissions is the fact that a great many commissions are political or semi-political. In the West we have had a great deal of experience of judges sitting on political commissions, and I have no hesitation in saying that it has taken away from the bench to a very large extent the respect to which they are entitled. I believe that the amendment of the Judges Act arose chiefly from the fact that in Manitoba and, I think, Saskatchewan, commissions were appointed by the local Government which were political in their nature, and all the commissioners were judges. It needs no argument to show that a commission that has even the appearance of being political is no place for a judge, and, if you do not strike out that clause and prohibit the judges from sitting on commissions, the probabilities are that they will be appointed on every political commission that is established.

Hon. Mr. WILLOUGHBY: I would like the mover of the amendment to be more bold—

Hon. W. B. ROSS: Well, I was going to say that, after that statement from the Minister of Labour (Hon. Mr. Robertson), I think we can go the whole way and ask that all of subsection 2 be struck out. I was trying to get as much as I could without meeting with opposition from him, because that is what blocked my former amendment. But now, if the honourable member from Huron (Hon. Mr. Proudfoot) will move to strike out the whole of subsection 2, I shall be quite content to withdraw my amendment.

Hon. Mr. WILLOUGHBY: That would entirely coincide with my view. I remember the objections made to the proposed amendment of the honourable member from Middleton last year by some judges with whom I had the honour of discussing the measure. You are aware that in the former Bill we went much farther in other respects than in the present one. One of the clauses in the Bill of last year to which judges took exception was that under which they were obligated to make a declaration as to their expenses. They thought that was a reflection on the integrity of the bench. But, in discussing the matter with the judges, I found that they had very little objection to the clause providing that judges should not act on commissions. There are undoubtedly certain matters in which the judges will continue to act, under the statutory powers of the various provinces. These will be necessarily non-political. With the actual obligation imposed on them to act in such matters perhaps the present Bill would not interfere.

I know a little in practice too regarding judges acting on commissions. If you could separate what might be called the political inquiry from certain other independent inquiries that a judge could make, it would be all right; but I do not know where the line could be drawn by any draftsman—how the political or semi-political inquiry can be differentiated from some inquiry in which a judge might engage, and I think the safe plan is to abolish the whole thing.

Hon. W. B. ROSS: Honourable gentlemen, there is one thing I ought to mention, on account of something said by the honourable Minister of Labour about not being able to obtain the services of judges, now that the judges are not paid. One of the judges of a supreme court who spoke to me about this statute showed me correspondence in which he was asked to act as a commissioner for the Governor in Council at a time when judges were paid to act as commissioners, and in which it was stated approximately what his pay would be; and it was substantial. His answer, in writing, was that he objected to acting, for pay or without pay, outside the duties assigned to him by the constitution of the court of which he was a

judge. And he said: "I am a little prominent now in raising my objection, because I have that record behind me; when I could have had big pay for acting, I refused to act."

Hon. Mr. CASGRAIN: And he was compelled to act?

Hon. Mr. ROSS: That is where the Minister of Labour is, I think, a little at fault, because the statute says that if a judge is named he can be compelled to act.

Hon. Mr. GIRROIR: I can see the objections that have been pointed out by the honourable gentlemen who are supporting this amendment; I can see that it is not always fitting or desirable that judges should sit upon commissions, particularly commissions which have for their object the deciding of issues between political parties. The object of appointing judges to commissions is to endeavour as far as possible to bring the decision eventually arrived at outside of the range of party politics, and to get a decision which the general public will believe to be an independent and unbiassed decision. Let us take a concrete case. In the House of Commons or in one of the provincial legislatures certain charges are made against a minister or a department in connection with a certain work. If the charges are sufficiently grave, the ordinary course is to have the member making them do so in a specified way. The usual course is to have a committee composed of the members of the House appointed to inquire into the charges. As a rule the Government whose department is attacked will appoint a committee the majority of whose members will belong to the Government party, the minority being members of the Opposition. The result is that when a decision is given the public will say: "Well, the Minister has been whitewashed; the officials of the Department have been whitewashed; they had a majority of their own men upon the Committee, and naturally they would give a decision exonerating the officials or the Minister involved in the charges." The reason for appointing Royal Commissions of judges to inquire into matters of that kind is to remove the decision from all suspicion of bias. The judges are busy men; they have much work to do in the various courts, and no doubt that work suffers through their removal from it and their appointment to act in some other capacity. My difficulty in connection with the whole matter is the difficulty pointed out by my honourable friend from Boissevain (Hon. Mr. Schaffner), who said: "It is quite true that there are difficulties in the way of appointing judges to commissions; it is true that in some cases they have to stand the stigma of attack, and it does not often make for the dignity of the bench; but whom are you going to put in their place?" That is the question that bothers me to some extent. My honourable friend from Middleton (Hon. W. B. Ross) suggested stipendiary magistrates. There are no busier men than stipendiary magistrates, particularly those in the large cities; and those in the smaller places, I imagine, have not had the experience which would justify their appointment to commissions of importance.

Another point to be borne in mind is that you must have men who are accustomed to weighing evidence, men who have judical minds. When you appoint a commission to try a case, you naturally want a judicial decision. Then the public are satisfied that justice has been done. But how can you have a judicial decision and a decision that will command the respect of the community at large unless you appoint men who have had a judicial training? They must be trained to listen to evidence and to weigh it, to examine documents bearing upon the different points at issue, and to give their decision in a judicial way. I would support the amendment of the honourable gentleman from Middleton (Hon. W. B. Ross) and the further amendment of the honourable gentleman from Simcoe (Hon. Mr. Bennett) if they could discover others in the community who would be as competent as judges to sit on these commissions. The decision in an inquiry under a commission, when it is quasi-judicial, and when the men sitting upon it are absolutely removed from party and political bias, must certainly have more weight in the community than a decision given by an ordinary layman or a man who is engaged in the political affairs of the country, as men generally are when they are not on the Bench. If men can be found in the community who are better qualified than the judges to sit on commissions, and whose decisions will carry more weight, then by all means go on and pass a law preventing the judges sitting on commissions.

Hon. W. B. ROSS: I would point out to my honourable friend that when Newfoundland had a big arbitration on hand it sent to Toronto and had the Honourable Edward Blake come and act.

Hon. Sir JAMES LOUGHEED: I move that the Committee rise and report progress.

Hon. Mr. PROUDFOOT: Before the Committee rises, may I state that to-morrow I purpose bringing in an amendment to wipe out the clause entirely.

Progress was reported.

WEST INDIES TRADE AGREEMENT BILL

SECOND READING

The Senate resumed from yesterday the adjourned debate on the motion of Hon. Sir James Lougheed for the second reading of Bill 59, an Act respecting a certain agreement between Canada and certain of His Majesty's colonies in the West Indies.

Hon. HEWITT BOSTOCK: Honourable gentlemen, we are asked in this Bill to ratify an agreement made with the West Indies. The leader of the Government told us yesterday that one of the West Indian islands, although I understand it sent representatives here to take part in the Conference, has actually repudiated the agreement; and I find in a bulletin issued by the Department of Trade and Commerce that the small group of the Leeward islands, has so far not taken any action with regard to ratifying the agreement. It would thus appear—and it is a great pity—that these islands are not as keen about this trade agreement as one would like to see them.

I think the Government is to be congratulated upon having done all it could to bring about this trade agreement for the purpose of developing the trade of the country with other parts of the Empire. It will be very unfortunate if the administrations of the different islands do not see fit to ratify this agreement.

The agreement deals with three different points. First of all, it deals with the question of trade betwen Canada and the West Indian islands. Under the agreement different communities agree to give Canada certain preferential treatment in the matter of trade. The islands are divided into certain groups. The Leeward islands, which I have referred to, are not very large in area nor very populous, neither is their trade very great. Possibly the fact that they have not accepted the agreement will not make much difference in the matter of trade, but I think it will make a difference in regard to the second part of the agreement, which provides for the subsidizing of lines of steamship. I presume that none of these islands which object to ratifying the agreement will be prepared to pay a subsidy toward the steamship lines between Canada and the various islands. That, of course, may not have any very great effect if the Government is able to transport the goods from Canada to the islands by means of its own ships, because I presume that if that business is done by the Canadian Mercantile Marine it will not be necessary for the islands to put up the subsidies which they have undertaken to do in case Canada subsidizes certain lines of steamers to trade with the islands.

The trade with those islands, as my honourable friend said last night, is growing all the time, and is somewhat considerable when taken in the aggregate, although, if we take the islands individually, in many cases the trade is not very large. But there is one point to which I wish to call attention with regard to this agreement: there is nothing said in it about trade between the Pacific coast of Canada and the islands. I understand that the produce for export from these islands is very largely sugar and fruit and other natural resources, and that in return some of these islands at any rate require to get coal and lumber. On one occasion I was talking to some of the delegates who were here in Ottawa at the time this question was being discussed, and I understood from two gentlemen, one of whom came, I think, from Barbados, and the other from British Guiana, that they were looking anxiously to find a timber which would take the place of the yellow pine that they had been getting for a number of years from the United States, and I think it was the gentleman from Barbados who made a trip right across Canada to see if he could not find a suitable timber for that purpose. Whether he was successful or not I do not know; but if, as I have been told, the Douglas fir of British Columbia is capable of taking the place of the yellow pine, I think a very considerable trade in lumber might be carried on between the Pacific coast of Canada and the islands. In addition to that, of course, they would be prepared to take a considerable quantity of coal. If honourable gentlemen had a map before them they would see that British Honduras, which is in Central America, British Guiana, and Trinidad, are three of the most important British possessions in this part of the world, and that they can be reached from the Pacific coast of Canada almost as easily as from the Atlantic coast. The opening of the Panama canal has made a great difference. In looking at the returns of the business done by British

Honduras in the last few years, I find that the total imports for 1919 were £4,695,216, and the total exports £4,448,809, which is an increase of some three-quarters of a million pounds over the business they were doing in 1917, and I fancy that the increase is due very largely to the opening of the Panama canal.

Then, again, in British Columbia we do considerable sugar refining. I understand that of late years at any rate a great deal of the raw sugar that is taken to the refinery in Vancouver has come from Cuba, and I presume that water carriage from Cuba to Vancouver would be simpler and cheaper than the rail carriage by which means other sugar has been brought into the country. But if it paid the refinery to take sugar from Cuba, it certainly should pay it to take it from the West Indian islands, and I think it would be very greatly in the interest of Canada that that trade should be developed. I said something about this to the representative of the Colonial Office who was over here at the time this West Indian agreement was being discussed, and I was rather surprised to find that he seemed to think that the trade of the Pacific coast should all go further west, and that if we wanted sugar we should get it from Fiji and places of that kind. But I do not consider that we are precluded from doing business with the West Indian islands if we can develop it, and I think in the interest of Canada it would be very wise for the Government to help in developing a trade which would mean the employment of ships from the Pacific coast through the Panama canal and up to the Atlantic coast of Canada. I think it would tend to bring the West Indian islands even closer to us than if we simply developed the business of one coast. Honourable gentlemen may know that a shipment of wheat was made from Vancouver through the Panama canal to England; and if that business is further developed there is no reason that I can see why ships should not be regularly established to trade between Halifax and the Pacific coast, and also between England and the Pacific coast calling at the West Indian islands. The development of a trade of that kind is very important in the interest of Canada at the present time. We have to reach out in every direction as far as we can for the purpose of developing the trade of this country, as the whole country is to-day considering where markets may be found for the natural products of Canada, especially the farm products of the Northwest. Everyone who has anything in the way of farm produce, especially grain, to sell, knows that at the present time the market is very much depressed and the difficulty of getting the grain to market, because of present railway rates, is such a drawback to business that we must consider the development of markets in all parts of the world and the transportation of grain and any other produce we have to sell to the seaboard as quickly and by as short a rail route as possible, in order that we may reduce the transportation expenses as much as we can. We all know that one of the results of the increase of transportation rates in Canada has been that a great deal more business is being done by the steamships. It has taught the business men of the country to hunt about and see how they can ship their produce by steamer rather than by rail. Whether or not this has been a good thing for the transportation companies, especially the railways, I am not prepared to say. I think that the rates on the railways have been raised too high. This has tended to reduce the business of the railways and to put them in the position of losing rather than benefiting by the increase of rates. That matter may be threshed out later, but I do think we must do all we can at the present time to develop the business of the country with every part of the world in which we can find a market for the produce that we have to sell, and the Government is to be congratulated on doing all they can to bring about this trade agreement.

There is one point to which my honourable friend (Hon. Sir James Lougheed) omitted to refer yesterday in dealing with this Bill, and that is the question of hotels and bungalows. On page 5 of the Bill we find that subsection 1 deals with the question of steamers sailing weekly from St. John or Halifax, calling once a week on the outward passage at Bermuda, and so on. But farther on I find that there is to be an arrangement made whereby hotels and bungalows are to be established. We have had a similar policy in connection with railways in this country.

Hon. Sir JAMES LOUGHEED: It is in article XII.

Hon. Mr. BOSTOCK: Yes. Article XII says:

If a subsidized steamship service is arranged for the Government of Canada will endeavour to secure the co-operation of the owners of such steamship service towards the provision of hotels and bungalows in the Colonies, the Gov-

ernments of the Colonies being prepared on their part to offer such facilities as may be practicable, both as regards sites and financial assistance.

Should it develop that instead of subsidized steamers the Government Mercantile Marine will do this steamship service, as seemed rather probable from the remarks made by my honourable friend yesterday, I presume it means that the Government must go still further in the hotel business than they have gone in connection with the railways. I do not think that the hotel business is an altogether profitable or desirable one for the Government to be engaged in. It is evident from article XII that the Government had such an idea in mind in the event of the Mercantile Marine instead of a subsidized line of steamships carrying on the business of transportation between Canada and those islands.

Another clause of the treaty deals with the question of a cable. On page 9 we find:

With a view to the further promotion of the purposes of the Canada-West Indies Trade Agreement of even date the representatives of the Government of Canada and of the Colonies named in the agreement will recommend for the favourable consideration of their respective Governments that direct British owned and British controlled cables should be laid as soon as possible, without waiting for the termination of the Agreement with the West Indian and Panama Telegraph Company, to connect Bermuda with Barbados, Trinidad, British Guiana, the Windward Islands, the Leeward Islands, and Turks Island or Jamaica.

The Government of Canada will institute inquiries as soon as practicable as to the possibility of arranging for the laying of such cables and will communicate the results of these inquiries to the Governments of the Colonies.

That is in my opinion a very much more reasonable thing for the Government to undertake. I think that Canada and the Empire generally have benefited very greatly by the action that was taken years ago by the Government with regard to the Pacific cable, keeping Canada in communication with Australia and New Zealand. This provision is one that may be very valuable, and I hope that the inquiries to be made by the Government will result in a cable being laid before many years have passed.

May I draw the attention of the House to another statement regarding trade with the West Indies that is published in the Weekly Bulletin of the Commercial Intelligence Service. Referring to the Islands of St. Kitts, Nevis and Anguilla, which are part of the Leeward group, it is pointed out:

Imports from Canada for the year 1918 (1919 figures are not available) amounted to a little over $368,000, while those for the same period from the United States amounted to over $569,000. A great deal of complaint is made by many of the prominent business men of these islands that when inquiries concerning trade with the islands have been made and replied to the Canadian firm making the inquiry has replied, courteously stating that they are not ready for export trade yet. This is unfortunate; for the business men of the West Indian group have never been in a more receptive state of mind than they are at the present time for trade with Canada. With the high rate of American exchange and the somewhat uncertain service from the United Kingdom, the Dominion never had a better opportunity for getting control of the trade in these islands if manufacturers would only take the initiative and go after it.

I am very glad to see the Government drawing attention to that condition of things, because I have heard complaints made in that way over and over again. with referefence to trade with China, the great complaint that has been made on the Pacific coast by people who realize the large amount of business that could be done between Canada and that country is that manufacturers and others engaged in trade do not seem to appreciate the necessity of their studying and ascertaining the particular class of articles that is most suitable, and that very often the articles demanded have to be bought in the United States, although they are shipped from Canadian ports to China. If we are to have the benefit of the present agreement it is most necessary that manufacturers and exporters in Canada should carefully study the requirements of the trade and attend properly to the orders they receive and fill them as promptly as possible.

There are other clauses about which we might ask information of the Government when we go into committee on this Bill. I hope that in committee the honourable leader of the Government will be able to tell us exactly which of these islands have really ratified the agreement and which of them have so far not done so.

Hon. W. B. WILLOUGHBY: Honourable gentlemen, a short visit to the West Indian Islands by a non-trader is perhaps no qualification to discuss a purely commercial problem with advantage to the House. I am not going to discuss it at length, but I made a short visit to those Islands and was very much impressed with the progress they were making during the war: that was the time of my visit. We all know that in the majority of the West Indian Islands, those which are British possessions and those which are not, the staple production is sugar. When the war broke out, the inability to get German beet sugar furnished an immense stimulus to

the development of the cane sugar industry. Doubtless this industry is now beset with certain difficulties, but I do not think that in the proximate future the beet sugar of Germany will again invade the European markets as it did before. That was the great competitor that put the West Indian cane sugar grower out of business.

I have not a word of criticism to offer with regard to the proposed treaty or agreement between those Islands and Canada. I rose merely for the purpose of saying a word in support of the honourable leader of the Opposition that something should be done towards the development of trade via the Panama route. Our main import, as I have said, from the West Indian Islands, and from British Guiana is sugar. We do bring in other commodities, but that, I think, is the largest, not only in value, but also in bulk. At present we have a refinery, I think, in Vancouver. It is using raw sugar from Hawaii and to some extent from China and the Philippines. I do not know what is the distance from Vancouver to Hawaii, but from San Francisco it is nearly 2,100 miles, and it must be several hundred miles farther from Vancouver. My own opinion on it is not worth anything; but one of the matters of discussion when I was in the West Indian Islands was the possibility of bringing their sugar via the Panama route to Vancouver and having it filter from there into the Western Provinces. It was considered quite feasible to do that. If you bring sugar to Halifax or Montreal, the two great refining centres in Eastern Canada, you still have the long rail haul of 1,500 miles from Montreal to the middle of the prairies, and if the sugar is shipped as far as the Rockies you must add 600, 700 or 800 miles more. It would seem to a layman unposted, as I confess I certainly am, that it would be cheaper to take the sea route from those Islands to Vancouver and then haul inward for 600, 700, 800 or 1,000 miles, which would reach away into the province of Saskatchewan.

There are other products that could be shipped in. Fruits are exorbitantly dear on the prairies. I am not saying that for the purpose of quarrelling with the prices particularly, but they are exorbitantly dear. Anybody who has lived there realizes it. Now, nearly all the West Indian Islands, and all of those at which the boat calls, export fruit to some extent, some of them in very considerable quantities. We could bring from those Islands fruit and sugar and rice and many other commodities, and we could send back the products not only of British Columbia but also of the prairies. They want to import lumber, the class of lumber that is not grown in those semi-tropical countries, which grow hardwoods. They are great importers of meat and of butter. They do not make their own butter. The cream they use down there is to a very large extent condensed cream, a great deal of it produced in Canada. From the prairies and from British Columbia we could ship a fair amount of return cargo, and I believe a line of communication between the Pacific Coast and British Guiana, in particular, and Trinidad, and perhaps Barbados, and connecting with the other Islands, would prove quite as profitable as our line to Australia. The line to Australia is not owned by the Government, it is true. It is owned, I think, in New Zealand as a matter of fact, and is operated by the Canadian Pacific Railway Company. I think that the people of the prairies would be very glad indeed to see the Government make inquiries to determine if it is not feasible to extend to the Pacific also the agreement for transatlantic shipment.

There was a word said about trade agents the other day, when we had this subject up last. I do not think we have many trade agents in the West Indian Islands. I know there is one stationed in Bridgetown, Barbados, a very competent man. He told me himself, for I had the pleasure of calling upon him many times and talking of the matter, that he had visited both the Windward Islands and the Leeward Islands, and, I think he said British Guiana, but I am not sure as to that. The potentialities of British Guiana were very great indeed. The potentialities of Trinidad were very important. With those of Jamaica, which is nearer to Canada, we are more familiar. I should be very pleased indeed, as I said a moment ago, if the Government would open negotiations—informal, it may be—perhaps absolutely informal in the beginning—to see what could be done in the way of developing a trade via the Panama route.

Hon. J. G. TURRIFF: Honourable gentlemen, it seems to me that this matter of a treaty with the West Indian Islands is a move in the right direction; but I think it would be well for us to have a little more information on the subject than we have at the present time, and that information the honourable leader of the

Government may perhaps be able to give us when the Bill is in the committee of the whole House. My honourable friend the leader of the Government stated yesterday that in 1912 our trade with the West Indian Islands amounted to about $16,000,000 and that in 1920 it had more than doubled, having increased to about $35,000,000; but what I would like to know is whether the amount of produce being brought in from the West Indian Islands and the amount of exports from Canada to the West Indies have increased in bulk. Judging from what we know of the great increase in the price of practically every commodity that is in use, I would naturally come to the conclusion that there had been really no increase in the traffic during the last eight years; that is, no increase in volume or bulk; that the extra prices would more than account for the doubling of the amount. Take sugar in the year 1912. I doubt that the sugar growers in the West Indian Islands got more than 2½ or 3 cents a pound in 1912 for their sugar. Probably they did not get that much, because we used to buy the refined sugar, or granulated sugar, here at about 4 cents a pound. During the last few years the price of sugar has been away up. As sugar was one of the main imports, the higher price would naturally increase the value of the product very much, although the actual imports might not be increased. The only object I have in bringing the matter to the attention of the House is that my honourable friend the leader may if possible obtain for us some of that information for another day, so that we would better understand the position.

There is another point on which I would like to get a little information. I was not in the Chamber when the most of the discussion took place, or possibly I might not need to ask the question. I notice that it is proposed to give different rates of duty to the different parts of the West Indian Islands. In the case of some it is proposed that we shall let in their goods at not over 50 per cent rebate from the regular customs tariff, in the case of another group of Islands not over 66⅔ per cent, and in one case not over 75 per cent. It just occurred to me that if they were exporting the same lines of goods to Canada it might cause more or less friction. I presume that is guarded against in some way.

Hon. Sir JAMES LOUGHEED: No, they all come into Canada under the 50 per cent preference.

Hon. Mr. TURRIFF: That is better. I did not understand it, not having heard the discussion.

Hon. Sir JAMES LOUGHEED: It works the other way only in regard to Canada's exports to those islands. They will be classified under three groups.

Hon. Mr. TURRIFF: That is their lookout. The only other point I wish to mention is the matter of trade agents. There is no doubt, having regard to the conditions that we are facing in Canada to-day, that we will have to look for markets. It would seem to me that we ought to have more trade agents in countries like the West Indian islands. It was suggested yesterday by the honourable gentleman from Winnipeg (Hon. Mr. McMeans) that we could get agents down there without paying them a salary. Well, honourable gentlemen, I have no use at all for men who work without salary: you get from them just about the value that you are giving them. If you want to bring about trade, I would think you should have men who would devote their time and knowledge to it, and they would have to be paid.

Hon. Mr. BOYER: Pay them a commission.

Hon. Mr. TURRIFF: You could pay them a commission. But you cannot get good work, in my judgment, unless you pay for it. Take Central and South America. I understand that on practically the whole of the west coast of South America, comprising eight or ten republics, we have no commercial agents whatever. There must be great openings for trade in those countries. There has been more or less friction at times between those American republics and the United States, but they are particularly friendly toward. British and Canadian interests. I think the Government ought to give early attention to the establishment of agents in those countries with a view to opening up trade, and more particularly now, when we have steamers that we can put on different routes. It would be a good thing for Canada, and it would provide a means for keeping our steamers employed, which at the present time are doing nothing. There is no doubt whatever that trade is wanted, and trade can be got if it is gone after; but trade will not be got to any great extent if it is left to itself.

Hon. Mr. McMEANS: I hope the honourable gentleman did not gather from

what I said yesterday that I was in favour of appointing trade agents without salary. I suggested that trade agents should be appointed, even if they had to go without salary.

Hon. ARTHUR BOYER: The leader of the Government said yesterday that a subsidy was paid to a steamship company for maintaining a service from Halifax to the West Indian islands. Has not the Government seen fit to abolish paying subsidies to foreign companies, and to keep that money at home? Charity always begins at home: we want it.

Hon. Sir JAMES LOUGHEED: It is not a matter of charity.

Hon. Mr. BOYER: Then there is another thing which has been quite forgotten in the treaty: the exchange in climates. If we could get some of their June weather in January, and send some of our January weather to them in return, I am sure we should do a big business.

Hon. Sir JAMES LOUGHEED: Will my honourable friend take that in hand?

Hon. Mr. BOYER: I will try to patent it.

The motion was agreed to, and the Bill was read the second time.

MONTREAL HARBOUR COMMISSIONERS BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 77, an Act to extend the time for the payment of certain debentures issued by the Harbour Commissioners of Montreal. Hon. Mr. Turriff in the Chair.

On section 1—date for payment of debentures extended:

Hon. Mr. BOSTOCK: The whole of that first group falls due on the 1st of July, 1921?

Hon. Sir JAMES LOUGHEED: Yes, and the time for payment is extended to the 1st of July, 1946. Series L is another issue which will mature on the 1st of July, 1926, and which will be extended to 1951.

Hon. Mr. DANDURAND: Do I understand that these debentures have been handed over to the Canadian Government and that the Government has advanced the money and has placed the debentures on the foreign market?

Hon. Sir JAMES LOUGHEED: The loan has been made by the Dominion Government to the Harbour Commission. The Harbour Commission issues the debentures and hands the securities, as I understand, to the Dominion Government. Of course, it is not intended that those debentures should be retired at any time. They are practically perpetual. The interest is kept up.

Hon. Mr. DANDURAND: They have not been issued to the public.

Hon. Sir JAMES LOUGHEED: No, I am unaware of that.

Hon. Mr. BOSTOCK: Could my honourable friend say whether those debentures are accepted by the Finance Department as security against which the Government advances notes?

Hon. Sir JAMES LOUGHEED: Well, the Government advances money upon them.

Section 1 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

CURRENCY BILL.

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 78, an Act to amend the Currency Act, 1910. Hon. Mr. Blain in the Chair.

On section 1—nickel five-cent coins authorized of fixed weight and fineness:

Hon. Mr. BOYER: The honourable gentleman has not secured any of the samples of the currency.

Hon. Sir JAMES LOUGHEED: No. I may say that I understand they are not issued yet. This is the authority for issuing them. Possibly a sample is obtainable, but I am not aware of it.

Hon. Mr. BOSTOCK: Have not designs been submitted to the Department?

Hon. Sir JAMES LOUGHEED: I cannot say. All I know is that the size of the coin would be the same as the American nickel, the difference being that this nickel will be pure nickel, whereas the American nickel is a combination of copper and nickel.

Hon. Mr. BOYER: Will they have the same value?

Hon. Sir JAMES LOUGHEED: Oh, yes.

Hon. Mr. BOYER: The same value as the American nickel?

Hon. Sir JAMES LOUGHEED: The rate of exchange will come into play. The American nickel is cheaper in the material of which it is manufactured; but the difference in cost is not very material. It has been pointed out, however, that pure nickel is very much superior in wearing quality. The copper in the American nickel becomes apparent during the course of wear; but the Canadian nickel, of course, being pure, will always retain its colour. In addition to that, it will be a very good evidence of our resources in nickel. It is there to speak for itself.

Hon. Mr. BOYER: But there is the danger that all these nickels will go to the United States. They will use ours, and not mint any more of their own.

Hon. Sir JAMES LOUGHEED: Well, we will have the benefit of the exchange, I fancy, if the American nickel comes over here.

Hon. Mr. BOYER: That will make very little difference. Take the currencies of England and France and Germany—particularly Germany. Instead of the old-fashioned pfennig and groschen, Germany adopted the mark. They made the crown the 20-mark piece, exactly one penny less in value than the English sovereign, because they wanted the 20-mark piece to be kept in Germany. The same thing happened in France with the napoleon, which was 20 francs. They wanted the money to remain in the country.

Hon. Sir JAMES LOUGHEED: Of course, there is this to be pointed out, that if our nickel should circulate in the United States we would be making money by reason of that. The nickel represents very much less in cost than the denomination of money for which it stands, and if they choose to import this nickel coin into the United States, so much the better for Canada. As I pointed out last night, on an issue of about 5,000,000 nickels we would make about $50,000. So Canada might do a very good trade.

Hon. Mr. BOSTOCK: Can my honourable friend say what would be the actual value of the metal in the coin?

Hon. Mr. BOYER: Three or four cents.

Hon. Mr. BOSTOCK: Will it be as much as that?

Hon. Sir JAMES LOUGHEED: My honourable friend could figure it out in this way: the difference in cost between it and the silver which we would use in the five-cent piece would represent $52,562 in an issue of five millions.

Hon. Mr. DANDURAND: I drew the attention of the Senate yesterday to the fact that the cent recently issued was too near in size to the silver ten-cent piece. Now we shall have a nickel 5-cent piece. I wonder if the Department of Finance will see to it that there is a difference in the pattern of the 5-cent piece and the cent as now issued and the ten cents?

Hon. Sir JAMES LOUGHEED: There will be this distinction: in the first place, the coin will be thicker than the 10-cent piece, and in the second place the edge will not be milled. As my honourable friend knows, all our silver currency is milled, but the nickel will not be milled; consequently, in taking hold of it you will know that it is not a 10 cent piece.

Hon. Mr. BOYER: Could you not put in a sub-clause that it should be adopted by the churches? They say: "A silver collection." This coin will be debarred.

Hon. Sir JAMES LOUGHEED: It will be very handy; it will take the place of the 10-cent piece.

Section 1 agreed to.

Section 2 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

PRIVATE BILL

FIRST READING

Bill R3, an Act respecting certain patents of the Autographic Register Systems, Limited.—Hon. Mr. Boyer.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

THURSDAY, April 28, 19291.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

FIRST READINGS

Bill S3, an Act for the relief of Lily Appleton.—Hon. Mr. McCall.

Bill T3, an Act for the relief of Harry Hirshenbain.—Hon. Mr. Laird.

Bill U3, an Act for the relief of Percy Christopher Paul.—Hon. Mr. Gordon.

Bill V3, an Act for the relief of John Graham.—Hon. Mr. Gordon.

DOMINION ARCHIVES REPORT, 1918, FRENCH EDITION

INQUIRY

Hon. Mr. BELCOURT inquired of the Government:

1. How many copies of the French edition of the report of the Dominion Archives for the year 1918 have been printed?
2. How many copies for departmental use?
3. How many copies for distribution?
4. The names of the persons to whom distribution has been made?
5. The number of printed copies for previous years?
6. Why was the number for the year 1918 so limited?
7. Upon whose order was such limitation made?
8. How many copies were requisitioned by the Deputy Minister of the Archives?

Hon. Sir JAMES LOUGHEED:

1. 330.
2. 50.
3. 200 for distribution and 75 to be bound with sessional documents.
4. 6 copies—M. D. L. Desaulniers, Chief Traducteur, Edifice Banque Nationale, Ottawa, Ont.

Le Secrétaire, Section France Canada, France Amérique, 82 Champs Elysées, Paris, France.

Le Moniteur, Hawkesbury, Ont.

M. J. H. Shipman, Imprimerie Nationale, Ottawa, Ont.

L'Union des Cantons de l'Est, Arthabaskaville, P.Q.

Le Bulletin des Recherches Historiques, Beauceville, P.Q.

Le Bien Public, Three Rivers, P.Q.

O.H.M.S.

Le Moniteur du Commerce, Montreal, P.Q.

O.H.M.S.

La Gazette Officielle, Quebec P.Q.

Le Progrès, Valleyfield, P.Q.

Le Colon, Roberval, Que.

Rév. Père Hugolin, G.F.M., Trois Rivières, P.Q.

L'Union Médicale, Montreal, Que.

L'Aurore, Montreal, P.Q.

Le Sorelois, Sorel, P.Q.

L'Avenir du Nord, St. Jérôme, P.Q.

La Tribune, St. Hyacinthe, P.Q.

O. H. M. S. L'Evènement, Quebec, Que.

Le Journal, Fraserville, P.Q.

L'Eclaireur, Beauceville, P.Q.

Le Moniteur Acadien, Shediac, N.B.

Le Pays, Montreal, P.Q.

Le Revue Canadienne, Montreal, P.Q.

Le Droit, Ottawa, Ont.

Le Peuple, Quebec, P.Q.

Le Saint Laurent, Fraserville, Que.

Le Bulletin du Commerce, Quebec, Que.

O.H.M.S.

Le Quotidien, Lévis, Que.

M. le Bibliothécaire, Bibliothèque St. Sulpice, 340 rue St. Denis, Montreal, Que.

Le Journal de Waterloo, Waterloo, P.Q.

L'Action Catholique, Quebec, P.Q.

Le Progrès du Golfe, Rimouski, P.Q.

Bulletin de la Société de Géographie, Quebec, P.Q.

Le Progrès du Saguenay, Chicoutimi, P.Q.

O.H.M.S.

Le Courrier, Montmagny, Que.

L'Evangéline, Moncton, N.B.

Le Samedi, Montreal, P.Q.

La Gazette, Sorel, P.Q.

La Vérité, Quebec, P.Q.

Le Spectateur, Hull, Que.

Le Bulletin, Montreal, P.Q.

Sr. Marie Hermenegilde, Bibliothécaire, Couvent des Srs. Ste. Anne, Lachine, Que.

Le Progrès de l'Est, Sherbrooke, P.Q.

L'Action Canadienne, Rivière du Loup, P.Q.

O.H.M.S.

Le Devoir, Montreal, Que.

Le Passe Temps, Montreal, P.Q.

O.H.M.S.

La Tribune, Sherbrooke, Que.

La Liberté, Winnipeg, Man.

L'Echo, Shawinigan Falls, P.Q.

Le Canard, Montreal, P.Q.

Le Secrétaire Général, Ligue des Droits du Français, 32 Imm. de la Sauvegarde, Montreal, Que.

Le Canada Français, St. Jean, P.Q.

L'Etoile du Nord, Joliette, P.Q.

Ecole Normale, Jacques Cartier, Montreal, Que.

La Revue du Notariat, Lévis, P.Q.

Le Nationaliste, Montreal, P.Q.

La Presse, Montreal, P.Q.

Le Clairon, St. Hyacinthe, P.Q.

L'Acadien, Moncton, N.B.
Le Prix Courant, Montreal, P.Q.
Le Madawaska, Edmundston, N.B.
L'Action Populaire, Joliette, P.Q.
Le Manitoba, St. Boniface, Man.

O.H.M.S.

Le Canada, Montreal, P. Q.
Hon. R. Dandurand, P.C. Sen., Comité France Amérique, 180 rue St. Jacques, Montreal, Que.

O.H.M.S.

La Semaine Commerciale, Quebec, P.Q.

O.H.M.S.

La Patrie, Montreal, Que.
Le Courrier, Sorel, Que.

O.H.M.S.

Le Soleil, Quebec, Que.
The Honourable Senator Belcourt.
Mr. Trahan, M.P.
College of Nicolet.
Henri D'Arles.
Dominican Fathers.
Honourable Thomas Chapais.
Honourable Justice Brodeur.
Seven copies to members of the staff.
5. 1,125.
6. No information.
7. By the Editorial Committee.
8. 500 copies.

GRAND TRUNK LOAN

INQUIRY

Hon. Mr. BOSTOCK inquired of the Government:

1. How much of the $25,000,000 loan authorized by the Appropriation Act of No. 4, 1920, item 478, to be made to the Grand Trunk Railway Company has been expended and for what purposes?
2. To whom were the respective payments, if any, made and on what dates?

Hon. Sir JAMES LOUGHEED:

1 and 2. The whole $25,000,000 has been paid to the Grand Trunk Railway Company on certificates furnished by the Board of Management of the Grand Trunk Railway Company approved of by the Deputy Minister of Railways. The advances were made to the company to enable them to meet expenditures made, or indebtedness incurred, or payable in respect of deficits in operating expenses, interest on securities, maturing loans, constructions, equipment, renewals and betterment. Payments were made, as follows:

1920	
July 16	$ 2,248,400.00
July 30	2,751,600.00
Aug. 30	340,666.67
Aug. 5	2,112,784.67
Aug. 9	169,400.00
Sept. 10	1,936,065.44
Oct. 5	4,000,000.00
Oct. 26	2,086,036.91
Nov. 17	255,694.59
Nov. 30	3,373,000.00
Dec. 30	918,627.00
Jany. 3	1,557,333.33
Jany. 6	251,480.00
Jany. 13	1,550,612.47
Jany. 18	1,000,000.00
Feby. 1	347,324.27
Feby. 9	100,974.65
Total	$25,000,000.00

JUDGE A. S. WHITE

INQUIRY

Hon. Mr. FOWLER inquired of the Government:

1. Has Judge A. S. White of the Supreme Court of New Brunwick been granted one year's leave of absence on full pay? If not, what if any leave of absence has been granted said judge on what if any terms as to pay?
2. How long has said judge been incapacitated from performing the duties of his office? Has he received pay during all the time or what if any portion of the time of such incapacity?
3. What amounts has said judge drawn from the Treasury of Canada during the term of his occupancy of the position of judge beside his annual fixed statutory allowance as judge, by way of travelling and other expenses for each year separately?
4. How much money did said judge draw from the Treasury of Canada for sitting as an arbitrator on the appeal from the judgment of the Paper Controller? How much for expenses on said appeal?

Hon. Sir JAMES LOUGHEED:

1. Mr. Justice White has been granted six months leave with pay on account of ill health upon the report of the Lieutenant Governor of New Brunswick that such leave might properly be granted.

2. The Government has no information on this point. The judge has been receiving full pay.

3. In 1908-9	$ 676.81
" 1909-10	836.70
" 1910-11	1,281.38
" 1911-12	1,158.96
" 1912-13	749.82
" 1913-14	1,302.77
" 1914-15	1,360.80
" 1915-16	748.08
" 1916-17	1,893.70

In 1917-18	$897.05
" 1918-19	1,033.43
" 1919-20	1,025.74
" 1920-21	1,227.61
4. For services	$3,000.00
" expenses	499.07

JUSTICES LATCHFORD AND RIDDELL

INQUIRY

Hon. Mr. FOWLER inquired:

1. Is the Government aware that Justices Latchford and Riddell of the High Court of Ontario demanded and obtained from the Government of the Province of Ontario the sum of two thousand dollars each in contravention of a Federal statute?

2. If so, what action does the Government propose to take in the premises?

Hon. Sir JAMES LOUGHEED:

1. The Government has not been informed.

2. Answered by No. 1.

CANADIAN BATTLEFIELDS MEMORIAL COMMISSION

THE COMPETITION IN DESIGNS

On the Orders of the Day:

Hon. J. G. TURRIFF: Honourable gentlemen, with your permission, on behalf of the Canadian Battlefields Memorial Commission, I would like to advise the members of the House that the first stage of the competition in designs for the eight battlefield memorials to be erected in France and Belgium by the Canadian Government was concluded on the 15th instant. By that date 160 sets of designs had been received. These were examined anonymously by the following Board of Assessors: Professor C. H. Riley, Liverpool, nominated by the Royal Institute of British Architects; Professor Paul P. Crep, nominated by the Société des Architects, Paris; and Professor Frank Darling, nominated by the Royal Architectural Institute of Canada. Of these 160 competitors, seventeen designers were selected to enter the final stage of the competition, and the second stage will now be gone into. They will be asked to send in models, out of which eight will be selected for the erection of the monument that the Canadian Government is building in France and Belgium. The seventeen designs are now on exhibition in the Railway Committee room of the House of Commons, and the Memorials Commission would like to have as many Senators as can possibly make it convenient to go over and inspect the seventeen designs out of which eight will be selected and memorials built accordingly.

DIVORCE BILL

THIRD READING

Bill N3, an Act for the relief of Alfred William Wells.—Hon. Mr. Prowse.

MONTREAL HARBOUR COMMISSIONERS BILL

THIRD READING

Bill 77, an Act to extend the time for the payment of certain debentures issued by the Harbour Commissioners of Montreal.—Hon. Sir James Lougheed.

CURRENCY BILL

THIRD READING

Bill 78, an Act to amend the Currency Act, 1910.—Hon. Sir James Lougheed.

FRENCH TRADE AGREEMENT BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 61, an Act respecting a certain trade agreement between His Majesty and the President of the French Republic.

He said: Honourable gentlemen, in moving the second reading of this Bill I do not propose to occupy any very great length of time in dealing with its provisions, as honourable gentlemen are more or less familiar with the particulars of our trade agreement with France. It is in a sense a modus vivendi of the treaty which was negotiated between 1907 and 1909, and which we entered into in 1910. That treaty extended preferential treatment to Canada by way of making certain specified exports of Canada, to the number of 152, subject to the minimum tariff of France. We in turn placed the exports of France mainly under our intermediate tariff. Then there was a third tariff which specified a particular rate of duty provided that the articles did not come under the minimum tariff.

Upon war breaking out, it became apparent to France that her trade would have to be readjusted to the new conditions which would arise. In anticipation of a readjustment of her trade with other countries France reserved to herself the right to give three months' notice at any time of the denunciation of treaties which then obtained between herself and other countries. It became apparent to Canada that it would be to our advantage, in the absence of France denouncing the treaty, to denounce

it ourselves inasmuch as we had extended to France special treatment under the treaty of 1910. Some twelve or more nations who were enjoying favoured nation treatment at that time were entitled to a continuance of the favoured nation treatment by virtue of certain treaties, and it became manifest that if we denounced our treaty with France at that particular time those nations could not claim better treatment than they would be entitled to were that treaty not a subsisting treaty.

For the information of honourable gentlemen I may enumerate some of the countries with whom we have treaties, and who profited by our treaty with France: Argentina, Columbia, Denmark, Spain, Sweden, Switzerland, Venezuela, and Japan; three other countries which were given special advantages of a somewhat different character and whose favoured nation treatment was on a somewhat different basis, were Belgium, the Netherlands, and Italy. Upon the denunciation of the treaty by Canada, those nations were precluded from claiming the special treatment that they had received during the existence of the French treaty. However, upon an intimation from France that there was a desire to continue trade relations with Canada, we again in 1920 resumed negotiations with that country. Notwithstanding the denunciation of the treaty by Canada, we had the advantage of having our goods admitted into France under the minimum tariff of that country, notwithstanding that Canada imposed the maximum tariff against France. As a result of the negotiations which took place, conducted by the proper representative of the Imperial Government together with our Minister of Trade and Commerce—

Hon. Mr. DANDURAND: The honourable gentleman is in error. There were no negotiations carried on by the Imperial representatives in Paris.

Hon. Sir JAMES LOUGHEED: Where were they carried on?

Hon. Mr. DANDURAND: They were carried on in Paris exclusively by the honourable gentleman from Montarville (Hon. Mr. Beaubien), and the Ambassador was only asked at the last moment by Sir George Foster to kindly sign the treaty.

Hon. Sir JAMES LOUGHEED: My honourable friend is premature. He is excited. If he will contain himself while I make my explanation he may then burst forth into all the indignation he chooses. If he looks at the treaty he will see that it is signed by the British ambassador to France and we will take it for granted that responsible Imperial officers of state representing Great Britain in France would not idly add their names to such an important treaty as the one which we are considering.

Hon. Mr. DANDURAND: That is what was done.

Hon. Sir JAMES LOUGHEED: I decline to take my honourable friend's explanation. I adhere to the opinion which I entertained, that these gentlemen discharged whatever state duties appertained to the very high and important offices which they held.

My honourable friend mentioned the honourable gentleman from Montarville (Hon. Mr. Beaubien), and was rather impatient that I should make reference to the rather valuable services which that honourable gentleman contributed towards this treaty. Had my honourable friend possessed his soul, or his speech, in patience it would have afforded me the greatest possible pleasure to have expressed appreciation, not only on behalf of the Minister of Trade and Commerce, but on behalf of the Government of Canada, of the valuable services rendered by the honourable gentleman from Montarville. But, valuable as those services were, honourable gentlemen, I do not think my honourable friend from Montarville would claim that he was the official negotiator of this treaty.

Hon. Mr. CASGRAIN: If we are a nation, why not?

Hon. Sir JAMES LOUGHEED: I may say that the Minister of Trade and Commerce spoke to me of the very satisfactory services rendered by the honourable gentleman, who was in France at the time. He took the deepest interest in the discussion and in the negotiations which were conducted on behalf of the Government of Canada, and contributed very materially to the treaty which was entered into, and which we are now considering. But I will acquit the honourable gentleman from Montarville from taking the position taken by the honourable gentleman from De Lorimier (Hon. Mr. Dandurand) that it was he (Hon. Mr. Beaubien) who negotiated the treaty and not the official representatives whose names are appended to the treaty.

My honourable friend from De Lorimier (Hon. Mr. Dandurand) was entirely pre-

mature in repudiating the responsible officers who attached their names to the treaty, and I venture to say in vindication of whatever action they took upon this subject that they were fully cognizant of the duties that they were called upon to perform, and undoubtedly performed those duties in conformity with the dignity of the high office which they held.

If honourable gentlemen will look at the treaty it will be observed that the schedules are fully explanatory of the trade relations which will be continued until the expiration of the present arrangement between the two countries. It is very largely a repetition of the trade arrangements which subsisted under the old treaty, with the exception that the possessions and the dependencies of France, including Algeria, do not join in the treaty; nor are the advantages of the treaty extended to those possessions. It is purely a treaty between the republic of France and the Dominion of Canada. The exports of Canada to the extent, I think, of 140 odd articles have the advantage of the minimum tariff.

Hon. Mr. CASGRAIN: The most favoured nation.

Hon. Sir JAMES LOUGHEED: No, under the minimum tariff of France; but the goods of France come into Canada under our intermediate tariff. Then there is a schedule of some twelve articles of export from Canada to France that will be admitted either under the minimum tariff or under a specific tariff.

Hon. Mr. ROCHE: Might I ask the Minister if he would be kind enough to give us the names of the articles that are admitted into France in greater quantities? There are a number of articles which go in small quantities, probably.

Hon. Sir JAMES LOUGHEED: That is, exports of Canada?

Hon. Mr. ROCHE: Exports from Canada to France.

Hon. Sir JAMES LOUGHEED: I could scarcely give my honourable friend that information without looking more particularly into the documents. It is unnecessary to say, honourable gentlemen, that it is very desirable that Canada should develop as far as possible its trade relations with France. The statistics of exports from France into Canada and the exports from Canada into France establish that there is an ample market in both countries for the development of trade; and that trade, I may say, so far as its development is concerned, is only in its infancy. It is only through those relations which should obtain between two peoples that we can give an impetus, as is being done under this treaty, to the trade of Canada.

I have again to acknowledge our indebtedness to the honourable gentleman from Montarville (Hon. Mr. Beaubien) for the manner in which he contributed to the assistance of the Minister of Trade and Commerce, who was in Paris at the time, and who, as I have said, desired me to acknowledge not only his courteous but his very valuable offices in the creation of a public opinion, through his strenuous efforts in attending various meetings and in consultation with various representative bodies, to facilitate the arrangement which is now embodied in the treaty. I therefore beg to move the second reading of the Bill.

Hon. C. P. BEAUBIEN: I will venture to say just a few words in endeavouring to explain the bearings which this new treaty may have on our foreign trade hereafter. I must at the outset thank the honourable leader of the House for his kind references to whatever services I may have rendered in this connection. I may state that these service were performed under the direction of the Minister of Trade and Commerce; and, in order that nobody may suspect the speaker of having too high an appreciation of his collaboration in this respect, I beg to open my remarks by referring to a discussion on this treaty in another place. I find that, speaking there in the name of the Opposition, the honourable member for Maisonneuve expressed his appreciation as follows:

> Although the treaty does not seem to be over generous, I am satisfied with it so far as it goes.

Now, I will go a little further and give another very good reason why I should perhaps stand here in defence of the treaty rather than for the purpose of accepting the very kind commendation of my services. I will quote the honourable the Minister of Trade and Commerce himself, who says this:

> All I wanted to do, therefore, was to keep this business channel open as far as possible. Speaking frankly, I believe we have given in this little modus vivendi the advantage to France over ourselves.

Honourable gentlemen, I think the Minister of Trade and Commerce is somewhat too humble in his appreciation of the

treaty. I fear that, like the general who commands from headquarters, he has not an exact idea of the ground gained through negotiations which have lasted for some three months—and I must confess they were at certain times very arduous.

What I desire to lay before the House can be explained very briefly by describing what our position was under the old treaty of 1907 and 1909 and what our position is now. Honourable gentlemen must realize that France had to free herself from all the treaties with which she was fettered after the treaty of Frankfort. In 1918, as the honourable leader of this House has said, she denounced not only this treaty, but all her treaties the world over, agreeing to their continuance for an indeterminate period, subject to cancellation by a three months' notice. That was the only reason why France denounced the treaty with Canada. The reason why the notice was given by Canada was one of absolute necessity: we needed more revenue. Our debt had largely increased, and it was just and fair that the burden of taxation should in part be borne by the luxuries imported into our country.

True it was, honourable gentlemen, that France was not the only country aimed at by the cancellation of the old treaty. Strange to say, as I had the honour to point out to this House last year, there are now no less than nine countries that follow us wherever we go in making treaties. They stand at the door, and whenever Canada goes in to negotiate and trade one advantage against another, these nine countries have but to await to reap their benefit. In other words, when a negotiator, in discussing a treaty, offers certain advantages in the Canadian market, he is in fairness obliged to say: "the advantage which we are now offering to you will be shared by nine other nations." And if perchance the question is then asked, "Will you please state what these nine nations have given to Canada for such sweeping advantages?" you have to answer, "None at all."

Do you understand then, honourable gentlemen, how difficult it is to negotiate for Canada with a population of nine million people, and, after all, a limited commerce as compared with that of larger nations, when you have at the outset in fairness to say, "Whatever we offer to you is a share, a portion, and that portion is one-ninth of the advantages we are offering; but what we want to get from you is a special and exclusive concession."

Having mentioned these few preliminaries to illustrate the position at the beginning of the negotiations of this treaty, may I state this? There were other obstacles also in the way, which could not be overlooked. France was rebuilding her destroyed industries. Moreover, she had to protect herself against the countries with depreciated currencies—countries which could export to France and whose currencies were as much depreciated in relation to the franc as the franc is in relation to the dollar. And France was also bound by the treaty with Jugo-Slavia to extend to that country, with such depreciated currency, whatever advantages she would grant to Canada.

How did we stand under the old treaty? I speak subject to correction, but I think I am right in saying that under the old treaty there were 180 items in which Canada was granted the minimum tariff on the French market. Those 180 items carried with them about 80 sub-items. As is very easily explained, sub-items may be just as important as items. For instance, wheat is a main item, but a sub-item is flour. Honourable members of this House will understand that in that case the sub-item is of more importance to us than the principal item itself, because foreign countries want our wheat but do not always want the manufactured product, which is the flour. As I have said, we had certain advantages on the French market for 180 items and some 80 more sub-items.

What did France have? France had two schedules in force in Canada: one which gave her on a large number of items the intermediate tariff—that I do not need to explain—and a second schedule giving her very appreciable advantages on certain articles, limited in number, which covered, I should say, more than fifty per cent of her export trade. On all her objects of luxury —for instance, her silk and her velvet and her lace—and on her pharmaceutical or medicinal preparations, olive oil, etc., she had very material reductions in our tariff. That was the position that the negotiators of Canada had to face when they met the representatives of France.

What is the position at present? What does Canada give? What does Canada receive? Canada, first of all, retains all, or nearly all, that the French treaty gave her at the beginning. There are a few exceptions. Perhaps I should show what

they are. Out of the 180 items and 80 sub-items Canada gets the minimum tariff on all except 14 items. Out of these 14 items, for 11 we get 50 per cent of the advantages which we had before. In other words, we come in between the high and the low; we get 50 per cent of the spread between the high and low tariffs of France. For one we get 20 per cent, for two we get 15 per cent. Not one item is left aside.

Let us see now if we have lost anything by conceding a portion of the advantage on those 14 items. Under those 14 items, honourable gentlemen, in 1914, prior to the war, we exported $1,974 worth, that was all. In other words, these items were absolutely useless to Canada. Furthermore, they are of still less use now; it is self-evident. Since France has Alsace-Lorraine, she will export more steel and iron perhaps than any other European country. Her production will attain to 40,000,000 tons. Well, honourable gentlemen, in the 14 items no less than 7 are for iron and steel, in which we have no possible chance to compete with France.

Canada was not quite satisfied with the old French treaty—why? Because the Americans had made a treaty with France by which they handicapped the Canadian trade. For instance, we enjoyed the minimum tariff when we exported our agricultural implements provided they were not driven by motor. The Americans had in their treaty that advantage for any agricultural implements. You know very well the transformation that is taking place from day to day, a great many agricultural implements being now motor-driven. Consequently we were practically unable to compete with the Americans. There were in the American treaty 57 items not comprised in the Canadian treaty, and therefore in these we were handicapped. When these 57 items were discovered by a comparison of the old Canadian treaty with the present American treaty, the twenty-one items in which it was impossible for Canada to compete, such as spices or tea or other products absolutely foreign to our production, were excluded, and there remained 36 items of some consequence. Out of that number there was granted to Canada the minimum tariff on 23, 50 per cent of the minimum on 3, 30 per cent on 2, and 20 per cent on 1. So practically every advantage which the American treaty gave to the Americans over our own exporters has been conceded to Canada through the treaty which you have now before you. Just as soon as this treaty comes into force our exporters will be in as favourable a position as the Americans, if not better, in exporting to the French market. That is the present situation of Canada, one we did not occupy before. We have retained all or practically all the advantages of the old French treaty and we have won practically all the advantages which had previously been granted, not to Canada, but exclusively to the Americans.

It may be asked why France has made a treaty which, on paper at any rate, seems to be to her disadvantage. What does France get? She gets nothing but the extension of our intermediate tariff. And what is our intermediate tariff? In many cases, honourable gentlemen, it is nothing but the maximum. Both tariffs on a great many items are the same, and the average spread between our intermediate and maximum tariffs is only 12½ per cent. So France really gets very little in return for what she concedes.

But I want to point out that, outside of the arrangement between the two nations, as put on paper and signed, there were conditions in which France found her advantage, and these conditions were due to the depreciation of French money. You can readily understand that when we sell to France now the French people have to pay in francs 300 per cent for what we sell to them. That is, honourable gentlemen, a very large protection. If you take that into account no additional protection is required for the French market. This, of course, is only a temporary treaty, and when the franc has recovered part or all of its value, either party can give notice that four months afterwards this treaty will be repealed. But so long as the franc remains as it is, so long as it is materially depreciated, altogether outside of this treaty France has plenty of protection. In her money she has to pay 200 or 300 per cent for whatever we sell to her. On the other hand, as you will readily understand, France has on our market a corresponding advantage. In other words, when we buy from France we buy three dollars worth for one dollar, which is a great inducement to us to buy in that market. As a matter of fact, these conditions of exchange, which operate altogether outside of any treaty requirements, have favoured French exportation to Canada and will continue to do

so, I hope, in the future. As far as we are concerned, whenever France needs to buy outside, I am sure Canada, being on the same footing as the United States, will not be overlooked in the future.

There is an additional reason why France should agree to this treaty, and that reason is contained in the first article of the treaty itself, which reads as follows:

Pending the conclusion of a new commercial convention, with a view to which negotiations will begin immediately, the French and Canadian Governments have agreed to the following provisions:

The French Government has attached a great deal of importance to the promise which was made that new negotiations would begin immediately. Conditions are gradually approaching to normal. France has re-established a great many of her industries; she has within the last two months, for the first time since the war, and, I should add for many years prior to the war, exported more than she imported, so that now she will be in the field to expand her commerce. She requires to do so, but she expects before long that a new treaty and a permanent one will be made between the two countries.

But there is an additional reason, and that reason will never fail in the case of France. I must say that during my tour of a great many large centres in France I have witnessed the deepest gratitude of the French people for Canada. There is one thing upon which you can always count with the French people, and that is their memory of the heart. Never have I been in any city of France but the first speaker on rising has said: "Please be the bearer, when you go back to your country, of the expression of the deepest gratitude of the French people for what Canadians have done for us during the war." At times, gentlemen, it was most impressive. I remember at Brest the Commandant, M. Mermaud, getting up during the banquet and saying, "When you return to your country, tell your countrymen that there is not one tomb of a Canadian soldier who fell during the war that will be neglected by the mothers of France." Of course, our own Government has been looking after the graves of our soldiers; but I must say that in places near little villages you will often see flowers brought by the women of the villages and placed upon the graves of the soldiers, and that pious offering they do day after day and month after month, and they will continue to do so for years to come. That deep sympathy has helped greatly towards the agreement which is now before you, and I venture to say, notwithstanding the expressions of unappreciation in another place, that this treaty is very much to the advantage of Canada.

I cannot close without expressing my deep gratitude to the Honourable Mr. Roy, who at one time was a member of this House and is now the Chief Commissioner of Canada in France, for the very valuable services he has rendered in the negotiation of this treaty. Mr. Roy has acquired a very remarkable position in France through his ability, his sound judgment, and his very remarkable tact. Through his many precious relations he has become an asset to Canada, which I feel sure is highly appreciated by all those who come into contact with him. I desire also, as is my bounden duty, to express the deep appreciation of Canada of the manner in which this whole matter has been considered by the French people, and more particularly by Mr. Isaac, the high-minded and most remarkable statesman who then occupied the position of Minister of Trade and Commerce for France. Mr. Isaac time and time again said to me—as indeed at a public banquet he stated to Sir George Foster—that the reason why the French Republic had not only entered into this agreement, but for practically one whole year allowed our goods to enter France with the full advantages of a treaty repealed by Canada, whilst French exports were mulcted by our maximum tariff, was that two nations so close during the war and on such terms prior to the war must see to it that the road of trade between the two countries be kept open and developed and enlarged in the future.

Hon. R. DANDURAND: Honourable gentlemen, I desire to congratulate the Government on the achievement which is represented by the treaty which is now before us for consideration. I am quite sure that the Government has obtained as much as it could hope to have, and I am quite sure also that no voice will be raised in this Chamber to criticize the results attained.

I interrupted the honourable the leader of the Government when he moved the second reading of this Bill, because he stated that negotiations had been carried on in Paris by the Imperial authorities in conjunction with Canadian representatives. I did so because I felt that this was a retrogression in the powers of Canada, as gradully acquired, in the negotiation of commercial

treaties. My honourable friend has probably not had time to read the most interesting statement on the development of Canadian constitutional powers made in the other House by the Right Honourable Sir Robert Borden. I invite him to do so. As students of constitutional law, we shall all be interested in reading not only the speech delivered by the Right Honourable Sir Robert Borden on April 21st, but the one which he delivered yesterday in which he completed the history lesson which he gave to Parliament. My honourable friend will find that the statement he made could well have been made in 1879, but that it cannot be accepted in 1921. He will find that in 1879 the Canadian Government claimed the privilege of appointing a representative to discuss treaties which interested Canada, and that Sir Michael Hicks-Beach said in reply:

I have to inform you that it is not thought desirable to appoint a Canadian Commissioner to take part in the negotiations of any treaty; but if your Government desire to send a person enjoying their confidence to advise with Her Majesty's Government, or with the British Ambassador on any questions that may arise during the negotiations, Her Majesty's Government will be happy to give attention to his representations.

That is to say, if we will send a representative to London to confer with the Foreign Office, we will get due consideration, but he shall not accompany their representatives to the foreign court to discuss and defend the interests of Canada. In 1894 at the Colonial Conference the following resolutions were passed:

That provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity, including power of making differential tariffs, with Great Britain or with one another.

That any provision in existing treaties between Great Britain and any foreign Power which prevent the self-governing dependencies of the Empire from entering into agreements of commercial reciprocity with each other or with Great Britain should be removed.

Lord Ripon, the Colonial Secretary of the time, answered that this would be a very dangerous move—that the negotiation of treaties by colonies, without reference to the British Government, would give them an international status as separate and sovereign states, and would result in the breaking up of the Empire. In 1907 Sir Wilfrid crossed over to London, with Mr. Fielding and Mr. Brodeur, and from there the two last-named gentlemen went to France to negotiate a treaty, which was done effectively, and we find that the Secretary of State for Foreign Affairs addressed a letter to His Majesty's Chargé des Affaires at Paris, in which he said:

You are doubtless cognizant of the Marquis of Ripon's despatch of June 28, 1895, to the Governors of the principal British colonies, in which it was laid down that commercial negotiations of this nature being between His Majesty and the Sovereign of the foreign State should be conducted by His Majesty's Representative at the Court of the foreign Power. A copy of this despatch is enclosed herewith.

I do not, however, think it necessary to adhere in the present case to the strict letter of this regulation, the object of which was to secure that negotiations should not be entered into and carried through by a Colony unknown to and independently of His Majesty's Government.

The selection of the negotiator is principally a matter of convenience, and, in the present circumstances, it will obviously be more practical that the negotiations should be left to Sir Wilfrid Laurier and to the Canadian Minister of Finance, who will doubtless keep you informed of their progress.

When Mr. Fielding and Mr. Brodeur went to the Foreign Office in Paris, they were accompanied by the then British Ambassador to the French republic, who introduced them to the Foreign Minister, and told them that at that point his mission ended. He had put the representative of Canada in contact with the French republic, and he withdrew. The negotiations went on, and when the treaty was agreed upon by both parties, Mr. Fielding and Mr. Brodeur and the Ambassador were jointly appointed to sign the treaty; so the representative of Great Britain appeared in Paris for the second time simply to append his signature to the document.

Well, time has progressed, and the status of Canada has developed as well. You will notice how far we are now from the point at which we were when Sir Michael Hicks-Beach in 1879 said that he could not entertain the idea of a colonial appearing in any such negotiation. Here are sessional papers No. 89A, which bear upon the present negotiations. They begin with a letter from Sir George Foster to Lord Milner, dated December 30, 1920:

Dear Lord Milner:

I am enclosing herewith an agreement which had been arrived at by myself and the Ministers of Commerce and Foreign Affairs of France with reference to a modus vivendi carrying on for a period the main features of the Convention of 1907-9, of which I spoke to you yesterday, and I would be much obliged if you would forward it to the Secretary of State for Foreign Affairs for transmission to the British Ambassador at Paris. Those French Ministers have the duplicate of the agreement and will sign it and forward to me at Ottawa for my signature and they will sign this attached copy and retain for themselves.

I would be much obliged if this could be facilitated so as to occasion no delay in signatures and consequent completion of the arrangement which has been arrived at by numerous pourparliers and concluded by me in Paris with the French Ministers on the 19th December.

Yours, etc.,

George E. Foster.

This was the first official intimation that the British Government had that negotiations had been carried on by Canada with the French republic. These negotiations, up to the moment that the signature had to be appended to the treaty, were conducted entirely through Franco-Canadian channels, and when I interrupted my honourable friend it was not to claim any credit for one representative of Canada over another, but simply to challenge the statement that the negotiations had been carried on by the British representative.

Hon. Sir JAMES LOUGHEED : Will my honourable friend pardon me? Do I understand my honourable friend to interpret seriously or literally the statement that the British Ambassador at Paris negotiated this treaty? I referred to it as a treaty entered into between the parties whose names are appended thereto. My honourable friend need not labour that question. I know as well as he that the British Ambassador at Paris had nothing to do literally with negotiating the treaty, but still he is a party to it, and Great Britain is a party by reason of his name being attached to it, and I refer to those whose names are appended to the treaty as those who negotiated the treaty, just as we would speak of an agreement having been entered into by those whose names are attached to it.

Hon. Mr. CASGRAIN: Surely the Government does not contend that people from the colonies can go and deal with a foreign nation without consulting the Ambassador?

Hon. Sir JAMES LOUGHEED: My honourable friend can discuss that with my honourable friend from De Lorimier (Hon. Mr. Dandurand).

Hon. Mr. DANDURAND: My honourable friend has not sat at the feet of the learned professor, the Right Honourable Sir Robert Borden, during the last two weeks. All those who have studied the evolution in the constitutional powers of the Dominion—

Hon. Mr. BELCOURT: There is no evolution at all.

Hon. Mr. DANDURAND: I speak of the evolution because the power which was denied by Sir Michael Hicks-Beach in 1879 to the Dominions is now recognized. Commercial treaties are now negotiated by Canada directly with any foreign Power and the negotiators obtain their powers from His Majesty the King. My only complaint is that Sir George Foster, after having carried on those negotiations, mainly through our honourable colleague the Senator from Montarville (Hon. Mr. Beaubien), on returning to London wrote to the Colonial Secretary to ask him to transfer to the Secretary of State for Foreign Affairs his request to have the Ambassador sign that arrangement in France with him. If the honourable gentlemen who are within the sound of my voice read the statements made by Sir Robert Borden in explaining how Canada is gradually working to the level of a sister nation of Great Britain, they will quite realize that Sir George Foster could have obtained power to sign that treaty through a Canadian Order in Council, or a request from the Federal Cabinet to His Majesty the King to appoint him as representative in France to sign that treaty.

According to the discussion regarding the appointment of a Minister plenipotentiary to Washington, which took place in the House of Commons last week, and which was participated in not only by Sir Robert Borden, but also by the Right Hon. Arthur Meighen and other members of the Cabinet and by prominent members on both sides of the House, the Minister plenipotentiary representing Canada at Washington will be appointed by a Canadian Order in Council, which will be sent direct to "His Majesty the King for Canada." These are the expressions of the Right Hon. Sir Robert Borden, and I think they are repeated word for word by the present Prime Minister.

Hon. Mr. BELCOURT: Will my honourable friend permit me to ask him a question?

Hon. Mr. DANDURAND: I will.

Hon. Mr. BELCOURT: Could not the King veto that Order in Council and throw it into the basket, and would not that be the end of it?

Hon. Mr. DANDURAND: But there is no Order in Council that cannot be vetoed by His Majesty's representative in Canada, the Governor General.

Hon. Mr. BELCOURT: For the King.

Hon. Mr. DANDURAND: For the King. But the distinction which I make is that

the present Government claims that it will appoint its minister plenipotentiary to Washington by an Order in Council of the present cabinet, which will be sent direct to His Majesty the King for the Dominion of Canada and be signed by him; and I say that when that is done we shall be entitled to claim that we have become a sister nation of Great Britain.

I had occasion about three years ago to read a portion of a speech made by the late Sir Wilfrid Laurier in the presence of the Governor General at the time, His Excellency Lord Grey, and the then Prince of Wales, now George V. I will read only the concluding portion of the quotation which I then made. The speech was made at a dinner given at the Garrison in Quebec on the occasion of the celebration of the Tercentenary of the arrival of Champlain and the founding of Quebec. My honourable friends will find the text of that part of my quotation in the speech I made at the time of the demise of Sir Wilfrid Laurier. Here are his words:

> The inferiority which may be implied in the word "colony" no longer exists. We acknowledge the authority of the British crown but no other authority. We are reaching the day when our Canadian Parliament will claim co-equal rights with the British Parliament and when the only ties binding us together will be a same flag and a same crown.

That was said in 1908, and I am happy to find that on the floor of Parliament, in 1921, the Right Hon. Sor Robert Borden stated practically the same thing—that we claim co-equal rights with the British Parliament, and that after negotiation and discussion with Great Britain we are empowered to appoint a minister plenipotentiary at Washington by a Canadian Order in Council duly signed by His Majesty the King for the Dominion of Canada.

It may be said by my honourable friend at my right that we have a written constitution, whereas the British constitution is unwritten and therefore very elastic. I remind him that our evolution takes place with the sanction of the British cabinet—that precedents are created which alter our constitutional status. There is one fact that has not escaped our attention: it is the appearance in the Treaty of Peace of the Canadian delegates representing an entity, the Dominion of Canada, with the concurrence of representatives of Great Britain, who sign side by side with them the same document.

Hon. Mr. CASGRAIN: And the Boers.

Hon. Mr. DANDURAND: Yes, and all the other representatives. We have there an acknowledgment of the change in status, which must naturally react upon the general conditions which have prevailed up to the present time between the Dominions generally and the mother country. My only complaint is that Sir George Foster and the Minister of Justice, who had just come from the conference at Geneva, where they had represented the Dominion of Canada as a separate entity—in the British Empire, if you will, but a separate entity—did not realize on their arrival in London that they could create another precedent simply by cabling to Ottawa for an Order in Council appointing Sir George Foster as representative and having that Order in Council sent through the Governor General direct to His Majesty the King for his signature.

Sir George Foster took another course. As he explained in another place, he followed the tradition and sent his request to the Colonial Office. From the Colonial Office it went to the Foreign Office, and from the Foreign Office it was forwarded to the British Ambassador in Paris. Does it not strike you, honourable gentlemen, that the time has passed when Canada should deal with the Colonial Office in London in order to reach His Majesty the King? If we do continue to send our Orders in Council to the Colonial Secretary, what does it mean? It means that we remain subjects of the King's subjects. If we send our Orders in Council to the Colonial Secretary, requesting that he will send them to the Foreign Office or to His Majesty for approval and signature, it means that any Order in Council may stop there; that the discretion of the Colonial Secretary, or of the Cabinet of which he is a member, may be exercised to destroy or paralyze or stay the action of the Government of Canada or of any of the other Dominions; and if that is done—and it is implied that the British Cabinet have power to do it, since we ask their services and beg that they will kindly forward those documents to the King—then are we not admitting that we are still subjects of the King's subjects and not the equals of the British citizens in the British Isles? The humblest elector in Great Britain would in that case have a status superior not only to that of a Canadian elector, but even to that of a Canadian Minister or the whole Canadian Cabinet; because the humblest elector in the British Isles has a voice in

making or unmaking the Colonial Secretary, or the Minister for Foreign Affairs, or the Prime Minister, whereas we have no voice at all. I feel prouder of my Canadian citizenship to-day when I realize that we are gradually rising to the plane of being British subjects with rights equal to those of the electors in the British Isles.

We must also express our gratitude to France for its treatment of Canada and Canadian goods during the interregnum. The treaty by which we were admitting French goods at the minimum rate was denounced. From that moment we collected the highest duties on French goods, as if there had been no Franco-Canadian treaty, whereas France continued to give us the advantage of its minimum tariff on all the goods to which that tariff applied under the treaty.

I have looked at the returns of the Customs Department for 1914 and 1920, and find that during the year 1913-14 Canada exported to France $3,632,444 worth, and during 1920 the exports from Canada to France were $61,108,693. I observe in those sales an item, quite a large one, which, I am quite sure, will not appear again, representing the sale of ships to the amount of $20,130,100. So for the sake of future comparisons I should be inclined to say that, apart from that $20,000,000, our sales to France in 1920 were about $41,000,000. The question is, shall we maintain that increase in our trade with France? I have my doubts, but I hope so.

I find that in 1914 we exported to France apples and preserved fruits to the value of $5,000, and in 1920 to the value of $1,000,000. There is no reason why we should not gradually increase our sales of fruit to France.

In flour of wheat we exported practically nothing to France in 1914, but in 1920 we sold 527,678 barrels, representing—

Hon. Mr. ROCHE: Will the honourable gentleman permit me to ask him a question? Does he in his figures discriminate between the goods imported by private individuals and the goods imported for the Government of France? In the latter case it would not make any difference what was charged: the Government was receiving its own property.

Hon. Mr. DANDURAND: There is nothing in the statement issued from the Department of Customs to show what the French Government bought and what individuals bought; so I cannot answer my honourable friend's question.

Hon. Mr. BEAUBIEN: Was it not altogether after the war?

Hon. Mr. DANDURAND: Yes.

Hon. Mr. BEAUBIEN: I think my honourable friend is quoting figures for the period after the war, and therefore after the French Government's control over importation had ceased.

Hon. Mr. DANDURAND: I doubt very much that our sales to France in 1920 include sales to the French Government, unless it be part or the whole of that $20,000,000.

We sold to France flour and wheat to the value of $5,646,065 in 1920. Of sugar of all kinds, which does not appear in the column for 1914, there was exported in 1920 $6,264,835 worth. I doubt very much that we shall see any such figures in our sales to France in the years to come, because beet-root, which was grown mostly in the regions that were devastated, will, I am sure, provide France with its full complement of sugar in the future, as it did in the past.

We sold no cattle in 1914; in 1920 we sold $116,666 worth. We sold $703,469 of canned lobsters in 1914, and, although the quantity of lobsters sold decreased to below 50 per cent, yet, because of the enhanced prices, we sold $605,238 worth during 1920. There is no reason why we should not continue to do a good business in lobsters with France.

Of canned salmon, in 1914 we sold $213,543 worth, and in 1920 we sold $1,994,408 worth. This is an article which we could continue to sell in large quantities to France.

I am surprised at the small quantity of undressed furs that we have been selling. In 1914 we sold $57,976 worth of undressed furs, and last year we sold $119,610 worth. I am at a loss to understand how it is that with the large firm of Révillon Frères carrying on activities in the Hudson bay region we are selling such a small quantity of undressed furs to France.

In boots and shoes we did nothing in 1914, but in 1920 we sold over $1,500,000 worth. I doubt very much whether we shall continue to sell those articles when France has recovered.

In cheese we did nothing in 1914; in 1920 we sold 2,023,231 lbs. at a value of $836,711. There is no reason why we should not increase that amount provided

it is registered as Canadian and not English. We surely have sold two-thirds of our cheese to France up to this year through English channels, and those sales were not credited to us nor to our cheese industry.

We did not trade with France in condensed milk in 1914; in 1920 we sold 1,694,000 lbs. at a value of $293,636.

Our sales of wood and wood products to France in 1914 totaled $60,455, of which mechanically-ground pulpwood represented nearly one-half, or $25,650. In 1920 we sold $1,146,172 worth, of which mechanically-ground pulpwood represented $808,257. There is no reason why Canada should not show an increase on these figures if our people become active in that regard.

Our sales of agricultural implements in 1914 amounted to $1,421,903, of which harvesters, binders, and mowing machines alone represent $976,042. In 1920 our sales of agricultural implements had advanced to $4,603,924, of which amount harvesters, binders, and mowing machines, represented $1,817,230. I do not know whether honourable gentlemen have heard the statement that our agricultural implements could successfully compete in all the markets of the world. If we have acquired such a hold on the French market, there is no reason why this business should not forge ahead.

In copper, bars, sheets, tubing, copper wire and cable, we made no sales in 1914; last year our sales amounted to $801,342.

We sold no coal to speak of in 1914, but last year we sold 75,000 tons at a price of $551,540. I doubt very much if this item will bulk very large in our future sales to France, because of the gradual recovery of their own mines in the north, and the production which the Saar Valley will give them as well as what they will get from the Ruhr district in virtue of the Peace Treaty.

Of asbestos and manufacture of asbestos we sold in 1914 $155,576 worth. In 1920, that increased to $438,407. As we have practically a monopoly of that production there is no reason why our trade with France in that commodity should not thrive.

I am surprised to find that in 1920 we sold $171,194 worth of glassware to France, and $200,319 worth of soap. Those articles do not appear in the returns of 1914, and I think the figures of 1920 are due to present conditions in France.

Honourable gentlemen will see that France offers a market which should be cultivated, a market in which our sales should increase considerably.

We are all aware that through the activities of our honoured colleague from Montarville (Hon. Mr. Beaubien) the French people will be enabled this summer to exhibit their goods throughout the length and breadth of Canada in an exposition train which will carry articles brought from France, and which will go from city to city and from town to town throughout the country. Our honourable friend has addressed the Boards of Trade of the principal towns of France, and has created considerable enthusiasm in favour of the movement between France and Canada. Everyone will have an opportunity to see the exhibit practically at his door. The honourable gentleman has had the idea of obtaining the use of a whole line of theatres in the various cities and towns which will show French films during the days the trains will be in those places. This will be to the great advantage of French trade development in Canada, but the advantage to Canada lies in the fact that whatever we do in the exhibition of French goods in Canada will be reciprocated in France, and when we send trains from either Havre or Bordeaux through France with an exhibit of Canadian goods we will have the benefit of a market of 39,000,000 or 40,000,000 people, while all we are able to offer to them is a market of some 8,000,000 people.

It is true that the French people will have an advantage over us because of their diversified productions. Before the war France sold four times as much in Canada as we sold in France, and it is possible that the same condition will recur. But we are hopeful of being able to expand considerably in the French market. To give you an idea of the diversity of goods which France can sell, I have made a list of the various classes of her goods sold in Canada, and I find that they come under 385 different heads, while a similar addition in the column of goods sold by Canada to France represents 174 classes. Still, this is quite a large figure. It shows that Canadians are extending and developing their trade in many lines. I think we should not only be satisfied with the work that Canadians have done in France in developing that trade, but we should all be thankful to the Government for having selected as its principal negotiator one who was able to lay our case before the people throughout the

length and breadth of France as ably and eloquently as the honourable gentleman from Montarville.

Hon. Mr. SCHAFFNER: Before the honourable gentleman takes his seat, may I ask him a question for my own information? I would refer to the first part of his address in which he spoke of the present status of Canada and the Canadian Parliament in the British Empire. If I understood the honourable gentleman correctly he stated, by way of illustration, that if the present Cabinet should see fit to pass an Order in Council appointing an Ambassador for Canada at Washington, the Order in Council would have to be sent directly to the King—

Hon. Mr. DANDURAND: Through the Governor General.

Hon. Mr. SCHAFFNER: Through the Governor General to the King for his signature. If that is true, what is the necessity for discussing any longer the question of our status as a member of the British Empire and comparing our Parliament with the British Parliament? It seems to me that we have settled this question, if I understand what the honourable gentleman has said, and I have great faith in my honourable friend as a constitutional lawyer.

Hon. Mr. DANDURAND: I have to rely upon the statement made by the Right Hon. Sir Robert Borden, and I think that in very similar terms the same thing repeated by the present Prime Minister. My answer to my honourable friend is that if that is done I believe that it will be a precedent to be henceforth followed, and the question of whether we are a sister nation of Great Britain will be permanently solved.

Hon. N. A. BELCOURT: Honourable gentlemen, I am in a few words going to congratulate the leader of the Government in this House upon two matters: first of all, upon having announced in the House to-day that this treaty has been concluded with France. The work was rather slow: I think the former Treaty might very well have been continued or been re-made months ago. The Armistice has been signed for two years and a half. However, the Treaty has been completed and is before Parliament for ratification, and in that regard I congratulate the Government.

I want to congratulate my honourable friend also upon another matter, which is perhaps not of such great importance—upon having seduced an honourable gentleman on this side of the House to the theory so assiduously propagated for some time that Canada has evolved from the old state of colonialism into the situation of being a sovereign or sister nation. I hope my honourable friend will not be shocked if I state that there are some on this side of the House—and I see there are some on the other side also—who are obdurate and not prone to succumb to the sweet tune so often sung recently by my honourable friend and his colleagues in the Cabinet. The negotiations for this treaty were undertaken simply because the British Government allowed them to be undertaken. Even the Minister of Trade and Commerce would not have thought of beginning any sort of negotiations in this matter without the authority of the Imperial authorities. The Imperial authorities would communicate their wishes to the British Ambassador at Paris, and then the matter could go on. That is the way the thing was done. What change is there in our Constitution? In former instances of a similar character, the British Government were willing that the matter of negotiating a treaty for Canada should be handled by a Canadian rather than a Britisher. Where is the change in the Constitution? There is absolutely none. You talk about changing the Canadian Constitution. There will be a change in the Canadian Constitution when the proper authorities take pen and ink and write it: there is no change now. It is sheer nonsense to tell the people of Canada that they have become a sovereign nation.

I would like to know what this Treaty would be worth if it did not bear the signature of the British Ambassador. It would be absolutely worthless without that—not worth the paper it is written on. It is simply because the British Ambassador at Paris has attached his signature to the document that it is of some value. I have hoped as strongly as anyone for increased autonomy; but I am not prepared to take as increased autonomy such flimsy appearances as are held out as evidences of a change in the Constitution.

We have heard about the British Constitution. There is no such thing. The British Constitution is made day by day at Westminster. The British Parliament could to-morrow by one swoop re-make everything. It is the people of the British islands meeting in Parliament who make the Constitution and unmake it. It has

been said that the British Parliament can do anything except change a man to a woman; but all the powers exercised by it are not the result of any writing, but simply represent what the people from day to day want.

We have a written Constitution, and we are bound by it. Take the case referred to by my honourable friend from De Lorimier (Hon. Mr. Dandurand), who tells us that if my honourable friend and his colleagues chose to appoint someone as ambassador at Washington—and I hope they will—the Order in Council of the Canadian Cabinet making the appointment would be handed over to the Governor General and he would send it direct to the King. He would do no such thing: he would send it to the Colonial Office, and the Colonial Office would submit it to His Majesty in Council. The Governor General would not for a moment dream of doing what my honourable friend suggests. He would do what the other Governors General before him have done, and what every Governor General to come will do until there is some change in our Constitution.

Hon. Mr. BEAUBIEN: Is my honourable friend of the opinion that within forty or fifty years we have not moved towards autonomy?

Hon. Mr. BELCOURT: Since the 1st of July, 1867, we have not moved in any way constitutionally: we are exactly where we were then.

Hon. Mr. BEAUBIEN: How is it, then, that we have signed the Treaty of Peace?

Hon. Mr. CASGRAIN: We have only been lent the pen to amuse the children. The treaty would have been just as good if we had not signed it. Our signature did not add one bit to it. But I am very much relieved after hearing from my honourable friend from Ottawa (Hon. Mr. Belcourt). I was feeling sorry for poor King George. Here was this Government appointing Senator Foster to Washington, and the King was told to sign. Lloyd George says, "Don't you sign that," and what is poor King George going to do? But the honourable gentleman from Ottawa has relieved my mind. I know that King George will not be so embarrassed. He will follow the advice of his Cabinet Ministers; if he does not the Ministry will go or he will go—there is no doubt about that. Sir Wilfrid Laurier often used to say, "Canada is a nation." Of course, he was a big man; so gentlemen on the other side kept on saying that. Sir Robert Borden says: "I am not going to stand behind: like Sir Wilfrid Laurier, I will say Canada is a nation." They have said it, but there is nothing in the book.

I do not want to make a speech, but the honourable member for Montarville (Hon. Mr. Beaubien) said there were nine other countries getting the same privileges, and he did not name those countries.

Hon. Mr. DANDURAND: Under the most favored nation clause.

Hon. Mr. CASGRAIN: Not the most favored nation clause, but the minimum tariff. Oh, I see, that is where the most favored nation clause comes in. What are those nine countries?

Hon. Sir JAMES LOUGHEED: I mentioned them.

Hon. Mr. CASGRAIN: Rumania?

Hon. Mr. BEAUBIEN: I have the names of those—

Hon. Mr. CASGRAIN: It would be interesting to know.

Hon. Mr. BEAUBIEN:—But I think the honourable leader of the House has named them.

Hon. Sir JAMES LOUGHEED: I think they are in the Bill.

Hon. Mr. BEAUBIEN: They are: the Argentine Republic, Columbia, Denmark, Norway, Sweden, Spain, Switzerland, Venezuela, and Japan.

Hon. Mr. CASGRAIN: I do not wish to enter into a discussion, but the honourable member for Montarville says that those nations are getting all those advantages for nothing, whereas we are giving something.

Hon. Mr. BEAUBIEN: Quite true.

Hon. Mr. CASGRAIN: Well, they must give something, because the French Government would not give them the same treatment if they were giving nothing. If that is true, they are getting something for nothing, while we are giving something. If that is so, I do not think much of this treaty.

Hon. Mr. BEAUBIEN: My honourable friend evidently did not quite understand what I said. What I said was that those nine nations have a right to the most favoured nation clause. Whatever we grant to any nation whatsoever, except the British Empire, is automatically extended to these nine nations; not because of anything done in this respect by this Parlia-

ment or the Parliaments that preceded it, but because of action taken by the British Empire, in some instances, as in the case of Spain, dating back 150 or 200 years, and we are thereby obliged to grant to all those nations the favoured nation clause. That is what I said. That has absolutely nothing to do with the granting of any privilege by France. What I said was that when we grant a privilege to France, that privilege must be shared by France with the nine other nations, who give us nothing at all in exchange for what we give them.

Hon. Mr. CASGRAIN: Well, honourable gentlemen, there seems to be—

Hon. Mr. ROCHE: May I ask the honourable member who has just taken his seat (Hon. Mr. Beaubien) if I understood him correctly that Canada would be benefited by the depreciation of the franc, which has fallen to one-third its value? Would not the seller of goods in France add to his invoice, in francs, the amount that the franc had fallen, so that we would pay a larger number of francs for the same goods than we did before?

Again, the honourable gentleman alluded to the number of articles that were gained; he stated those we had lost in comparison with those we had gained in the new treaty. But would not the strength of that argument depend entirely upon the amount of each article that has been exported to France, and not upon the number of articles as compared with those in the former treaty?

Hon. Mr. BEAUBIEN: In answer to my honourable friend, if I understood rightly his first question, I may say that the value of the franc has nothing to do with the figures that I quoted, because they all referred to Canadian money. Therefore there would be no multiplication by three of the exports to France referred to.

Hon. Mr. ROCHE: No, no: I beg the honourable gentleman's pardon. I refer to the imports from France. Suppose a person invoiced a certain article at 100 francs and the franc had fallen to one-third its normal value, would he invoice his goods and sell them at 100 francs, or at 300 francs?

Hon. Mr. BEAUBIEN: All my information comes from the Canadian statistics, and they are all given in Canadian currency.

Hon. Mr. CASGRAIN: There has been a great deal of discussion since these negotiations were commenced, and as my honourable friend from Montarville (Hon. Mr. Beaubien) was a party to the negotiations, perhaps he would not mind informing this House, once for all, how they began. He did not go to the Minister in France and say, "I am Mr. Beaubien, from Canada, and I am going to do business with you." He must have had somebody introduce him. Or even if Sir George Foster went first, he would have been told: "Je ne vous connais pas. Do you know the Ambassador? Well, get him to introduce you." The question is constantly arising as to how the negotiations started, and I think it would be valuable information if my honourable friend from Montarville would tell us now who began the negotiations and who concluded them?

Hon. Mr. BEAUBIEN: I am afraid my answer will be rather a disappointment to my honourable friend across the floor. The negotiations began in a very simple way. The Minister of Trade and Commerce asked me whether it was possible to initiate with my friends in France some negotiations with a view to having a temporary agreement, until such time as a permanent treaty could be made. I gladly assented to his request, and the efforts gradually led to negotiations, and the negotiations led to the treaty, and, so far as I know, the British Ambassador in France or even the Foreign Office in London had nothing whatever to do with the matter until the treaty was presented for signature.

The motion was agreed to, and the Bill was read the second time.

PRIVATE BILLS

SECOND READINGS

Bill O3, an Act to incorporate the Commonwealth Bank of Canada.—Hon. Mr. Blain.

Bill 15, an Act to incorporate Metropolitan Trust Company of Canada.—Hon. Mr. Proudfoot.

Bill 33, an Act respecting "Crédit Foncier Franco-Canadien."—Hon. Mr. Chapais.

Bill 44, an Act respecting the Western Dominion Railway Company.—Hon. Mr. Watson.

DIVORCE BILLS

SECOND READINGS

Bill P3, an Act for the relief of Elizabeth Gertrude Conner.—Hon. Mr. Proudfoot.

Bill Q3, an Act for the relief of Louise Sullivan.—Hon. Mr. R. S. White.

PUBLIC HARBOURS BILL

SECOND READING

Hon. Mr. CASGRAIN moved the second reading of Bill 40, an Act to amend the Canada Shipping Act (Public Harbours). He said: This is a public Bill, but the Minister of Marine and Fisheries, in the other House, has no objection to it at all. It was brought in by the Hon. A. K. Maclean. Its object is simply to give the Governor General power to impose a fine up to $1,000. The present limit is only $100, and it appears that the amount has not proved sufficient to prevent certain abuses. Oil is now used to a great extent in navigation, and when the tanks, etc., are cleaned out, some of the oil naturally remains on the surface of the water. Only a few days ago someone threw into the water a hot bolt and the oil on the surface took fire, destroying some property on shore. The object is to prevent ships from spreading oil over the water of a harbour. It requires ships to do their cleaning out in the open sea, instead of in the vicinity of wharves. It seems that a fine of $100 does not make the ships careful enough. It is provided that by Order in Council a penalty may be imposed up to $1,000, if necessary.

The motion was agreed to, and the Bill was read the second time.

GRAND TRUNK ARBITRATION BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 80, an Act respecting the Grand Trunk arbitration. He said: Honourable gentlemen, this is a Bill respecting the acquisition by the Government of the Grand Trunk Railway. I need not inform honourable gentlemen that under the legislation which was passed, I think, in the Session of 1919—

Hon. Mr. BOSTOCK: It was in the second Session of 1919 that the first Bill was passed.

Hon. Sir JAMES LOUGHEED: —provision was made for the submission to arbitration of the question of the value of the Grand Trunk physical properties. In pursuance of that legislation an agreement was entered into in 1920, whereby the specific provisions touching the arbitration were agreed upon between the Government of Canada and the Grand Trunk Railway Company. The necessity of entering upon and concluding the arbitration before the date fixed in the agreement, namely, the 9th of April of the present year, was quite apparent. In the interim the Government of Canada had to rely upon the commission which had been appointed for the management of the Grand Trunk, and which in itself would not enable the Government to take possession or to perform any act of dominion over the properties of the company.

It is unnecessary for me to say that when this legislation was passed very serious liabilities were facing the Grand Trunk Railway Company, and it was on account of the liabilities which threatened the embarrassment of that company that it became necessary for the Government of Canada to intervene and to prevent the disintegration through financial embarrassment of a very widely distributed system, extending over a large part of Canada and part of the United States. Although the agreement entered into did not throw upon the Canadian Government the duty of financing the obligations which were from time to time maturing, and which were of a very significant and very important character, yet the Government felt it incumbent upon them to advance millions of money to save the company from that embarrassment which must necessarily have ensued from its inability to meet its obligations. Notwithstanding the fact that the Government was advancing these many millions, without having any special security for the money that was being paid out of the Exchequer of Canada, and without having practically any dominion over the physical properties of the road in the way of management, it became manifest, from the attitude taken by the company and from the slow progress which was being made, that unless, by invoking a provision in the agreement, the Government refused to extend the time from April 9, in the present year and the present month, the arbitration proceedings might drag on for a very considerable period, perhaps for a year or more; that during that time very substantial loss might occur; that increased obligations must necessarily arise, and that the Government of Canada would become so heavily involved financially in carrying a concern over which it had no control as possibly to embarrass not only the Government but the financial standing of Canada. It was therefore manifestly the duty of the Government of Canada to see that if we were to assume those liabilities for the protection of the road and the prevention

of that disintegration which must necessarily follow from financial default, possession must be given to the Government.

This was anticipated, honourable gentlemen, and the Company was officially and solemnly warned by the Government of Canada when it entered upon the arbitration proceedings—I think, as far back as February—that the time would not be extended, and that it was essential that the arbitration should be concluded by the date fixed in the agreement; that good faith must be kept with the Government and the people of Canada by concluding the agreement by that date. Notwithstanding that fact, apparently no reasonable impetus was given to the proceedings by the Company. The arbitrators were prepared to go on hearing the evidence which was submitted, but an impression was left upon the minds of the Government that there was no intention to exercise diligence in closing the arbitration proceedings. In the meantime, as I have said, further obligations were maturing and further demands were being made upon the Government of Canada to meet those obligations. Consequently on the 9th of April the Government unhesitatingly refused further to extend the time. The time having expired, it becomes necessary that legislation should be placed upon the statute book to give authority to re-enter upon the arbitration proceedings in the event of both parties being willing to do so.

Hon. Mr. BELCOURT: Will my honourable friend allow me to ask him at this stage, what were the dates at which those advances were made? I forget the amount. I think it is $47,000,000.

Hon. Sir JAMES LOUGHEED: I am sorry I cannot give my honourable friend the particulars.

Hon. Mr. CASGRAIN: It was in the course of last summer. They paid 8¾ for the money.

Hon. Sir JAMES LOUGHEED: Before the Bill reaches the third reading stage I shall be very glad to get all the particulars touching the advances and the demands which have been made even since the last advance.

As I have said, it is necessary that we should place legislation upon the statute book before Parliament rises in the event of our being able again to resume the arbitration proceedings. There is a disposition now on the part of the Company, since the attitude of the Government has become known, to consider an extension of time for the arbitration proceedings, subject to the conditions which we seek to impose. The main condition which we seek to impose, as honourable gentlemen doubtless know, is that we obtain possession of the road. The necessity of that possession lies not only in our having control over the physical properties of the road, but that we should have a control by which we may advantageously administer the other systems which we are carrying to-day. As honourable gentlemen know, we are endeavouring to establish a great system of national transportation in Canada. We have already acquired the Canadian Northern railway and other railroads, and it is necessary that we should co-ordinate with the system of railways which we are to-day operating the Grand Trunk system; and until that can be done, and until the Government of Canada is in a position to carry out one scheme of reorganization for all these systems, Canada must face the very serious loss which we have been carrying since we entered upon the very important obligation which we have had imposed upon us.

We are hopeful, honourable gentlemen, that an agreement will go through without delay to permit of a resumption of the arbitration proceedings, and of the Government acquiring possession of the road. It will be necessary to pass legislation providing for the retirement of the present directorate and to secure the ratification by the shareholders of any agreement which may be entered into, and other steps necessary to assure us of the validity of whatever steps are taken. With this object in view, I move the second reading of the Bill. At the same time I would point out to honourable gentlemen that, since this Bill was introduced and passed by the House of Commons, owing to negotiations which have been conducted between the Government of Canada and the Grand Trunk Railway company—I think I may say they, or at least those who represent the company here are party to them—additional amendments have been drafted which they are willing to recommend to the Company in England. When the Bill comes up in Committee I propose to move the amendments, which I have in my hands. Copies of those amendments have been distributed since the sitting opened to-day.

Hon. HEWITT BOSTOCK: Honourable gentlemen, in listening to the remarks

of my honourable friend in moving the second reading of this Bill, I could not help thinking that the Government would have been well advised had it listened to the advice given to it by the members of this Chamber when the Bill was first introduced in the second Session of 1919. Honourable gentlemen will remember that when this question was first brought up at that time, it was brought up at the end of the Session, when members of the Government in this House and in the other House said there was no further important legislation to be dealt with. Honourable gentlemen in this House took the view that the Government should have given much further and deeper consideration to the matter before they asked the Parliament of Canada to pass legislation in connection with it. At that time, as honourable gentlemen no doubt remember, the legislation only provided for giving this Government power to make an agreement with the Grand Trunk Railway Company. It was afterwards found, in the Session of 1920, that further legislation had to be brought in to deal with the agreement. In that way we were enabled to see the agreement, and we considered that the only thing to do, the Government being so far committed to the matter, was to offer no further opposition to the legislation which the Government insisted on putting through. So the country was committed to taking over the Grand Trunk Railway system.

The arguments used in this Chamber at that time against the acquisition by Canada of the Grand Trunk Railway system have, I think, been fully borne out, and to-day they are stronger than they were then. The whole course of procedure in regard to this matter should bring very clearly to the mind of the Government the mistake that was made in passing legislation of this kind through Parliament. As my honourable friend has said just now, this Bill was introduced in the House of Commons not very long ago, and since it was introduced in that House it has been found necessary to provide for several amendments which it is proposed to make to the Bill in this House. It seems to me, if that is the case, that even now this legislation has not received the consideration that it should have received, and I doubt if the Government itself really understands exactly what it is doing in regard to this matter.

This agreement was made on the 8th of March, 1920, and it was stated by the Prime Minister the other day that since the agreement went into effect the Government had found it necessary to advance a sum—I think it was mentioned as being $47,000,000—for the purpose of helping the Grand Trunk Railway Company to carry on operations while the other clauses of the agreement were being dealt with. The agreement, of course, provided that the Grand Trunk Railway Company should do its own financing; but it also provided that the managing committee might, with the consent of the Governor in Council, borrow from the Government on Grand Trunk notes or other obligations or securities approved by the Governor in Council in order to carry on the operation of the railroad. It said:

> The committee shall continue to act until the preference and common stocks are transferred or vested in the Government, when it shall be discharged.

I presume that when part of that clause was placed in the agreement, the Government recognized that as soon as this agreement went into effect it would be almost impossible for the Company to go into the markets of the world and arrange for its finances as it had done in the past, and that therefore it was necessary to place that clause in the agreement in order to provide for the finances of the company until the arbitration was concluded. I understand that under that clause the Government has been advancing money to the Grand Trunk Railway Company to the amount I mentioned a short time ago. This went on, apparently, until April 1, this year, when certain securities which were covered by that arrangement were falling due. But as it seemed quite evident that the arbitration would be extended beyond April 9, which was the date fixed for its termination, the Government, in order to bring the matter to a conclusion, to bring the Company to time if possible, felt justified in refusing to do any more financing for the Company. I presume, although we have not been informed as to that, that the Grand Trunk Railway Company still has to carry on its business without getting any financial assistance from the Government.

If the Government had taken the time and had fairly considered the whole situation and found out exactly how the matter stood, I do not think the agreement would have been drawn up, even after the Session of 1919, because, as I view the situation, to-day, the country is bound to go on with this agreement and is bound legally to put up the interest on the debenture

stock and the 4 per cent guaranteed stock. The shareholders—the first, second and third preference shareholders and the ordinary shareholders, who are still in existence to-day—have a voting power in the Company, and they could instruct the Company to go on, and could refuse to make any further arrangements unless the Government brought in legislation providing for the expropriation of the railway system.

Therefore I think the agreement was a bad agreement in the interest of Canada and of the Government. I think this is an evidence that the Government did not give proper consideration to the agreement they were making or to the expense and the financial liabilities which they were letting the country in for.

The Bill that we are asked to deal with now provides for giving the Government power to re-create, so to speak, the Board of Arbitration, and to continue the arbitration, but on the condition that the shareholders of the company agree to the Government taking possession of the road and having full possession in their own hands. It further provides that the shareholders shall have the privilege of getting all the information they require for the purpose of carrying on the arbitration proceedings. As far as I can see, there is nothing said in the Bill about any limitation of the arbitration proceedings, but I presume that can be done by the agreement which will be made between the shareholders and the Government. The agreement provides, of course, that there may be an appeal from the decision of the arbitrators.

The question, as far as the country is concerned, is, I think, a very serious one. My honourable friend said that it was necessary for the Government to take over the Grand Trunk railway system in order to complete the Government railway system in this country; but the opinion has been expressed in this House before that it was very questionable whether the taking over of the Grand Trunk system would be a very advantageous thing for the country and for the operation of the Government railroads.

It has been pointed out before that the Grand Trunk railway system is a very complicated one. The organization is one that has been built up during a long period of time by men who have given their whole time and attention to the development of the system. It has had the advantage of business connections not only in Canada, but also in England, and probably to some extent in the United States, which have enabled it to get a large amount of business which I doubt very much can be retained under Government ownership. The most important business of the Grand Trunk railway system consists of the business that originates in the United States and is carried through Canada and delivered on the American seaboard. That business is done in the face of very keen competition with other railroads in the United States; and those roads being situated entirely in the United States, it is quite plain that the people operating them will do everything they can to take away the business from the Grand Trunk railway as soon as it is known that it has become a Canadian Government system. Although it was pointed out the other day, in a statement made by a representative of the Canadian National railways, that according to Government statistics the amount of business done by the Grand Trunk system was very considerable, at the same time he assumed that when the system was taken over by the Government it would be able to retain that business. He gave the amount of business originating on the Grand Trunk system as 13,201,608 tons, and stated that they received from other Canadian railways 3,458,603 tons; that they obtained from the United States railways 9,908,588 tons; making 26,569,799 tons as the total business of the Grand Trunk system. If honourable gentlemen were able to examine into that business they would, I think, agree that probably the greater part, if not the whole, of the 9,908,588 tons which comes from the United States railways will disappear when it becomes a question of shipping goods over the Canadian Government railway system, and in all probability a considerable portion of the 13,201,608 tons originating along the line of the Grand Trunk railway system will also disappear, because the Grand Trunk railway system includes various roads which operate in the United States, and they will be in a position similar to that of the United States railways turning business over to the Grand Trunk. Therefore, instead of bringing to the Government railway system an extra tonnage of 26,569,799 tons and bringing the total tonnage of the entire system up to 51,317,869 tons, it is quite probable that the total tonnage which the Grand Trunk will be able to add to the Government railways will not be more than half of the figures here given. Of course, I make this statement as an esti-

mate of what may happen, because there is no possible way of arriving at definite figures as to the situation; but I do think that it should appeal to honourable gentlemen in this House that the chances of the Canadian Government system being able to obtain the business that the old Grand Trunk system obtained in the past are very slight indeed. Naturally the Americans will wish to help their own lines and will feel that they are not called upon to ships goods over the Canadian Government line.

Then there is the other question, which has been threshed out in this House before, of the Canadian Government system being subject to the laws of several of the states when the Grand Trunk lines are taken over, and being subject also to the United States commerce law.

The whole situation shows that it is an exceedingly serious matter to the country that we should have to continue with this legislation and to take over this system. I wish some way could be devised of making another arrangement and relieving the Government of the onus of taking over this Grand Trunk system. But from the remarks of my honourable friend it seems that the Government is so set in its views on this matter that nothing that can be said or done by honourable gentlemen in this Chamber will bring the Government to see the terrible dangers, especially the financial danger, to which they are exposing this country by undertaking to run the Grand Trunk system, which begins in the United States and ends in the United States. I wish there were some way of changing this whole situation and saving the country from what I fear will add largely to the financial troubles of Canada.

As honourable gentlemen may remember, we have this year placed in the estimates the sum of $89,000,000 for the purpose of dealing with the finances of the Grand Trunk system when we take it over. I wish I could believe that that $89,000,000 was all the money that the Government would have to find in order to finance the system. I do not think that any honourable gentleman who has studied the condition of the Government railways can feel any assurance or confidence that the management of the Canadian Government railways and of the Grand Trunk system, when it is brought in, will be improved in any shape or form. Unfortunately the way in which the Government railway system is now being carried on does not give the people of this country confidence that Government ownership and operation of railways will be a success. Since the Government took over the Canadian Northern system and assumed responsibility for operating it in connection with the Intercolonial, the National Transcontinental and the Grand Trunk Pacific, the railway situation in this country has, it seems to me, gone from bad to worse. We have been called upon year after year to provide larger and larger sums of money for the purpose of financing the Government railways, and from one end of this country to the other we find that the organization and management of the Government system is far from being all that could be desired.

Only the other day I was reading in a financial paper published in this country an article dealing with the present situation, in which it pointed out that another paper had published the following items. The first item tells of a split in the ranks of labour in Great Britain, the admission by a labour organ of the heaviest defeat in history and a coming reduction in wages. The second item tells of a new wage agreement in Cleveland, Ohio, in which the street car employees accept a cut of 20 per cent in wages and other reductions. The third item comes from Toronto and tells of an advance in wages of steam-shovel engineers, firemen, and cranemen on the C.N.R.

In practically all the newspapers that we take up, whether published in the United States, in England, or in Canada, we are told that on account of the present conditions it is necessary to reduce wages in business and to cut down expenses in every possible direction. Yet, curiously, we find that the Government railways, instead of reducing wages, are now increasing them. Questions have been asked in this House with regard to the wages fixed by the McAdoo award and also by the Chicago award. There is no honourable gentleman in this House but feels that the wages paid to the railway men at the present time, under those awards, are such that something will have to be done if railway transportation in Canada is to be carried on in the interest of the country and in a way that will enable the people of Canada to do business and ship their goods as they were accustomed to doing in the years gone by; yet we find that the Government system of railways, instead of trying to decrease wages and bring about more reasonable transportation rates, have raised the wages of those men.

A great deal has been said lately about the management of government railways,

and reasons have been given from the management side to show why deficits occur in the operation of Government roads. From some of the statements made by the managers one would be led to think that the people of this country were not doing their duty by the Government railways—not trying to ship goods by the Government lines. It might almost be thought that the Government railways were being boycotted by the people of this country. But the evidence that I have been able to obtain points in the other direction. From the West especially I have heard nothing but complaints of the way in which the business of the Government railways has been handled, and the lack of consideration shown by the management for the interest and requirements of the people of the country. The difficulty in obtaining freight cars is so great that it has militated very severely against the business of Canada. With regard to the shipments of grain, I was told not long ago that grain located on a line of the Canadian Northern railway in the West was sold at 8 cents a bushel less than the same grain could be sold for on a line of the Canadian Pacific railway. That is a serious state of affairs for this country, for it means a great loss to the farmers of Canada, and it shows that there must be something seriously wrong with the management of the Government railway system.

Hon. Mr. SCHAFFNER: I do not quite understand the honourable gentleman. What would the railways have to do with the selling of grain?

Hon. Mr. CASGRAIN: The service was so bad.

Hon. Mr. BOSTOCK: I will explain to the honourable gentleman. The position, as I understand it, is this. The grain on the Canadian Northern railway had to be sold at 8 cents a bushel less because the shipper of the grain could not get cars to deliver it, and therefore could not undertake to have it delivered at a certain point within a certain time. If the owner of that grain had it on the Canadian Pacific railway he could have got cars and could be sure that the grain would be delivered at a certain time.

Hon. Mr. SCHAFFNER: Well, I have grave doubts of the accuracy of that statement.

Hon. Mr. BOSTOCK: I think I could prove it to the honourable gentleman if he wants to have it proved.

Hon. Mr. CASGRAIN: Yes, prove it.

Hon. Mr. BOSTOCK: Only the other day I received a letter from the West—

Hon. Mr. BENNETT: May I ask the honourable gentleman, would that refer to the Government railways in the province of Manitoba?

Hon. Mr. BOSTOCK: No. I think it was farther West than that.

Hon. Mr. BENNETT: Then perhaps it was on the pioneer lines.

Hon. Sir JAMES LOUGHEED: Might not the same thing happen on a Canadian Pacific line?

Hon. Mr. SCHAFFNER: Quite so.

Hon. Mr. CASGRAIN: No, no. The trouble is the bad service, that is all.

Hon. Sir JAMES LOUGHEED: Is it really? Does my honourable friend know?

Hon. Mr. CASGRAIN: It is the bad service.

Hon. Mr. BOSTOCK: I might refer honourable gentlemen to another case that occurred on the Canadian Northern Railway. On June 25, 1919, I brought to the attention of the House a letter from a company in British Columbia. The Basque Chemical Production Company, Limited, was developing a very large deposit of sulphate of magnesia 12 miles west of Ashcroft, B.C., near the Canadian Pacific Railway and Canadian Northern main lines. The letter continues:

> Shipments of several hundred carloads per annum will be made, partly for use as a medicine but mostly for commercial purposes.
>
> One of the essentials in insuring the success of this enterprise is prompt and efficient transportation service. This commodity will not stand delay in transportation.
>
> It is the desire of our company to erect a refinery, warehouses, etc., and ship from Epsom Spur on the Canadian Northern railway, two miles west of Basque. It is quite possible to ship over the Canadian Pacific railway from Basque Siding, but as the Canadian Northern is now a Government enterprise we would prefer, if possible, to make our shipments over that line.
>
> We could not make a success of our business, however, if we were handicapped by unreasonable delay to our shipments.
>
> As an instance of the unnecessary and unreasonable delays to freight shipments occurring on the Canadian Northern line we might say that we made a trial shipment of sulphate of magnesia from Ashcroft to Pennsylvania, billed over the Canadian Northern and Pennsylvania lines. This shipment was received by the Canadian Northern on June 29 and turned over by that line to the Grand Trunk at North Bay on August 19, being 51 days in transit over the Canadian Northern.

Hon. Mr. CASGRAIN: The shipper could have walked the distance in that time.

Hon. Mr. BOSTOCK: That is an instance of the way in which the business is done.

Hon. Sir JAMES LOUGHEED: How large a shipment was it? Has my honourable friend any information?

Hon. Mr. BOSTOCK: That was just a sample carload.

Hon. Sir JAMES LOUGHEED: Was it a carload?

Hon. Mr. BOSTOCK: It was a sample carload. They were to some extent doubtful of the way in which the business was being handled on the Canadian Northern, and they shipped this sample carload for the purpose of making a test.

Hon. Mr. CASGRAIN: Tell about that car of live stock.

Hon. Mr. BOSTOCK: Does my honourable friend (Hon. Sir James Lougheed) intend that the House should continue to sit after six o'clock or shall we come back?

Hon. Sir JAMES LOUGHEED: It is very necessary that we should have the third reading of this Bill to-morrow, for the purpose of concluding the agreement with the Company which is referred to therein, so that it may be submitted to the shareholders. If we have an understanding that the Bill is to be given third reading to-morrow, we could dispense with sitting to-night.

Hon. Mr. BOSTOCK: From what I know I do not think we could have an understanding of that kind. There may be a good deal of discussion about the amendments that my honourable friend has brought down to-day.

Hon. Sir JAMES LOUGHEED: Then we had better sit to-night. It is now six o'clock. We might dispose of the matter this evening.

Hon. Mr. DANDURAND: Before the motion is put, may I point out that we can hardly hope to give the third reading to this Bill to-morrow, even if it is read the second time to-day, because to-morrow the Bill will be at the committee stage. How could my honourable friend take the two stages in one sitting to-morrow?

Hon. Sir JAMES LOUGHEED: Well, it invariably has been the practice if there is no amendment in committee.

Hon. Mr. DANDURAND: But the honourable gentleman has given notice of an amendment himself.

Hon. Sir JAMES LOUGHEED: Yes. If there is no departure from that, I see no reason why the House should not give the Bill the third reading.

Hon. Mr. CASGRAIN: Why, there are plenty of objections to giving it the third reading. We should not pass it at all.

Hon. Sir JAMES LOUGHEED: Then I will give notice of a motion for the suspension of the rules.

At 6 o'clock the Senate took recess.

The Senate resumed at 8 o'clock.

Hon. Mr. BOSTOCK (continuing): Honourable gentlemen, when we rose at 6 o'clock I had read to the House a statement from a company in British Columbia showing the difficulty they had when they made a trial shipment of a carload of stuff to see what the result would be and whether they could develop their business by using the Canadian Government railroad, which they naturally wanted to do if they could. They were so situated that they could use either the Canadian National railway or the Canadian Pacific railway, and although I have no information on the point, I fancy after their experience that their business has been done over the Canadian Pacific.

The other day I received another letter from a gentleman who lives in British Columbia. He had also been in California. His letter is dated April 14, 1921. He first of all says that he is very much interested in the development of the fishing industry at Prince Rupert, and then goes on:

> It is impossible to get fish cars for our trade, but there is no dearth of special trains for joy-riding purposes. I have seen two specials in one day coming here and each of them crowded with old women who possibly never had a ride in a Pullman car before in their life, and some of these joy riders were so old and decrepit that they had one car fitted up with brass beds. This I saw myself and can substantiate it.

His complaint is that they have not been able to develop the fishing industry of Prince Rupert as they wish to do because they cannot get the cars they require from the Grand Trunk Pacific portion of the Government road. The fishing industry is a very important one—it is largely halibut fishing—and of course it is necessary to

have proper refrigerator cars to carry the fish across the continent. If accommodation can be had at Prince Rupert, the whole of the halibut industry can be worked from there instead of from Vancouver as it used to be, but this gentleman's complaint is that when they want cars they cannot get them from the Government road. He goes on to say:

I spent the winter in Los Angeles and attended the annual picnic at Ocean Park held each year for the Canadian tourists. There were fifteen thousand Canadians present, and among the numerous speakers was an official of our Canadian National Railways. He recounted the mileage and the size and glory of the system, and told us everything about the road except the deficit. He proudly told us of the new offices recently opened in Frisco and the proposed new offices to be opened in Los Angeles and many other American cities. These I presume have been opened before this, as it was in January that this meeting took place. Knowing California as I do, I know that the cost of renting and equipping and maintaining such offices as the speaker boasted of as "second to none" would be a very expensive and criminally useless matter, because every man from Canada who heard him speak had a return ticket in his pocket. The cost of upkeep of these American offices must be enormous, and I will venture the opinion that if the revenue derived from the business that may come through them were made public it would torpedo the whole business. I do not think that the people of Canada have the slighest idea of what is going on in the way of waste and incompetence. It is simply inconceivable.

I think that very plainly shows the way in which the management of this Government railway are carrying on the business of the country. They are spending money extravagantly on offices and advertising the roads in directions where they are unlikely to get very much business, and at the same time they are not looking after the interests of the country and the development of the business of the country where it is necessary to do so. The people of this country are only too anxious to use the Government railroads, and if they are given proper facilities and proper opportunities of doing business with them they will do so.

I noticed the other day that the Chairman of the Board of Railway Commissioners made the statement in Vancouver that it has cost the country $10,000,000 to establish the passenger train that runs between Montreal and Vancouver. He estimated the cost of running that train at between $7,000,000 and $8,000,000 a year, and he estimated the revenue that would be derived from its operation at $2,000,000 a year. It seems to me that the difference between the cost of operation and the return is too great, and that some change should be made. Either the train is too expensive for the service, or there is something wrong in the method of running it, for the cost of operation is out of all proportion to the return. Of course, every honourable gentleman realizes that there is a tremendous expense incurred by railways to-day when they are not carrying the traffic, especially passenger traffic, that they should be carrying. There are, I think, many trains that could be dispensed with. It seems to me that this is a matter which requires attention and would bear looking into with a view to saving all the money that can possibly be saved.

I have tried to point out to the House the way in which the Government road is being managed. What I have said is not of a nature to inspire confidence in its management, or to cause anyone to feel confident that when the Government takes over the Grand Trunk system it will do anything more than increase the expense and very seriously injure the country, owing to the enormous amount of money that we shall be called upon to find to pay off the deficits that will occur.

There is another point in regard to this Bill which I think is a very serious one. I refer to the lack of information not only in regard to the Government railroads, but also in regard to the Grand Trunk Railway system. I would have supposed that when the Government were bringing down this Bill and asking Parliament to deal with this matter again, they would at least have made some statement to show what has been the result of the operation of the Grand Trunk system during the last year from the 1st of January to the 31st of December.

Under the provisions of the Railway Act the company were required to make a return to the Government showing their operations and containing a general statement of their affairs. So far as I know, no statement of that kind has been submitted in the other House and no information has been given to the country to enable the people to know whether this railway is doing better or worse than it did two or three years ago. The only statement I have seen is the statement of the Prime Minister that the country had to find $47,000,000 to provide for the financial requirements of the Grand Trunk Railway Company. It does seem to me that the policy of the Government with regard to the handling of railways has not proved to be a success. I think the Government, as it is bent on taking over the Grand Trunk Railway system, should go very seriously into the matter and adopt some other policy; and I personally do not see that they can

do any thing better than bring the railways more directly under the control of Parliament and make the management of the system more directly responsible to Parliament, because the representatives of the people are the men who have to bear the responsibility of seeing that the road is made to serve the country properly and economically. As I understand the situation at the present time, the management are simply allowed to manage the road as they think best. As far as I know, they have not shown any appreciation of the necessity of watching the general condition of the country and trying to organize the road and run it for the benefit and the development of the industries of the country.

A question was raised the other day in another place with regard to the way in which trains are being handled upon the National Transcontinental at the present time. It is quite evident from what was said on that occasion that the management do not give proper attention to developing the business of the country. The only way in which this whole railway system can be made to pay is by doing everything possible to develop the business of the country and to see that that business is handled by the railway. Proper business methods should be used in the management of the system, so that people may know that when they want a car for the shipment of their goods they can get it, and that their goods will be carried to their destination within a reasonable time and with reasonable certainty.

I could mention a considerable number of other items that have come to my attention with regard to this question, but I do not want to take up too much of the time of the House.

With regard to the Bill before us, we cannot really do anything: we are committed to this policy. The Government has tied itself down to this agreement with the Grand Trunk Railway Company, and if it were possible for us to take any action that would tend to interfere with the Government policy, we might bring about a worse condition of things than exists at the present time. The Senate has already expressed its opinion with regard to taking over the Grand Trunk Railway system. If it could have done so, it would have prevented the Government getting itself into the position which it occupies to-day in connection with the agreement with the Grand Trunk Railway Company. But inasmuch as it is practically impossible for us to deal with the question, all we can do is to leave to the Government the responsibility of working out this problem and explaining to the country why it is that the tremendous burden which I am satisfied will be the result of this Bill has been placed upon our shoulders. I can only hope that the Government will be able to find a solution of this problem and that it will do so with very little delay.

Hon. GEORGE G. FOSTER: Honourable gentlemen, for purely personal reasons I had hoped that if the Government were going to take over the Grand Trunk railway the purchase might have been consummated without any further reference to Parliament. I gather, however, from the explanation of the leader of the House, and from the speeches that have been made in another place, that the Government has come to the conclusion that it is necessary once more to come to Parliament to obtain power to extend the arbitration which has been going on, and also to obtain power to assume the management and directorship of the Grand Trunk system. That is the only measure which is before this House to be discussed or considered by us.

I cannot think, honourable gentlemen, that the officials and those in charge of the Grand Trunk railway arbitration have acted with what energy and zeal they should have acted, in pressing the arbitration to a conclusion, and it seems to me that there must have been some motive in what to an outsider seems unpardonable and unnecessary delay. One hesitates before ascribing motives to such a combination as the Grand Trunk organization; but when we see that arbitration delayed for days and weeks, notwithstanding repeated warnings, until vast sums fall due, when notice is served upon the Government within a few hours, or days, of the due date when they must pay these sums, it looks very much to me as though the Grand Trunk authorities had counted upon stampeding the Government into making these additional payments and making surer than they otherwise would be of the ultimate consummation of this transaction. So far as I am concerned, I stand to-day, as I have always stood, unutterably opposed to Government ownership, and the purchase of the Grand Trunk railway. But I can see that no useful purpose could be served by me, or any other member of this House, opposing uselessly, as the leader of the Opposition has said, a measure which

the Government has taken the responsibility of saying is in the best interests of this country.

For myself, I would have been glad if the Government had said to the Grand Trunk Railway Company, when they failed to complete their arbitration: "You have exaggerated your values; you have told your shareholders that we are confiscating their property; you have injured the good name of Canada by your newspaper propaganda; you have not carried out the agreement we made with regard to this arbitration, and you can keep your property." I quite understand that serious consequences would have followed in the adjustment of the money due the Government, both in connection with other obligations and in the matter of securities which they have paid for since this legislation passed; but all of that might have been adjusted, and had they come to Parliament with a generous settlement embodying the balances due them, they would have had the support of Parliament, and I believe, the support of the country.

However, after consideration, the Government has decided to make this last offer to the Grand Trunk, and while I hope that the common stockholders in England will refuse to accept the Government's offer, I cannot but think that in carrying out the policy which they have laid down they are entitled to be congratulated upon the courage they have shown in refusing to be sandbagged into the payment of vast sums on account of a property which somebody else owns and someone else manages.

I am sure that the members of this Chamber, as the people of Canada, have been deeply interested in what is known as Lord Shaughnessy's letter to the Prime Minister. The suggestion made by Lord Shaughnessy is not before us, but I am one of those who believe that the proposition was put before the Government, so far as Lord Shaughnessy himself is concerned, with the patriotic hope that either directly or indirectly it might lead to some solution of the dangerous conditions we are in with regard to railway problems.

I am not going to say to-day that if this proposition were before us it would not require grave study and consideration; nor can one who is not a practical railway man form a mature opinion within the few hours which have elapsed since it was first made public. I can, however, see grave national objections to the plan as submitted. I yield to no man here or elsewhere my admiration for and my appreciation of the great citizen who formulated that plan. I realize that we who are true Canadians owe him a great debt for the service he has rendered Canada in successfully managing the great corporation over which he presides and which has done so much to advance our country. The sacrifices he has made and the services he has rendered in times of peace and war entitle him or any plan that he may formulate to the greatest consideration of our people.

Although that letter is not before this House, it has been given to us at this time in order that it may create discussion and comment, and it is well that the people should give it consideration; and while in its entirety it may not be acceptable, there are many principles in it which may now or hereafter be adopted when people have finally realized, as they will ere long where Government ownership will lead them.

If Lord Shaughnessy had all the energy, wonderful ability and patriotism which he has shown since he was fifty years of age, or if he were fifty years of age to-day, I might feel bound to accept his suggestion, because I should feel sure that for at least a quarter of a century he would be at the helm to guide the great corporation which he has proposed to create—not only to guide that corporation, but one might almost say to guide the destinies of Canada —because the man who was head of a proposition such as Lord Shaughnessy proposes would be far more influential and important than any Premier that ever ruled in Ottawa. He would have the trade of the country, the transportation of the country, the finances of the country, and the whole future of the country in his hands, notwithstanding everything that could be said or done by governments, railway commissions, or any known power. Lord Shaughnessy's proposition is to hand over to one corporation the whole future of Canada; a corporation to-day composed of the ablest men as directors and the best board of railways operators on this continent; a combination so strong that the shrewdest financial men in the United States were quite willing to pay $275 for C.P.R. stock when the richest, best managed and best patronized American railway was selling for half that money. But my principal objection to the proposal is that Lord Shaughnessy is not fifty years of age. He and the men I referred to are only too fast approaching the time when their activities will flag; and who will then be the autocrats of Canada? He has around him

some young men of great ability; but no man's life is certain, and when some day, soon or remote, the C.P.R. has a new board, new management and new vision, what may be the influences which will guide them in dictating the vast interests which would then be in their hands?

I do not wish to say at this time that most careful consideration should not be given to Lord Shaughnessy's proposition, but I can see many good reasons why it must be approached with great caution.

It has been said that those of us who criticize what has been done have nothing to propose. It may seem courageous for one to propose anything in the face of all the difficulties and dangers which surround this proposition, but the people of Canada would not, in my opinion, be satisfied to accept the rule of a monoply such as has been proposed.

Let the Government go to Lord Shaughnessy with something like the following story: "You have reached that time in life when every honour and every success that can come to a man have been yours; come and help the people of Canada to organize their railway property, disassociated from every C.P.R. interest."

Some people would say, "Lord Shaughnessy could never disassociate himself from the C.P.R." I say that he could do so, and stand at the head and guide us as he does in his present position in the creation of a great organization which could fairly compete with the one he left. Some ill-disposed person would say that this would only be a camouflage, and the C.P.R. would then own and control all railway transportation in Canada with Beatty at the head of one and Shaughnessy at the head of the other. I have too much faith in the patriotism and ability of Lord Shaughnessy not to know that if he would undertake this task he would do it with the single idea of serving the country, and I would put in his hands without reserve or hesitation the creation of an organization that would be a healthy, fair, honest competitor of the C.P.R.

What we should have, if we are going to continue either to manage this property ourselves, or to create a new corporation, separate and distinct from the C.P.R. and the Government, owned and controlled by men who are venturesome enough to put their money into this proposition, is the spirit which actuated the men who created and worked out the C.P.R. problems in their early stages.

I could not help thinking, on Tuesday afternoon, as I came up on the train, that there was a lesson for every Member of Parliament and every Senator who was on that C.P.R. 4 o'clock train. Pulling out of Montreal at the same time as the Grand Trunk, was the C.P.R. running neck-and-neck as far as St. Anne's, and across the river. At this point the engineer of the Grand Trunk pulled his cap over one eye, looked out of the window of his cab, and, with a fireman working as though for his life, shovelling in coal, he waved his hand to the C.P.R., pulled open the throttle, and gradually step by step pulled away with a train of people and employees enthusiastically applauding, evidently happy at the very idea of their successful competition with the great road on which we were travelling. There was not a man on that train who did not sympathize with that engineer. There was not an employee, newsboy, brakeman, mail clerk, baggageman or passenger on it that did not look and act as if he were at a horse race. That is the spirit in which we must look forward and hope these two corporations will compete in the development of Canada.

There is no man living who could put that spirit into the Government roads like Lord Shaughnessy; there is no man living who knows the conditions of Canada as he does, or who could serve Canada as he might, and, while I hesitate at my presumption, I say to the Government, you have one chance in a million, and that chance is centered around the man who has made you a proposition; who has thereby shown his interest in your welfare, and who might be induced to make this final sacrifice by which he would place his name far and away above the name of any Canadian of this or any past generation.

I am going to vote for this Bill because, as I have said, I do not see any object or useful purpose in opposing it. I sincerely hope, although I have been opposed to Government operation from the beginning, that the prophesies and visions and views of those who have supported it may be true, and that you and I may live to see the time when the great problem which faces us to-day may be safely solved, in order that this country may be saved from that disaster which in the minds of many men is only too apparent.

Hon. N. A. BELCOURT: Honourable gentlemen, I shall apparently be alone in the position I am going to take, but I intend once more to enter my protest against the Bill. I would be recreant to my conscience and my convictions if I assented to the Bill being read the second

time, and would be sorry if my silence should arouse suspicion of my having approved of it. I cannot approve of it, and I must briefly state my reasons for protesting against its second reading.

I object because it is simply continuing along the line of the greatest madness on which this country has ever entered. I do not delude myself with any idea that my words will have any effect whatever. I fully realize that I am speaking only as one, for myself, and I am quite sure of the utter futility, at this stage and under the circumstances, of protesting against the second reading. I am doing it, however, in order to acquit my conscience in the matter. To me it is a matter of profound regret that the people of this country have taken the attitude they have assumed ever since the question of our Government going into the operating of railways has arisen. There has been no public opinion expressed anywhere except in this House; and if I needed any example to convince me of the utter futility of protesting, all I would have to do would be to remember that when the Government entered into this project honourable members of this House, ten or twelve of them, men of character and great ability and sincerity, were in open rebellion for three or four weeks, going through the corridors of Parliament protesting vehemently against the madness of the Government proposal. Not until the last moment—for reasons which I am not going to question, and which I have no doubt were inspired by the best motives— did they relent and agree to support the Government measure. If the gentlemen to whom I refer, constituting probably as strong a group of members of Parliament as could be found in either House, found their protest to be unavailing, it is not to wondered at that in the country there was little expression of opinion on the subject. I mention the fact in order to show that a solemn, continued protest of that kind was wholly insufficient to rouse public opinion. The action of those gentlemen had the same effect as the dropping of a small stone in a large body of water: it simply created a momentary ripple to which nobody paid any attention, and which was of no avail whatever.

To-day the situation is worse. The press of the country has been chloroformed. We have no information whatever from the Government: we have no statement furnished as to what has been done during the years the Government has operated the railway. No man in this country to-day can put his finger on the reasons why we have had those enormous deficits every year; or on any reason why we are going to have deficits, in the words of Lord Shaughnessy for at least twelve years. The first of those deficits he puts down at $80,000,000. We are not even told what the deficit has really been in the last year. Yet Parliament is asked to give its support to this measure without the elementary and most essential information which might enable Parliament to form a proper opinion as to whether this policy should be kept up any longer.

When the Government entered into Government operation they must have known, they must have been told by their railway advisers, that Government ownership, or rather Government operation, the world over had been an utter failure. In every country in this world which has attempted Government operation it has utterly failed. It is true that in one or two places, in Prussia for instance, the returns once showed a surplus; but it did not take very long to discover that the apparent surplus was merely the result of cooking the books. Take it anywhere you like, you will find that Government operation has been a dismal failure, not within a few years, but for all the years past; and if it has been a failure in countries like Prussia, Germany, Belgium, France and the British Isles, where there are about 500 people to the square mile, what can we expect in Canada, where we have not five people to the square mile? There are a hundred times more people within a given area in any one of those countries than we have in Canada. The railways there are engaged in carrying mostly, if not altogether, manufactured goods, and in carrying those goods for short distances, while in Canada our railways carry almost exclusively raw materials across a continent with tremendous distances. Yet some people in this country will tell you that Government operation was the proper thing for this Government to have recourse to. The thing is madness, utter madness. It is madness to-day; it will be madness in ten years; it will be madness in fifty years. You cannot possibly ever make Government operation in this country a success. And yet, in the face of the results elsewhere and the dismal failure the whole thing has been, Parliament is asked to-day to continue this thing indefinitely.

Is there any gentleman, in Parliament or outside of Parliament, who can give any sort of an adequate idea of the assets that

we have taken over? Can anyone, a member of Parliament or anyone else, tell what is the value of those assets? We know partly what the obligations are, but I am one of those who think that we know only half the truth. We have been told that the obligations of those two great railway systems amount to about $700,000,000 or $800,000,000; but I venture to say that those obligations are double that, and when the truth is out I think we will have confirmation of what I am now saying. What are the assets? We are told that the taking over of those assets by the Government was their justification for incurring this terrific burden. I ask any business man in this House, what would he do with an asset which for years had netted him nothing but deficits, and which for all the years to come, so far as he can see, is going to net him nothing but deficits? Is not that the kind of asset that you want to throw into the sea as quickly as you can? Yet, I repeat, in the light of all this we are asked to-day to proceed with this matter. The debt of Canada is not what speakers in this House and in another place constantly say it is—$2,000,000,000 odd. The debt of Canada to-day is four billions of dollars, not two billions, and it is misleading the public, it is hypnotizing oneself, to go on repeating that the debt of Canada is two billions when it is four billions.

What is the pretext given? I look upon it as nothing but a pretext. I cannot for one moment think that those who were responsible for the Government of the country at the time were blessed with so little intelligence and so little knowledge that they did not know the circumstances nor realize that this result was inevitable. But a pretext was found, and what was it? It was said that unless the Government took over these railways Canada's credit would be very seriously injured. Is not Canada's credit much more injured to-day by the fact that we have increased our indebtedness by 100 per cent? Would our credit have been half as much injured if those railway corporations—the Canadian Northern, for instance—had been allowed to go by the board or to meet the fate which every bankrupt must meet? Every man who has been in business in this country and who finds himself confronted with bankruptcy must go into liquidation. That is the common fate of bankrupts not only in this country but everywhere in the world. There is only one alternative for the business man: he must succeed or fail. If he fails he takes the consequences—the fate which every business man who fails must meet. There is only one way to deal with that situation, and that is to allow the bankrupt concern to go into bankruptcy and be liquidated. That the Government did not do so is the great mistake which was made by the Government at that time, and I say to them that it would be infinitely preferable that the Grand Trunk and the Canadian Northern should go under the hammer and be disposed of as any bankrupt concern must be than that Canada should go on year after year incurring these huge deficits. I say, the C.P.R., or anything you like, rather than what we are doing to-day.

I have no railway experience and would not venture the expression of any opinion as to the value of Lord Shaughnessy's proposal. I take great care not to do that, because I realize that I am wholly incompetent to do so. One thing I will say: though I may not be in favour of the project, I want to say, with regard to Lord Shaughnessy, that I believe he is as much interested in Canada as any of us. He is the head of the greatest corporation in Canada. The C.P.R. is as much interested in the success or reputation of Canada as anybody could be. It is the greatest corporation in the land—probably the greatest corporation in the world. If Canada became bankrupt because of engaging in this business of operating railways, the C.P.R. would suffer probably to a greater extent than any other corporation or any other individual in Canada.

Let the Government stop and think. Let them try to realize the situation in which they have placed this country and not go headlong without reflection and without realizing what they have done. While there is yet time, before they rush this Bill through, let them think. If we are going to have deficits, and apparently we are and for a very long time, let us take time to consider the situation. Let not this Government come at the last moment and insist upon Parliament adopting this measure within a few hours. Are the Government going to allow the Senate only seven or eight hours to discuss this measure? We are told that it must go through at once and that no further discussion will be allowed. I say it is madness—madness of the worst kind.

I stand for Government control. If this system of railways were handed over to the C.P.R. to administer it, the Government and the people of Canada would have

in their hands a weapon by which they could bring the C.P.R. or anybody else to time, and that is the Railway Board. Government control, not Government operation. Private operation, but Government control. You could bring the C.P.R. to time to-morrow if they attempted to make exactions upon the Canadian people. But you cannot remedy the other situation: you are going to be in the hands of almost half the people of Canada which will be in the employment of the Government. It will be imperium in imperio. You are going to have the railway employees of this country absolutely controlling the Government. It is not going to be a system of Government-owned railways; it is going to be a case of the people who manage the railways owning the Government. Why, if any Government in this country are desirous of doing it, they can so conduct themselves as to remain in power and perpetuate iniquities of this kind indefinitely.

Hon. Mr. DANDURAND: Until final bankruptcy.

Hon. Mr. BELCOURT: Until final bankruptcy. There is no other solution, honourable gentlemen, but Government control. Government ownership, as I have said, has been a failure everywhere else in the world, and here it has been about the greatest failure there ever was.

Hon. Mr. MITCHELL: Do we not own the railways now? Why advertise to the world that they are no good? The C.P.R., to which the honourable gentleman refers, will not give you anything for them if you run them down.

Hon. Mr. BELCOURT: There is a difference between advertising to the world that these railways are no good, and the duty that is ours to realize, that they are no good and to tell the people so, in order to stop this deal now if we can.

Hon. Mr. MITCHELL: If we do own them now, it may be an advantage to take over even the Grand Trunk.

Hon. Mr. BELCOURT: I would go to the extent of saying that if we own them now, the sooner we get rid of them the better.

Hon. Mr. MITCHELL: But there is no use in advertising or giving it away that we think they are no good.

Hon. Mr. BELCOURT: As I said a moment ago, this country would be at the mercy of the officials and railway employees of Canada. That is no exaggeration; and what makes it worse is that it would not be our own people who would exercise that control. We would be, as we are to-day, at the mercy of international labour. If it were so desired, Mr. Gompers or any other of the international labour leaders could come to Canada and organize a strike on our railways. We are the slaves of the labour leaders in the republic to the south of us. Is that an exaggeration?

Hon. Mr. ROBERTSON: Yes, sir.

Hon. Mr. BELCOURT: I think it is not, and—

Hon. Mr. ROBERTSON: Absolutely.

Hon. Mr. BELCOURT:—I will give you the proof of it. About ten years ago—perhaps a little more than that, perhaps fifteen years ago—one of those agitators came over to this country and organized a strike in the Printing Bureau, and for three weeks this adventurer from the United States held the Government of Canada at bay. For three weeks! If that man could do it with the Printing Bureau, why could not the whole international labour organization, if it chose, come and do likewise with our railways? I say that in this matter we are to-day the slaves, nothing but the slaves, of international labour, and if those gentlemen wished to-morrow to smash the whole Government railway system, they could do it.

Hon. Mr. ROBERTSON: May I ask my honourable friend a question just there? Does my honourable friend see any difference between the Government owning the railways and private interests owning them, so far as concerns the ability of labour to press its demands?

Hon. Mr. BELCOURT: Yes, an enormous difference.

Hon. Mr. ROBERTSON: It would not make any difference whatever if the employees upon the railway—

Hon. Mr. BELCOURT: My honourable friend put a question: perhaps I had better answer it. I say it makes an enormous difference, because in the case of private ownership the Government of Canada have the power and the duty to see that justice is done; but in the case of Government ownership the Government would be within the power of these very men and would be tied hand and foot. That is the difference.

Hon. Mr. ROBERTSON: Not at all.

Hon. Mr. BELCOURT: Honourable gentlemen, I wish to say emphatically that so far as I am concerned I am moved by no party spirit at all, not the slightest. To my mind this question is above and beyond all parties in Canada. If the Liberal party were in power and were face to face with this horrible situation, I do not know what they would do—I have not the slightest idea; but I would try to exercise any influence I might have to induce them to abandon Government operation. I do not know whether they could find a solution any more readily than can the present Government. It behooves all Canadians, whether Liberal or Conservative, to adopt the proper measure to end the present situation. It is bankruptcy, inevitable bankruptcy, that stares us in the face. Are party considerations or any other to be allowed to weigh against that?

I feel very strongly on this question. I have given myself for many years past the trouble of investigating the question of Government ownership and Government operation throughout the world. It is not so many years ago that in the Senate I delivered quite a long speech on the subject. I speak from deep conviction based on the facts and the proofs which are before us to-day, and I cannot understand how an honourable gentleman, like the leader of this House (Hon. Sir James Lougheed), can deny the inevitable result of Government ownership and operation. If my honourable friend could tell us exactly what he thinks about Government operation, I think we should find him not very far removed from my own position. I do not think there is a business man in this country who has not made up his mind irrevocably that Government ownership, in Canada at least, is the greatest folly in which we could indulge.

I say, put off this Bill. Consult with Lord Shaughnessy—consult with anybody and everybody who can bring some help to the solution of the problem. Do not rush this thing through. Do not go on paying millions and millions to this corporation without knowing where you are going to end. Perhaps you do know: as I put it before, the end is bankruptcy. The situation seems to be so plain, so palpable, that I cannot understand why the people do not see it; but I think the people throughout Canada would see it if they only had an opportunity of knowing the facts. They do not know the facts. They have displayed in this matter a degree of apathy that is really alarming. It is alarming for the future of Canada. If a matter of this kind cannot arouse public opinion in Canada, I do not know just what will arouse it. It is a matter that is vital to our existence, to our very life, and yet five or six hours are given to Parliament to discuss this measure. I say, honourable gentlemen—and I say it with all the earnestness of which I am capable—it is utter madness.

Hon. F. L. BEIQUE: Honourable gentlemen, from the moment that this question of purchasing the Grand Trunk system was mentioned I have been convinced it was a great mistake, and my conviction has been strengthened by the result. I agree with most of the reasons that have been given by the honourable member from Ottawa (Hon. Mr. Belcourt) and I share his opinion in very many respects. I am convinced, for reasons which I will give briefly, that it is a great mistake, an exceedingly bad bargain, into which this country should never have entered. But I am unable, convinced though I am of the soundness of the reasons which the honourable member has stated to follow him to his conclusion that what we should do is to enter a protest. I think that the time of protest is past. We have to devise some constructive means; we must try to find what are the ways, if there are any, out of the muddle in which the country has been placed. And when I use that expression I do not want to use it offensively with regard to any party. I am willing to admit that both of the great parties in this country have their share of responsibility. I do not approach the question in any party spirit. I agree with the honourable member from Ottawa that it is a question altogether too important, altogether too vital to the interests of this great country, for us to indulge in any political bias or feeling over it.

But what I have to ask myself, as did the honourable member for Alma (Hon. Mr. Foster), is this question: what is our position and what must we do in view of it? I consider that it was, I repeat, a great mistake on the part of the country to enter into this bargain; but the bargain has been entered into and I am afraid that the good faith of the country is involved, and I cannot see my way to enter a protest or even to say that the Government should ask Parliament to repeal the Act which was passed at the last Session and cancel of its own authority the agreement which the Government thought proper to make with

the Grand Trunk Railway Company. I am afraid that the good faith of the country is committed, and if there is some other way out of the difficulty, it ought to be found.

I have said that the agreement was a great mistake, and I am going to give in a very few words the reason why I think so. It was a mistake because there was a great amount of capital invested in that great system, the Grand Trunk railway. It was European and American capital that was invested in it; it amounted to several hundred millions of dollars; and by the Grand Trunk Acquisition Act of 1919 we are obliging Canada to repay hundreds of millions of dollars to European capitalists. Not only are we doing that, but we are assuming hundreds of millions of other obligations which this country will have to discharge. There is this important consideration also, that we are losing the benefit of the association of these capitalists. These capitalists, if they had remained interested in this great property, would have invested in the course of the next forty or fifty years hundreds of millions of dollars of new money in the development of this system—and not only in this system but in the creation of a large number of other enterprises for the purpose of feeding and helping the system, because they would have felt an interest in the country. We are cutting ourselves off from that valuable association; we are destroying it—and for what purpose? For the purpose, if I may use the expression of the leader of the Government this afternoon, of rounding out the system. Well, I am afraid it will prove to be for the purpose of rounding out the bad bargain into which we have entered.

Apart from the considerations which I have mentioned, there is the further consideration, and a very serious one, that this is an international railway—a railway situated partly in Canada and partly in the United States. The best part of it is, I believe, in the United States. The honourable gentleman from Kamloops (Hon. Mr. Bostock) gave this afternoon very important figures which go to prove that a large proportion of the revenue of the system is derived from the United States. It is derived from American railways and from American business such as the packing houses in Chicago and in other places. That is a business which it has taken from fifty to eighty years to build up. It has been built up mainly through the energy, the influence, the capital, of European people. It is a business which is susceptible of development in their hands; but can you imagine for a moment, honourable gentlemen, that when this international system becomes the property of the Canadian Government it will continue to enjoy the goodwill of those American houses, or that influence will not be brought to bear upon them to encourage other roads rather than the property owned by the Canadian Government?

I may add another consideration which is of importance. Is it not likely, owing to the fact that the Canadian Government will own this international property, a large portion of which is subject to the control and regulation of the American authorities, either Federal or State, that this Government will be involved in disputes with those bodies which may be very disagreeable and may have very serious consequences?

These are facts which should of course have been taken into consideration when we entered into the bargain. Now it is too late. The bargain has been made, and I am afraid it cannot be set aside except by the consent of both parties. But, as far as I am concerned, I believe that it is not too late to offer another remedy; and, although I am bound to support the Bill as it is, when it is in Committee I propose to offer an additional clause, calculated to give to the Government the power to enter into an agreement with the Grand Trunk Railway Company whereby the Act of 1919 may be repealed, on such terms and conditions as the Government may deem proper and fair. I can see no other way out of the difficulty, and I hope the Government will seriously ponder over the situation, and, after reflection, will accept an addition of that kind which is not intended to curtail their powers in any shape or form, but rather to broaden their powers, so that if they come to the conclusion that there is a way out of the difficulty they will be able to take it.

It will be wise on the part of the Government and the country to pay a large price to get out of the difficulty, to be relieved of the obligation which the Government has assumed, and to conserve the association of capitalists to which I have referred. It would be money well spent. I believe that the Grand Trunk railway is a good property if it were free of its obligations in connection with the Grand Trunk Pacific railway. I believe that the Grand Trunk, if it remained in the hands of a private corporation, and were well administered, could be developed in this country

and in the United States to such an extent that it would be a good paying property, and I think that, in the interest of the owners of the Grand Trunk railway and in the interest of the Government and the country, means should be found whereby the bargain of 1919 could be dissolved and a new bargain entered into.

I was at first tempted to suggest the terms and conditions upon which a new bargain could be made, but I do not think that appertains to us. I think it would be presumption on my part, and I do not believe that I have sufficient knowledge to do it—that it is a matter which should be left to the Government after it has taken the matter into full consideration and has consulted the best authorities.

The amendment which I will propose, and I think the honourable gentleman from Middleton (Hon. W. B. Ross) will second it, is simply that a fourth clause should be added, in these words:

In the alternative the Government may enter into a new agreement with the company for the repeal of the Grand Trunk Railway Acquisition Act, 1919, under such terms and conditions as may be deemed advisable, but subject to approval by Parliament.

I have given my reasons for that amendment, and I shall summarize them in a very few words.

1. Because, as a result of this Act, Canada is losing the benefit of a very large amount of capital invested in the Grand Trunk Railway system, which will have to be repaid by the Canadian Government to European and American capitalists, and that apart from such capital the Canadian Government is virtually assuming the payment of a tremendous amount of securities.

2. Because as a result of this Act Canada is losing the benefit of the associations of powerful capitalists who in the course of time, if this Act had not been passed, would have further invested a very large amount of additional capital in the Grand Trunk system and in other Canadian enterprises.

3. Because the Grand Trunk Railway system constitutes an international railway, constructed partly in this country and partly in the United States, the latter part being the most profitable, and that when it becomes a Canadian Government property it will inevitably lose a large part of its United States patronage.

4. Because it will further increase the loss resulting from Government operation of railways and will deprive the country of the benefit resulting from the operation of the Grand Trunk Railway system as an independent road.

5. Because the holding by the Canadian Government of that part of the Grand Trunk Railway system situate in the United States is liable to involve this country in disputes with the United States Government or with some of the state authorities, which should be avoided.

Before resuming my seat, I desire to join with the honourable gentleman from Alma (Hon. Mr. Foster) in what he has said of Lord Shaughnessy. I have always believed —and I may say that two years ago I discussed the question with Mr. Beatty, who shared the opinion I then entertained—that it was better for the country and better for the Canadian Pacific Railway Company, that there should be two railway systems in this country. I believed then, and I believe to-day, that in the interest of the Canadian Pacific railway it is better that the people should not be allowed to labour under the impression that the Canadian Pacific railway is a monopoly, as they would if there were only one railway system. I do not believe that there is any real foundation for such an impression. Our railways are controlled by the Railway Commission, and therefore, whether there is one company or ten, the rates are fixed, not by any of the companies, but by the Railway Commission. But if there were only one company, it could not avoid the suspicion that it was a monopoly, and it would suffer thereby. So, as far as the Canadian Pacific railway is concerned, I for my part, as a shareholder or director of that company, have never had any desire that it should become the owner of the C. N. R. or of the Grand Trunk system. So far as the country is concerned, and so far as the Canadian Pacific railway itself is concerned, I believe there is the additional reason that competition is the life of trade. Competition keeps one on his mettle, and therefore is of benefit to all concerned.

I hoped and believed two years ago that it was possible to devise a scheme whereby a reasonable amount of capital would have been found for the purpose of creating with what are now the National railways, another strong company which would have worked parallel with and under traffic agreements with the Canadian Pacific railway. But I am afraid that the result of Government operation has destroyed that possibility. In the face of the deficits which exist as a result of that operation, I

do not believe that anyone would put money into the enterprise; therefore it will be for the Government to devise some other scheme. Lord Shaughnessy has stated that the suggestion he made was made on his own responsibility, and of his own motion, and as a citizen, without consulting his Board. I agree with the remarks which have fallen from the lips of the honourable gentleman from Alma (Hon. Mr. Foster) that there is not a greater citizen than Lord Shaughnessy in the Dominion of Canada, and I am sure that the motive for his suggestion is true patriotism and the interest of the country, and not the interest of the Canadian Pacific railway.

Hon. G. D. ROBERTSON: Honourable gentlemen, it is not my purpose to indulge in extended remarks as to the advisability or otherwise of acquiring the Grand Trunk railway. That question was discussed and decided two years ago.

The honourable member from Ottawa (Hon. Mr. Belcourt) observed that reflection is desirable before decisions are made. I thoroughly agree with that observation, but respectfully suggest that that reflection should have occurred back about 1903 instead of now. It might be inferred, from some remarks that have been made to-night, that the Government and Parliament deliberately launched upon a policy of public ownership of railroads. We all know that that is quite incorrect. We know that the present railway system and the legislation that is now before this House arose because of necessity, and not of choice upon the part either of the Government or of Parliament; and the question now is, what is the proper and expedient thing to do under the existing circumstances.

Briefly, the history of the situation is something like this. In 1903 the Grand Trunk Pacific and Transcontinental programme was launched, and it was anticipated that the Grand Trunk Railway Company was going to operate the Transcontinental railway which was built by the State, as well as the Grand Trunk Pacific Railway, the cost of which was largely guaranteed by the Federal and Provincial Governments respectively. The Grand Trunk Pacific, for reasons of which probably all are aware, saw fit not to fulfil its obligations under that agreement. Subsequently the Grand Trunk Pacific continued to make greater and greater demands upon the country, until in March, 1919, the Government was given five days' notice that at the expiration of that time the Grand Trunk Pacific Company would cease to operate. The people served by that railway in the western provinces had a right to expect that the road would continue to operate and serve their needs; hence it was necessary, without very great reflection, to act quickly and do something to meet that situation. The upshot was that the Minister of Railways became the receiver of that Company, and the operation of the railway has been carried on at a very substantial loss to the State. Then the suggestion came from the parent Company, which had twice repudiated its obligations and agreements, that the Government and the people of Canada should relieve it of all its obligations respecting the Transcontinental and Grand Trunk Pacific railways, and that the Company should be left in peaceable possession of the Grand Trunk proper, which was the piece of property it desired to retain. Time went on, until it became apparent that even the Grand Trunk Railway Company itself as a separate entity was not likely to be able to survive; and an agreement was made two years ago and with the consent of Parliament legislation was passed, whereby the obligations for the debenture stock and the guaranteed stock should be assumed by the Government, and that the value of the preference and common stock should be submitted to arbitration. The intention was that the Government, for the people, should take over the Grand Trunk railway, merge it with the various lines of railway already owned by the State, and operate all those lines as a single unit in the interest of efficient and economical operation. It was agreed, and provided in the legislation passed, that the arbitration should be concluded within a certain time. The honourable member from Alma (Hon. Mr. Foster) has very properly pointed out that without doubt the efforts that might have been made to consummate that arbitration within the time specified were not made.

Hon. Mr. BELCOURT: Will my honourable friend allow me to ask him whom he blames for that?

Hon. Mr. ROBERTSON: I am not attributing blame to any person, except that I say the effort was not made; and without imputing blame to any one I will just state a fact or two, and my honourable friend may draw his own conclusions. The Government and those representing the Government in this matter were pre-

pared to proceed with the arbitration months ago; I think as far back as October, 1920, they urged that the case should proceed. It was alleged that the Grand Trunk Railway Company was not ready, but would be ready at a certain date, and the arbitration did not begin even until after that date; and it continued until April 9, when the right to proceed automatically ceased.

Hon. Mr. BELCOURT: Might I go just one bit further? The conclusion can easily be drawn, after what my honourable friend has said, that there is no doubt in his mind that the Grand Trunk people were dilatory. I would like to ask him what is the result of this delay on their part? Would he look upon that as a justification on the part of the Government to cancel that agreement?

Hon. Mr. CASGRAIN: Yes, sure.

Hon. Mr. ROBERTSON: I cannot agree with my honourable friend's view in this respect, because the Parliament and the Government of Canada had assumed the solemn obligation of meeting the interest payments on the debentures and guaranteed stock of the Grand Trunk Railway Company, and the shareholders in Great Britain and elsewhere had a right to expect the Parliament and Government of Canada to fulfil that obligation, and thus prevent the very thing which my honourable friend from Ottawa suggested was bound to occur, namely, the destruction of the credit of Canada. But had this action not been taken, Canada's credit would have been very seriously impaired, and it would have taken generations to restore confidence, so that capital in other countries would be directed to Canada.

Hon. Mr. BELCOURT: My honourable friend will agree with me that the gentlemen who were negotiating with the Government on the part of the Grand Trunk were responsible to their shareholders, and their action made those shareholders responsible for all that they did in the matter. I do not understand my honourable friend's distinction between the gentlemen who were negotiating for the Grand Trunk and their shareholders. It seems to me that the negotiators were responsible for themselves and for the people whom they represented.

Hon. Mr. ROBERTSON: I think my honourable friend is probably under the misapprehension that the failure to proceed with the arbitration would relieve the Government and the country from any responsibility respecting the guarantees I have mentioned. If my information is correct, that is not so.

Hon. Mr. BELCOURT: That is a mere matter of opinion.

Hon. Mr. ROBERTSON: Now, coming down to the present, it was impossible for the arbitration to proceed beyond April 9 except with the consent of the Government to an extension of time. The particular reason why the Grand Trunk president and directors were so urgent in their expression of the view that they should not give up possession of the property until the arbitration was concluded was, to use their own language, that otherwise they would not be able to have access to the records and books necessary to properly prepare their case. Their case is in, or was very nearly all in prior to April 9.

Hon. Mr. BELCOURT: You mean the Grand Trunk?

Hon. Mr. ROBERTSON: The Grand Trunk; so that the only logical reason advanced for the Grand Trunk retaining control of and operating the property, of which the Government was paying the cost, was removed by the fact that they have submitted their evidence and presented their case. There could therefore be no further justification for continuing to leave the property in the hands of that company to be operated, while the state continued to pay the deficits without having any voice in its operation, and had to meet the additional cost entailed by the duplicate organizations, the Grand Trunk Railway Company and the Canadian National Railway Company which ought to be merged in order to bring about efficiency and economy in operation.

Hon. Mr. BELCOURT: Is that the argument that influenced the Government?

Hon. Mr. ROBERTSON: I will willingly answer any question my honourable friend may ask; but I do not think it is proper for him to continue to interrupt, as I did not do so with him. Therefore, honourable gentlemen, I think the only question before the House at the present moment is as to whether or not the Government's action was justifiable, in deciding that it was not fitting, proper, or necessary for the state to permit the Grand Trunk Railway Company to continue to operate this line, collect the revenues, disburse funds as they saw fit, and yet call upon the state to hand out the scores of millions of dollars that have

been mentioned in another place as the amount required. The Government said: "We do not wish to deprive the shareholders of the Grand Trunk of the opportunity to have their case fairly investigated, and a value set upon their stock. The arbitration may go on, but we will not agree to that unless the control and operation of the property be handed over to those who are to be its real owners, and thus enable the operation of all the roads under the state to be carried on in the most economical manner, and reduce the unfortunate deficits now existing."

The honourable member from Ottawa referred to one question on which I will not enter in any lengthened discussion, because I know that if he were possessed of the facts concerning the influence of American labour leaders upon conditions in Canada he would not for a moment have made his observations.

Hon. Mr. BELCOURT: I am aware of it, well aware, to-day.

Hon. Mr. ROBERTSON: But I will say to my honourable friend that the gentleman whom he mentioned, Mr. Gompers, has absolutely no control over, no connection with, and no power to influence, any railway organization in Canada in one direction or another; and neither has any other individual; and that no strike can be—

Hon. Mr. BELCOURT: Why did you bring him over here then, to put an end to a strike in Canada, if he has no influence of any kind?

Hon. Mr. ROBERTSON: I never brought him into Canada.

Hon. Mr. BELCOURT: Yes, you brought him into Canada to settle the strike.

Hon. Mr. ROBERTSON: I beg your pardon; I never had anything to do with any such thing. The honourable gentleman is entirely mistaken in his statement. May I proceed to observe that under the constitutions of all the railway organizations in Canada no strike can occur except with the consent of two-thirds of the membership of those organizations, notwithstanding any influence that may be brought to bear upon them by any individual. Therefore the honourable member's observation, as I say, is entirely incorrect and misleading, and had he known the facts I am sure he never would have made the statement.

The honourable member from De Salaberry (Hon. Mr. Beique) observed that it was regrettable that the Grand Trunk property should pass out of the hands of its present owners, because it would probably prevent future investments of British capital. So far as I know or can recall, I do not think there is any very outstanding evidence of British capital having been rushed into Canada and invested here for the extension either of the Grand Trunk railway or the building up of industries adjacent to it. Certainly in the building of the Grand Trunk Pacific and the Transcontinental there was no great evidence of a rush of British capital over here for that purpose, and I am rather inclined to think that if the Grand Trunk Pacific and the Grand Trunk Railway itself had been permitted to default, and the investors had lost perhaps their all, the reflection upon Canada's credit and the effect upon the future investments of British capital in Canada would have been very much worse than it will be under the conditions which are likely to prevail.

As to the people of Canada owning lines of railway in the United States, I see no reason for apprehension. To-day the United States owns an entire system in a foreign country. The Canadian Pacific has owned a variety of lines in the United States for many years. The Canadian National railway partly traverses the United States at the present time, and I am sure that no disadvantageous effects are likely to flow from the fact that a few miles of the Grand Trunk system are located in that country.

I hope that there may be no division of opinion on the main point, which is, that the railway situation is such that it must be met, and we must do the most expedient thing at this time, regardless of what may have been the causes, running over a term of years, that have brought about this situation; that it would not be creditable to Canada for the Government or Parliament to repudiate an agreement which the Government solemnly entered into, and which Parliament endorsed by legislation; that we should now proceed to give the common stockholders the right to have their case fully considered by the Board of Arbitration; also, that we should not continue to penalize the taxpayers of Canada by permitting the Grand Trunk railway to be operated by that company, while the state continues to pay the deficits without having any authority in the control or operation of the property. I therefore

hope that this Bill will pass by no uncertain vote in this House. I hope that the Senate will see that the obligations which Canada has assumed are most solemn and serious ones, and that we should not lightly consider their repudiation.

Hon. Mr. MITCHELL: The honourable member says he thinks the shareholders should have time to consider this bargain. I agree to that, but does he not think that the taxpayers of this country should have something to say before the Government enters into all these obligations?

Hon. Mr. ROBERTSON: I think the taxpayers of Canada generally are aware of the facts, and believe that the acquisition of the Grand Trunk Railway property and its attachment to the Canadian National system will relieve them of a burden of taxation which they otherwise would have to bear.

Hon. Mr. DANDURAND: Honourable gentlemen, when we were confronted with the proposition to buy the Grand Trunk Railway Company of Canada it was for the simple reason that has been repeated to us this afternoon by the leader of the Government—that the Grand Trunk having failed to meet its obligations in connection with the building of the Grand Trunk Pacific, and having notified the Federal Government that it would not meet the interest on debentures on account of the Grand Trunk Pacific, the Government felt that it should not relieve the Grand Trunk Railway Company from those obligations. The Government felt at the time that the Grand Trunk should be forced to stand by its obligations and meet them, and if it failed that it should be liquidated or bought. In order that the country should not lose in the transaction, the Government felt that the Grand Trunk Company should either be forced to pay, or should be liquidated, or purchased under some kind of agreement. It decided in favour of the last proposition—the purchasing of the Grand Trunk railway, under an arbitration to value the common shares. The Government did that in 1917 undoubtedly because of the fact that the country would be benefited by this arrangement. The Government felt that it was unjust to be obliged to take the Grand Trunk Pacific, the lean part of the system, and to free the old Grand Trunk Company, which apparently was a going concern in a fairly healthy condition. The Government was undoubtedly convinced that, on the whole, it was a better proposition than assuming the obligations of the Grand Trunk Pacific and relieving the Grand Trunk Railway Company. The question which was put to this House was: "Will you accept the obligations of the Grand Trunk Pacific and free the Grand Trunk Railway Company, which was the negotiator of the whole transaction?" Well, voices arose in this Chamber claiming that it would be a very disadvantageous bargain—that there was a better solution of the difficulty; that the taking over of the Grand Trunk Railway system would increase our load instead of being an advantage; that the Grand Trunk Railway Company could be continued as a going concern and an interchange of traffic arranged for, in order that the two systems, the Canadian Northern and the Grand Trunk, should help each other.

I will not revert to the numerous aspects of the case as it presented itself to us in 1919; but thinking people are asking themselves if the cabinet, or the Government, does not now see the transaction from a different angle. The country is wondering if the expectations entertained by the Federal Government in 1919 have not been shattered and if it is not now clear that, instead of improving our financial situation, we are burdening ourselves with the obligation to pay millions and millions yearly to meet deficits. Parliament refused in 1919 to assume the obligations of the Grand Trunk Pacific, write off its debts, or liquidate the situation. We thought that we could maintain the chance of avoiding this liability by taking over the Grand Trunk railway, which was the first endorser, and operating it. I believe that very many members of this Chamber who felt that there was a chance of our salvation in purchasing the Grand Trunk are, to say the least, in a rather doubtful state of mind at this moment. There are many people who have no doubt whatever that we have assumed formidable obligations, and that on the whole it would have been better for Canada to have assumed the Grand Trunk Pacific's liability, with its assets, and allowed the Grand Trunk to go its own way.

Let me put this question to the honourable members of this Chamber, and if we are here five or ten years hence let whatever answer I receive be examined in the light of the experience of those five or ten years: would it not be better for this country to do as all big industrial corporations are doing to-day, who have bought materials at high figures and are obliged to draw upon their resources and write

off hundreds of thousands of dollars? In many concerns that I know of, that is being done in order that they may adjust themselves to present conditions and resume business with a fair chance of meeting their competitors. Would not Canada be better off if to-day in assuming the permanent annual liability of from seven to ten millions of dollars, which we were facing when the Grand Trunk Pacific was handed over to us by the Grand Trunk Railway, rather than embarking upon this large venture of administering the Grand Trunk as the property of the State? That is the question I put. I do not know the attitude of mind of the Cabinet, nor of the members of either Chamber who support the Cabinet; but I believe that the Grand Trunk shareholders, who are mainly in England and who have complained bitterly of the proposition which was presented to them, feel that the limit which we fixed in the Act was a very harsh restriction to impose upon them. They complained that we were wanting in generosity; that we had treated the other system, the Canadian Northern, much more liberally. I wonder if we could not now, when it appears from the Bill before us that they are in default, approach their leaders to see if they have not sufficient faith in their property to do as they have done for the last thirty or forty years—go on adding millions upon millions to improve and extend the railway.

We must not forget, notwithstanding what the honourable the Minister of Labour has said, that it has been the money coming regularly across the Atlantic from the old shareholders of the Grand Trunk that has developed the system. The money expended in developing the system was not borrowed by the Grand Trunk from the United States, nor from Canada to any extent. The millions and millions which the system represents have come from London, and it is from that group of men that we are now disassociating ourselves. I had occasion to say in the debate of 1919 that I was very sorry we were losing contact with that group in London. It is true that they were not advancing their money with the idea of rendering service to Canada; they were thinking of themselves; but they felt that Canada was a growing, developing country, and, although their shares were merely paper in their vaults, they represented from generation to generation the hope that the paper would increase in value with the general development of Canada. Since the people in London, supported by many newspapers, have complained that it is a harsh bargain that is offered them, would it not be appropriate for the Government to take the opportunity of meeting the Grand Trunk people and trying to arrange for the rehabilitation of the road? Even if we have to bear the loss of a few millions a year, the total amount being known to us, I think it would be better than saddling the country with the responsibility for the administration of that system. As the honourable member for De Salaberry (Hon. Mr. Béique) has said, the agreement of 1920 is before us, and, although the Grand Trunk is in default in not closing the arbitration by the specified date, I am not quite sure that the whole agreement has gone by the board. If I were sure that it had, I would hesitate not one moment to endeavour to have it left there; but, not being sure of that, I shall support the view expressed by the honourable member for De Salaberry, and shall hope that in committee the amendment which he has read will be generally accepted by this Chamber.

Hon. J. P. B. CASGRAIN: Honourable gentlemen, I do not intend to detain the House, but, let me tell you, there was rejoicing on the 9th of April when we knew that the Grand Trunk had forfeited their option, and the whole proceedings were stopped, and we had confirmation from Ottawa that the Government was done with them. There was rejoicing throughout the land that we were to be spared that bad bargain. But what do we find to-day? What angel has whispered into the Prime Minister's ear and induced him to bring us back into this nefarious and disastrous deal? At the present time—and I defy contradiction of this statement—according to that Government deficit of last year, we are losing $10,000 an hour, and when you take over the Grand Trunk the deficit will be $15,000 an hour, and at the very time when this country needs all the money it can get, in order to meet not only the interest on the war debt, but also the huge expenditures that we are making. For my part, I cannot understand how the Government of the country and the majority in this House can possibly entertain for one moment this proposition. The Grand Trunk shareholders have let the thing go by default. Why not leave the matter there?

What is the cause of all our trouble? It is that we did not remain within the law in the first place. There is on the statute

book an excellent law, introduced by the honourable member for De Salaberry (Hon. Mr. Béique) and enacted through his exertions, and if we had complied with that law and referred matters to the Exchequer Court, this country would not be in the position in which it finds itself at this moment. But no, we went outside the law. I am not going over that old quarrel about the Canadian Northern and who got the money out of it; but, I repeat, we went outside the law. Moreover, here was a bankrupt system, and we actually arbitrated, and we found a judge in this country to say that those shares were worth money when, according to the rules of bankruptcy, the shares were not worth a cent. However, that is past. At the time that transaction went through—it will be four years ago next fall—the C. P. R. Company were told what would follow if they would not help to prevent that transaction. They were told: "Surely you can find one or two Senators who are still your friends. When we first went into the Senate they were all your friends. Now Mackenzie and Mann seem to have them all. Can you not find two or three who will stand by the C. P. R. and prevent this deal from going through?" But the C. P. R. refused to move; they just held back. "Very well," they were told, "if you will not move, you will be punished within the next few years for your failure to take action. After they have taken over the C. N. R. and the Grand Trunk Pacific and the National Transcontinental, they will take the Grand Trunk." But the C. P. R. authorities said: "Oh, no fear! They will never take over the Grand Trunk. Why, that is a road that starts in the United States and ends in the United States. No Canadian Government"—that is what the C. P. R. people said—"no Canadian Government would ever think of operating a railroad in the United States." Who was right? Are we not now taking the Grand Trunk? And what is going to happen? The C. P. R. were told then. They were told: "When the Government have got hold of those railways, do you think you can get anybody to work for the C. P. R. when he can go and loaf for the Government at the same wages? Do you think that when the section-men of the Government road are sitting on the hand-car smoking their pipes and dangling their legs over the side of the lorry—do you think the other people are going to work for Lord Shaughnessy or anybody else for the same money? Not at all." And to-day the C. P. R. cannot find anybody to give them an honest day's work, because Government operation has ruined labour conditions in this country. Lord Shaughnessy is actuated by patriotism; I believe he is a good citizen, and I like him as well as anybody here; but the C. P. R. will see the time when they will not be able to pay any dividends on their stock—no later than next year; and I am speaking within their hearing. Why? Because Government ownership and operation have made railway operation so very expensive in this country. Where is C. P. R. stock to-day? That stock was down to par in New York within the last few days. And where will their stock be next year? How can you, on the one hand, get anybody to give an honest day's work when, on the other hand, as everybody knows, nobody on Government work is exerting himself? We have proof of that in the cases cited by the honourable leader on this side of the House (Hon. Mr. Bostock). Why, the employees on the Government lines actually refused—it was too much trouble—to take 71 cars of paper, book them, and ship them to Chicago for the J. R. Booth Company. It was too much trouble. And that is the kind of administration that is going on. The C. P. R. took the place of the Government lines on that occasion. We heard also about the carload of cattle at Rideau Junction, quite close to here. At twenty minutes to four every Government employee was away. That is the sort of management with which you want to saddle this country. I say it is the biggest crime that ever was perpetrated, and I say this also: we all believe in a hereafter, and those that vote for that will have to suffer hereafter.

But there are people who are willing to have this thing continue forever. There is a certain Mr. Tilley, who gets $400 a day —every ten days $4,000, or $12,000 a month, or $144,000 a year—at this time! This is a fine time to pay any one at the rate of $144,000 a year. I see him around here. I suppose he does not care if the proceedings last for a year—and there is no limit now. Then he is not alone: there is a Mr. McInnes, and there is Mr. Newcombe. I suppose he is the only one who doesn't get any pay, because he draws his salary here. And there are I don't know how many others in the galaxy of lawyers in attendance. As far as the arbitrators are concerned, I have heard a very high personage in the C.P.R. say that it would pay this country well, first,

to assume all the obligations to which the Government is now committed and agree to pay interest on them; secondly, to pay the costs of the arbitration up to the present; and, thirdly, to give a year's salary to everybody connected with the arbitration, provided that we do not take over the Grand Trunk. The country would be making a good bargain.

Yet the honourable leader of the Government in this House rose in his place and told us—and, you know, he was smiling when he said it—that we must take over the Grand Trunk because it will unite the railways in one system, and so on. Can the honourable gentleman tell us one thing that we shall get by owning the Grand Trunk more than we could get through the Railway Board? There is not one single thing. The Montreal Gazette for the last twelve months has been pointing out that we could get from the Railway Board everything that Government ownership would give. So there is nothing in the honourable gentleman's contention. The Government railways are running up the deficit. We have heard it admitted by the Minister of Railways that there is a deficit of $70,000,000 this year; with the Grand Trunk we shall have at least $35,000,000 more; so there will be a deficit of over $100,000,000, and the taxpayers of this country will have to stand pat for it.

I for one am glad of this opportunity of saying that I have been against this thing right from the drop of the hat. They say the shareholders of the Grand Trunk railway have lost money. What right have we to take the people's money and give it to the shareholders? This is not a charitable institution; it is not our money to give. There are many people in the country who are losing money, and the Government is not going to indemnify everyone who loses money. Why should it indemnify the shareholders of the Grand Trunk railway? They have mismanaged their affairs; they foolishly guaranteed the bonds of the Transcontinental railway and the second mortgage bonds of the Grand Trunk Pacific. They did it with their eyes open. They made their bargain. Their stock is absolutely worthless, and still we are going to pay them for it. We put a limit upon what we are going to pay them; we are going to give $5,000,000 a year for something that is worth less than nothing. It is a bad thing. It is just as bad as the Canadian Northern bargain. It cannot be entertained for one minute.

Some people say that there is a great objection to having only one system—that there would be no competition. But with the Railway Board you do not need competition. If there were only one, that would be about the only good thing in Government ownership. There would be no duplication of trains between here and Montreal. To-day there are eight trains running each way—sixteen trains a day. Two or three trains would do all the work. The same condition exists all over the country. I have got letters from a man in Cochrane who says: "For the last three months I have been watching the train which comes from Toronto to North Bay, and then goes to Cochrane and west to Winnipeg;" and he says that on that train there have been practically no passengers. Yet it has been running for two years. That is Government operation for you, and honourable gentlemen stand for that sort of thing. If there were only one system there would not be all those trains. There are two trains leaving Toronto on the same night for Winnipeg, one on the Canadian National and one on the Canadian Pacific. One good train could do all the business, and if we had only one system we would be better off. Go to the city of Quebec—unfortunately I had to go there twice last week—and what do you find? You will find the Canadian Pacific train with five or six Pullmans all filled up, and the Government train alongside of it, which leaves at the same hour, and the lights are not even lighted, and there is no one around and no one aboard. Still, the train was there. That is Government operation.

If we were to leave the Grand Trunk railway people alone, they have so much money in it now that they would find more money to finance it, provided we did not take them by the throat and say, "Pay up." I know what I am talking about. If we did not insist upon putting them into bankruptcy—and they can only be put into bankruptcy by the action of this Government, because they do not owe money to any one but the Government—they would find means to carry on. What is the sum the Grand Trunk railway people want to-day? They want $88,000,000 and the Government does not feel like giving it to them, and all this camouflage about extending the time turns on that $88,000,000.

I intend to vote against the second reading of the Bill.

Hon. A. BOYER: Honourable gentlemen, just one word. I was very sorry that the honourable gentleman from De Salaberry Hon. Mr. Béique) did not touch upon

one point when he mentioned the valuable financial association that we would lose through the taking of the Grand Trunk railway. The point I want to make is this. Although money was borrowed in England for the building of the Grand Trunk railway, as well as for the building of the Canadian Northern, those loans were made before the war at a rate of interest varying from 2½ per cent to 3½ per cent. Those loans will mature in the near future, and we shall be called upon to repay that money. Where are we going to get it? Are we going to get it from those valuable financial associations when we have insisted on driving a bargain against the wishes of the shareholders of the Grand Trunk railway? We cannot borrow in England. England has its own liabilities to meet just now on account of the war. Surely we are not going to the United States to borrow the money after their refusal to make loans to the French Government. When you take into consideration the terrible sacrifices made by the French people, who spent hundreds of millions in helping the United States to retain their liberty, and remember that the United States would not lend them money at less than 6½ per cent at 92, are we going into the American market to raise money to refund these loans that will become due in the near future on the Canadian Northern or the Grand Trunk railway? Where is the money to come from? I would like an answer to that question. Surely Canada is not rich enough to pay all these liabilities and to tell the shareholders and bondholders in England: "Where is the money you advanced for the building of these railways?"

Coming now to the question of Government ownership. If we had a single straw to grasp as a bit of comfort as to why the Government should establish Government control of railways, I would admit that we might join in the bargain. But take the case of the European railways: take, Italy, for instance. In 1906 the Government notified all the Italian railway companies that on a certain date they would become state property. They allowed the companies three years to run the roads before they were taken over. What was the consequence? The companies, knowing that in three years they would cease to possess the roads, allowed them to fall into such wretched condition that when the time came for taking them over there was hardly anything worth taking. I remember riding in a train from Naples to Rome. I rode in a first-class coach without any cushions and with broken windows and doors that would only half shut. In talking with the Finance Minister of Italy I spoke about the condition of the road, and he said, "I hope no other country will ever follow our example." Take France. France had various prosperous railroads. There was one company, La Compagnie de l'Ouest, which had always been very prosperous, paying between 6 and 7 per cent in dividends, which was considered quite a large return for a railroad in France. The Government took hold of the road, and in less than six months after it became Government property I remember going to the wicket to buy a ticket from Paris to Havre, and the clerk told me the ticket would cost so much money. I handed him a 100-franc note, and I should have received 3 francs change. The clerk said, "I am sorry, sir: we do not give any change. Go to the next wicket and get your money changed, and come back, and when you have the right change I will sell you a ticket." When I asked the reason for this, he said: "Government control. We have so many employees that we do not know what to do with them, and we have half-a-dozen here who do not do anything but change money." What has been the result of the Government operation of railroads in England during the war? Disaster. Then, cross the ocean and go to the United States. What has been the result there? Disaster. In answer to the argument of the Minister of Labour, I would point to that great standard company, the Pennsylvania railroad. When the company got possession of the road on the 1st of January last, I think it was, the first thing they did was to dismiss 5,000 employees. What was the reason? "They were all government nominees, and we had no use for them; we intend to manage our property on business principles, not on government principles." Look at the history of government ownership all over the world. It has been disastrous in every country. But we are not sharp enough to benefit by the experience of others and to say that we shall not have it. What is the reason? Nobody knows; we are not told. This Bill is hurried through; we are told it has got to pass whether we are willing or not. When the Minister of Labour said the Grand Trunk Company was not ready for the arbitration why did he not give the reason? It is very simple. Last summer the Government loaned or guaranteed to the Grand Trunk Railway Company $25,000,000. The money was borrowed in

the United States at a disastrous rate of interest and with exchange rates against that. And what was the result? Thousands of men were set to work all over the line putting it in first-class order. They even whitewashed the stones at each station, and when that was done the Grand Trunk people said: "We are ready for arbitration; bring on your arbitrators." And they were given a first-class train which stopped at every station and they looked at the station freshly painted and washed up, and clean for a wonder, and they said: "By Jove, this is a first-class road; we had no idea the Grand Trunk was such a first-class road." And it was our money that did it, and to-day we have to pay for it over again.

Then, coming to the question of having to pay interest to English shareholders. Of course, I have nothing official. The only thing we have to guide us is the knowledge that the Government has paid interest on certain securities. There is one coming due on the 1st of May, which the Government has notified the Grand Trunk people that it will not honour. What is the reason? If it has paid the others, why not pay this one? Carry on the bargain, or leave it altogether. The Grand Trunk Company had the pluck, when Canada had no credit, to build a road from the Atlantic as far inland as it possibly could. It opened an enormous country from Rivere du Loup to Point Levis, from Point Levis to Montreal, and from Montreal to the Detroit river. All that was done with English money. The road never could make any money because the people in England did not realize the needs of a new country. They insisted on managing a road in a country which they knew nothing about from 3,000 miles away, and the officials they sent out here were simply sent because of the pull they had with the Board of Directors. The Grand Trunk Railway never was given a chance. It had to struggle as best it could. It opened the country, and we ought to be thankful and help it as much as we can to get out of its muddle. Let it realize the mistakes it made in the past, and say it is time that the management of the Company was in Canada and not in England.

Do you want proof of what I say? Well, when the arbitration ended on the 9th of April, what did we see? The nominal President of the Grand Trunk railway in Canada, with the legal adviser, had to go to England once more to consult with the Board as to the possibility of the future and as to how they were going to act. It is the same old policy of managing the railway from 3,000 miles away. That has been the fault from the word go, and still they will not open their eyes and establish a Board in Canada.

Canada built the Canadian Pacific Railroad, which always had a Board of Directors in Canada, and it was highly successful—why? Because the people who managed it understood the conditions in the country; they understood the country better than men who were 3,000 miles away, and the result is that we have to-day that great national highway which is a credit to the country. As an instance of the management of the Canadian Pacific Railway, let me relate a short story. In the smoking and writing room of a big hotel in Shanghai there were half-a-dozen gentlemen smoking—one was writing at a table—and discussing large companies throughout the world. One of them made the remark, "To my way of thinking and from the knowledge I possess, there are three concerns in the world which are properly managed." He was asked what they were, and he said, "The Roman Catholic Church, the C.P.R., and the Standard Oil." The gentleman who had been writing happened to be the agent of the Canadian Pacific railway, and he got up and thanked the man who had said those comforting words, and immediately wired Sir William Van Horne what he had heard, "and," he said, "all through China we never speak but the truth."

Hon. W. B. ROSS: Before the motion is put I want to hand in a notice of an amendment that I will move when the Bill goes into Committee.

The motion for the second reading of the Bill was agreed to.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. Mr. Blain in the Chair.

On section 1—Governor in Council may extend time for arbitrators' awards:

Sir JAMES LOUGHEED moved that all the words in paragraph a after the word "appointed" in the last line of page 1 be struck out, and the following substituted in lieu thereof:

Directors; provided that the substituted Board of Directors of the company need not comprise more than five members; but until otherwise provided by the Board a majority of the Directors shall constitute a quorum; and that it shall not be necessary that any of the directors shall reside in England or be qualified by ownership of stock.

He said: The reasons for the amendment are: first, that while it may not be desirable to appoint more than five directors in all to direct the affairs of the Company, the Government nevertheless should not be prohibited from doing so; secondly, that it is desirable to provide that a majority of the Board of Directors shall constitute a quorum, even although the number of directors be reduced to five; and, thirdly, to avoid certain requirements of the existing legislation of the Company whereby some directors are required to reside in England, and all must be qualified as shareholders.

The amendment was agreed to.

The Hon. the CHAIRMAN: Paragraph c is struck out, and the following is substituted:

That the head office of the company and the meetings of its Board of Directors for the transaction of any business shall after the substitution of Directors as herein provided for be in Canada;

The paragraph as amended was agreed to.

Paragraph d was agreed to.

On paragraph e—Grand Trunk Shareholders' Committee; may carry on arbitration proceedings; assessments and reductions for all costs of arbitration:

The Hon. the CHAIRMAN: The following words are to be substituted for the balance of this paragraph at line 41:

neither the company nor the Government as guarantor of interest and dividends shall;

Hon. Mr. BOSTOCK: What is the nature of that?

Hon. Sir JAMES LOUGHEED: The object of this amendment is to make it clear that after the property comes into the hands of the Government neither the Company nor the Government shall be bound to provide costs for the carrying on of the arbitration for the benefit of the common stockholders except by way of assessments on interest payable on the guaranteed stock.

Hon. Mr. BELCOURT: What is the assessment?

Hon. Sir JAMES LOUGHEED: As I understand it, this brings the statute into conformity with the agreement. As my honourable friend will doubtless remember, each party will pay half of the costs, and the costs payable by the Company are assessed as against the interest or dividends payable upon the debenture and guaranteed stock.

Hon. Mr. BELCOURT: They are deducted?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: That means that the expenses are deducted from the dividends paid to the debenture and guaranteed stockholders for the purpose of carrying on the arbitration for the benefit of the first and second preference and ordinary stockholders.

Hon. Sir JAMES LOUGHEED: It is in accordance with the agreement, and that agreement was ratified by the shareholders.

The Hon. the CHAIRMAN: Then there is added to paragraph e the following:

And moreover, after substitution of directors of the Company as herein provided for, the Company, and the Government as guarantor of interest and dividends on the debenture and guaranteed stocks, shall be entitled to deduct and retain from such interest and dividends as may thereafter become payable upon the said stocks any and all costs or expenses connected with the arbitration heretofore or hereafter advanced, paid or incurred by either the Company or the Government, other than such as under the agreement of March 8, 1920, are payable by the Government.

Hon. Mr. BOSTOCK: Can the leader of the Government give us the amount of the costs of this arbitration up to the present time?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: I understand they have been extremely heavy.

Hon. Sir JAMES LOUGHEED: I would not be surprised at that.

Hon. Mr. BOSTOCK: I think we ought to know something about them.

Hon. Sir JAMES LOUGHEED: That is one of the objects we have in view in expediting the conclusion of the arbitration as quickly as possible. We are only too conscious of the fact that a very large body of costs will be run up unless we exercise a precaution of this kind. It is impossible to say what they are at the present time.

Hon. Mr. BOSTOCK: The Government must have been paying out a considerable sum of money in connection with the arbitration.

Hon. Sir JAMES LOUGHEED: I think they will render their bills in the near future, but I do not think they have done so at present.

Hon. Mr. BELCOURT: I suppose the Government has paid all the expenses on both sides?

Hon. Sir JAMES LOUGHEED: Oh, no.

Hon. Mr. BELCOURT: With the idea of detracting from the shares of the company?

Hon. Sir JAMES LOUGHEED: No, because up to the 9th of April, when the period expired for the conclusion of the arbitration, the Grand Trunk Company had to look after their own refreshers, so to speak.

Hon. Mr. DANDURAND: But out of the Grand Trunk funds? They were in possession.

Hon. Sir JAMES LOUGHEED: Presumably out of their own funds.

Hon. Mr. BOSTOCK: Now they will not have the funds available.

Hon. Sir JAMES LOUGHEED: They are chargeable properly under the agreement in this particular way: that is to say, they cannot take them out of the general exchequer.

Hon. Mr. BELCOURT: In other words, the Grand Trunk has not advanced any of those charges either to counsel or to witnesses.

Hon. Sir JAMES LOUGHEED: I really could not say that. They may possibly have done so, and they may have taken the advances out of the wrong fund for aught I know.

Hon. Mr. BELCOURT: My learned friend ought to know that.

Hon. Sir JAMES LOUGHEED: No, we would not know that, because it would be a matter of auditing to ascertain from what fund they were paid.

Hon. Mr. DANDURAND: It looks very much as if in the end the country would pay both sides.

Hon. Sir JAMES LOUGHEED: We are trying to prevent that wherever possible.

Paragraph e, as amended, was agreed to.

Paragraph f was agreed to.

On paragraph g—Arbitration to proceed speedily on substitution of directors:

Hon. Sir JAMES LOUGHEED moved:

That, in paragraph g of section 1, the word "arbitrators" in line 4, page 3, be struck out and the word "arbitration" substituted in lieu thereof.

Paragraph g, as amended, was agreed to.

Hon. W. B. ROSS: At this point I wish to suggest an amendment by adding, as paragraph h, these words:

(h) That the arbitration proceedings commenced in this matter shall be revived, the delay enlarged, and the powers of the arbitrators continued until the rendering of a final award as contemplated in the original agreement of March 8, 1920, including the time necessary for the appeals provided therein.

As the matter stands to-day, the Grand Trunk is in possession of the road, and we know that the Government is under considerable disadvantage because of that fact. This bill is primarily to obviate that —to oust the Grand Trunk from possession of the road, and give the possession to the Government. Power to do that has practically been adopted; but having done that, in order to be fair, we must see that the Grand Trunk are not deprived of their right to arbitrate any claim they may have. The legislation on this matter is becoming more complex every year. We had legislation in 1919 and in 1920, and again tonight we have this bill, and I suppose, if we argue by analogy from other complicated cases, we will have legislation again next year. Now, here is the difficulty that we must remove: we have a Board of Arbitrators; they make an award; there is provision for an appeal to the Supreme Court of Canada, or alternately to the Judicial Committee of the Privy Council. Suppose the arbitrators hear the case and make an award, and then cease to be arbitrators—become defunct, as the lawyers say; in other words, go out of office. We will say that an appeal to the Supreme Court goes on, and that Court decides that the arbitrators omitted something that should have been taken into consideration, or took something into consideration when they should not have done so, and the award is sent back for reconsideration. Honourable gentlemen can see that if there are no arbitrators to whom the award could be sent back, the Grand Trunk would be in a rather awkward position. I take it that the Government are perfectly satisfied that, once they get possession, the Grand Trunk may have the case tried and may have their appeal, or alternately the Government may

have their appeal, and if the case is sent back the arbitrators would be there to consider it and make a final award in accordance with instructions from the appeal court. This amendment does not in any way impeach the bill, but it is supplying and making clear what I feel must necessarily be the intention of the Government. It is not a hostile amendment.

Hon. Mr. BEIQUE: May I ask if there is any right of appeal in the agreement?

Hon. W. B. ROSS: Yes, there is. Look at page 5 of chapter 13, statutes of 1920, section 8.

Hon. Mr. BEIQUE: It would have been open to the Government, under that agreement, to stipulate, if there is an appeal, for such further delay or any new arbitration as may be necessary.

Hon. Mr. ROSS: Everyone who reads the newspapers knows that in the hearing of the arbitration at Montreal the Grand Trunk tendered evidence as to what was called replacement value, but that evidence was ruled out altogether, and there was notice of appeal given in relation to that. Now, as a matter of fact, I suppose a great deal will turn in the Grand Trunk case on whether that contention is well founded or not. If these proceedings go on and the Appeal Court says that the Grand Trunk are right, that the replacement value would be a factor in determining what the amount of the award should be—they might not decide that the replacement value should be the sole value, but that it might affect the value—in that case it would be necessary for the Supreme Court of Canada or the Privy Council to send the case back to the arbitrators, giving them directions as to how far that class of evidence was to be taken into consideration. Now, what the Grand Trunk are fearful of, and I think they are entitled to absolute security in this respect, is that in the event of that happening there should be in existence a board of arbitrators to go on and give the final award.

I have been trying to understand this legislation thoroughly and I think I do, but I do not know that it is worth while getting into trouble or what might be called a legal argument about it, because I cannot conceive that the Government want anything but to have the final award made. Therefore I suggest that the Government accept this amendment, because all it does is in simple, plain language to revive the arbitration and keep the arbitrators in office until there is a final judgment.

Hon. Mr. BEIQUE: But the honourable gentleman must bear this in mind, that, whereas the Bill as printed leaves it to the Government to consent or not consent to the arbitration being continued, and on such terms as the Government may dictate to the Company, the Government would be obliged by the suggested amendment, if I understand it correctly, to submit to the arbitration. Therefore it is a serious amendment to the first section of the Bill.

Hon. Mr. ROSS: It does not touch it.

Hon. Mr. BELCOURT: I cannot agree with my honourable friend. What I think is meant is this. The whole matter is to be treated on the new reference to arbitration. My honourable friend's amendment will be one of the terms of the new reference. Section 1, I think, provides for it.

Hon. Mr. ROSS: But what happens with regard to the arbitrators after the arbitrators make an award?

Hon. Mr. BEIQUE: That can be provided for in the agreement.

Hon. Mr. ROSS: Look at section 3, at the end of the Bill, and tell me what that means:

> In the event of approval by the Governor in Council of a further time for the making of the award under the provisions of this Act, or of any agreement concluded in pursuance of the powers hereby conferred, the powers and duties of the arbitrators shall remain and continue, and be deemed to have remained and continued, and the proceedings shall be resumed and concluded—

Mark you—

> —and the proceedings shall be resumed and concluded in all respects as if the time within which the award is actually made had been the time limited therefor by the said agreement of eighth March, 1920.

If you want a complication, I should say you have it there.

Hon. Mr. BEIQUE: But that is provided. A new agreement is to be made on terms satisfactory to the Government. As I understand it, this Act will have no effect at all if the Government does not make a new agreement by virtue of section I.

Hon. Mr. BELCOURT: The position will be exactly the same as it would have been if the award had been completed on the date mentioned. The same difficulty would have then existed: the arbitrators would have gone out of office. So the situa-

tion would be no worse to-day than it would have been then. Is not that correct?

Hon. Mr. ROSS: No, I do not agree with that at all. I do not see why you do not state in plain English just what the rights of the Company are.

Hon. Mr. BELCOURT: I have no objection to that. This is bad legislation anyway.

Hon. Mr. ROSS: It is not clear as the Bill is now.

Hon. Sir JAMES LOUGHEED: We cannot consent to the amendment.

Hon. Mr. DANDURAND: The Government does not accept that amendment?

Hon. Sir JAMES LOUGHEED: No. The matter has been fully considered and I regret to say I cannot view it in the same way as my honourable friend (Hon. Mr. Ross). This matter must be left in the hands of the Government for the purpose of terminating the arbitration as quickly as possible. It cannot be left to the Company itself to advance reasons why those proceedings should be continued. The fact of the matter is that the Company, upon the conclusion of the arbitration, intimated that they could have closed within two weeks, and the arbitration is fairly well advanced.

Hon. Mr. BELCOURT: Then why the delay? Why do they not wind it up?

Hon. Sir JAMES LOUGHEED: Because the Government has not got its case in yet, and the Grand Trunk were reluctant to close. They were so enamored of the proceedings that they desired to continue them.

Hon. Mr. BELCOURT: They want more advances, is that it?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BEIQUE: I think we expect the Government, when it enters into the new agreement, to make a stipulation that if the arbitration proceedings are not finished within a reasonable time, or if the Company does not carry out its obligation under the old or the new agreement, the Government might then take the position that the whole business is cancelled.

Hon. Sir JAMES LOUGHEED: The Grand Trunk have no reason to complain of the generosity of the Government in all our relations with them, and I think they can fully rely upon justice being done them.

Hon. Mr. BELCOURT: It is rather the other way about.

Hon. Sir JAMES LOUGHEED: Possibly they may take advantage of the Government.

The amendment of Hon. Mr. Ross was negatived.

On section 2—agreement to revive and continue arbitration proceedings to be made on or before 16th May, 1921:

Hon. Mr. BELCOURT: Can my honourable friend tell us just what the sanction will be? What would be the result of failure to comply with this clause?

Hon. Sir JAMES LOUGHEED: This clause is simply to revise and continue the arbitration proceedings.

Hon. Mr. BELCOURT: Yes, but suppose they are not terminated, or rather that no agreement is made within the time stated, what then?

Hon. Sir JAMES LOUGHEED: Of course, power is given here for the Government to extend the time. That is the object.

Hon. Mr. BELCOURT: Yes, I know. But this clause states:

Provided the agreement be made on or before the sixteenth day of May, 1921.

Hon. Sir JAMES LOUGHEED: The reason that date is fixed—

Hon. Mr. BELCOURT: I am asking, in case of the new agreement not being made by that date, what is the consequence?

Hon. Sir JAMES LOUGHEED: Then, I fancy, it falls to the ground.

Hon. Mr. BELCOURT: The whole thing falls to the ground?

Hon. Sir JAMES LOUGHEED: For this reason, that there appears in the Gazette—or at least it has been sent to the Gazette—at the instance of the Grand Trunk Railway Company, a notice calling a meeting of shareholders in England for the 10th of May. I understand it has been cabled over.

Hon. Mr. BELCOURT: I know that, but what I want to know is, what will happen if no agreement is made before that date?

Hon. Sir JAMES LOUGHEED: It is difficult to say. The Government will then have to determine what will be its policy if the Grand Trunk shareholders refuse to accept this new proposal.

Hon. Mr. BELCOURT: Yes? Well, in the light of the provisions of the Act, and of the former agreement of the 8th of March, 1920, what will happen then? Will the whole agreement be cancelled? Will the parties be in the position they were in before they entered into an agreement?

Hon. Mr. MITCHELL: I understand the matter would be in the very same position as it is in to-night.

Hon. Mr. BELCOURT: Will it not be cancelled?

Hon. Sir JAMES LOUGHEED: It will then be for the Government to determine whether it will go on with the purchase of the Grand Trunk or allow the Grand Trunk to go into liquidation, or—

Hon. Mr. CASGRAIN: Or finance itself.

Hon. Sir JAMES LOUGHEED: Or to determine upon some other course.

Hon. Mr. BELCOURT: Anyway, the parties will be where they were before any agreement was made.

Hon. Sir JAMES LOUGHEED: Yes, practically.

Hon. Mr. BEIQUE: I think the question is very pertinent. I have not read the Act since it was passed a year ago, but am under the impression that it does not contain the necessary provision to determine exactly the question which has been put by the honourable gentleman. It seems to me that the Government should take occasion of the passing of this Bill to embody in it a clear provision—

Hon. Mr. BELCOURT: A clear sanction.

Hon. Mr. BEIQUE: —a clear sanction providing that if the Government cannot come to an agreement with the Grand Trunk for a new contract as contemplated by section 1, then the agreement of 1919 shall lapse.

Hon. Sir JAMES LOUGHEED: My honourable friend, as a lawyer, is well aware that the lapse of the agreement would be the legal outcome of a condition of that kind.

Hon. Mr. BELCOURT: You do not seem to be any too sure of that.

Hon. Mr. BEIQUE: I am speaking as a lawyer, and I am under the impression that the Act of 1919 does not contain the necessary provision to enable us to say that the agreement has lapsed.

Hon. Sir JAMES LOUGHEED: As my honourable friend knows, the legislation of 1919 contemplated an agreement being entered into between the parties. In pursuance of that agreement this arbitration was proceeded with, and, the date fixed having expired, the arbitration practically lapsed. We are now simply passing enabling legislation to extend under new conditions, namely, the control of the Company's properties, the time for the hearing and the possible conclusion of the arbitration. Outside of making provision for the confiscation of the property, I do not know what we could otherwise provide.

Section 2 was agreed to.

Section 3 was agreed to.

Hon. Sir JAMES LOUGHEED: There is an amendment to add a substantive section in place of section 4.

The Hon. the CHAIRMAN: It is moved that the following be added as section 4:

4. For the purpose of carrying out the substitution of directors of the company herein provided for, any director of the Company may vacate his office by resignation in writing submitted to the Board at any meeting of the directors, and if one or more of the directors of the Company, not exceeding five at any one time, shall in the manner aforesaid vacate his or their offices, the remaining directors of the company present at the aforesaid meeting or at any subsequent meeting, even although they do not constitute a quorum, may elect a director or directors nominated by the Government to fill the place or places of the director or directors so vacating his or their offices. Moreover the Governor in Council may at any time appoint additional directors to the substituted board if considered expedient.

Hon. Mr. BOSTOCK: Then the Government apparently contemplate more than five directors.

Hon. Sir JAMES LOUGHEED: "If considered expedient." Of course, the corporate powers of the Company permit a considerable number in excess of five, I understand. The object of this is to obviate any difficulty there may be in securing an immediate vacation of office by the present directors and the substitution of Government nominated directors, and to provide for subsequent increase of the number of directors by the Government if found expedient.

Hon. Mr. BELCOURT: In order to guard against there being no directors at all?

Hon. Sir JAMES LOUGHEED: Yes.

The amendment was agreed to.

Hon. Mr. DANDURAND: Honourable gentlemen, the question has been put, in two or three forms, of the legal situation of the Grand Trunk Company resulting from the fact that the arbitration was not concluded at the proper time—

Hon. Mr. BELCOURT: Or may not be concluded at all.

Hon. Mr. DANDURAND: Or may not be concluded or may not go on, because they would not agree to the conditions which might be imposed by the Government. It is clear to my mind, in reading clause 8, that the agreement is still alive.

Hon. Sir JAMES LOUGHEED: Oh, yes.

Hon. Mr. DANDURAND: That there is no default on the part of the Grand Trunk Company and no penalty incurred by the fact that the arbitration is not over. Clause 8 says:

> The award shall be made by the arbitrators, or a majority of them, within nine months from the appointment of the arbitrators, or within such further time as the Governor in Council may approve.

Now we are just at this point, "such further time as the Governor in Council may approve." The Governor in Council has decided to submit this Bill, containing the conditions of which it approves for the continuation of the arbitration.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: And the question arises, should there not be a sanction in this Bill in case these conditions were not fulfilled?

Hon. Sir JAMES LOUGHEED: A sanction of what?

Hon. Mr. DANDURAND: Suppose that at the meeting of the 10th or 12th of May the shareholders refused the conditions proposed, inter alia the delivery of the road, what will be the result of that refusal?

Hon. Mr. BELCOURT: My honourable friend is wrong. There is nothing in the Act that settles the question. It merely provides that the arbitrators shall make their award within nine months or such further time as may be set by the Government. It does not say what will happen if the time is allowed to lapse; there is nothing in the old Act or the present one which determines the result of no arbitration taking place or no agreement being made. It is an open question.

Hon. Mr. BEIQUE: I think the Government should add a clause stating that if the new agreement is not made or if the terms of it are not carried out by the Company the agreement may be ended at the will of the Government.

Hon. Sir JAMES LOUGHEED: That is a question of law.

Hon. Mr. BELCOURT: Well, you are making the law.

Hon. Mr. BEIQUE: I am merely suggesting that the Government now take the power.

Hon. Sir JAMES LOUGHEED: I may say to my honourable friend that that has likewise been considered, and the view of the Government is that the responsibility rests upon the shareholders, and that if the shareholders refuse to approve of this agreement dealing with an extended period for the continuance of the arbitration proceedings they do it on their own responsibility, and it is then for the Government to consider whether they should drop the whole transaction or continue further negotiations.

Hon. Mr. BELCOURT: My honourable friend suggests that it is now a matter for consideration whether the Government ought not to stipulate that in the event of these proceedings not going on the contract would be ended. I agree with that stand. It seems to me that there should be some time set when the thing is going to be finished.

Hon. Sir JAMES LOUGHEED: My honourable friend might anticipate this possibility. Suppose some complex situation should arise which would necessitate or render desirable a reconsideration of the subject by the shareholders, it is desirable that the status quo should remain as it is; then both parties possibly might continue the negotiations. I think it is more satisfactory as it is.

Hon. Mr. BELCOURT: It may go on indefinitely. We may have an Act next Session further to extend the time of the arbitration.

Hon. Sir JAMES LOUGHEED: I think the disposition of the Government to accelerate this matter is very apparent from the course they have taken.

Hon. Mr. BEIQUE: I think, on reading again the first paragraph of section 1, that it would be in the power of the Government to have in the agreement a stipulation whereby it would have the right.

Hon. Sir JAMES LOUGHEED: Yes, if they agree to it.

Hon. Mr. BELCOURT: I think we have it pretty distinctly from my honourable friend that there is no such provision. It would seem that the Government are dependent on the fact that the shareholders of the Company are not able to finance without coming to the Government. That is the hold they have over them. If it were possible for such a condition to arise as that the present shareholders of the first, second, and third preference shares and the ordinary shareholders could raise the money, then the Government would be in the position that they would have to guarantee the interest on the debenture stock and on the present guaranteed stock, and the shareholders could go on and handle the road.

Hon. Sir JAMES LOUGHEED: There is not very much possibility of that happening.

Hon. Mr. BEIQUE: I beg to move, and I hope the leader of the Government will accept the addition; That to clause 5 should be added in the following words:

In the alternative, the Government may enter into a new agreement with the company for the repeal of the Grand Trunk Railway Acquisition Act, 1919, under such terms and conditions as may be deemed advisable, but subject to approval by Parliament.

That does not bind the Government at all, but merely gives them the power if they deem it advisable, and I think the matter is of sufficient importance to justify this power being taken by the Government.

Hon. Sir JAMES LOUGHEED: I think my honourable friend will appreciate the fact that we would be no more advanced by the acceptance of that resolution. The Government is in that position to-day. If the shareholders refuse to accept the overtures of the Government, the Government is clearly in a position to repeal the Act, and to say, "We will have nothing more to do with you." It would likewise require the sanction of Parliament. My honourable friend is careful to safeguard this by the approval of Parliament. It means nothing, and, furthermore, it would be a humiliation for the Government to put it on the statutes; it would be tantamount to crying "Peccavi—we have sinned." My honourable friend, as an astute lawyer, fully appreciates the fact that the placing of this on the statute book would be a confession of weakness and would not expedite the matter in any way. It would not advance it in one iota. That is our position to-day; we can recede from the transaction, if we cannot agree, and can repeal all the legislation that has been passed.

Hon. Mr. BEIQUE: From the answer of the honourable gentleman, I do not think he has apprehended the purport of the suggestion. I am not suggesting that power be given to this Government to repudiate the agreement; I am suggesting that power be given to the Government, with the consent of the Grand Trunk Railway Company, to enter into an agreement whereby the old agreement will be repealed, which power the Government does not now possess.

Hon. Sir JAMES LOUGHEED: Let me ask my honourable friend one question. Would we not have the right to say to the shareholders: "We prefer to repeal this lgislation, and, if you agree to it, we will bring down legislation next Session and have it aproved by Parliament." That is the situation.

The proposed amendment of Hon. Mr. Béique was negatived: yeas, 9; nays, 25.

On the preamble:

Hon. Mr. BOSTOCK: Before the preamble is adopted, I want to point out that we have been asked to put this Bill through, but have had no statement from the Government as to the condition of things on this road. We do not know at the present moment how the business of the road stands. We have had no report of any kind to show us what its position is. We have only the statement of the leader of the Government that the country has had to put up some $47,000,000 since this agreement was signed, and the knowledge that we have guaranteed a further amount of $25,000,000 which has been paid over to the Grand Trunk at various times, as shown by an answer given to me to-day by my honourable friend. I do think this House is entitled to some statement from the Government as to the position of this road to-day, and I should be very sorry if this Bill should go out of Committee before my honourable friend gives us some idea of the liability that we are incurring in connection with this road. I think it is a very serious matter that the House should be asked, I may say, to go it blind and not understand what they are doing. I think the Government should have brought down to Parliament the report of the Grand Trunk Railway system so that honourable

members and the people throughout the country may know the position of the road. I hope the Government will be able to give us a statement of that kind.

Hon. Sir JAMES LOUGHEED: That, I may say, will come in due time, when we take possession of the property and ascertain what the obligations are. We will have a clearer idea of them then than we have to-day. It is sufficient to say that during the past year we have advanced the amount of money mentioned.

Hon. Mr. BELCOURT: Is there any further amount?

Hon. Sir JAMES LOUGHEED: We have not any clear idea of that.

Hon. Mr. BELCOURT: Is there any other?

Hon. Sir JAMES LOUGHEED: Oh, yes, they have asked us to meet other obligations. They consist of refunding debt, meeting interest on obligations, and so on.

Hon. Mr. BELCOURT: How much has been advanced?

Hon. Sir JAMES LOUGHEED: We have advanced $47,000,000 and have given a guarantee of $25,000,000.

Hon. Mr. BEIQUE: The Government is aware that there are obligations on which the interest has matured and has not been paid.

Hon. Sir JAMES LOUGHEED: There are obligations to be met, yes.

Hon. Mr. BEIQUE: On the Grand Trunk Pacific, guaranteed by the Grand Trunk Railway Company?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BEIQUE: They are in default.

Hon. Mr. BOSTOCK: Can my honourable friend say what the obligations are that were not paid on the 1st of April?

Hon. Sir JAMES LOUGHEED: No, I could not say with precision what they are.

Hon. Mr. BEIQUE: They are on the Mountain Division and the Prairie Division of the Grand Trunk Pacific, and guaranteed by the Grand Trunk railway.

The preamble was agreed to.

The title was agreed to.

The Bill was reported as amended.

Hon. Mr. BOSTOCK.

Hon. Sir JAMES LOUGHEED moved concurrence in the amendments.

Hon. Mr. DANDURAND: I rise to a point of order. This is a Bill concerning the purchase of the Grand Trunk Railway Company of Canada. It refers to chapter 13 of the statutes of 1920, "an Act to confirm the Agreement dated the 8th day of March, 1920, between His Majesty the King and the Grand Trunk Railway Company of Canada for the acquisition by His Majesty of the capital stock of the said Grand Trunk Railway Company, except the 4 per cent guaranteed stock." On the face of it it is unquestionably a money Bill. It involves a large expenditure of money for the purchase of the Grand Trunk railway. That being so, taking it for granted that the Government speaks authoritatively on such matters, we cannot in this House amend the Bill, because we had from the lips of the leader of the Government this week the statement that this House could not amend a money Bill. I rise to question the right of this Chamber to amend the Bill as it has been amended in many particulars. The question now put by the Chair is that the amendments be concurred in. I rise to a point of order and upon the affirmation of the leader of the Government challenge the right of this Chamber to amend a money Bill.

Hon. Sir JAMES LOUGHEED: Will my honourable friend state wherein I have taken objection to legislation of this kind? We were then dealing with a money clause. The amendments which this House has made to-night are not money clauses but have simply to do with the corporate procedure of the Company.

Hon. Mr. DANDURAND: The principle of this Bill, is to allow an arbitration to go on and to permit a large sum to be spent as a result of the findings of the arbitration. I hold that this is a money Bill, and that a large expenditure will result from our action.

Hon. Sir JAMES LOUGHEED: You are stultifying yourself badly.

Hon. Mr. DANDURAND: I want to know if this is a Bill which we have a right to amend. It will constitute a precedent, and I ask the ruling of the Chair.

The Hon. the SPEAKER: Honourable gentlemen, this Bill is a Government Bill. If it were a money Bill the Senate could not amend it. The amendments proposed were proposed by the Government. In my mind they have a perfect right to amend

their Bill as they choose. If it were a money Bill there would have been no necessity to refer it to the Committee of the Whole. Therefore I rule that the point of order is not well taken.

Hon. Mr. DANDURAND: I do not intend to appeal from the decision of the Chair.

The Hon. the SPEAKER: If you do not want to appeal from my decision you have no right to be heard.

Hon. Mr. DANDURAND: I accept the ruling.

The motion was agreed to, and the amendments were concurred in.

THIRD READING

Hon. Sir JAMES LOUGHEED, by leave of the House, moved the third reading of the Bill.

Hon. Mr. BEIQUE: I beg to move, seconded by the honourable gentleman from Middleton (Hon. W. B. Ross):

That this Bill be not now read a third time, but that it be amended by adding thereto the following clause:

In the alternative, the Government may enter into a new agreement with the Company for the repeal of the Grand Trunk Acquisition Act, 1919, under such terms and conditions as may be deemed advisable, but subject to approval by Parliament.

The proposed amendment was negatived.

The motion for the third reading of the Bill was agreed to, and the Bill was read the third time and passed.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

FRIDAY, April 29, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CANADA'S RAILWAY PROBLEM

MOTION

Hon. Mr. CASGRAIN moved:

That the railway problem be referred to the Standing Committee on Railways, Telegraphs, and Harbours.

Hon. Sir JAMES LOUGHEED: My honourable friend is very casual in the way in which he has submitted this motion.

Hon. Mr. CASGRAIN: We had a discussion which lasted over a week, and this is the result of the discussion.

Hon. Sir JAMES LOUGHEED: Would my honourable friend be good enough to say what is the problem?

Hon. Mr. CASGRAIN: I wrote a book, and I would ask my honourable friend to read the book.

Hon. Sir JAMES LOUGHEED: We might refer the book to the Committee and ask them to read and revise it.

The motion was agreed to.

PRIVATE BILLS

THIRD READINGS

Bill 34, an Act respecting the London and Lake Erie Railway and Transportation Company.—Hon. Mr. Blain.

Bill U2, an Act respecting the Maritime Coal, Railway and Power Company, Limited.—Hon. W. B. Blain.

DIVORCE BILLS

THIRD READINGS

Bill P3, an Act for the relief of Elizabeth Gertrude Conner.—Hon. Mr. Proudfoot.

Bill Q3, an Act for the relief of Louise Sullivan.—Hon. R. S. White.

FRENCH TRADE AGREEMENT BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee, on Bill 61, an Act respecting a certain trade agreement between His Majesty and the President of the French Republic. Hon. Mr. Gordon in the Chair.

Section 1 was agreed to.

On section 2—trade agreement approved:

Hon. Mr. BOSTOCK: I understand that the old arrangement between Canada and France included the French colonies as well. In this arrangement I understand the colonies do not participate?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BELCOURT: My honourable friend from De Lorimier (Hon. Mr. Dandurand), in speaking on this matter the other day, said that under the old treaty a considerable amount of trade had been done between Canada and France in the export of agricultural implements. Has

my honourable friend any information as to the probable effect which the French colonies not coming in will have on that trade?

Hon. Sir JAMES LOUGHEED: As was stated yesterday, this was merely a modus vivendi pending the negotiation of a more permanent arrangement. It is anticipated that negotiations will take place at an early date. I cannot give the reasons that led to the elimination of the French possessions. Possibly the honourable gentleman from Montarville (Hon. Mr. Beaubien) knows more of that subject than I.

Hon. Mr. BEAUBIEN: The inclusion of the colonies would have considerably complicated the agreement. As it was, it was necessary that we should keep the main road open to France. That is what was done. we are losing very little, if anything at all, by excluding the French colonies; and I may add that there is no possibility of competition between France and Canada as to their respective productions, but I could not say the same thing if the colonies were included.

Hon. Mr. DANDURAND: Would not the sale of Canadian products in France be the first step in reaching Algeria and Tunisia and Morocco, for instance, inasmuch as the purchase of Canadian products for those colonies would be made in France.

Hon. Mr. BEAUBIEN: I think there is no doubt of that.

Section 2 was agreed to.

Section 3 was agreed to.

The schedules were agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

ROYAL CANADIAN MOUNTED POLICE BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 82, an Act to amend the Royal Canadian Mounted Police Act.

He said: Honourable gentlemen, the object of this Bill is to modify the application of the moiety of the fine, which in the past has gone to the member of the Northwest Mounted Police who might set the law in motion in cases where penalties are imposed. Honourable gentlemen will observe, from the new clause in the Bill, that provision is made for the application of this moiety: it is to be used for the benevolent purposes of the Police Fund—very commendable purposes. It is felt that the application of the moiety in this way shall have a better influence upon the Force than to permit any member to put the money into his pocket.

Hon. Mr. BOSTOCK: Honourable gentlemen, I think the Government is to be congratulated upon bringing in this Bill. It is very much better that the members of the Police Force should not benefit personally by these fines. I have a very high opinion of the Royal Canadian Mounted Police, and I am sure that the members of the Force themselves will very much appreciate this change in the Act, because it will remove all suspicion of a man doing his work simply for what he may get out of a particular case. I presume that, owing to legislation enacted in late years with reference to the Drug Act and one or two other matters, the amount of fines now collected throughout the country has somewhat increased. Possibly my honourable friend when we go into Committee, will be able to give us some information as to just what is the situation in that respect.

Hon. Sir JAMES LOUGHEED: I will make inquiries.

The motion was agreed to, and the Bill was read the second time.

JUDGES BILL

FURTHER CONSIDERED IN COMMITTEE

The Senate again went into Committee on Bill 60, an Act to amend the Judges Act. Hon. Mr. Michener in the Chair.

The Hon. the CHAIRMAN: Clauses 1, 2 and 3 were adopted.

Hon. W. B. WILLOUGHBY: Honourable gentlemen, in regard to section 3 of the Bill I had made a suggestion. This measure introduces a new practice in some important respects. It virtually provides that the judges shall live at the capital of the provinces, and if they attend chambers in any other part of the province, except by order of the Governor in Council or in pursuance of an Act of the Legislature, they cannot get fees. The honourable gentleman from King"s and Albert (Hon. Mr. Fowler) gave notice of an amendment, and I think that has been acceded to, dealing with the judge at Moncton.

Hon. Sir JAMES LOUGHEED: Yes, that has been acceded to.

Hon. Mr. WILLOUGHBY: There are other cases in this country that are unprovided for, and in which that requirement will, I think, work a hardship. I gave an illustration from the province in which I am particularly concerned, the province of Saskatchewan. We have a judge of the High Court, or King's Bench, now resident in Moosejaw. When he was appointed, I know it was intended that he could reside in Moosejaw. It was intended that a judge appointed a little consequent to him should reside in Saskatoon. For certain reasons he has not done so.

Hon. Sir JAMES LOUGHEED: Could my honourable friend say how the commissions read?

Hon. Mr. WILLOUGHBY: I went today to see the commissions and spent some time in trying to get them—not only myself, but an officer of the Department; and we were unable to get them. The usual habendum of a commission is "to hold office during good conduct," that is all, and there is nothing said as to residence. Mr. Chisholm, the official of the Department, showed me two or three commissions in which there was no place of residence mentioned.

Hon. Sir JAMES LOUGHEED: In some cases I have had the residences mentioned myself.

Hon. Mr. WILLOUGHBY: I tried to get the commission in question, but we could not locate it at the time. Of course, if the place of residence were designated in the commission, that would meet the case. Take the province of Saskatchewan. The provision here is that the judge shall not receive any fees for attending chambers at Regina. The converse of that is that he can get fees if he attends anywhere else. Now, in the province of Saskatchewan the judges of the Supreme Court, or the King's Bench, as we call it, are obligated to attend chambers every two weeks at the city of Saskatoon and the city of Moosejaw. The judge who may be resident at Moosejaw may be obligated in the course of his duties to go and take chambers at Regina. Under this provision he could get no fees for that.

Hon. Sir JAMES LOUGHEED: If my honourable friend will prepare an amendment covering the case, I will submit it to the Department of Justice, and if those judges are living at those respective points, we shall be only too glad to amend the Bill accordingly, because they are under the authority of the Department of Justice.

Hon. Mr. WILLOUGHBY: At least, under the tacit permission of the Provincial Government and the authority that appointed them.

Hon. Sir JAMES LOUGHEED: Yes. My recollection is that they were asked to reside there.

Hon. Mr. BOSTOCK: But would that quite cover the case?

Hon. Sir JAMES LOUGHEED: The amendment would have to be drawn in such a way as to cover the case.

Hon. Mr. BOSTOCK: The honourable member from Moosejaw (Hon. Mr. Willoughby) I think, said that the judges, under the direction of the Attorney General, I suppose, have to hold chambers at Saskatoon and at Moosejaw, and I understood him to say that as this Bill is now drawn, the judge residing at Regina could not get his travelling expenses.

Hon. Mr. WILLOUGHBY: No; for the judge residing at Regina it would be all right. The point was that one of the judges actually reside at Moosejaw, and another judge resides, or was understood to reside, at Saskatoon, and they would be eliminated. In the province of Ontario there is an Act, coming down from the old days, obligating the judges of the King's Bench to reside in Toronto, or within five miles of it. In Saskatoon we have no obligation at all as to residence.

Hon. Sir JAMES LOUGHEED: I will have the matter covered as in the New Brunswick case.

The Hon. the CHAIRMAN: There are certain notices of amendment, but the amendments have not been presented to the Committee.

Hon. Mr. LYNCH-STAUNTON: I beg leave to move that section 12 of chapter 56, of 1920, be amended by striking out subsection 2 entirely.

The Hon. the CHAIRMAN: Perhaps the honourable gentleman would read the clause.

Hon. Mr. LYNCH-STAUNTON: This subsection reads as follows:

> Every judge who may be nominated for the purpose by the Governor in Council or the Lieutenant Governor in Council shall execute without additional remuneration any commission or enquiry for which he may be appointed

as commissioner under any authority in that behalf exercisable by the Governor in Council or the Lieutenant Governor in Council, including the discharge of the duty of arbitrator in any case in which he may be named to act by the competent authority. Provided, however, that any such judge while acting as commissioner or arbitrator at the nomination of the Governor in Council shall be entitled to his moving or transportation expenses and living allowance at the rate and upon the conditions provided by section eighteen of this Act, and such judge when employed under the authority of the Lieutenant Governor in Council may be paid by the Lieutenant governor in Council his moving or transportation expenses and a living allowance not exceeding the amount he would be entitled to under the said section eighteen.

I may say in moving this amendment that I intend to follow it up by moving that there be added a section entirely preventing judges from acting as arbitrators.

Hon. W. B. ROSS: As this amendment is simply a doubling of mine, I will withdraw my amendment. Mine is swallowed up in this.

Hon. Sir JAMES LOUGHEED: The greater includes the less.

Hon. W. H. BENNETT: When last year the salaries of the High Court judges were increased by $2,000 it was well understood that in the future they might act on commissions. Now, I do not profess to know whether or not there are judges who desire that they should be relieved of this duty, but I say it is unfair to many of the judges in the country, irrespective of the Province, who accepted their increase of salary on the understanding that they might discharge the duties of commissioners, to oblige them by the action of Parliament not to undertake such work. That is the position in which they are placed, and the next thing will be that the judges will be coming to us and saying, "We obtained this increase of $2,000 on false pretenses, and we want to refund it."

Hon. Mr. FOWLER: Then the millennium will be in.

Hon. Mr. BENNETT: I still firmly believe that the majority of the people have a profound respect for the judiciary of this country. That is particularly true of the judiciary of the Province of Ontario. There are cases, and cases will always arise, in which it would be almost absurd to have laymen appointed to preside over commissions. Honourable gentlemen will remember the case of the Cassells inquiry of a few years ago regarding the Marine Department. The inquiry was a most thorough and searching one, and when it was all ended both the party in power and those who had asked for the investigation, the Opposition of the day, I think, were fully satisfied with the manner in which the inquiry had been carried out.

I might go on to mention many other cases in which judicial commissions have acted. Take, for instance, that commission in the so-called shell inquiry of a few years ago. Had that investigation, which took place during the war, been referred to the Public Accounts Committee or to a special committee of the House of Commons, I honestly believe that the same satisfaction would not have been given to the general public as was given by the judges who presided in that case. One might multiply instances of questions which have been adjudicated by judges. In matters arising out of the administration of the finances of the Dominion, I want to say, from the political point of view, that there will always be cases in which it will be advantageous to appoint commissions of inquiry. Any person who has followed the proceedings of the Public Accounts Committee of the House of Commons knows that politics runs riot there. I have seen cases adjudicated there in which the majority caused the suppression of evidence that never should have been suppressed, the result being that the truth which it was in the public interest to expose was prevented from coming out.

If the motion of my honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) prevails, then we are to have no judges at all on commissions of inquiry for the future. Apart from the wishes of the judges themselves, who may, as apparently some of them do, desire to avoid the trouble and annoyance of having to undertake such investigations, there are cases in which judges should act. At the same time I would try to correct what I believe is now wrong. Judges and members of Government are human. It has been complained that judges are sometimes appointed by one political party or the other because it is thought by their friends that they should be on the commission of investigation. The motion standing in my name is a substantive amendment to the Act, providing first that no judge shall act as a commissioner until after permission shall have been granted by the Minister of Justice. My point is this.

Hon. Mr. FOWLER: Would the honourable gentleman read that amendment again, please?

Hon. Mr. BENNETT: "No judge shall be appointed until his appointment shall first have been approved by the Minister of Justice." That would apply in the case of either a Provincial or a Dominion inquiry. Let us assume for the sake of argument that it is a provincial inquiry. If this clause is on the statute book, a local Government, desiring to have an investigation made, may submit to the Minister of Justice a certain name for consideration. The Minister of Justice knows then that if he puts his mark of approval on the gentleman who has been designated, and if it is afterwards considered by reason of political bias that that gentleman has not given satisfaction, what will be the result? The Minister of Justice knows the political antecedents of every judge in the Dominion, and will be primarily to blame. It cannot be urged at all that the appointment was a political one. The reason is this. Governments change; one party or the other will not be in power for all time to come. There will always be political parties in opposition to each other in the provinces and in the Dominion; but as a result of passing this first clause in the amendment I propose, the Minister of Justice will himself approve of the appointment. "But," it may be asked, "if he approved of a bad appointment, what then?" Well, the action of the Minister of Justice will be a fair subject of discussion in this Parliament as well as in the local legislature. But at the present time there is no repsonsibility at all upon the Minister of Justice regarding the selection of commissioners, and consequently no blame can be attached to him. It has been said in the House from time to time, and in the newspapers, that divorce cases should all be relegated to judges. Surely, if matters of that kind, in which there is no particular consequence except to those concerned, can be entrusted to judges others can be as well.

The second clause would meet the complaint made in the House of the shortage of judges. Even if the Minister of Justice does designate a judge after a request has been made for his appointment, that judge cannot act until the Chief Justice of the court to which he belongs has approved of his absence. There is a chance then that if the court is short of judges the appointment will not be made from among the judges of that court.

Hon. Mr. LYNCH-STAUNTON: I may confess that I am only moving to amend this Act at the instance of some of the judges of the Supreme Court of Ontario. I have nothing but the highest respect for the judiciary, and do not desire to reflect in any way upon their conduct. So far as I am concerned, I should not have made the motion had I not been asked to do so.

Hon. Mr. FOWLER: Do you not favour the motion?

Hon. Mr. LYNCH-STAUNTON: Yes, I do, but I would not have troubled myself about it.

Hon. Mr. FOWLER: You are neglecting your public duties, then.

Hon. Mr. LYNCH-STAUNTON: There seems to be a feeling that there are commissions upon which in the public interest judges might be required to act. I would suggest, then, that we amend the law so that no judge would be allowed to act on any commission or arbitration, or, in fact, in any inquiries, in the province in which he is a judge. Then if the Dominion Government or a provincial Government desire a judge to act, they would choose one in a different province to the one in which the matter of inquiry arose. If that method were followed, it would not be necessary, as I see it, to pass the amendment which I have suggested.

Hon. Mr. BOSTOCK: How would that affect the judges of the Supreme Court and the Exchequer Court?

Hon. Mr. LYNCH-STAUNTON: It would not affect them at all unless provision was made for that. That end could be attained by amending chapter 138 of the Revised Statutes of Canada, 1906, by adding the following clause:

No judge mentioned in this Act shall act as commissioner or arbitrator or on any commission of inquiry in a matter arising in the province in which such judge exercises his judicial functions, 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 employed.

Hon. Mr. BENNETT: If that were done, and if the Federal Government were going to appoint a commission—and it is to be assumed that more will be appointed by the Federal Government than by any single provincial government—you would exclude all the judges of the province of Ontario from participating in those commissions, and you would bring in judges from say British Columbia.

Hon. Mr. LYNCH-STAUNTON: That is exactly the intention. It is to prevent judges from acting in their own province.

Hon. Mr. McMEANS: It appears to me that there are certain statutory duties cast upon county court judges in the way of holding inquiries.

Hon. Mr. LYNCH-STAUNTON: Those are appointed under provincial statute, and I add a clause to provide that they should not be prevented from carrying out the duties, for instance, of auditor and surrogate court judges, and so forth.

Hon. Mr. McMEANS: I think the charter of the city of Winnipeg contains a clause which says that in a case of inquiry the judge shall be a county court judge.

Hon. Mr. LYNCH-STAUNTON: That is so under the Provincial Act in Ontario too.

Hon. Mr. McMEANS: If your amendment goes through it would prevent that.

Hon. W. B. ROSS: There is no objection at all to county court judges or supreme court judges having duties assigned to them by the legislature or by the Dominion Parliament. The Act works very satisfactorily now, because no one knows who the judge will be. If a judge is called upon to try a particular case he can say, "It came to me in the ordinary course of business." But if he were nominated by the Minister of Justice it would be said that the dice were loaded. The honourable gentleman from Simcoe (Hon. Mr. Bennett) does not seem to understand the scope of this amendment. It is not going to deprive him of the services of the judges; it is going to prevent the Governor in Council nominating judges here and there and everywhere who may give decisions which leave a bad taste in the mouth. You can get clear of that difficulty in the same way that you got clear of it in the election cases. If we had the Government of the day selecting the judge, it would be said that the Government chose a particular judge who would go their way.

Hon. Mr. GIRROIR: Suppose a matter arises, say with regard to railways or some public work, and Parliament votes that a commission should be appointed to investigate it, how would you deal with that?

Hon. W. B. ROSS: How did they do with elections? One question will answer another. The House of Commons had the election cases transferred to the Supreme Court, and I have not the slightest objection to the Parliament of Canada or any of the legislatures passing an Act saying that a case should be tried by a judge of the Supreme Court or a judge of the county court, without naming him, and having it taken up as part of the business of that court. That keeps you clear of all chance of accusations being made against the Government. The repeal of this subsection simply does away with the appointment of judges by Order in Council, but it leaves the Parliament of Canada and the local legislatures absolutely free to throw into the courts any matters in which they want a judicial determination.

Hon. Mr. BELCOURT: I regret that I was not here on the former occasion when this matter was discussed, and that I was late in coming in to-day; but the little I have heard since entering the House has confirmed me in the opinion that I have entertained for many years that judges should not sit as commissioners or arbitrators. It seems to me that the discussion we have listened to in the last ten minutes is a very clear indication of that, and it tends to convince one more than ever that all these attempts to get away from the present system show how desirable it is that judges should not be mixed up in commissions or arbitrations. I am of the opinion, and was before—and I thought the honourable gentleman from Middleton (Hon. W. B. Ross) also put himself on record—that judges should not be allowed to sit by an Order in Council whether at the behest of the Dominion Government or of the province.

Hon. W. B. ROSS: That is what we are doing.

Hon. Mr. BELCOURT: Not by the amendment of the honourable gentleman from Hamilton.

Hon. Mr. LYNCH-STAUNTON: By the first one which I have moved. I intend to follow it up with another motion.

Hon. Mr. BELCOURT: Amending the Act itself?

Hon. Mr. LYNCH-STAUNTON: Yes.

Hon. Mr. BELCOURT: Then I am heartily in support of my honourable friend's amendment. I do not see that any inconvenience would follow. There are many gentlemen in the provinces who by their legal or professional or business knowledge are qualified to deal with any of the matters that might be referred to the judges. There are dozens of men just as well qualified as the judges to sit upon commissions. The judges of this

country are appointed to perform judicial functions. That is the only reason they they are appointed, and they have plenty to do in their own courts. If they employ their time in assiduously discharging their official duties, they will find that they have no leisure for anything else, and their appointment to commissions only brings them into a sphere for which they have had no special training, and where, I may say, they are going to contract habits which will interfere with the proper exercise of their judicial functions.

My honourable friend's suggestion that judges might be taken from one province into another seems to me only to make matters worse, because in addition to the criticism which may now be levelled at the judges, you would have criticism raised against the province from which they happened to come. In the province of Ontario, having brought from Manitoba a judge to deal with a certain question, you would find that the criticism would not cease against the Commissioner, but that it would be directed against the province of Manitoba, so you would only be aggravating the situation.

Hon. Mr. LYNCH-STAUNTON: I will not press that.

Hon. Mr. McMEANS: I should like to ask, how far can this Parliament regulate the conduct of a judge? His appointment is made by the Dominion Government, but the work he is to perform is regulated by the provincial authorities.

Hon. Mr. BELCOURT: That is the fact. They create the courts and give the judges jurisdiction, and ask the Dominion to appoint them.

Hon. Mr. LYNCH-STAUNTON: No one objects to that.

Hon. Mr. BELCOURT: But since the Dominion Government has the right to make the appointment, surely it has the right to impose any condition it likes upon the appointee. The Crown has the right to say to the appointee that he will be appointed under certain conditions.

Hon. W. B. ROSS: They can define his duties in his commission.

Hon. Mr. BELCOURT: As they have defined his residence. He need not take the commission, but if he takes it he is bound to accept the conditions.

Hon. Mr. BENNETT: The commission does not say what he shall not do.

Hon. Mr. BELCOURT: If the statute makes provision he would be bound by it. The more we discuss this question, and the more we see of the situation, the more I am convinced that the judges should not be mixed up in these matters. Perhaps I should not say this, but I have been told on good authority that within the last year judges have been at Ottawa at large and lobbying in order to be appointed to commissions. Is it not time that that was stopped? I am told that one of the Chief Justices has been in communication with Ottawa, in order to get appointed to one of these commissions. My honourable friend from Simcoe (Hon. Mr. Bennett) has suggested that the Chief Justice should be the one to determine who should sit. Just think what the situation would be if the Chief Justice should want to sit.

Hon. Mr. FOWLER: He would appoint himself.

Hon. Mr. BELCOURT: Certainly, he would appoint himself.

Hon. Mr. BENNETT: The financial inducement to act was removed by the legislation of last year.

Hon. Mr. BELCOURT: That might be a sufficient deterrent for some of them, but I do not think it would be for others, because they long for the days when they were in the limelight and desire to be back there again. As a man who has been at the Bar of two provinces for over 36 years, I am absolutely convinced that the appointment of judges on these commissions is the greatest imaginable hindrance to the administration of justice. We have had in Canada up to the present a judiciary of which we might well be proud. It has been the subject of most favorable comments by our neighbours to the south. I have heard it said time and again in the United States that we had in Canada probably the best judiciary in the whole world. Let us try to preserve the respect and esteem entertained not only by ourselves, but also by our neighbours, for our judges. I do not think we could do anything that would more quickly lower the estimation of our judiciary than to allow them to sit on these commissions. For that reason I am heartily in support of my honourable friend's amendment.

Hon. J. J. DONNELLY: I believe it is in the interest of all concerned that our judges should continue to enjoy the respect in which they have been held in the past. There is at the present time a growing

tendency to look with less respect upon those who hold offices which in the past have been regarded as positions of dignity. I think that the practice of judges holding inquiries or acting on commissions has had a very marked tendency to lessen the respect in which they have been held. I know that is the case in the province of Ontario. We have judges called upon to hold inquiries. They perhaps looked rather harmless at the start, but gradually politics were brought in, and that has had the effect of lessening the respect of the people for the judges.

A few days ago the honourable member from Antigonish (Hon. Mr. Girroir) expressed a fear that if the judges were barred from sitting on commissions the public interest would suffer. I know that gentlemen of the legal profession are possessed of a somewhat harmless conceit that they have a monopoly of all the experience and qualifications which are necessary to weigh evidence and arrive at conclusions, but for all that, I am disposed to believe that many commissions could be handled by business men of large affairs and long experience as well as by judges. A business man would not be hampered by legal traditions or legal precedents, and he would approach the matter directly and deal with it in a businesslike way.

Hon. Mr. FOWLER: Like the bull at the gate.

Hon. Mr. DONNELLY: And he would express his findings in language which would be quite as understandable as the language which is often used by judges holding inquiries. Of course, there are cases where it would be necessary to have gentlemen of legal training. Now, it is pretty well known that there are in the country many eminent counsel who have not been appointed to the Bench—men who, owing to the extent of their practice, have not been anxious to be appointed to the bench, and they would still be available to hold such inquiries. For these reasons I am disposed to support the amendment.

Hon. G. W. FOWLER: Honourable gentlemen, I am heartily in accord with the amendment that is under discussion. I yield to no man my appreciation of the character of the majority of the judges of Canada. But there are black sheep in every flock. There are some judges who take advantage of their position to milk the treasury. There are some judges who are not worthy of the positions which they hold, unfortunately. At the time of their appointment, these gentlemen were, I suppose, considered to be worthy, but time has proved their unworthiness. That applies to only a very few, thank Heaven, of the judges of this country. In the main they are honourable gentlemen who do their duty and who safeguard the interests of the people and the interests of the country. There have been, however, too many chances for judges who are not over scrupulous with regard to the taking of money which does not properly belong to them, to help themselves along that line. This Bill, I hope, will remedy that to some extent.

In my own province there is a judge about whom I asked a question and received an answer. I asked how much he had got outside his statutory salary, for a certain number of years, that is, all the years since his appointment. He has been 13 years on the Bench, and during this time has drawn some $18,000 in addition to his statutory allowance. He lived in a town which was not large, in which there was not much business done and it was not necessary for chambers to be held, and chambers were not held; and this gentleman used to travel to St. John to hold chambers. Under the statute if he had lived in St. John he would have received no allowance for that; but he lived outside St. John and made all the way from $700 to $1,900 every year. Canada had to pay some $18,000 in 13 years because that gentleman chose to reside in a very beautiful town, but a town which has not a very large amount of business; whereas if he had lived in the city of St. John, or in the city of Frdeericton, or in the city of Moncton, he would not have been able to draw that large amount of money.

Hon. Mr. BELCOURT: Does that state of affairs still continue?

Hon. Mr. FOWLER: It will be ended by this Bill.

Hon. Mr. BELCOURT: But it has continued up to the present?

Hon. Mr. FOWLER: It has continued up to the present. Whether remorse or conscience has caused his illness or not, he is now on full pay with six months' leave. Let us hope that remorse has had something to do with it.

Now, with regard to this other feature of the case, that of judges sitting on commissions, I am very strongly opposed to it. I was very much struck with what my

honourable friend from Ottawa (Hon. Mr. Belcourt) said on this point, that the very fact of this discussion taking place in this House was in itself a proof, and stronger proof could not be required, of the evil result of judges sitting on commissions. We have at the present time an instance in this province, which my honourable friend from Simcoe (Hon. Mr. Bennett) has held up to us as an example for all the provinces of Canada; and in many respects it is; but even in Ontario people sometimes stumble. I can point to a case in Ontario, one of the most glaring cases perhaps of the impropriety of judges sitting on a commission which, to say the least, is quasi-political. A commission is now sitting—I do not think it has concluded its labours—with regard to timber questions in the province of Ontario, and upon that commission is sitting a judge who was a member of a former Government of the province of Ontario, a Government that was retired from power because of its delinquencies. This gentleman is sitting in judgment upon the acts of a succeeding Government, and, whatever may have been their sins with regard to timber limits, if there were offences, it is shown by this very investigation that they only followed in the footsteps of their predecessors, the Government of which this gentleman was a member. And it was stated in the legislature that the commissioners demanded, and received, a considerable sum of money—I think, some $2,000, and that on account, before they would proceed with the investigation. Now, that is a state of affairs that does not reflect very much credit upon the judiciary. The comments of these two gentlemen entrusted with that commission were most disgraceful. If my honourable friend to my left (Hon. Mr. Donnelly), in stating that laymen could perform these duties with quite as good effect as judges, had these gentlemen in mind, he might very well make that statement, for I know of very few laymen who would have made the same unfortunate exhibition of themselves as these gentlemen did. Talk about judges speaking in a judicial way: I never read anything that was so lacking in all the elements that go to make up an honest judge. Do you think that the people of the country, laymen, reading in the newspapers the remarks of these men, would be impressed with the fairness of judges? I say it would be sufficient if there were nothing before us but the object lesson in the investigation which is being held by that commission: in the first place, their greed in demanding, as the highwayman would demand, the $2,000, because they knew this Act was coming. That was the reason why: they wanted to escape it; they wanted to get their money first and have it in their pockets. And these are the two gentlemen—

Hon. Mr. BENNETT: If the honourable gentleman will allow me—

Hon. Mr. FOWLER: Yes, I will allow you.

Hon. Mr. BENNETT: I read that report through. I have the honour and pleasure of being acquainted with both the judges referred to, and I think it is only fair to say that, as I understand, they did not make a demand before the inquiry started, but that during the course of the investigation the money was handed over, and about the same time the Act of last Session was passed.

Hon. Mr. FOWLER: I will accept what my honourable friend says. Perhaps it was after the inquiry commenced. But the point I am making is that it was in anticipation of this Act being passed. It was before the Act was passed, but after it had been introduced and notice of it was given, that this demand for $2,000 was made. That was stated in the legislature and not denied. What my honourable friend has said does not help the case—not in the slightest degree.

Hon. Mr. BLAIN: And they got the money.

Hon. Mr. FOWLER: They got the money, and they have it yet, and, I suppose, they intend to retain it too. I should judge they would.

Both of those gentlemen were very much amused at the claim of privilege that was put forward by a member of this House on behalf of himself as a Senator, but I notice that they were very ready with their claim of privilege when an action was brought against them by the Spanish River Pulp and Paper Company. They were very ready then to avail themselves of the claim of privilege, although they were themselves very facetious with regard to the claim of privilege that was made in the case in which a member of this House was involved. Fortunately the court that heard the case decided that the claim which this member made of privilege was well founded in law and their judgment was set aside. Judges will make errors of judgment with regard to the law, and that

is not necessarily to their discredit; but it is to their discredit to act as those two gentlemen have acted with regard to that inquiry.

Now, I do not care two cents about the political aspect of that matter; it does not make any difference to me; but I do say that when judges are put on commissions that are quasi-political in character, they at once become, in the eyes of the public, partizan, and it injures them from the judicial point of view. It seems to me very important that we should prevent that as far as we can for the future. This Parliament, which has the power to appoint and controls the purse strings, should have, and has, the power to say what the judges shall and what they shall not do. The Dominion Parliament does not set apart and define the judicial districts, but it certainly has full power with regard to the conduct of the judges. I hope that this amendment will pass.

Hon. E. L. GIRROIR: It seems to me that in this discussion we are getting away from the real question, which is whether the principle of allowing judges to sit on commissions should or should not be adopted. I for one would not allow myself for a moment to believe that because there are criminals all the laymen in Canada are at fault. The case referred to by my honourable friend who has just taken his seat proves nothing except that possibly the wrong judges were chosen to sit upon that commission. His only argument, or his main argument, against the appointment of one of those gentlemen to the timber commission was that he had been a member of a Government which preceded another Government whose acts were involved in this inquiry. That means nothing more than that the wrong judge may have been chosen. If another judge had been chosen in his place, that question could not possibly have arisen.

The argument has been advanced that when judges are engaged in trying a question wihch has a poltical aspect, the cry is raised throughout the country that in their decision they may have been actuated by political motives. Honourable gentlemen, I defy this Parliament, or any other Parliament, to appoint a commission or a court to try any question, whose decision will not be criticized by the public and especially by those against whom the decision is given. All sorts of motives, political, financial, personal, will be urged against them. This Senate has given decisions from time to time, and I have never heard any great question decided here but that the parties against whom the decision was rendered urged the abolition of the Senate, declaring that the Senate was actuated by partisan and political motives. I am told, I do not know whether it is true or not, that in the case of eight or nine appeals which the city of Toronto took to the Privy Council, that body decided against them, and immediately the City Council of Toronto met and very solemnly passes resolutions for the abolition of the Privy Council. So it does not matter whom you get to try a case and give a decision, the party decided against always says that the deciding party had an axe to grind or had some improper motive. We shall never get away entirely from that effect, no matter whom we appoint to commissions.

Another honourable gentleman said that laymen could be appointed to commissions as well as judges. That is quite true: there is no question about that. But there are some cases, and I think he admitted it, in which the peculiar legal knowledge which judges have will be of great benefit because quasi-legal questions have to be decided. Evidence has to be weighted and sifted; documents which often require legal training in order to be properly understood have to be examined. In cases such as these it will no doubt be necessary to have judges, or some judges at least, on commissions. But the argument that laymen would do the work on commissions as well as judges in some cases is absolutely no argument in favour of this amendment, because this amendment has the effect of taking away absolutely the right of judges to sit upon commissions.

Hon. Mr. FOWLER: Did my honourable friend say that it is necessary to have judges? Could not lawyers, not on the bench, be appointed?

Hon. Mr. GIRROIR: Probably.

Hon. Mr. FOWLER: Then what is the argument on behalf of the judges? Are they not well enough paid now? Is it the purpose to give them more money?

Hon. Mr. GIRROIR: I shall answer the honourable gentleman in a little while. Perhaps I might as well answer my honourable friend now, if I can. I do not say that it is absolutely necessary, for the weighing of evidence or for the understanding of judicial matters that may be involved; but I say that their experience is of great value,

and on that point they stand on a technical footing better than one could who has not legal knowledge.

Hon. Mr. FOWLER: Of what more value is the experience of a judge than that of a practising lawyer?

Hon. Mr. GIRROIR: I say of equal value.

Hon. Mr. FOWLER: A judge does not get any experience that is useful after he goes on the bench.

Hon. Mr. GIRROIR: They have not less.

Hon. Mr. FOWLER: Some of them have.

Hon. Mr. GIRROIR: I think my honourable friend is wandering from the point at issue. I differ from the honourable member for Ottawa (Hon. Mr. Belcourt) with great reluctance, because he is a man of great experience both as a lawyer and a parliamentarian; but I suppose that even those of us who have not had great experience in Parliament and otherwise have a duty to perform, and we must not hesitate to say what we have to say when we think we are right. He says that this discussion proves that judges should not preside over commissions. I think the discussion of itself proves nothing. Arguments prove things, but discussions do not. We are trying to avoid methods that will cause the dignity of the bench to suffer because certain judges appointed on commissions will be criticized throughout the country; but, as I have pointed out, such criticism would be levelled at any person who ever tries a case or gives a decision in this or any other country. And in trying to avoid that possible danger we are depriving this country of the benefits that would come from decisions of men whom the public look upon as being as much separated from political strife as it is possible to find anybody. How are we going to get away from that point? The judges are appointed for life. They are not perfect; we have had judges, perhaps in this and other countries, who should have been in the penitentiary rather than on the bench; but taking them man for man, they certainly stand as high morally as any other class of men in this world.

Hon. Mr. FOWLER: That is true.

Hon. Mr. GIRROIR: The argument is used that the appointment of a judge to a position of that kind may be a reward for political support he has given to some cause in past years. People say: "This Government has appointed this judge to the bench, and now a commission of enquiry is to be held, and there is an opportunity for further rewarding him for work he has done for the party in days gone by." But that argument will apply to anybody who is appointed, even to a greater degree, because the very moment you eliminate judges from commissions you have every lawyer in the country who has supported the Government that is appointing the commission lobbying in Parliament to get the appointment. He will say: "You appointed Mr. Smith to the bench; you rewarded him for his work, but I got nothing; now is your chance to appoint me on this commission?"

Hon. Mr. BARNARD: Let the Civil Service Commission do it.

Hon. Mr. GIRROIR: So that is seeking to escape what I think is an inevitable danger, no matter what course you may take in regard to commissions, you will fall into dangers just as great. You would be leaving decisions to commissions which would be as open to criticism as they would be if given by judges, and yet you are depriving yourselves of the wieght of decision which comes from the fact that the commissioners are judges who are outside of political warfare, who take no share in party politics, who do not even vote, who are independent because they are secure in their positions, and who remain independent in order that they may be able to give their judgments freely.

Some speaker went even so far as to say that the judges had made large sums of money by sitting on those commissions. I do not know whether the honourable gentleman who made that remark meant that the judges had got that money illegally or dishonestly; but let us suppose that that is true. I am sure there are others in the country who, if occasion met them half way, would go the other half way and hold out both hands. Surely the idea does not prevail in this country that our judges are all so corrupt that it is dangerous to appoint them to try a case where inducements may be held out. As a matter of fact, the judges are not now paid to sit upon commissions, so that if they get anything at all it will have to be gotten wrongly.

Therefore I say that we should at least look into this matter more carefully than we have done before we decide to prevent members of our judiciary from sitting on commissions. Whatever we may think, I believe the country at large would consider

that we were taking a retrograde step, and, instead of strengthening the decisions of commissions which may be given from time to time, we should be weakening them very much, because if one motive could be assigned to a judge for deciding in a certain way on a commission, fifty could be assigned to any other than a judicial member of a commission. A lawyer may be put on a commission as a reward for political services, and what is the motive guiding him? If he gives his decision in such a way as to establish the Government in power there is a mighty good chance of his getting on the bench. So it does not matter who is put on those commissions, motives will be ascribed, and insinuations will be sent out broadcast through the country by those who are affected adversely by the decisions given, that the judges were actuated by improper motives, that this thing and that thing induced them to act wrongly. You will have that sort of criticism in all cases; and yet if you forbid judges from acting, you are going to lose the authority which naturally accompanies decisions of the bench.

We have succeeded, I believe, in placing our judiciary in this country in such a position that, speaking generally, they possess the confidence of the public, and their decisions are looked upon as the very best possible decisions that could be given under the circumstances. Of course, those who are hurt by such decisions will naturally ascribe all sorts of motives, but that is quite natural, and I am sure that we can do no better than leave matters as they are. But if we do take a step at all it should be this, that judges should be allowed to sit upon commissions, and that the naming of them should be left to some independent tribunal, or, as suggested by the honourable member from Middleton (Hon. W. B. Ross), that the matter should be referred generally to the bench, allowing the bench to decide, so that there will be no selection of particular judges by interested parties; but to cut away altogether the right and the privilege of judges being appointed is a mistake, in my opinion.

Hon. Mr. GORDON: The very high esteem in which I hold the judiciary of this country compels me to say a few words upon this amendment of my honourable friend from Hamilton (Hon. Mr. Lynch-Staunton). The position of the commissioners in the so-called timber probe in Ontario to-day has demonstrated the advisability of keeping judges removed entirely from the possibility of getting into such a situation again. My honourable friend who has just taken his seat has very elaborately endeavoured to prove that practically no other man than a judge could be of any use upon a commission.

Hon. Mr. GIRROIR: My honourable friend misunderstood me.

Hon. Mr. GORDON: He very nearly went that far.

Hon. Mr. GIRROIR: No.

Hon. Mr. GORDON: Then I take my honourable friend's word. In the case referred to—the so-called timber probe in Ontario—these esteemed judges have been acting for somewhere between nine and ten months, and the reason why it has dragged so long is, I presume, because they are otherwise engaged, in attending to their regular judicial duties. The principal point which has been brought before them for consideration appears to be to ascertain if the lumbermen in the province of Ontario have been getting for nothing from the Province, as alleged, immense quantities of timber. They are seeking to decide that point. Now, if that commission had been composed of practical men, instead of judges, the very first thing which they would have done, in order to decide the legal over-run to which a lumberman is entitled, would be to go to a saw-mill, have logs measured before they go into the mill, and have the product of the logs measured afterwards. That was not done by these commissioners; but the Minister of Lands and Forests of Ontario, who is not a judge, but evidently a practical man, decided, in a businesslike manner, to do this. He sent men around to the different mills and ascertained within a few days what the legal over-run should be. Now, my point is this —that if this course had been taken at the start, the Province would have been saved a great deal of money, and the lumber trade of the Province would not have been exposed so long to insidious attacks of the press and character assassins. I took occasion not long ago to find out if judges in the United States sat on commissions, and I found that in the State of Michigan, where judges are elected, not appointed as they are here, although there is no law forbidding them to act on commissions of any description, they have decided of their own volition and by consent, that they will not act upon arbitrations or commissions of any description. I think that it is very important that this amendment should be carried, in the interest of the judges as

well as the people, and I am satisfied that there is no person who will welcome such an Act as this more than the judges themselves.

To-day, as a result of these judges acting on this particular Commission, you will find that at least one great political party in the province of Ontario, nearly as a whole, is under the impression that those judges are prejudiced and biassed; and, no matter what their decision may be, they will still cling to that opinion. Consequently I have great pleasure in endorsing the amendment of my honourable friend from Hamilton.

Hon. Mr. TURRIFF: It seems to me that there is one point that has not been mentioned in this discussion. When judges are appointed in this country, they are appointed for life, and their salaries are fixed, and they are not supposed to engage in any business except to deal with the cases that come before the particular court over which they preside. Not being a lawyer, but a simple layman, it strikes me that it would be better for the judges themselves that they should not be put in a position to be criticised, as judges are being criticised at the present time for acting on commissions. By permitting a judge to make $2,000 or $3,000 or $5,000 extra a year, you are doing away with some part of his independence. You must remember that all the time he is earning this money by sitting on a commission he is still being paid by the country to do the duty for which he has been appointed and which he is not doing.

Hon. Mr. BENNETT: The honourable gentleman must remember that under the Act of last year judges are not allowed anything extra for these commissions.

Hon. Mr. MURPHY: And therefore do not want to serve on them.

Hon. Mr. TURRIFF: I am coming to that point. It seems to me that the matter might very easily be remedied if it were made absolutely clear in the Act that while a judge was sitting on a commission he should get absolutely no remuneration other than the remuneration he gets as a judge. The Dominion Government appoints all the judges, and it ought surely to be easy to make it clear that they cannot draw any extras by way of bonuses or in any other shape or form outside of the salary they receive under their appointment.

Hon. Mr. GORDON: That is the law now.

Hon. Mr. TURRIFF: How does it come, then, that we have judges still drawing money for acting as commissioners in such cases as my honourable friend from Antigonish (Hon. Mr. Girroir) has referred to? Is that in contravention of the law?

Hon. Mr. SMITH: That was started before the law was passed.

Hon. Mr. TURRIFF: Do I understand that from this time forth no judge can draw any money for acting as a commissioner?

Hon. Mr. LYNCH-STAUNTON: Except as an allowance for expenses.

Hon. Mr. TURRIFF: My honourable friend from Portage la Prairie (Hon. Mr. Watson) points out that within the last couple of weeks a judge has been appointed to the Grain Commission. My own opinion is that judges should not be appointed on any commission. I do not agree with my honourable friend from Antigonish (Hon. Mr. Girroir), who thinks it is a great advantage to have a judge on a commission. In my opinion we have as good legal talent among the lawyers as will be found on the bench; we have men who would give just as good decisions, decisions that would be respected equally with those of any judge in the Dominion of Canada. As has been pointed out, we have had judges in the past who solicited these commissions and in that way increased their incomes. I think matters would be very much better if they were prohibited from acting on commissions, or, if they are not, from drawing any pay for that work. My honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) has said that under the present law they can draw their expenses. I have seen cases, not on the bench, in which men were given nothing in the way of a salary, but were given an allowance for expenses that would make a mighty good salary and one which most people would be glad to get. So you are not getting over the difficulty in that way. I think the safe thing to do is to prohibit the judges from performing any duties outside of the duties for which they were appointed.

Hon. Mr. WILLOUGHBY: I do not intend to discuss this subject, which has been so elaborately discussed. I am going to point out what we see in actual practice in the appointment of judges. I am speaking now of quasi-political commis-

sions, or commissions which afterwards develop into such. The appointment of the judges arises in one of two ways: one is because a Government, we will say, provincial or Dominion, desires an investigation of a certain thing. They name a judge, and of course human nature is such that they are not going to name one who will throw them down. More frequently charges are made against a department or an official of the Government, and the judge is again named by the Government—by the very people whose conduct is going to be investigated—and every honourable member of this House knows that when a commission of judges is going to be appointed for the investigation of anything the very first question canvassed is, "Who are going to be the judges?" I have no reflection to make on the judges at all; I stand up for the dignity of the bench; but I do know as a matter of actual observation that people are intensely interested in who is going to be the judge, and recognize that when he is engaged in a quasi-political matter he is still very human.

Hon. Mr. FOWLER: The honourable gentleman from Antigonish has, it seems to me, the wrong idea of what is actuating those of us who are opposed to judges acting on commissions. For my part, I will try to make it as clear as I can—so that even the honourable gentleman from Antigonish can understand—what my idea is in regard to this matter.

Hon. Mr. GIRROIR: My honourable friend is under the impression that I do not think he is actuated by the very highest motives in everything he has said. I want to assure him—

Hon. Mr. FOWLER: My honourable friend would not insinuate anything else.

Hon. Mr. GIRROIR: I want to assure him that I ascribe nothing but the very highest motives to everyone who has spoken on this question, and I expect the same treatment from him.

Hon. Mr. FOWLER: One of the most important things in any country is that the people of the country shall have confidence in the judiciary, because, if they have not, that lack of confidence is something which strikes at the very root of constitutional government. Therefore we want the judges removed from any suspicion of partisanship or injustice or lack of fair play, and, in order to remove them from that, we want to take them away from the position of Commissioners to investigate quasi-political matters, so that the people shall not be able to say: "Well, this man is a judge, but he is still a partisan." The statute creating judges says that they shall have a job for life or good conduct and that they shall have a salary which will not render it necessary for them to do outside business in order to live; and, as incomes go in this country, no one can say that Canada has not been generous with its judges. I venture to say that 50 per cent of the judges sitting on the bench to-day are in the enjoyment from their judicial salaries of very much higher remuneration than they ever received when at the bar, because, while they might have had a larger income while practising at the bar, there was a larger outgo. They had to keep up offices and staffs of stenographers and clerks; they had to undergo the expense of travelling and that kind of thing, which they do not have to undergo now. In addition to that, when judges become incapacitated for work, after twenty-five years, they retire on full pay and it would take a very considerable investment to create an annuity as large as a judge's pension. So, they are very handsomely remunerated, and for that reason they ought not to desire and ought not to get anything more in the way of remuneration from the Government. When they are performing duties on commissions, as the honourable gentleman from Assiniboia (Hon. Mr. Turriff) has pointed out, they are not performing the duties for which they were appointed; and if they have time to attend to these outside duties as well as their judicial duties, then we have too many judges. The complaint is made that the judges are overworked, and yet we are going to give them more to do.

The timber probe, which has been mentioned, has been going on for about ten months. It is in the interest of the general public and in the interest of the judges themselves, in order that the fountain of justice shall remain pure and unpolluted in the eyes of the people, that they should be confined to their proper judicial work.

Hon. Sir JAMES LOUGHEED: We have passed the other sections of this Bill, and, as I understand, are now considering an amendment. My own impression is that the sense of the House has been pretty well obtained in reference to the amendment proposed and spoken to by so many honourable gentlemen, and my purpose in rising is to ask the Committee to rise and

report progress. In the meantime I shall be very glad to take up the subject with the Minister of Justice and communicate to him what I feel satisfied is the sentiment of the House upon the question. Therefore, with that understanding, I move that the Committee report progress and ask leave to sit again, when I shall know what views the Minister of Justice holds upon this subject.

Hon. Mr. WATSON: For or against?

Hon. Sir JAMES LOUGHEED: Yes, precisely.

The proposed amendment was allowed to stand.

Progress was reported.

WEST INDIES TRADE AGREEMENT BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 59, an Act respecting a certain Agreement between Canada and certain of His Majesty's Colonies in the West Indies. Hon. Mr. Watson in the Chair.

Section 1 was agreed to.

On section 2—agreement approved:

Hon. Mr. BOSTOCK: There are one or two points in this agreement about which I want to get some explanation from the leader of the Government. I do not know whether we had better discuss them now or wait until we get the schedule.

Hon. Sir JAMES LOUGHEED: We cannot change the schedule.

Hon. Mr. BOSTOCK: No, but we might have some information about it, I presume.

Hon. Sir JAMES LOUGHEED: I do not know whether I shall be able to give it. If I gave it, you might want to change the schedule.

Hon. Mr. BOSTOCK: No, I do not say I want to change it.

Hon. Sir JAMES LOUGHEED: What is the point?

Hon. Mr. BOSTOCK: One of the points is in regard to the hotels and bungalows.

Hon. Sir JAMES LOUGHEED: All I would say to my honourable friend is that he must not take that too seriously. The good offices of the Government will be exercised in endeavouring to induce the making of improvements of this kind. We are not committed to that. The Government is not going to do it. As my honourable friend will observe, the language is:

> If a subsidized steamship service is arranged for the Government of Canada will endeavour to secure the co-operation of the owners of such steamship service towards the provision of hotels and bungalows in the Colonies, the Governments of the Colonies being prepared on their part to offer such facilities as may be practicable, both as regards sites and financial assistance.

Hon. Mr. FOWLER: What does that mean?

Hon. Sir JAMES LOUGHEED: It simply means that if a steamship company is subsidized, the Government will point out to it the desirability of co-operating with the Colonies in building hotels and bungalows.

Hon. Mr. FOWLER: To accommodate tourists?

Hon. Sir JAMES LOUGHEED: Yes, but there is nothing binding.

Hon. Mr. FOWLER: I think it is still more important that the Government should insist that the plague of rats should be abolished on board the ships that are subsidized—because I think it is very serious—and should see that good accommodation is given so that the people can travel in comfort.

Hon. Sir JAMES LOUGHEED: We might have put in an article to that effect, had we known of it.

Hon. Mr. FOWLER: I wish I had been here. I would have moved an amendment, because I have talked with people who have visited the islands—I have not been there myself—and they say that is the great objection.

Hon. Sir JAMES LOUGHEED: My honourable friend knows that when a rat leaves the ship it usually creates consternation, and it might discourage the steamship traffic between the two ports.

Hon. Mr. FOWLER: That is when the rats have made the ship unseaworthy; but the service would be improved if the rats were not there at all.

Hon. Mr. BOSTOCK: There is a point to which I drew my honourable friend's attention on the second reading, namely, that a group of the Leeward Islands have not ratified this agreement. I asked the honourable gentleman if he could tell us whether any of the other parties to this treaty have refused to ratify it.

Hon. Sir JAMES LOUGHEED: In the first place, Bermuda, as I understand, has refused to confirm the action of its representative at the conference, and that is owing to the reason I pointed out the other day, namely, its trade relations with the United States. But Bermuda is, I suppose, the best judge of its own trade relations, and it has refused to join in the treaty. The only other island of which we had not heard a week or ten days ago was Barbados. I am unaware whether any word has come since. But the treaty is so drawn that they can become parties to it and participate in its advantages. In the meantime, if they refuse to come in, of course they have not the advantages of the treaty; but Canada is not precluded from trading with that Island upon the same footing as with the other nations with whom the treaty is in force.

Hon. Mr. FOWLER: I understand that in Bermuda there is a feeling that they have been badly treated by the Canadian sugar refineries in their contracts for raw sugar. I met the other day a gentleman from Barbados who had just come up, and I had a long conversation with him, in which he told me that that was the reason why the agreement would not be ratified.

Hon. Sir JAMES LOUGHEED: Other reasons were given in their legislature.

Hon. Mr. BOSTOCK: Another question arises, with regard to the subsidizing. Certain of these islands agree to share in the subsidizing of the steamships, but if they do not ratify the treaty that agreement of course falls to the ground. I presume that the Canadian Government will if necessary supply the subsidy which is not forthcoming from the islands that do not ratify the agreement.

Hon. Sir JAMES LOUGHEED: We do not need to conduct our service to those particular islands. If Barbados should not come in, we would be relieved of that obligation.

Hon. Mr. BOSTOCK: Yes, but it might be practically necessary or desirable for the steamer to go that way.

Hon. Sir JAMES LOUGHEED: If it is to our advantage it can do so, but it would not be done for the advantage of Barbados.

Hon. Mr. BOSTOCK: Article 15 deals with the western group of Islands, that is, the Bahamas, Jamaica and British Honduras. It says:

The Government of Canada, subject to the adoption by the Governments concerned of the recommendations embodied in Article XVI, undertakes to provide as soon as possible, and in any case not later than January 1, 1921, a fortnightly freight, mail and passenger steamship service between Canada, the Bahamas, Jamaica, and British Honduras.

Has that service been established?

Hon. Sir JAMES LOUGHEED: Yes. There is now a service operating between those Islands and Canada, the subsidized service, to which Canada contributes. I cannot at the moment mention the amount; I think it is between $300,000 and $400,000 annually. It is the Royal Mail Packet Service. The Canadian Mercantile Marine has been for some time past, and is, I fancy, even now, plying between Halifax and different islands, giving a freight service. That has been in addition to the subsidized service which is being carried on with those ports by the Royal Mail Packet steamship line.

Hon. Mr. TODD: Is the honourable leader referring to the western islands?

Hon. Sir JAMES LOUGHEED: I am not referring to any particular islands. There are several ports of call.

Hon. Mr. TODD: I have had the pleasure of spending a few winters there. I was there part of last winter. The subsidized steamships did not run to the western islands. The Canadian Government Mercantile Marine run a passenger and freight steamer there. It touches at the Bahamas and at Kingston, Jamaica.

Hon. Mr. BOSTOCK: May I explain to the honourable gentleman that it was the western group I was referring to. That includes Jamaica, the Bahamas, and British Honduras.

Hon. Mr. TODD: The western group are the islands to which I am referring. A subsidized steamship does not run there. There has been some talk about competition between the Canadian Mercantile Marine and the subsidized ships, but so far as the western group is concerned there is no competition there. The Royal Mail packet never called at these islands. It is an entirely new service.

Section 3 was agreed to.

Sections 4 and 5 were agreed to.

Hon. E. D. SMITH: With regard to the eastern group, as I understand, the Royal Mail packets operate between Halifax, Bermuda, and this group, and receive a large subsidy, and the Canadian Government

have also a line of freight boats operating there. It would seem to me that the time ought soon to arrive when we should stop the subsidizing of the Royal Mail packet line. I know that is a passenger line, while the Government boats are freight boats, but most of that passenger traffic is for people who are on pleasure trips, and they are not very particular whether their boat goes 15 knots or 12 knots. I know that some of the Government boats have been fitted up for this western service that has just been mentioned, to the Bahamas, Kingston, and Belize. The service is for passengers; it is a most excellent service, and has given the utmost satisfaction. It is just as good as that of the Royal Mail packet, only that the boats do not travel quite so fast. It would seem to me that it would be in the interest of economy—and no doubt it is the Government's intention to do it ultimately—to abandon that subsidy to the Royal Mail packet boats, amounting to $300,000 or $400,000 a year. The cancellation of that subsidy would go a long way towards making up any deficit that may occur from the operation of the Government boats between Halifax and that eastern group.

As I understand, there is a great deal of traffic with the eastern group. The Royal Mail packet boats accommodate from one hundred to three hundred passengers; in fact, the subsidy agreement provides that they must have accommodation for one hundred first-class passengers, as well as for a number of second and third-class. So it would apparently be necessary to have some of those freight boats fitted up to carry that many passengers. It seems to me very desirable that we should encourage this traffic. I know there are hundreds, perhaps thousands, of Canadians living as far west as Ontario, who would prefer to go to the West Indian islands for their winter trips if they could go by our own boats and from our own ports. At present they have to go to New York and take a Ward Line boat to the western group of islands; at very high rates, too, and they get no better service than is given by Government boats. Last winter the Ward Line charged $125 from New York to Nassau, and on the Government boats running from Halifax to Nassau, almost twice as far, the fare was $90, with just as good service. I do not know whether the Government makes the services pay or not, but that will soon be ascertained. So far as the western group are concerned, they are splendidly provided for. There are no subsidies paid to any other line, and the Government boats carry a certain number of passengers. What I should like to see is a service to the eastern group, on which there is a much larger passenger traffic, fitted up in the same way. Some of the boats that are now, as I understand, on the stocks, only partially built, might be fitted up for that passenger service. I have heard that that was to be done, and I would like to know from the honourable leader of the House if that is true.

Hon. Sir JAMES LOUGHEED: Some freight ships have already been fitted up for the purpose of carrying between thirty and forty passengers, and attention is now being given to the advisability of this steamship service being carried out by Government boats. The subsidy to the Royal Mail Packet is being temporarily continued, but can be terminated at almost any time. The contract has expired, but pending our making a better arrangement we are simply continuing the subsidy.

Hon. J. G. TURRIFF: On this matter of subsidies I would like to point out to my honourable friend the leader of the House that the other day, at a meeting of a committee, I heard a man who has been in the ocean shipping business for the last 40 years express emphatically the opinion that the giving of a subsidy was the ruination of the trade between those two points; that it did more harm than good. Not only was the money expended without any corresponding advantage, but it caused a lessening of trade. He said it happens in this way. The granting of a large subsidy, such as we give to many lines, to a particular line naturally draws trade to that line. If there were no subsidy at all, other lines would put ships on the same route and there would be competition, lower rates of freight and better attention to the business; but when a subsidy is paid, they will not touch it at all. The opinion of this shipping man, having large and small steamers on the different oceans, was that it would be far better for the country not to give any subsidy whatever. Goodness knows we have expenditures enough, and if we can save a few million dollars that we are now paying out in subsidies, and can thereby benefit the shipping business, it would be well for the Government to take up the question and see what can be done in this respect. That is altogether apart from the desirability of having the West Indian trade carried on by the boats

that the country owns. I just wished to bring this matter to the attention of the honourable leader, so that he might look into it.

Hon. Mr. BOSTOCK: I would like to ask the honourable leader of the Government a question with regard to schedule A, dealing with the Canadian tariff. It says:

> The Customs Tariff of Canada shall be amended so as to provide that sugar above number 16 Dutch Standard in colour when imported by a recognized sugar refiner, for refining purposes only, upon evidence satisfactory to the Minister of Customs, shall not be subject to these duties.

Does that mean that the raw sugar from these islands will come in altogether free of duty?

Hon. Sir JAMES LOUGHEED: I cannot give any more information than is contained in the agreement. That paragraph would mean that whatever duty may be placed upon the general tariff would obtain.

Hon. Mr. BOSTOCK: The general tariff, item 134, says the duty is $1.93.

Hon. Sir JAMES LOUGHEED: This tariff applies only to sugar coming within that particular standard. Outside of that the general tariff prevails.

Hon. Mr. BOSTOCK: Then there is another point. There is an item of "cocoa beans," in which, as I read it, we are to give a preference to these islands of $1.50 on the hundred pounds, whereas in the next item we are giving a preference of ten cents. According to the general tariff in the case of the first item the duty is only 75 cents on the hundred pounds; so I cannot see how we are going to give a preference to these islands.

Hon. Sir JAMES LOUGHEED: My honourable friend must have read that wrongly. That is a preference of $1.50 per hundred pounds?

Hon. Mr. BOSTOCK: Yes. The general tariff here says that the duty on that particular item is 75 cents per hundred pounds.

Hon. Sir JAMES LOUGHEED: I cannot tell the honourable gentleman anything about that.

Hon. Mr. BOSTOCK: I desire to draw my honourable friend's attention to it because I did not understand it. The tariff reads:

> Cocoa beans not roasted, crushed or ground (per hundred pounds): British Preferential Tariff, free; Intermediate Tariff, 75 cents; General Tariff, 75 cents.

The question arises, how can we under the circumstances give a preference of $1.50, unless this means that we remit the duty and give the importer a bonus of 75 cents on every hundred pounds he brings into the country?

Hon. Sir JAMES LOUGHEED: It does not mean that. I will direct the attention of the Minister of Trade and Commerce to it.

Hon. Mr. BOSTOCK: And the same thing occurs in the next item.

Hon. Sir JAMES LOUGHEED: I hope to explain that.

Hon. Mr. BOSTOCK: Would my honourable friend give the explanation on the third reading?

Hon. Sir JAMES LOUGHEED: Yes. I will make inquiries about that.

The schedules, the preamble and the title were agreed to.

The Bill was reported without amendment.

The Senate adjourned until Tuesday, May 3, at 3 p.m.

THE SENATE

TUESDAY, May 3, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE ROYAL ASSENT

The Hon. the SPEAKER read a communication from the Governer General's Secretary, announcing that the Right Honourable Sir Louis Davies, acting as Deputy Governor General, would attend in the Senate Chamber at 4.30 p.m. this day, for the purpose of giving the Royal Assent to certain Bills.

DIVORCE BILLS

FIRST READINGS

Bill W3, an Act for the relief of John Wilson.—Hon. Mr. Barnard.

Bill X3, an Act for the relief of Albert Harding.—Hon. Mr. Bennett.

Bill Y3, an Act for the relief of Thomas Furneaux.—Hon. Mr. Nicholls.

Bill Z3, an Act for the relief of Matthew John Scott.—Hon. Mr. Ratz.

Bill A4, an Act for the relief of Dora Lucy Bell.—Hon. Mr. Gordon.

Bill B4, an Act for the relief of Henry Kropp.—Hon. Mr. De Veber.

Bill C4, an Act for the relief of Arthur Daughton.—Hon. Mr. Ratz.

Bill D4, an Act for the relief of Annie Maud Bell.—Hon. Mr. Proudfoot.

Bill E4, an Act for the relief of Thomas Henry Foster.—Hon. Mr. Mulholland.

DAYLIGHT SAVING TIME

MOTION

On the Orders of the Day:

Hon. Sir JAMES LOUGHEED: I beg to move that, commencing with May 4 instant, and until the end of the present Session, the Senate do meet on daylight saving time. This has been adopted by the House of Commons, and it is very desirable that we should adopt it likewise.

The motion was agreed to.

FRENCH TRADE AGREEMENT BILL

THIRD READING

Bill 61, an Act respecting a certain Trade Agreement between His Majesty and the President of the French Republic.—Hon. Sir James Lougheed.

WEST INDIES AGREEMENT BILL

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of Bill 59, an Act respecting a certain agreement between Canada and certain of His Majesty's colonies in the West Indies.

Hon. Mr. BOSTOCK: Has my honourable friend had time to look into the matter that I mentioned?

Hon. Sir JAMES LOUGHEED: I may say to my honourable friend that this agreement contemplates an increase in the general tariff on that particular item to meet the situation for which we have arranged.

The motion was agreed to, and the Bill was read the third time and passed.

GOLD AND SILVER MARKING BILL

CONSIDERED IN COMMITTEE

The Senate again went into Committee on Bill 16, an Act to amend the Gold and Silver Marking Act.—Hon. Mr. Lynch-Staunton. Hon. Mr. Daniel in the Chair.

On section 1—addition to permissive marks on gold-plated and silver-plated articles:

Hon. Sir JAMES LOUGHEED: I may say to my honourable friend that since we last discussed this Bill in Committee further representations have been made by what is conveniently known as the trade against the passage of the Bill. They have expressed a desire to be heard. I quite appreciate the difficulty of the opponents of the Bill being heard before the Committee of the Whole, and it has been suggested that if a small committee were appointed to hear the objections which will be submitted by the Retail Merchants' Association of Canada as well as the National Jewellers' Association, considerable light would be thrown upon the subject, and the Committee in due time could report to the House. I have every desire that my honourable friend should secure the fullest information upon this question, and it seems to me that that would be a good plan for securing it.

Hon. Mr. LYNCH-STAUNTON: I would be very glad to refer the Bill to a small committee so long as it was not a hostile committee.

Progress was reported.

DIVORCE BILLS

SECOND READINGS

Bill S3—an Act for the relief of Lily Appleton.—Hon. Mr. McCall.

Bill T3—an Act for the relief of Harry Hirshenbain.—Hon. Mr. Laird.

Bill U3—an Act for the relief of Percy Christopher Paul.—Hon. Mr. Gordon.

Bill V3—an Act for the relief of John Graham.—Hon. Mr. Gordon.

ROYAL CANADIAN MOUNTED POLICE BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 82, an Act to amend the Royal Canadan Mounted Police Act. Hon. Mr. Daniel in the Chair.

On section 1—fines and forfeitures earned by members of the force to be paid to the Minister:

Hon. Mr. BOSTOCK: On the second reading I think my honourable friend said he would give us some information as to the amount of the fines.

Hon. Sir JAMES LOUGHEED: I made inquiries from the Commissioner of the Mounted Police, and he informs me that there is no information on the subject, inasmuch as the moiety is paid by the magistrate to the constable laying the information. Consequently, it is not obligatory upon the magistrates to make any return, and therefore there is no information on the subject on the records.

Section 1 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

POSSESSION OF WEAPONS BILL

SECOND READING POSTPONED

Hon. N. A. BELCOURT moved the second reading of Bill M3, an Act to amend certain provisions of the Criminal Code respecting the Possession of Weapons.

He said: Honourable gentlemen, this is a Bill of very considerable importance, and, if I may be permitted to say so, one to which I have given a good deal of thought and consideration. I realize that the Bill will necessitate a very serious discussion before it becomes law, and I crave the attention of the House not only to what I am about to say in support of the principle of the Bill but also their attention and consideration of the Bill itself. I think the time has arrived when a measure of this sort is absolutely necessary to the interests of Canada.

In order that I may serve a double purpose, may I be permitted to read certain newspaper editorials on the subject which have recently appeared. Reading these editorials will serve to explain the principle of the Bill and the reason for it, and will also, I think, prove conclusively that public opinion in Canada is not only ready for a measure of this sort, but actually demands it. I shall make my remarks as brief as possible. The extracts are a little lengthy, but I think they will be interesting to honourable gentlemen.

The first one is from the Quebec Telegraph, and is entitled: "The Deadly Revolver." It says:

> The deadly revolver still has its part in a number of the most frightful tragedies. In the saddest newspaper stories of the day it plays a leading role. It was the possession and use of the illegal firearm that led to the unfortunate defendant Letourneau being now on his trial for murder at Arthabaskaville. A similar weapon in the hands of the Montreal prisoner, Griffith, caused the death of the lamented Mr. Holland. Only on Tuesday night last, Joseph Leclerc, of St. Romuald, had a narrow escape from death, because a bullet apparently intended for his heart only entered his arm. Every year hundreds if not thousands of similar tragedies are enacted because people are allowed to go round armed with the deadly revolver. There is actually upon the statute book a law prohibiting the possession of a revolver without a special permit for the purpose. Nobody in authority however seems to care about its enforcement.

I think it was the Ottawa Evening Journal which reproduced this article from the Quebec Telegraph. Then it goes on to comment as follows:

> Enforcement of such a law is a difficult matter; and always must be if sale of revolvers be permitted at all. A prohibitive law is needed—prohibition of manufacture, of importation, of sale, of possession. Revolvers are of no good use on earth. One excusable use is for police purposes; but no policeman would need a revolver if no criminal had one. Revolvers should be abolished. Half or more of the number of crimes of violence committed in the civilized world are committed by means of revolvers; a large number of these crimes would not be committed at all but for the deadly facility of the revolver.

I am not just sure from what paper the next clipping comes. It is entitled: "The Revolver Habit." It says:

> Despite stringent legislation directed against it, the revolver habit, fruitful source of homicide, still flourishes in Ontario. The Federal and Provincial Governments have done much by legislation to discourage the carrying of revolvers, but the co-operation of the people is needed to stamp out the practice.
>
> The criminal code, section 118, provides that no person shall carry a revolver except upon a permit granted by a Police Magistrate after hearing evidence on oath as to the reasons why permission is sought. The Legislature has supplemented this by an act providing that no person shall buy a revolver unless when purchasing he presents a permit to the dealer selling the weapon from the Chief of Police of a city or town, or the Superintendent of the Provincial Police. The permit is retained by the vendor and a return is made to the Attorney-General's Department in Queen's Park, giving the name and address of the purchaser.
>
> The startling fact is made public that in a little over six months no less than 514 permits have been granted in Ontario for the purchase of revolvers. Quite a few of these permits were for banks and other financial institutions, but far too many of them were not based on any real need for the protection of either person of property.
>
> The matter is very largely in the hands of the Chiefs of Police throughout the Province. They have power to grant permits for the purchase of revolvers or to refuse them. It would be well that they should regard each weapon added to the total in use as the possible cause of a tragedy, and to refuse permits unless urgent need is proved. There can be no legitimate demand for the addition of over 500 to Ontario's stock of revolvers in six months. Public opinion favors the most rigid inquiry into the reasons advanced for the purchase and carrying of firearms. The man with a revolver is a menace to the lives of his fellows, even when he intends to use it only in self-defence. The revolver habit must be discouraged.

The Ottawa Journal of November 3, 1920, had the following article:

Stop the Revolver!

Judge Latchford of the Ontario High Court sentenced to a year in prison Monday at St. Catharines a soldier named Grant, who had shot another man, wounding him badly. Grant had had a fine record as a soldier, and Judge Latchford said he was very sorry to have to convict him, the crime having been committed in a fit of passion. The weapon was a revolver. "I would make it a crime for anyone to carry a revolver," remarked the judge. Probably if a revolver had not been handy Grant's offence would not have been serious.

To make the carrying of a revolver a crime would be better than nothing. But would not a far better law be to prohibit revolvers altogether? Prohibit possession, prohibit sale, prohibit manufacture, prohibit importation?

I am sure those four words well summarize the object of the Bill—prohibit possession, sale, manufacture, importation. The Journal goes on to say:

More than half of all crimes of violence are committed with revolvers. Many of these crimes would not be committed at all if revolvers were not a facility for people whose morals are bad or whose tempers are hot.

And revolvers are useless in time of peace for any purpose except vicious violence by one human being to another. Some people make a plea that revolvers are a protection against criminals, or a deterrence to criminal operations. We imagine that if a reader cudgels his memory he will not be able to recall one case where a civilian with a revolver stood off a criminal against one thousand cases where crimes have been committed by the aid of a revolver. So, to allow the latter debauch of crime to flourish in order to trouble some one criminal every few years is childish enough. Revolvers are not needed by either civilians or police unless criminals possess them; and a prohibition of the manufacture, sale or possession of revolvers would soon deprive criminals of the deadly weapons. Possibly for a time the police might be allowed to continue entitled to use them.

The Montreal Star quoted the following from a Toronto Star editorial:

Now, then, Everybody Answer!

The revolver is almost exclusively used as a murder gun. Why, in these days and in a country like ours, are they made and sold?

The Montreal Telegraph and Herald published the following strong article:

The Murder Wave

Last August when the city had been shocked by a succession of stabbings and shootings among our foreign born fellow citizens, we urged that a check be placed upon the sale of weapons in Montreal. We suggested, for instance, that no one should be allowed to buy or to carry a revolver except he had a Government license or permit, and that this permit should cost enough and should be issued with enough discrimination to discourage the purchase and use of that "awfully-handy" weapon which so frequently is the cause of death in our midst. Our suggestions at the time were well received by the authorities, but up to the present, apparently, no attempt has been made to give them effect, so the sale of revolvers has gone merrily on, and as a consequence we have had two men killed and one wounded by revolver shots already this week.

We suppose that, as usual, there will be a fuss for a few days, and that foreigners will be stopped on the streets by the police and obliged to hand over their weapons. These methods are practically useless, however, while the sale of weapons goes on the same as ever. Certain of the smaller stores between Victoria Square and the railway stations are veritable armories. The proprietors seem to take especial pride in dressing their windows with all sorts and sizes of revolvers. The display is tasteful and tempting, and it is not a bit surprising that they are patronized largely by the sons of Central and Western Europe. It is pleasant to note that there are honorable exceptions among the storekeepers. One Italian, at least, who owns a small cutlery store, and is continually asked for weapons, steadily refuses to either keep or sell them. This refusal to make money out of the saguinary tendencies of his brethren is most creditable. But most of the weapon-vendors seem like so many of the sellers of intoxicating liquor—as long as they get rid of their wares they are care-free as far as results are concerned. It is these and their patrons who should come under strict regulation.

Revolvers are not a necessity in our civilized communities. Many persons who have owned them with no evil intent have become heartily sorry they ever touched the things, when accidental death or injury resulted from them. And it is probable that for one level-headed and peaceable person who owns or carries a revolver there are a dozen potential criminals who do the like. As we said three months ago, many of these potential criminals are essentially worthy fellows, hard workers, and, in their humble way, useful citizens. So much the more reason, then, that they should be kept from the temptation which so frequently has transformed two neighbors—the one into a corpse and the other into a fugitive from justice.

A later article on this subject in the Ottawa Journal was as follows:

Revolvers and Murder

The reader of newspapers must, of his own accord, come to the conclusion that the majority of murders are committed with revolvers and that a large percentage of fatal accidents are the result of the careless handling of those weapons. At a meeting of the Canadian Prisoners' Welfare Association in Montreal the statement was made that fully seventy-five per cent of the murders committed in Canada are committed with small firearms. Mr. Robert Bickerdike, who made the statement, added that "any boy or irresponsible person could go down to Craig street and get one" (a revolver).

With seventy-five per cent of the murders of the country being committed with revolvers and with the revolver being useless for any good purpose, the thing to be done, obviously, is to abolish the revolver. The only excuse that any one offers for a revolver in the hands of the law-abiding civilian is the plea that it is a measure of protection from the criminal. Make it impossible for the criminal to have a revolver by doing away with its manufacture and the civilian will not require that questionable protection.

The Canadian Prisoners' Welfare Association did not go far enough when it placed itself on record as desiring more strict enforcement of the law against carrying arms. It should go to the root of the matter and advocate the total abolition of the revolver.

The Canadian Police Bulletin, speaking with authority based on actual experience, makes these comments:

Carrying of Firearms

There seems to be need for more drastic steps to prevent the promiscuous carrying and use of firearms by criminals and would be imitators. Bad men will always get possession of them in some way or the other, but if officers of the law and citizens generally must run the risk of assassination by this class of the community, it should be made as difficult as possible for the lawless one to get firearms. One of the papers read at the convention of the Chief Constables' Association, pointed out that at the rate they were now being imported, some 6,000 revolvers would come into this country this year. They are chiefly from the United States. What are they for? The records show that there were very few brought in for police officers or for bank officials, and that the majority were not such as are used for military target practice.

It follows that if thousands of revolvers are brought into this country it is an indication that there is a market for them here. It is not possible to believe that there has been issued in all of Canada in one year permits for the carrying of revolvers to the aggregate of nearly 6,000.

Since November 1 important amendments to the law relating to firearms and other weapons as well as to ammunition, have been effective in Britain. The keynote of the act is that "a person shall not purchase, have in his possession, use or carry any firearm or ammunition unless he holds a certificate (in this Act called a firearm Certificate) granted under this section of the Act and in force at the time." Considerable powers and responsibilities, according to British reports are conferred upon the police in regard to the carrying out of the amended act. It is to be noted that the new measure has been made necessary in Britain because during and since the great war the practice of carrying and using firearms has become common and dangerous. What about Canada?

Le Temps points out the duty of Parliament:

(Translation)

The Coming Session

Parliament will return to its work at the beginning of the year 1914. The opening of the two Houses will probably be announced for Thursday, the 8th of January. It may be expected that the return of the Borden proposition respecting the Navy will cause sittings even more acrimonious than those of last March.

In the number of measures for discussion in the Commons, why should there not be included an amendment to the law regarding firearms with a view to regulating the manufacture, importation, and sale of dangerous weapons?

The press of Canada has long enough protested against the establishment of criminal Americanism in our cities to induce the Government to follow the principles of well ordered charity.

The law of to-day gives merchants the right to sell anything they please to their customers without distinction of age or social position. The result is that children, loafers, even intoxicated persons, can obtain revolvers or daggers without any permit from the chief of police. The seller is not at all disturbed if the purchaser immediately commits a crime or causes a fatal accident. He has absolutely no responsibility, as nothing in the existing laws prevents free trade in things which are useless or injurious.

Benjamin Lindsay, the founder of the Juvenile Court, once said that the best way to fit a youngster for entrance into the class of violent criminals in the penitentiary was to put into his hands a revolver or a dagger after having taken him to the movies and filled his mind with tales of robbery.

Robert Pinkerton declared at Chicago in 1894 that the man who carried a revolver in a city was a homicide in intention. The celebrated detective recommended already, nineteen years ago, that the legislatures of the United States should regulate the sale of firearms, and foresaw the expansion of the crimes of violence which to-day paralyse the efforts of the police of the large cities of that country.

The Parliament of Canada has not the right, at a time when it so strongly encourages immigration, to leave at the disposal of foreigners ignorant of our laws, murderous weapons which they may draw on the least provocation.

The law, properly amended, ought also to require the police to destroy completely all weapons seized, instead of distributing them to their friends, as is done everywhere.

That would be of greater public value than the introduction of laws respecting the increase of armaments in England.

The Ottawa Journal continues its appeal for legislation in a more recent editorial, thus:

The Dangerous Revolver

The unlawful carrying of lethal weapons is responsible for a large percentage of violent crime. The Canadian laws governing the carrying of revolvers are either more strict or are better enforced than those of the United States, and crimes resulting from the practice are proportionately more numerous across the border. The Cleveland Plain Dealer points out that twenty-five per cent of the criminal cases now awaiting trial in Cuyahoga county, Ohio, have their origin in the carrying of concealed weapons. In consequence, the authorities promise special effort to reduce the unlawful carrying of weapons. Obviously, however, it is difficult to detect the offence. The only effective way of dealing with the matter is to make it difficult for those who have no good reason for possessing a gun to procure one.

The Journal has time and time again urged that every civilized nation—and Canada might well lead the way—should prohibit the sale, manufacture and importation of revolvers and pistols. The majority of crimes of violence are committed by means of these weapons. Without them, a large number of crimes of violence would not be committed at all. Easily concealed, quick-acting and deadly, they facilitate the passions of brutes and encourage the male-

volence of cowards. For all good purposes they are useless, except to arm guardians of the law against law-breakers; and if law-breakers could not get them, police would not need them. Hardly an argument exists for permitting such weapons to be available by anybody; a dozen reasons exist why they should not be available to anybody.

The Senate adjourned during pleasure.

THE ROYAL ASSENT

The Right Hon. Sir Louis Davies, K.C.M.G., Chief Justice of Canada, Deputy Governor General, having come, and being seated at the foot of the Throne, and the House of Commons having been summoned and being come with their Speaker, the Right Hon. the Deputy Governor General was pleased to give the Royal Assent to the following Bills:

An Act to incorporate The General Synod of the Church of England in Canada.

An Act respecting The Dominion Life Assurance Company.

An Act to incorporate The Mayo Valley Railway, Limited.

An Act respecting the Canadian Pacific Railway Company.

An Act to incorporate The Canadian Transit Company.

An Act respecting The Lake of the Woods Control Board.

An Act for the relief of Hazel Galbraith.

An Act for the relief of William John Bell.

An Act for the relief of Frederick Harold Walton.

An Act for the relief or Mary Elizabeth Leonard.

An Act for the relief of Alexander LaRue.

An Act for the relief of Maria Martin Morel.

An Act for the relief of George Gourley.

An Act for the relief of Thomas Edwin William Flower.

An Act for the relief of Royland Stanley Morrison.

An Act for the relief of Arthur Ebenezer Sims.

An Act to define Canadian Nationals and to provide for the Renunciation of Canadian Nationality.

An Act to amend the Statutes relating to Corrupt Practices at Elections.

An Act to authorize an extension of time for the completion of the St. John and Quebec Railway between Centreville, in the county of Carleton, and Andover, in the county of Victoria, New Brunswick.

An Act concerning the Canadian Wheat Board.

An Act to amend the Winding-up Act.

An Act to extend the time for the payment of certain debentures issued by the Harbour Commissioners of Montreal.

An Act to amend The Currency Act, 1910.

An Act respecting the Grand Trunk Arbitration.

An Act respecting The London and Lake Erie Railway anad Transportation Company.

An Act respecting a certain Trade Agreement between His Majesty and the President of the French Republic.

An Act respecting a certain Agreement between Canada and certain of His Majesty's colonies in the West Indies.

An Act for the relief of Duncan MacDonald Oxley.

An Act for the relief of Rose Winifred Smith.

An Act for the relief of Evelyn Campbell.

An Act for the relief of Margaret Thorne Acton.

An Act for the relief of Lillian Florence Ansell.

An Act for the relief of Ellen Greenwood.

An Act for the relief of Edna Garnet Rabb.

An Act for the relief of Gertrude Gladys Vernon.

An Act for the relief of Stella Anna Jackson.

An Act for the relief of Mabel Marshall.

An Act for the relief of Margaret Marie Cook.

An Act for the relief of Jean Grey Holt.

An Act for the relief of Harry Tolhurst.

An Act for the relief of Rosetta Hood.

An Act for the relief of Albert Edwin Gordon.

An Act for the relief of Willie Hopkinson.

An Act for the relief of Mamie McKillop.

An Act for the relief of Frederick Robert Studholme.

An Act for the relief of Beatrice Osborne.

An Act for the relief of John Verner McAree.

An Act for the relief of Fergus McKee.

An Act respecting The Quebec, Montreal and Southern Railway Company.

An Act to amend an Act to incorporate Gilmour and Hughson Limited.

The Honourable the Deputy Governor was pleased to retire.

The House of Commons withdrew.

The sitting of the Senate was resumed.

Hon. Mr. BELCOURT: I have but two or three more extracts to read, honourable gentlemen:

The Deadly Automatic

Another battle of a couple of barricaded criminals at Paris against several hundred police and soldiers emphasizes the terrible efficiency of modern firearms. Let a man arm himself with an automatic repeating pistol or rifle and put himself behind bullet-proof cover, and he is impregnable except at the cost of the first half dozen lives which try to approach him. This is the history and explanation of all recent defiance of police by desperate criminals. In the days when officers of the law had to face but a shot or two before they could close in upon a criminal at bay, they were ready enough as a rule to take their chances. But bravery is pure foolishness if it tries to "rush" a man whose hand can send out ten deaths in three seconds.

Is there a moral? Yes; one. Abolish the pistol. Nobody needs a pistol. Revolvers or repeating pistols are no longer useful in war. As a matter of fact, modern armies do not have them, except it may be in the case of a few exceptional cavalry regiments, among millions of soldiers. Police and householders would not need to have them if criminals and burglars could not get them. The pistol is no

safer and not a millionth part as useful or desirable as most poisons, yet civilization safeguards the sale of poisons, while mostly giving free license to the sale of pistols.

The manufacture of pistols should be prohibited by international agreement. They are responsible for a large proportion of crimes of violence, and they are the chief protection of criminals against the law and the community. A repeating rifle is still more deadly; but it can not be concealed about a criminal's person, nor can it even be as conveniently and quickly used behind covers as a defence. The pistol should go.

The Too Handy Revolver

The police of London, England, do not carry pistols. They do not need them. Nobody goes armed in the British metropolis. The criminal is innocent of revolver because he knows he will not have to defend himself against arms. That makes a difference. Over here, especially in the United States, the man on crime intent goes armed, ready to kill, because he expects to meet a pointed pistol in the hands of whoever he aims to rob. He is usually the better shot, and has the element of surprise on his side.

There is a great difference between having arms in one's home and going about armed, although there is no real need of arms anywhere. The ready revolver is the cause of more murders than all the motives that could possibly be behind crimes. It is a great danger. It is so easy to whipit out and shoot. A moment of anger, the notion that it is a case of getting home the first bullet, and the deed is done.

The assumption is against the man who carries arms. When we are entirely sane in our treatment of this matter, the carrying of deadly firearms will be made absolutely prohibitive under penalities which will be effectual. It may seem like an obvious thing to say that if nobody went armed there could not be any shootings, yet the remedy is locked up in that fact.

The importation, manufacture, sale, possession of revolvers should be prohibited.

The Revolver Again

A man called Griffith, said to be unsound in mind, walked into a Montreal broker's office and shot the manager dead. Why should a man of unsound mind, or, for that matter, of any kind of mind, be carrying a revolver?

Every year hundreds, yes thousands of terrible tragedies are enacted on this continent because people are permitted to carry guns; but nobody in authority appears to care. There is a law on the statute books which says that no person shall carry a revolver without a permit, but it appears to be useless in safeguarding life.

The Journal would like to see the matter taken up at the coming Session of Parliament, and a law passed restricting revolvers to those to whom their use is absolutely essential.

As I have said, my object in quoting these newspaper articles is to show not only the reasons which underlie this Bill, but that public opinion is ready and anxious for legislation of this sort.

Hon. Mr. BELCOURT.

Hon. Mr. LYNCH-STAUNTON: What is the law now?

Hon. Mr. BELCOURT: The law now is that one cannot have or carry a revolver without a permit.

Hon. Mr. LYNCH-STAUNTON: How does this change the law?

Hon. Mr. BELCOURT: I am coming to that. The present provisions of the law with regard to firearms generally, and revolvers in particular, are confusing, and in practice always embarrassing. It is very difficult for a magistrate to decide whether or not there has been an infraction of the law. As all the newspaper editorials show, the present provisions are quite inadequate.

There is no need of my entering into any argument or demonstration, because it is common knowledge that revolvers are possessed by many people who have no need and no right whatever to carry them; and what reason is there for the carrying of the number of weapons other than revolvers that I have mentioned?

In section 118 of the Criminal Code it is provided:

> Every one is guilty of an offence and liable on summary conviction thereof to a penalty of dollars and costs, or to imprisonment with or without hard labour, for years, or to both such penalty and imprisonment, who,—
>
> (a) not having a license therefor from the Minister of Justice or his authorized agent, after the thirty-first day of December, 1920, imports, brings or transports into Canada, or manufactures, makes, or deals in, or sells to, barters with, gives or lends to any person, any weapon of the following kinds or of any like or similar kind:
>
> (i) any cannon, trench-mortar, machine-gun, rifle, gun, revolver, pistol, or other fire-arm, or any air-gun;
>
> (ii) any device or contrivance for muffling, stopping, concealing or disguising the sound or flash of the discharge of a firearm or air-gun;
>
> (iii) any explosive, poisonous, stupefying or disabling bomb, or any similar device or contrivance;
>
> (iv) any sword, sword-blade, bayonet, pike, pike-head, spear, spear-head, dirk, dagger, stiletto, bowie-knife or sheath-knife, or any similar device or contrivance;
>
> (v) any metal knuckles, skull-cracker, slungshot, sand-bag, or any similar device or contrivance.

What justification is there for allowing people to carry any of these things? We know that in Central Europe people go about with daggers and stilettos, and we know that in Canada—in Montreal, for instance—among Italians or other foreigners stilettos and bowie knives are constantly in evidence.

Hon. Mr. BLAIN: Would my honourable friend prohibit a young bank clerk sleeping over a bank from having a revolver?

Hon. Mr. BELCOURT: No. I am coming to that. In the past very serious results have followed the indiscriminate use of firearms; but, I ask honourable gentlemen, is that danger not going to increase very much in the near future? I think it will be readily admitted that since the war the carrying of firearms has increased greatly. Many of the men who were on the other side have kept their arms and are carrying them about. Think of the increased immigration that is sure to come to Canada in the next two years. We should have a law to prevent those people bringing into the country any of these weapons, or to prevent them procuring them while they are here. As is pointed out in all these newspaper articles, there is no necessity, except in certain cases, which are mentioned in the Bill, for persons going about with revolvers.

Hon. Mr. FOWLER: Have you made provision in the Bill for searching these immigrants to see if they have weapons concealed in their luggage?

Hon. Mr. BELCOURT: No, I have not, but that might be a very good thing to do.

Hon. Mr. FOWLER: I think it would be very important.

Hon. Mr. BELCOURT: I shall welcome with great pleasure suggestions such as the one just made by my honourable friend from Kings and Albert (Hon. Mr. Fowler). I have had the benefit of the advice of probably the best authority in Canada on matters of this sort. I say "authority" because of his long experience in the very responsible office which he fills to-day; and I have reason to believe that he entirely approves of the Bill, although he has not seen the last draft of it.

I will go over the exceptions very hurriedly. Subsection c provides, among other things:

It is not an offence under subsection 2 of this section and no permit is required—

(a) for a person belonging to His Majesty's Naval, Military, Air, or Militia forces, or to the Royal Canadian Mounted Police, or any peace officer, public officer, or immigration officer, to have upon his person, or in his possession, any weapon which he is by law permitted or authorized so to have or possess;

(b) for a sailor in the actual and lawful exercise of his calling to have upon his person or in his possession, a sheath-knife or a clasp-knife;

(c) for a bonâ fide sale of any weapon by a manufacturer of weapons, or a wholesale dealer in weapons, if such manufacturer or dealer has a license from the Minister of Justice or his authorized agent, and such sale is made to a person who is a bonâ fide dealer in weapons and has such a license, and an established and fixed place of business for such dealing;

(d) for any British subject to have a rifle or shot-gun which he owned on the first-day of July, 1920;—

Hon. Mr. GORDON: Why limit it to that time?

Hon. Mr. BELCOURT: We have to limit it to some time.

Hon. Mr. MURPHY: Has one to get a license for an ordinary shotgun?

Hon. Mr. BELCOURT: Yes.

(e) to have in a museum or other public building, on or for exhibition as souvenirs, war-relics, specimens, or types of invention, any weapon of the kinds mentioned in paragraph (a) of subsection (2) of this section;

(f) for any person to have in his possession, on any premises occupied by him as his residence or as his office, any weapon of the kinds mentioned in the said paragraph (a), except those mentioned in sub-paragraph (v) thereof, if such weapon is obsolete, not usable for its purposes, and is kept merely as a souvenir or war-relic.

(4) A peace officer or a public officer may without warrant—

(a) seize any weapon—

Hon. Mr. LYNCH-STAUNTON: Does that refer to sandbags and metal knuckles.

Hon. Mr. BELCOURT: Subsection 5 refers to sandbags or metal knuckles or any similar devices or contrivances.

Hon. Mr. GORDON: Should not a revolver be included?

Hon. Mr. BELCOURT: No. Subsection 6 says:

(6) Upon sufficient cause being shown, any officer of the Royal Canadian Mounted Police, or superintendent or other head officer of provincial police, or stipendiary or district magistrate, or sheriff, or chief constable of any city, incorporated town, district or municipality, or any person authorized under the laws of any province to grant licenses or permits to carry firearms, may grant any applicant therefor, as to whose discretion and good character he is satisfied, a permit in Form 76, to have for such lawful purposes and for such period not exceeding twelve months as the person granting the permit deems fit, any of the weapons, devices and contrivances to which this section applies; but a permit so granted shall not be good or have any force or effect beyond the limits within which the person granting it has jurisdiction or has power to exercise and perform the duties of his office.

(7) A permit in Form 76 granted under subsection (6) of this section shall be prima facie evidence of its contents and of the signature and official character of the person by whom it purports to be granted.

(8) Whenever the Governor in Council deems it expedient in the public interest he may, by proclamation, suspend the operation of any or all of the provisions of this section in Canada or in any part thereof, and for such period as he deems fit.

Hon. Mr. NICHOLLS: Is it not the law now that one has to get a permit?

Hon. Mr. BELCOURT: The principal object of my Bill is to prevent the importation, manufacture, and sale of these articles.

Hon. Mr. NICHOLLS: A permit would no longer be of any value if the articles could not be procured. You might as well make it prohibition at once. You want to prohibit the manufacture, importation, or sale. If these articles are absolutely excluded from the country, what is the use of empowering certain persons to grant permits?

Hon. Mr. BELCOURT: They are not absolutely excluded. My honourable friend did not follow me. The object of the Bill is to prevent the importation, manufacture, and sale of revolvers.

Hon. Mr. NICHOLLS: I understand the honourable gentleman. I am not dealing with any of the other lethal weapons; I am just discussing revolvers. It seems to me illogical to say in one clause that a certain officer may grant permits, and in another clause that the manufacture, importation, and sale shall be prohibited.

Hon. Mr. BELCOURT: My honourable friend will have to read the Bill once more. I would refer my honourable friend to subsection 2. With the permission of the Minister of Justice, one can sell. This is not at all inconsistent with the other provisions which require the individual to procure a license. The two things fit in absolutely. I hope I have satisfied my honourable friend.

Hon. Mr. NICHOLLS: Yes. I did not grasp what you were reading.

Hon. Mr. BELCOURT: The provision is that those who held those weapons on 31st July, 1920, are not offending if they keep them. The date upon which this Act is to come into force is to be six or eight months hence. There must be some time allowed during which persons who now have revolvers for sale or for their own use may comply with the law.

Hon. Mr. BELCOURT.

Hon. Mr. PROUDFOOT: Dealing with that particular point in clause a I find this expression:

not having a license therefor from the Minister of Justice or his authorized agent, after the 31st day of December, 1920.

Why is 1920 the date fixed? That makes the provision retroactive.

Hon. Mr. BELCOURT: That is a clerical error; it should be 1921.

Hon. Mr. LYNCH-STAUNTON: How would the honourable gentleman treat a case of this kind? Two men are out shooting; one man's gun goes out of order and the other man lends him his gun. Would he not offend against the Act?

Hon. Mr. BELCOURT: That seems to me to be pretty far-fetched. I do not think my honourable friend need be afraid of that.

Hon. Mr. WATSON: No son of a gun should let his gun get out of order.

Hon. Mr. BELCOURT: I hope my honourable friend is not going to vote against the Bill because of that objection.

Hon. Mr. BLAIN: Is there any reprint of this Bill? Is the Bill my honourable friend has in his hand—

Hon. Mr. BELCOURT: The only Bill I have got is the Bill as printed, with corrections in red ink.

Hon. Mr. BLAIN: The Bill that my honourable friend is reading from is not the same as the Bill we have on our files?

Hon. Mr. BELCOURT: That may be. There are some clerical errors in the Bill. The honourable gentleman who has just sat down (Hon. Mr. Proudfoot) pointed out one, in which the date is given as December 31st, 1920, instead of December 31st, 1921. There are probably other clerical errors.

Before I resume my seat I desire once more to commend the Bill to the serious consideration of the House. I think honourable gentlemen will agree that this is a very important matter and is deserving the attention and earnest consideration of every honourable member.

In preparing the Bill, I have given the matter a great deal of thought. I should also say that I have had the valuable assistance of the Law Clerk, who has devoted a great deal of time to it. So the Bill comes before you, honourable gentlemen, with the approval not merely of one of the members of this House but also

of the Law Clerk, and with the approval of probably the most competent person in Canada to pronounce upon the necessity and the value of a measure of this sort.

Hon. Sir JAMES LOUGHEED: Who is that?

Hon. Mr. BELCOURT: I do not think I should mention his name at present. I might tell honourable gentlemen individually if they wished to know; but he has not given me authority to make the statement, and I should not like to make it publicly without telling him before-hand.

Again may I commend the Bill to your serious consideration.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I would suggest that my honourable friend (Hon. Mr. Belcourt) do not press this Bill to a second reading, or that the House do not commit itself to the principle of the Bill, until we have had an opportunity of considering it, particularly in the light of the explanation which my honourable friend has made. It goes without saying that the adoption of this Bill would result, for instance, in no little embarrassment to the trade which is carried on in Canada—legitimately carried on—in weapons. It would affect the manufacture and sale of weapons. It may be wise that that should be done; yet it seems to me that reasonable publicity should be given to so drastic a measure as that which my honourable friend proposes.

My attention was not directed to the Bill until I came into the Chamber this afternoon. After looking it over, I would suggest that my honourable friend permit us to give full consideration to what he has said and to the provisions of the Bill; and probably at an early day, either tomorrow or at the following sitting, we might be able to discuss it to much greater advantage.

Hon. Mr. BELCOURT: I am quite willing to accept that suggestion.

Hon. Mr. NICHOLLS: I would like to ask the honourable gentleman his views with regard to paragraph iv, which says:

any sword, sword-blade, bayonet, pike, pike-head, spear, spear-head, dirk, dagger, stiletto, bowie-knife or sheath-knife, or any similar device or contrivance.

Every hunter who goes into the woods has to carry a sheath-knife or something of that kind, just as he must carry a rifle. If he kills a deer he has to bleed it or else the meat will spoil. That clause is so wide as to forbid the carrying of a sheath-knife. There ought to be some different construction of that particular paragraph.

Hon. Mr. BELCOURT: That is a matter of detail which can be dealt with later. In the meantime I am quite willing to accept my honourable friend's (Hon. Sir James Lougheed's) suggestion that the second reading be deferred. Until when?

Hon. Sir JAMES LOUGHEED: Say Monday or Tuesday next.

Hon. Mr. BELCOURT: Say the 10th.

The motion stands.

JUDGES BILL

FURTHER CONSIDERED IN COMMITTEE

The Senate again went into Committee on Bill 60, an Act to amend the Judges Act.—Hon. Sir James Lougheed. Hon. Mr. Mitchener in the Chair.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, may I suggest that, owing to the many views that have been expressed and the many amendments proposed, the House should adopt the Bill as it stands. It deals with questions in the Judges Act that are not contested. I took up the matter with the Minister of Justice this morning, and his suggestion was that it might be more advantageous to prepare a Bill dealing with the various points that have been discussed in Committee, and if it is passed by this House, he will give every attention to it when it goes to the Commons. It seems to me that the various amendments proposed only involve this Bill in many questions that are not germane to the sections constituting it.

Hon. Mr. FOWLER: Will that include the amendment with regard to the city of Moncton?

Hon. Sir JAMES LOUGHEED: Oh, that is all right.

Hon. Mr. FOWLER: Because that is germane to the Bill.

The Hon. the CHAIRMAN: You have heard the suggestion of the honourable leader. Is that agreed?

Hon. Mr. BOSTOCK: Do I understand my honourable friend's suggestion to be that only the amendment we have been discussing, regarding judges on commissions, should be put into another Bill?

Hon. Sir JAMES LOUGHEED: That and other amendments moved or other subjects discussed might be included in a Bill which would originate in this House.

I am not very certain whether we followed that course on the previous occasion or not —whether we amended the Judges Act or the Bill that came from the House of Commons.

Hon. Mr. BOSTOCK: It was an amendment to the Judges Act.

Hon. Sir JAMES LOUGHEED: However, honourable gentlemen will see that the amendments suggested are amendments to the general Act rather than amendments to this Bill, and the Minister of Justice would prefer to have them made separately from the present Bill, inasmuch, as this is very much needed, particularly in relation to the province of Saskatchewan. It makes provision for the appointment of a judge there. The court at present is very much embarrassed by reason of the appointment not having yet been made. Business is being held up, and, I fancy, will continue to be held up for some time if we exercise the diversity of thought which has found expression in this Chamber in the discussion of the Bill before us: it is going to be difficult to arrive at a conclusion as to what we should do.

Hon. Mr. BELCOURT: What does my honourable friend suggest?

Hon. Sir JAMES LOUGHEED: What I suggest is that the House should accept this Bill. There is no question as to this. We are all agreed upon the necessity of its provisions. Then if it is desirable to amend the Judges Act otherwise, as appears to be the sentiment of the Senate, the amendment should be the subject-matter of another Bill amending the Act, and not an amendment to this Bill.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, I may be perfectly frank in stating my view, that to have a separate Bill brought in by private members is tantamount to giving our amendments the six months' hoist. But if we have our amendments inserted in a Bill introduced by the Government they will be considered in the House of Commons. I find that most Bills that are introduced by private members and pass out that door never come back. If the honourable leader of the Government insists, I will not press my amendment, though, I must say, I think it will never come up again unless it is pressed.

Hon. Mr. DANDURAND: Or unless the honourable gentleman has a similar opportunity.

Hon. Mr. LYNCH-STAUNTON: There is no use in my introducing a Bill, so far as I know.

Hon. Sir JAMES LOUGHEED: I did mention to the Minister of Justice this morning that the Senate has been somewhat disappointed at his lack of enthusiasm in the past regarding amendments which have been added from time to time to the Judges Bill; but he gave me to understand that he would be very glad to direct the attention of the House to the amendment and facilitate it in any way he reasonably could. In fact, I believe personally that the opinion of the Minister of Justice is not very different from that entertained by my honourable friend from Hamilton in regard to judges being appointed to commissions of inquiry, etc.

Hon. Mr. BELCOURT: Does my honourable friend see any real objection to dealing with that particular subject in the Bill now before the House? Why cannot it be put there? I feel like my honourable friend from Hamilton (Hon. Mr. Lynch-Staunton): Government promises of that sort have very little value, in my estimation, and I can quite corroborate what the honourable gentleman says, and from longer experience. A Bill of my own unanimously passed this House on three occasions, and I had the promise of the then Prime Minister that he would take it up in the other House and put it through, but he never tried.

Hon. Sir JAMES LOUGHEED: It may have been overlooked.

Hon. Mr. DANDURAND: We have had the experience of the House of Commons including items in a Supply Bill in order to be sure that they would be voted. We might perhaps take a leaf from their book and try to devise a scheme to turn the tables on them. When a Bill is sent to this Chamber, we might add our own legislation in order to ensure it receiving consideration in the other House. I do not refer, however, to the present instance, because perhaps the suggested amendment to the Act can wait another twelve months without the country being very much worse off.

The Hon. the CHAIRMAN: Does the honourable gentleman from Hamilton withdraw his amendment?

Hon. Mr. LYNCH-STAUNTON: Does the honourable leader request me to do so?

Hon. Sir JAMES LOUGHEED: I prefer to take the Bill as it is.

Hon. Mr. LYNCH-STAUNTON: I move my amendment.

Hon. Sir JAMES LOUGHEED: What is the amendment?

The Hon. the CHAIRMAN: The amendment reads:

That subsection 2 of section 12, chapter 56, of the Acts of 1920, be struck out and the same is hereby repealed.

This is to be added as section 4 to the Bill.

Hon. Mr. BENNETT: Would the honourable gentleman state briefly what is the effect of that amendment? We have not the Act before us.

Hon. Mr. LYNCH-STAUNTON: At present, under section 34 of the Judges Act, judges nominated by the Lieutenant Governor or by the Governor General may be appointed on commissions or inquiry. My proposal is that judges shall not be appointed, but shall be forbidden to act on any commission of any kind.

Hon. Sir JAMES LOUGHEED: May I point out to my honourable friend what in my judgment is the infirmity in his amendment? Nothing is accomplished by its passage. In the first place, the Governor General in Council, entirely irrespective of the clause in the Act, would have authority to appoint a judge to a commission.

Hon. Mr. LYNCH-STAUNTON: There is an amendment following this.

Hon. Sir JAMES LOUGHEED: May I go on?

Hon. Mr. LYNCH-STAUNTON: I beg your pardon.

Hon. Sir JAMES LOUGHEED: Consequently nothing would be accomplished by our allowing the amendment to stand as it is. In the next place, a prohibition to the Lieutenant Governor of any of the provinces would not accomplish what my honourable friend has in view, because the provinces to-day claim the right to assign duties to a judge. Therefore, assuming that the Governor General in Council has authority, and that the Lieutenant Governor in Council likewise has authority, entirely irrespective of the statute, it does not mean anything to strike the clause out, because the power yet remains. Then, in the absence of a penalty, there can be no way of testing the authority of either the Governor General in Council or the Lieutenant Governor in Council in this respect.

Hon. Mr. FOWLER: Test it in the courts. If the judges are paid salaries, a ratepayer could take the matter up.

Hon. Sir JAMES LOUGHEED: I would point out to my honourable friend a somewhat analogous provision which we placed in the Judges Act some years ago and which was nugatory in its results. We enacted that a judge should not sit as a director of a company. Many of the judges paid no attention to that enactment: they simply continued in office as directors. There was no penalty attached to the Act.

Hon. Mr. FOWLER: That is another matter. There is a distinction between the two, if the honourable gentleman will pardon me. Here is a man who is paid from the public moneys—from the moneys of the taxpayer. Surely the taxpayer has a right to say whether that money is to be paid or not.

Hon. Sir JAMES LOUGHEED: That is not the question: the question is whether we have the right to prohibit, even if a penalty is attached.

Hon. Mr. BELCOURT: Would not a judge who infringed a law of Parliament be liable to be impeached? My honourable friend says the Act is nugatory because there is no sanction to it. I should think impeachment would make it effective.

Hon. Sir JAMES LOUGHEED: We are legislating, of course, within the authority conferred upon Parliament by the British North America Act. The question consequently arises whether or not we have any authority to restrain a judge, once he is appointed as a provincial officer, in the carrying out of any duties by virtue of his office.

Hon. Mr. FOWLER: He is a sort of Frankenstein. We are creating something we cannot control.

Hon. Sir JAMES LOUGHEED: No. The provincial authority asserts itself to the extent of saying that it is for the province, and not for the Federal Government, to determine what the duties of a judge shall be.

Hon. Mr. BELCOURT: Oh, that is, within the courts.

Hon. Sir JAMES LOUGHEED: Precisely.

Hon. Mr. BELCOURT: But not outside of the courts.

Hon. Sir JAMES LOUGHEED: Not outside of the courts; but the provincial authority can easily attach to a court any of those duties which we are seeking to prohibit.

Hon. Mr. BELCOURT: But they have not done so.

Hon. Sir JAMES LOUGHEED: They have not done so, but they can do it.

Hon. Mr. BELCOURT: No, I don't think they could.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, the honourable leader seems to indicate that his opinion is that the Dominion Parliament has no power over the judge; that the Dominion Parliament has power only to appoint the judge.

Hon. Sir JAMES LOUGHEED: I do not want my honourable friend to put it that way, as if I had said so. I do not lay that down at all in a dogmatic way; I simply say that some of the provinces have taken that position. I do not say that I agree with them. I simply commend to my honourable friend a consideration of that problem, which enters into the whole question. It might be desirable—I think it is desirable—before we legislate along this line that we should give full consideration to the subject with which we intend to deal.

Hon. Mr. BELCOURT: But my honourable friend says we cannot.

Hon. Sir JAMES LOUGHEED: I am simply advancing to honourable gentlemen the many controversial points involved in the legislation which we have in view. There is a further consideration: while it might be that this Parliament could pronounce upon the subject of what shall constitute judicial duties, yet in the absence of any pronouncement, it seems to me, the Provinces could dictate to the judge as a provincial officer what he should do.

Hon. Mr. BELCOURT: My honourable friend pointed out a moment ago that we would not have the power to do that.

Hon. Sir JAMES LOUGHEED: I do not make that statement dogmatically. I say it is a matter that has entered into the controversy.

Hon. Mr. BELCOURT: It is thought we may not have the right to restrict the judges, and we are told to wait until another time. If we cannot, we might as well try now and learn where we are at.

Hon. Mr. LYNCH-STAUNTON: I am delighted to hear the honourable leader say he does not lay that down, because it has been the opinion as expressed in the statutes of Canada ever since Confederation that we had control over the judges; and I think it is a very salutary provision in our law. As I view the matter, the provinces have the power to erect courts and it is the duty of the Dominion Government to supply the judges for those courts.

Hon. Mr. BELCOURT: We have the power not only to organize the courts, but also to determine their functions.

Hon. Mr. LYNCH-STAUNTON: To erect courts; and the erection of courts includes the declaration of their jurisdiction, or there would be no use in erecting the courts. The Dominion has to appoint the judges who exercise the jurisdiction given to those courts. The provinces have no power given to them under the British North America Act, so far as I can see, to direct a judge to do anything outside of his court; and if those inquiries are made part of the judicial duties, then nobody can have any objection to them, just as trials of election petitions are made part of the judicial duties. The objection is to the selecting of judges to do something outside of the courts for which they are appointed.

Hon. Mr. FOWLER: But what Parliament made the trial of election petitions the duty of judges? It was not the local Parliament; it was the Federal Parliament—showing that the Federal authorities had the right to interfere.

Hon. Mr. LYNCH-STAUNTON: That is quite right, too; and if they have no power, then all the election trials go for nothing, as they had no right to delegate them to the courts. Then we have this short answer: that under the Criminal Code it is an indictable offence for any person to break any law passed by a province or by the Dominion. Now, if the Dominion Parliament says that a judge shall not do so and so, and he does that, he is liable to be impeached under the criminal law, and my motion to amend section 33 is to be followed by a motion making a practical prohibition against the judges acting on those commissions. That has to be accepted by all Governments, or all this legislation is simply academic.

Hon. Mr. PROUDFOOT: We discussed this question the other day, and pointed out why judges should not go on commissions, but should confine themselves strictly to their judicial work. Now, if this Parliament has no power to deal with the judges, then I cannot understand how it had power to pass section 33 of chapter 138, that is, the Judges Act, because there this Parliament says that the judges are not to engage in business, or act as directors, or engage in any other occupation or business than their judicial duties, and every such judge shall devote himself to such judicial duties. If this Parliament has no power beyond the mere appointment of the judges, why did they assume to pass that clause? Why also did they pass section 12 of chapter 56 of 1920, in which it is stated that no judge shall receive any remuneration in addition to his judicial salary? Then it goes on to point out what the Governor in Council may do and what the Lieutenant Governor in Council may do. So it seems to me that this Parliament, if it has power to deal in the way mentioned with the judges, also has power to pass legislation to prevent judges from acting on commissions. One would have supposed, had it not been for the action of the judges themselves, that they had no right to act on commissions, because the very last words of section 33 are as follows:

> But every such judge shall devote himself exclusively to such judicial duties.

One would have supposed that that was sufficient—that judges would not be permitted to accept any duties outside of their judicial duties; but, notwithstanding this clause in the statute, we find the judges saying that they have a right to act, and acting on a great many commissions. It seems to me, therefore, that it is necessary to make the law more emphatic than appears in the statements already enacted, by using the express words of the proposed amendment. If this amendment carries, then the judges will see that they have no right to accept these commissions. In view of section 34 passed last session, I fancy that judges will not be at all anxious to take commissions—at any rate not so anxious as they were some time before; but so long as they have the right to act, and so long as the Governor in Council and the Lieutenant Governor in Council have power to say that they shall act, we will be placed in the unfortunate position that our judges will be open to criticism such as has been directed against the judges acting on one of the commissions now being held in the province of Ontario. My view is that we ought to relieve them of liability to such criticism, and in view of the construction placed on section 33 the only way to do so is to say positively that they shall not act. I think that is a position that this Parliament should take.

I quite agree with the honourable member for Hamilton that unless we amend this Act we will not get any relief, because if he or any other member of this House should introduce a bill on the lines of the proposed amendment it certainly would not pass during the present Session of Parliament. It is all very well for the Minister of Justice to say that it should be introduced in some other Bill, and that he has views in sympathy with those expressed in the amendment. If he has such views, why did he not embody them in an Act and place the whole matter before Parliament, so that we could deal with it? I think it is only fair to the judges and to the people that the amendment should be made. I repeat what I said the other day when dealing with subsection 2 of section 34 of the Act of last Session:

> Every judge who may be nominated for the purpose by the Governor in Council or Lieutenant Governor in Council shall execute without additional remuneration, etc.

You will observe the words are "who may be nominated." I do not read those words as compulsory on the judge to accept a nomination, reading as I do the effect of section 33; but once he is nominated and accepts, he must undertake that particular work without additional remuneration. I disagree with the honourable member from Middleton, referring to what took place in Nova Scotia, I think, that the Lieutenant Governor had no power to insist on a judge undertaking the work unless he was willing to do so. As I have said, I think it is in the interest not only of the judges themselves but of the people that we should pass the amendment.

Hon. Mr. BENNETT: The whole argument here is that the judges are unfit for this duty; why? Because a certain portion of the community are dissatisfied with their findings on certain commissions. That is the whole thing.

Hon. Mr. POWER: That is not the argument at all. That may be your view of the argument.

Hon. Mr. BENNETT: I have not heard a gentleman on this side of the House who has not condemned the entrusting of commissions to judges.

Hon. Mr. LYNCH-STAUNTON: My reason was because the judges did not want them.

Hon. Mr. BENNETT: But you argued strongly that in certain quarters, more particularly referring to Ontario, public opinion had not supported the findings of those judges, and the conducting of those inquiries, but that public opinion, or quite a large section of it, was against them. Now my honourable friend from Hamilton comes into the open, and says that he is not expressing an opinion from that point of view, but that it is the desire of some judges that they should be relieved. I say it is a shame if any judge has asked to be relieved from his duty, because a judge owes a duty to the public to do anything he can for the betterment of the country by virtue of his office. If any judge is asking to be relieved simply to suit his own convenience, I say he is acting very unfairly towards the country, because last year one of the strong reasons stated why they should have their salaries increased was that they might act on public commissions.

Hon. Mr. FOWLER: No; never heard of it.

Hon. Mr. LYNCH-STAUNTON: Where was it brought up?

Hon. Mr. FOWLER: You dreamed it.

Hon. Mr. BENNETT: It is incorporated in the Act, and the judges had better read it, because the Act passed last year provided that for the future no judges should receive any fees for acting on commissions.

Hon. Mr. FOWLER: That may be true, but that does not make your inference correct.

Hon. Mr. BENNETT: Then why was it incorporated in the Act, that they should not be compensated for acting on commissions?

Hon. Mr. DANIEL: They are, are they not?

Hon. Mr. BENNETT: No, they are not compensated under the law at all now.

Hon. Mr. FOWLER: They got $2,000 in Toronto.

Hon. Mr. DANIEL: They get it without the law do they not?

Hon. Mr. BENNETT: Not that I know of. Regarding the talk about judges not being trusted because they make mistakes: in the first place, a man who is a high court judge must be very careful of his standing in the community, because he is going to try civil actions and criminal actions afterwards, and if he acts very badly on any commission, the result will be a great deal of comment unfavourable to him. A few weeks ago a man was authorized by the Attorney General to inquire relative to the conduct of a police magistrate at Dunnville. I am sure that no high court judge in Ontario would have stultified himself by bringing in such a finding as that of the gentleman who conducted that inquiry, and he was a professional man, too. A judge must have more regard to his position; and, while the judges are all human, and may make mistakes in their findings on commissions, public opinion has been so strongly behind the findings of the judges who have been entrusted with commissions in the province of Ontario that the public prints have not attacked the judges.

Hon. Mr. PROUDFOOT: May I call my honourable friend's attention to the manner in which the judges were attacked after the Gamey investigation? There we had two of the most prominent judges on the bench, whose words would be accepted on any legal matters.

Hon. Mr. BENNETT: Politically I was not in accord with the judges in the Gamey case. They had their political affiliations. Judge Falconbridge had been a Conservative and had received a Conservative appointment, and Sir John Boyd had been a Liberal; but I do not remember that any portion of the public press attacked personally either Sir John Boyd or Sir Glenholme Falconbridge.

Hon. Mr. PROUDFOOT: They attacked Sir John Boyd most vindictively.

Hon. Mr. LYNCH-STAUNTON: Certainly.

Hon. Mr. BENNETT: They attacked Sir John in this way, that he might have been affected by the fact that he had some sons in the employ of the Ontario Government.

Hon. Mr. BELCOURT: Is that desirable?

Hon. Mr. BENNETT: Perhaps it might not be desirable that a judge should be selected who had sons in the employ of the Government; but I make this state-

ment, that in the province of Ontario public opinion has been behind the judges in their findings on the commissions entrusted to them.

Hon. Mr. LYNCH-STAUNTON: Have you ever seen a case in which, when a political question was up in Ontario, the judge was not abused?

Hon. Mr. BENNETT: It is a question of what abuse is. No man was ever convicted who did not abuse the judge afterwards. No man got the worst of a bargain who did not feel that somebody was to blame over it. I say this, that no honourable gentleman who contrasts with a judicial finding the finding of the Commissioner in the Dunnville case the other day, will say that a county court judge or a superior court judge would have made such a finding. If he did, I do not see how he could arrive at such a conclusion. I say that if you take away from judges the power to act on commissions, and appoint political partisans or outsiders who have not the responsibility of judges, the public confidence will be very much shaken in a great many of those inquiries.

Hon. Mr. PROUDFOOT: I agree with my honourable friend in saying that it is unfair for a judge to ask to be relieved; but that is not the ground on which they ask to be relieved. It is rather because of the odium that attaches to the work they are doing, and the unfair attacks that are being made on them. We find two highly respected judges sitting at the present time on a commission in the province of Ontario, who are being attacked.

Hon. Mr. BELCOURT: And they cannot defend themselves.

Hon. Mr. FOWLER: Because their conduct is indefensible.

Hon. Mr. PROUDFOOT: I am not arguing the question as to whether they are right or wrong. The whole question is, should those men be placed in a position where they may be attacked? If so, then, so far as the public is concerned, the administration of justice is being injured to that extent. My honourable friend refers to a commission in which the other day, a very respected and eminent member of the bar gave a finding. I am not sufficiently versed in the facts to say whether or not that finding was correct. He said that no judge would make a finding of that kind; but I venture to say that if a high court judge made exactly the same finding as the commissioner, he would be attacked as having acted in a partisan manner, if he had had one particular stripe of politics prior to his appointment. That is what the judges are up against all the time.

Hon. Mr. BENNETT: May I ask the honourable gentleman one question? Why did not the judges in the Gamey case ask to be relieved of their duties?

Hon. Mr. PROUDFOOT: They did. That was the reason why section 33 of the Act was passed; it only came into effect about that time. It was then supposed that the judges would not be called upon to act; yet they were called upon, and they acted as if they were not bound by that section.

The amendment was agreed to, on division: yeas, 20; nays, 8.

Hon. Mr. LYNCH-STAUNTON: I have another amendment.

Hon. Sir JAMES LOUGHEED: Let it go at that.

Progress was reported.

PRIVATE BILL

SECOND READING

Hon. Mr. BOYER moved the second reading of Bill R3, an Act respecting certain patents of the Autographic Register Systems, Limited.

Hon. Mr. NICHOLLS: Does not the honourable gentleman intend to make any provision in the Bill to protect those who may have gone ahead with the manufacture, believing the patent had already expired? I believe it has been the custom in the past to give protection to those who believed a patent invalid and commenced manufacturing in the meantime.

Hon. Mr. BOYER: I dare say that when the Bill goes before the Committee on Miscellaneous Private Bills the necessary amendments will be made. This company got an agent in the United States to take out certain patents. The patents were supposed to have been taken out there at a tremendous cost; and the same thing was supposed to have taken place in Ottawa. The company was furnished with the numbers, but one day woke up to find that no patent had ever been granted in Canada. It is to rectify their position that the Bill

is brought in; and I have no doubt that the interested parties will allow all necessary precautions to be taken.

Hon. Mr. NICHOLLS: According to the honourable gentleman's statement, the patent was not issued; and any one who started the manufacture prior to the issue of the patent should be protected.

Hon. Mr. BOYER: The necessary precautions will be taken, and a clause will be put in protecting those who started manufacturing.

The motion was agreed to, and the Bill was read the second time.

The Senate adjourned until to-morrow at 3 p.m. (daylight saving time).

THE SENATE

WEDNESDAY, May 4, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

CONSERVATION ACT REPEAL BILL

FIRST READING

Bill F4, an Act to repeal the Conservation Act and amendments.—Hon. Sir James Lougheed.

DIVORCE BILLS

FIRST READINGS

Bill G4, an Act for the relief of Edward George Taylor.—Hon. Mr. Proudfoot.

Bill H4, an Act for the relief of Margaret Swanston Neville.—Hon. Mr. Proudfoot.

Bill J4, an Act for the relief of Ernest Lillie Montgomery.—Hon. Mr. Ratz.

Bill K4, an Act for the relief of Ethel Gordon Wright Ball.—Hon. Mr. Gordon.

Bill L4, an Act for the relief of Ivan Ignatius Brazill.—Hon. Mr. Gordon.

WINNIPEG-QUEBEC RAILWAY GRADES

INQUIRY

Hon. Mr. CASGRAIN inquired of the Government:

1. What is the total ascent in feet overcome going from Winnipeg to Quebec on the Transcontinental Railway?
2. The same on the Canadian Pacific Railway between the same points eastbound?
3. The same on the Canadian National Railways between the same points also eastbound?

Hon. Mr. BOYER.

Hon. Sir JAMES LOUGHEED:

1. 8,252 feet.
2. No information.
3. On Canadian Northern railway, 9,526 feet.

ADJOURNMENT OF THE SENATE

MOTION

Hon. Sir JAMES LOUGHEED moved:

That when the Senate adjourns to-day it do stand adjourned until Tuesday, 10th May, instant, at 8 o'clock in the evening.

Hon. Mr. FOWLER moved in amendment:

That when the Senate adjourns to-day it do stand adjourned until Tuesday, the 17th instant, at 8 o'clock in the evening.

Hon. Mr. NICHOLLS: In order that I may vote intelligently on the question, I would like to ask the honourable leader of the House if there is likely to be any work for the Senate to do during the extra week's adjournment that is proposed by the honourable gentleman from Kings and Albert (Hon. Mr. Fowler). I understand from the press that the budget will be brought down at the end of this week or the commencement of next week. Nothing will come forward from another place to this House during the discussion of the budget. I am quite willing to come back here next Tuesday provided there is work for this House to do; but if there is absolutely nothing on the Order Paper, it is certainly useless for us to do so. I think the honourable leader of this House should give us some information as to whether or not there is likely to be sufficient items on the Order Paper to keep the Senate busy during the further week over which it is proposed to adjourn. That information is needed before any of us can vote intelligently on the amendment.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, this problem has been put to me so frequently that I have exhausted all my resourcefulness in endeavouring to answer the question. The nearest approach I can make to an answer would be to suggest that if honourable gentlemen will accept the adjournment which I propose and come back next Tuesday evening at 8 o'clock, we shall then be able to answer the question very much more definitely.

Hon. Mr. BOSTOCK: Are we to understand that the honourable leader is opposed to this further adjournment? I do not think any honourable member of this House wants to insist on the longer adjournment

if there is really business for the Senate to do; but, as has been said by my honourable friend from Toronto (Hon. Mr. Nicholls), if there is not it is useless for the Senate to meet.

Hon. Sir JAMES LOUGHEED: I think honourable gentlemen will not find fault with me in regard to my attitude on the adjournment, for I have a sense of reluctance in meeting the House in the absence of public business. At the same time the presumption is that the Senate should be in session during the Session of Parliament. While I cannot give any assurance as to the pressure of public business requiring us to attend say the half of next week, yet I am informed that certain Bills will be brought down which should receive the attention of the Senate. The Commons have the habit, notwithstanding the volume of legislation that may be before them and that could be discussed by this House in a very short time, of lingering over the business; so I really cannot predict when the legislation will come before us. I can say, however, that there is a long list of public Bills before the Commons which, if dealt with diligently, should certainly occupy our attention next week. I feel that at this period of the Session, when we are approaching prorogation, which is confidently expected to take place before the end of the month, to take a two weeks' adjournment may possibly be somewhat unsafe.

Hon. Mr. DANDURAND: It is not two weeks. It is only one week.

Hon. Mr. FOWLER: It is really only one week.

Hon. Sir JAMES LOUGHEED: I thought the honourable gentleman said two weeks.

Hon. Mr. FOWLER: I said a week from next Tuesday. This is Wednesday; to-morrow is Thursday, which is a holiday; the next day is Friday, on which we do not sit—

Hon. Sir JAMES LOUGHEED: Does the honourable gentleman mean Wednesday, the 11th?

Hon. Mr. FOWLER: It is only a week of sitting days.

Hon. Sir JAMES LOUGHEED: That would be two weeks, though.

Hon. Mr. DANDURAND: It looks like that, but it is not so.

Hon. Sir JAMES LOUGHEED: Two weeks from to-morrow?

Hon. Mr. FOWLER: No, a week from next Tuesday.

Hon. Sir JAMES LOUGHEED: Things are not as they seem to be, yet it is two weeks.

Hon. Mr. FOWLER: I cannot agree with the honourable leader of the Government that it is really a two weeks' vacation, because to-morrow we do not sit, it being a holiday—a holy day.

Hon. Mr. BOSTOCK: And Friday does not count.

Hon. Mr. FOWLER: Friday does not count, because the Quebec members will go home Friday at 3 o'clock—

Hon. Mr. MURPHY: They do not work anyhow.

Hon. Mr. FOWLER: Saturday is not a sitting day; and Sunday is not a sitting day.

Hon. Sir JAMES LOUGHEED: And of course we do not sit on Monday.

Hon. Mr. FOWLER: We do not sit on Monday. So we would have only Tuesday. The adjournment is really for four days. So the vacation which the honourable leader proposes is simply not a vacation at all; it is only the one day, Friday.

Hon. Sir JAMES LOUGHEED: I hope I am not deluding the House by holding out to them a vacation. I do not propose that we should have a vacation until after prorogation. If there is a feeling that the time should be extended, I would agree to our adjourning till Wednesday, the 11th, at 8 o'clock in the evening.

Hon. Mr. DANDURAND: Why the 11th?

Hon. Sir JAMES LOUGHEED: That would give us Wednesday, Thursday and Friday for any business that might be on next week.

Hon. Mr. DANDURAND: Surely my honourable friend will realize that if the amendment is carried and we come back on Tuesday, the 17th, we shall have two full weeks to attend to the business which will have been done by the House of Commons during the two weeks' adjournment. The debate on the budget will occupy at least a week. We know that the Senate can do business in one-quarter of the time it takes the Commons.

Hon. Sir JAMES LOUGHEED: I would point out to honourable gentlemen that, if the House of Commons finish before the end of the month, we shall be outside the provisions of the Indemnity Act in not attending two weeks before the end of the Session.

Hon. Mr. DANIEL: Honourable gentlemen, there is one point that I think we should bear in mind—that when the House is not in session the Committees cannot meet. We have had, I think, more special committees appointed at this Session than we have ever had in any previous Session at which I remember being present. None of those special committees, as I understand, have nearly finished the business for which they were appointed. How they are going to finish if we adjourn for the next fortnight I do not see. Further, I do not see what object there is in appointing these committees if the members do not intend to carry out the business for which they are appointed. There is another point —that Parliament may adjourn by the 24th of May.

Hon. Mr. FOWLER: I will guarantee they will not.

Hon. Mr. DANIEL: It is quite within reason, and I expect that that is going to take place. Any honourable member who reads the Indemnity Act will find that it is quite necessary for him to be here during the last two weeks of the Session. So even from that standpoint it would be a rather dangerous experiment to have too long an adjournment at the present time. But the principal object I have in rising is to remind the honourable members that unless the Senate sits the work of the committees, which do such a large portion of the business of this House, cannot possibly be carried on and finished.

Hon. Mr. WILLOUGHBY: There is another point with regard to the committees. Even if the Senate adjourns until Wednesday night, the Divorce Committee will meet on Tuesday and on Wednesday; and those of us who are trying to do our duty on it will have to be here. While we are undoubtedly very anxious to earn our indemnity, still our attendance as at a sitting of the House would not be recognized. Several times the Divorce Committee has sat when the House was not in session.

The amendment of Hon. Mr. Fowler was negatived: yeas, 18; nays, 36.

Hon. Mr. DANDURAND: The honourable leader of the Government suggested that the adjournment might be extended from the 10th to Wednesday, the 11th.

Some Hon. SENATORS: No, no.

Hon. Sir JAMES LOUGHEED: Better let it go as it is now, I think.

The motion was agreed to.

CAUSES OF UNEMPLOYMENT

APPOINTMENT OF SPECIAL COMMITTEE

Hon. JOHN A. McDONALD moved:

That a Special Committee of the Senate be appointed to inquire into the causes of unemployment in Canada and to report to the Senate before the close of this session as to possible remedy.

He said: Honourable gentlemen, I am speaking for a great many people who are looking to this House for some solution of our present difficulties. We know that the situation in Canada to-day is very serious, and before it becomes worse I think this Committee should meet and see if something cannot be done to improve the situation. My opinion is that it is caused by misunderstanding, mistrust, and suspicion. I know that many manufacturers, builders, and contractors feel that there are dangerous men going all over this country seeking to destroy industry, to break down and stop the wheels of commerce, to bring on a revolution in Canada. I do not believe that this is so. On the other hand, labour leaders feel that there is an unholy alliance amongst the big interests to crush labour, to smash the unions for all time, and to bring them whimpering to their knees. I do not believe that is right. Consequently I believe that the duty of this Committee will be to sweep away the misunderstandings and see if we can find a solution of our present difficulties.

Experts tell me: "No, Mr. McDonald, this is a world problem: do not touch it. Wars come every hundred years, hard times every ten years. The great nation to the south of us, the richest nation in the world, has had greater difficulties than we." My answer is that I think this country is expert-cursed. We are not citizens of the southern Republic. When the great war broke out the experts said, "It will last a year." The greater the expert the shorter the time he predicted. I believe that what we need to-day is to have men of experience sit together and call witnesses and see if the present situation cannot be changed.

One rumour in circulation is to the effect that in a certain city 600 employees will be dismissed, while a big, expensive special car is built for an official. That may not be so, but we can find out. Another rumour is that, in order to reduce the deficit, instead of beginning with the $25,000 men and coming down to the $1,500 men, it is intended to start at the $1,500 class and stay there. This may not be so, but we can find out. Another rumour that is unsettling conditions and causing inefficiency and disloyalty is that certain managers have cut 30 per cent off their men's wages and at the same time have raised their own salaries 30 per cent. This may not be so, but I think we can find out. With a banking system which is, I understand, the best in the world; with contractors, manufacturers, and business men who are anxious for business; with the best labour unions, I think, in Christendom; why can we not get these forces to co-operate? For these reasons I am asking for the appointment of a special committee to investigate the matter, and with the permission of the House, I desire to amend the motion by adding:

That the committee have power to call for persons and papers, and that the said committee consist of Honourable Messieurs Murphy, Tanner, Pope, Nicholls, Harmer, L'Espérance, Blain, McCall, Dandurand, Mitchell, Bostock, Planta, Casgrain, Girroir, Turriff, and the mover.

Hon. Mr. BOSTOCK: Honourable gentlemen, I think that before that motion is carried we ought to have some statement from the Minister of Labour (Hon. Mr. Robertson), who should be better informed than any other member of this House as to what is the actual condition of unemployment at this time. So far as my general experience goes, I have understood that the unemployment situation in Canada to-day is rather better than it has been. Of course, during the winter we have had a very serious time and there have been a large number of men unemployed at various places throughout the country; but, with the opening up of the season and with the improvement in the conditions of work which I understand is taking place, I thought that the situation was gradually getting better.

Of course, the whole question of unemployment is a very wide and difficult one to deal with, and as we are now getting along toward the end of the Session it is going to be very difficult to get the information that we ought to have in order to form any opinion on a matter of this kind. The honourable gentleman who moved this motion has spoken about sending for certain people and examining them; but to get a proper idea of the employment situation throughout the whole of Canada might require calling people from all parts of the country, from Halifax to Vancouver, which would take considerable time. I presume the Department over which my honourable friend presides is keeping in touch with this question, and that it may not be necessary for the Committee to do any work at all.

Hon. G. D. ROBERTSON: Honourable gentlemen, in reply to the suggestion made by the honourable leader of the Opposition that some information might be given as to the present unemployment situation, may I say in brief that on April 1st there were in Canada approximately 200,000 less employed in industries than were employed on January 17, 1920. We usually regard the middle of January or the 1st of February as the time when the minimum number of men are employed in industries in Canada; that is to say, the mid-winter months show the largest unemployment; and when we realize that up to April 9th, if I am not mistaken, there were about 200,000 less men employed than were employed in mid-winter a year ago, we have cause for some apprehension as to the future.

Hon. Mr. DANDURAND: Has the honourable gentleman the figures for 1921?

Hon. Mr. ROBERTSON: Yes. The figures for January, 1921, are about 24,000 or 25,000 higher than the figures for April, 1921. I may add for the information of the House that from October 23rd last, when the decline began, to January 8th, every week showed a substantial decrease in the number of workmen employed in industries in Canada. During that period the decrease amounted to about 134,000. During the week preceding the end of the year—that is, Christmas week—the number of men laid off was 45,000 odd; but a substantial number of those men were re-employed during the second week in January. That is to say, the usual situation prevailed; during the Christmas holidays many men were laid off or lay off voluntarily. During the second or third week in January there was a substantial increase amounting to about 18,000, and from the third week in January down to April 9, the decline continued steadily, there being never less than 2,800 and as high as 6,000 a week. These figures represent the situation among the employees

of those employers who have in their employ 25 or more men each, so that the figures, while they do not fully represent the facts, do represent them in regard to about two-thirds of the total.

With reference to the motion which my honourable friend from New Brunswick (Hon. Mr. McDonald) has introduced, I may say that I cannot see that any harm could come from such an inquiry, and much good might come from it. I think such an inquiry would be very interesting and instructive, and honourable gentlemen would perhaps have a more intimate knowledge of the facts if we were to take a little time and trouble to inquire into them.

So far as the Department is concerned, I have no hesitation in saying that we would be glad to place at the disposal of the Committee any information which we have, either by way of documents that may be available, or by officials of the Department appearing before the Committee to give any information which they could.

Hon. Mr. FOWLER: What steps has your department taken towards ascertaining the causes of unemployment, which is the question this Committee would be supposed to look into? Have you done anything? Have you got any information regarding the causes leading to unemployment? Have you done anything to remedy the situation?

Hon. Mr. ROBERTSON: My honourable friend's question leaves room for quite an extended speech.

Hon. Mr. FOWLER: Go on. We have lots of time.

Hon. Mr. ROBERTSON: But I do not think I will undertake that. The motion of the honourable gentleman goes much further than to inquire into the causes of unemployment; it proposes that the Committee shall endeavour to find and to recommend some remedy. The Department of Labour has been constantly endeavouring to anticipate periods of unemployment, to place in employment as many men as possible, and to do what is possible by way of advising the spending departments of the Government so as to minimize unemployment and to create employment at periods when it is most required. I am satisfied that an inquiry of this sort would bring out considerable information that more had been done by the Government and the Department in relieving the situation than perhaps the honourable gentleman from Sussex (Hon. Mr. Fowler) thinks has been done. I therefore hope that the Committee may not only be appointed, but may actually prosecute the work submitted to it.

Hon. Mr. BOSTOCK: I should like to ask the Minister of Labour if he can suggest any particular line on which the Committee should carry on this investigation, because it would take a Committee of this kind considerable time to find out what particular line it was best to follow in carrying on the investigation.

Hon. Mr. ROBERTSON: I question the advisability of my suggesting what line of action the Committee should take. I should prefer to leave that to the Committee itself. By way of suggestion I might say that a useful purpose might be served if the Committee were to ascertain the cause of the stagnation. Is it by reason of contracted credits? Is it by reason of any concerted action on the part of employers not to carry on, and thereby render more difficult the situation of thousands of workmen in the hope that they will at last accept much smaller wages and offer their services at reduced rates? As the honourable gentleman who moved this motion (Hon. Mr. McDonald) pointed out, there are men who think one or the other or both of these things are true. I have my own opinions, but I do not think it necessary or desirable to voice them at this moment. I would prefer that the Committee should outline its own method of procedure, rather than that I should suggest what it should be.

Hon. JOHN MILNE: Honourable gentlemen, I should like to say a few words in regard to this matter. I am a large employer of labour in Hamilton. Labour is largely to blame for the present situation. The wages we have been paying our men are outrageous; so much so that our firm has not been able to pay a dividend. The labour and material that enter into construction take all the profit away, and there is nothing left. In Hamilton there are more Unions than in any other place in Canada, and you cannot get them to come down in their demands. I spent four days in Toronto with the moulders trying to get them to come down in their demands. They said that they would give me an answer on the 28th of January. Our company held a meeting after that and decided that it would not employ any more men until we had an answer and knew what the moulders were going to do. They came back with the answer that they would not do anything.

I said to my son, after six weeks, that any man who took a ten per cent reduction in wages could work in our factory, and they all came in. How many of them got anything from the Unions? They would not do a thing. The bricklayers and carpenters are in the same position. The cost of labour has got to come down before men can be employed or before any money can be made in manufacturing. We cannot get hands. If we filled the orders that we have now we could sell more goods and employ more hands, but the men stick to the Unions right along, and say, "The wages must be so-and-so, and you have got to take results as you find them."

Take the position of the brewers: they did not know where they were at. They said, "We will close up one brewery, but we will keep the other one running." They said, "You will have to take a cut in wages," and the men agreed. First, they were going to strike, but they thought better of it, and on the 1st of June they accepted a cut of $1, and after that a cut of $3. The same situation exists in Toronto. Drastic measures must be taken. Under Union rule every man is paid the same wage. The good man is not paid according to his ability, but according to the Union scale of wages, and that means that labour will not produce. Take the bricklayers, for instance: they do not lay 1,000 bricks a day as they used to do; they lay 500 a day.

The workmen say that they cannot take a cut in wages because everything they use costs so much. That is not so. Wheat is coming down, and other grain is coming down; everything is coming down that goes towards making up the cost of living except wages and rent. Who is going to build houses? In the old days you could build three houses for what it costs to build one now. Labour is so high that a man with capital will not put his money into houses, and labour is to blame for this. Things must find their own level. I remember the time, after the Crimean War, when they had soup kitchens in Hamilton to keep the people from starving. The same condition always prevails after a war. There is no doubt that the labour element is going to suffer, but prices are based on the level of supply and demand, and they must find their level. When there is a demand you can get labour, but they will not do any more work than they have to. The municipality of Hamilton has been feeding the labouring men, giving them so much a week to keep them from starving. They had good wages during the last four or five years, and what have they done with them? They and their wives have gone to picture shows and have spent their money, and now they want the city or the Goverment to keep them. Next winter will be worse than last winter. The Minister of Labour knows more about the labour situation than I do, but he knows what I am stating to be a fact. The manufacturers want to do everything they can, but they must have men to work with. The men will not produce; they say it is better to do less work and to get more pay for what they do. That is what the Unions are loading them up with all the time.

The Minister of Labour spoke the other day of the railway men. Who has to pay their wages? They are paid by the manufacturers and the people. After men have been receiving high wages it is hard to get them down again to their proper level, and the manufacturer has to pay the shot. Take the hotels, for instance, to-day. The manufacturers have to pay their travellers, and the hotel expenses to-day are twice what they were before. There are two sides to every question, and the labouring men must realize that. I employ a lot of labour, and I realize that in the end everything depends upon the question of supply and demand.

Hon. FREDERIC NICHOLLS: Honourable gentlemen, I am inclined to think that the Special Committee as proposed by the honourable gentleman from Shediac (Hon. Mr. McDonald) may possibly be able to encompass some good, and to that extent I am in sympathy with his motion. I do not approve, however, of the wording of the resolution, which reads as follows:

> That a special Committee of the Senate be appointed to inquire into the causes of unemployment in Canada, and to report to the Senate before the close of this session as to a possible remedy.

Personally I am of the opinion that it would be absurd for this or any other body to undertake during the last two or, at the most, three weeks of the Session to inquire into a matter which has been occupying the attention of the Federal, provincial, and municipal Governments for a long period of time, without any solution having been found. The wording of the resolution would lead the public to expect that this committee would bring forth a remedy; but, in my opinion, it would be impossible to suggest a remedy within the time at our disposal. As the honourable gentleman from Kamloops (Hon.

Mr. Bostock) has said, we would have to bring witnesses from everywhere between the Atlantic and the Pacific; and while I think such a committee can be of a great deal of service to the country in making inquiries, for the reasons that I have stated I would move in amendment, unless the honourable gentleman from Shediac agrees to amend his motion to that effect:

That the last four words "as to a possible remedy," be struck out, and the words, "in regard thereto," be substituted .

I would ask the honourable gentleman if he approves of the suggested alteration.

Hon. Mr. McDONALD: As the honourable gentleman has just explained, the time is very short for coming to a conclusion in a matter of this kind. I am very glad to have his assistance on that committee, and I think his suggestion is a wise one, because, perhaps, the people would be looking for a solution in two weeks. I am perfectly willing to accept the suggestion of the honourable gentleman from Toronto (Hon. Mr. Nicholls), as I do not think it would affect the value of the committee.

The motion was agreed to, amended as proposed.

DIVORCE BILLS

THIRD READINGS

Bill S3, an Act for the relief of Lily Appleton.—Hon. Mr. McCall.

Bill T3, an Act for the relief of Harry Hirshenbain.—Hon. Mr. Laird.

Bill U3, an Act for the relief of Percy Christopher Paul.—Hon. Mr. Gordon.

Bill V3, an Act for the relief of John Graham.—Hon. Mr. Gordon.

ROYAL CANADIAN MOUNTED POLICE BILL

THIRD READING

Bill 82, an Act to amend the Royal Canadian Mounted Police Act.—Hon. Sir James Lougheed.

PRIVATE BILL

THIRD READING

Bill 8, an Act respecting The James MacLaren Company, Limited, as amended.—Hon. Mr. Edwards.

PRINTING OF PARLIAMENT

CONSIDERATION OF REPORT OF COMMITTEE POSTPONED

Hon. Mr. GORDON (for Hon. R. S. White) moved concurrence in the first report of the Joint Committee of both Houses on the Printing of Parliament.

Hon. Mr. NICHOLLS.

Hon. Mr. BOSTOCK: There is just one question I would like to ask my honourable friend (Hon. Sir James Lougheed) with reference to this. On page 233 of the Minutes of the Proceedings I see that the Committee recommend a new arrangement with regard to the departmental reports. They state:

Since Confederation it has been the practice of Parliament to pay for the printing of all departmental reports. The Joint Committee believes the time has arrived when this policy should be abandoned, and that instead each public department be required to annually prepare its printing estimates to cover all services, including the annual report; that Parliament pay only for copies of reports necessary to meet the requirements of its mailing list, and for the Sessional Papers.

This is quite a change in the method of payment for the printing of reports. I do not know whether the matter has been drawn to the attention of the honourable leader—

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: —whether he could give us any explanation about it. The honourable gentleman from Inkerman (Hon. Mr. White) is not here.

Hon. Sir JAMES LOUGHEED: I would suggest that consideration of the report stand until the chairman is in his place.

The motion stands.

GOLD AND SILVER MARKING BILL

REFERRED TO SPECIAL COMMITTEE

On the Order:

House again in Committee of the whole on Bill C. an Act to amend the Gold and Silver Marking Act.—Hon. Mr. Lynch-Staunton.

Hon. Mr. LYNCH-STAUNTON: I move:

That the Bill be not referred to Committee of the whole but be referred to a Special Committee consisting of Honourable Messieurs Foster, Gordon, Blain, Dandurand, Boyer, Thompson, and the mover, to hear evidence and report.

The motion was agreed to.

JUDGES BILL

FURTHER CONSIDERED IN COMMITTEE

The Senate again went into Committee on Bill 60, an Act to amend the Judges Act.—Hon. Sir James Lougheed. Hon. Mr. Michener in the Chair.

Hon. Mr. LYNCH-STAUNTON: I move that chapter 138, Revised Statutes of Canada, 1906, be amended by adding thereto the following section:

35. No judge mentioned in this Act shall act as commissioner or arbitrator on any com-

mission of 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 employed.

Hon. Sir JAMES LOUGHEED: That is complementary to the other.

Hon. Mr. LYNCH-STAUNTON: That is complementary.

The Hon. the CHAIRMAN: And it would be section 5 of the Bill.

Hon. Mr. BOSTOCK: Does that apply to county court judges as well as the other?

Hon. Mr. LYNCH-STAUNTON: To all judges.

Hon. Mr. BENNETT: In view of the honourable gentleman's motion of yesterday, why is he not consistent? Why does he not stop those now acting?

Hon. Mr. LYNCH-STAUNTON: Consistent? I prefer to be inconsistent.

The amendment was agreed to.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, during last Session chapter 56 of the statutes of 1920, to my mind, made a most radical and unwise change in the Judges Act. Section 13 provides:

The increases of salary granted by this Act shall not entitle any judge to any increase in the annuity which may be granted to such judge under the provisions of section 20 of the said Act, and the provisions of the said section 20 shall not apply to any judge appointed after the passing of this Act.

By the revised Statutes of Canada, chapter 138, section 20, it is provided that judges who were unable to continue in the performance of their duties, after they had served for I think fifteen years, could retire on two-thirds of their salary, and it was further provided by section 20 that judges who had served for twenty years and had attained to the age of 75 years could retire on full salary. The wording of that section is this:

If any judge of the Supreme Court of Canada, or the Exchequer Court, or any Superior Court in Canada, resigns his office, His Majesty may, by letters patent under the Great Seal of Canada, reciting such judge's age and the period of service, grant to him an annuity equal to the salary of the office held by him at the time of his resignation.

You will notice, honourable gentlemen, that, as I have remarked, a judge who has served twenty years and has attained to the age of 75 years, has the option to retire under that Act on a salary equal to the salary of the office held by him at the time of his resignation. The new Act provided that existing judges, if they retired, should not be entitled to the augmented salary. That, to my mind, is a breach of agreement with those judges, because the Act distinctly says that they shall receive on their retirement an annuity equal to the salary of the office held by them at the time of their resignation. If one made an agreement with an employee that when he retired he should receive an annuity equal to the salary he was receiving at the time of his retirement, surely it would be most unfair to him, after he had served for perhaps twenty years, to say: "I will increase your salary, but I will not keep my bargain to give you that increase when you retire."

But what I think is the most impolitic and unwise part of this section is that it provides that the provisions of section 20 shall not apply to any judge appointed after the coming into force of this Act. The result will be that we shall have old men hanging onto their appointments until they die, or long after their usefulness is gone. It is the opinion of the Department of Justice, I believe, that a judge cannot be compelled to retire, without an amendment to the British North America Act. We have had in our province judges who lingered after their usefulness was gone. To keep men on the Bench when they are up in the eighties and when everybody knows that they are sitting there just to draw the salary and are not giving any advantage to the country, is to go back upon all the policy that we have adopted in Canada ever since Confederation, and I desire to move:

That section 13 of chapter 56 of the statutes of 1920 be repealed.

That will leave the law as it was before the passing of the Statute last year.

Hon. Mr. BOSTOCK: Do I understand my honourable friend to say that under this arrangement there is no provision for any retiring allowance to a judge?

Hon. Mr. LYNCH-STAUNTON: There is a provision that, if a judge is ill, or if he is unable to perform his functions, he may retire on a two-thirds allowance; but there is no provision now for a judge appointed after the coming into force of this Act to retire on full pay after he has served twenty years and attained the age of 75, as formerly was the law.

Hon. Sir JAMES LOUGHEED: Mr. Chairman, it is not necessary for us to dis-

cuss this question upon its merits. Very much might be said thereupon, but the amendment moved by my honourable friend is so clearly a money amendment that it cannot be entertained. It would impose an additional tax, corresponding to the additional salaries that would be involved. I therefore submit to the Committee that it is clearly out of order.

Hon. Mr. LYNCH-STAUNTON: Of course, I will not question the statement of the honourable leader, but this amendment is only to repeal a section, not to enact a new one.

Hon. Sir JAMES LOUGHEED: The repeal brings into force the old law, which imposes the tax.

Hon. Mr. LYNCH-STAUNTON: I would like a vote on my amendment.

The Hon. the CHAIRMAN: Does the honourable gentleman withdraw the amendment?

Hon. Mr. LYNCH-STAUNTON: Do you rule it out of order?

The Hon. the CHAIRMAN: Yes; in my opinion it is questionable at least.

Hon. Mr. LYNCH-STAUNTON: All right.

The amendment was ruled out.

The preamble and the title were agreed to.

The Bill as amended was reported.

Hon. Sir JAMES LOUGHEED moved consideration of the amendment.

Hon. Mr. BOSTOCK: At the next sitting of the House?

Hon. Sir JAMES LOUGHEED: Now.

The Hon. the SPEAKER: There is an objection.

Hon. Mr. BOSTOCK: We have amended this Bill so much—

Hon. Sir JAMES LOUGHEED: We have not amended it very much. The only amendment is that prohibiting the judges taking commissions. The amendment moved by the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton) to-day is simply complementary to the other. I am desirous of the House passing this Bill to-day, inasmuch as we are going to adjourn for a week. There is an immediate necessity for this Bill becoming law on account of congestion in the province of Saskatchewan. The Bill makes provision for the appointment of an additional judge in that province, which has repeatedly been urged upon the Government, and, as we have had the Bill before us for a week or more, I would move the adoption of the amendment at once.

Hon. Mr. BOSTOCK: In view of the explanation of the leader of the Government, I withdraw my objection.

The amendments were concurred in.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

By leave of the House, the Bill was read the third time and passed.

PRIVATE BILLS

FIRST READINGS

Bill 16, an Act respecting Les Révérends Pères Oblats de Marie Immaculée des Territoires du Nord-Ouest.—Hon. Mr. Pope.

Bill 53, an Act to incorporate the Fort Smith Railway Company.—Hon. Mr. De Veber.

The Senate adjourned until Tuesday, May 10, at 8 p.m.

THE SENATE

TUESDAY, May 10, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

GAS INSPECTION BILL

FIRST READING

Bill 13, an Act to amend and consolidate the Acts respecting the Inspection of Gas and Gas Meters.—Hon. Sir James Lougheed.

PRISONS AND REFORMATORIES BILL

FIRST READING

Bill 35, an Act to amend the Prisons and Reformatories Act.—Hon. Sir James Lougheed.

OPIUM AND NARCOTIC DRUG BILL

FIRST READING

Bill 81, an Act to amend The Opium and Narcotic Drug Act.—Hon. Sir James Lougheed.

NATIONAL RESEARCH BILL

FIRST READING

Bill 116, an Act to amend the Research Council Act and to establish a National Research Institute.—Hon. Sir James Lougheed.

ANIMAL CONTAGIOUS DISEASES BILL

FIRST READING

Bill 136, an Act to amend the Animal Contagious Diseases Act.—Hon. Sir James Lougheed.

COURT OF INTERNATIONAL JUSTICE BILL

FIRST READING

Bill 73, an Act to authorize the ratification and carrying into effect of the Protocol of the sixteenth day of December, 1920, accepting the Statute for the Permanent Court of International Justice of the thirteenth day of December, 1920.—Hon. Sir James Lougheed.

NOVA SCOTIA HIGHWAYS

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. (1) What is the designation and mileage of each road in Nova Scotia approved by the Federal Department of Highways for aid by this Government?

(2) What is the cost of work on each of the said roads as proposed and estimated by the Provincial Government?

2. Has any statement of expenditure on said roads been presented to this Government by the Provincial Government?

3. (a) To what roads do such statements (if any) relate?

(b) What is the amount of the alleged expenditure on each road?

4. (a) Is this Government advised of the investigation of expenditures on federal aid roads recently made by a commission appointed by the Government of Nova Scotia?

(b) Has this Government received copy of the evidence produced before such commission and copy of findings of the commission?

5. (1) Pending or during the hearings by the said commission, did any officer of the Federal Highways Department make any investigation in regard to the said highway work or expenditures or in respect to any of the matters which came before said commission?

(2) If so, what officer made such investigation?

(3) Between what dates was investigation made?

(4) In what manner and by consulting what persons was investigation made?

(5) What did such officer report to this Government?

6. (1) Has any payment been made by this Government to the Government of Nova Scotia in respect to any of the said roads?

(2) If so, what are the respective amounts paid; in respect to what roads were payments made; and when were they made?

7. In view of the evidence of the wasteful management and excessive liability in regard to the work on such federal aid roads which was produced before the commission above mentioned, is it the intention of this Government:

(a) To make any payments of highway aid to the Government of Nova Scotia?

(b) Before making any such payments, to institute further inquiry and investigation in regard to such wasteful management and excessive liability, and the proper cost of such highways?

Hon. Sir JAMES LOUGHEED:

1. (1) St. Margaret's Bay Road, Halifax to Indian River, 17½ miles; Mt. Uniake Road, Mt. Uniake to Lakelands, 7.6 miles; Port Joli-Sable River, 6.3 miles; Post Road, Aylesford to Middleton, 12.1 miles; Elmsdale to Shubenacadie, 7.1 miles; Annapolis-Liverpool Highway, Liverpool to Caledonia, 5.3 miles. (2) Halifax to Indian River, $211,944.60; Mt. Uniake-Lakelands, $56,121.75; Aylesford-Middleton, $91,-529.10; Elmsdale-Shubenacadie, $45,603.50; Liverpool-Caledonia, $67,321.00; Port Joli-Sable River, $91,227.76.

2. No.

3. (a) Answered by No. 2. (b) Answered by No. 3.

4. (a) No. (b) No.

5. (1) No. (2) Answered by No. 1. (3) Answered by No. 1. (4) Answered by No. 1. (5) Answered by No. 1.

6. (1) No. (2) Answered by No. 1.

7. Payments of aid under the Dominion Highways Act are made only after consideration of reports and certificate by Dominion engineers and auditors as to the actual, necessary and reasonable cost of such highway.

PRINCE EDWARD ISLAND SUPREME COURT

VACANCY

On the Orders of the Day:

Hon. B. C. PROWSE: Honourable gentlemen, I would like to draw the attention of the Government to a very serious matter. In the little province which I have the honour to represent there is now, and has been for over a month past, a vacancy on the Supreme Court Bench. I do not see any reason why the Government should take a month to fill a position of this kind. If they had to go to South Africa or to Australia or to some other country to find a man to fill the vacancy, there might be some excuse; but in the province of Prince Edward Island we have some good men who are quite capable of filling the posi-

tion, and there is no reason at all for holding open judicial positions for a month pending the decision of the Government. I may say that men who have cases in court and who are waiting for appeals have been put to considerable expense. A week ago the Appeal Court had to be adjourned on account of the position not being filled. As I have said, if the Government can give any reasonable excuse, I shall be perfectly satisfied; I do not want to score the Government, but it seems to me that there is no reason in the world why a position of this kind should be left vacant, simply because Prince Edward Island is a little province and nobody seems to care. That is all I have to say.

Hon. Sir JAMES LOUGHEED: My honourable friend has given us the reason for the delay. There are so many excellent gentlemen practising law in Prince Edward Island who are willing to accept this position, and whose friends are anxious that they should be appointed, that it really has created some difficulty in making a selection.

Hon. Mr. PROWSE: Surely the Minister of Justice should be able to select one of them.

Hon. Sir JAMES LOUGHEED: The difficulty is owing to the excellence of so many. I can assure my honourable friend that the matter is receiving every attention, and it is hoped that at an early date—I will not say when it will be—the appointment will be made.

PRIVATE BILLS

THIRD READINGS

Bill 5, an Act to incorporate Fidelity Insurance Company of Canada.—Hon. Mr. Nicholls.

Bill 15, an Act to incorporate Metropolitan Trust Company of Canada.—Hon. Mr. Proudfoot.

Bill 33, an Act respecting the "Crédit Foncier Franco-Canadien."—Hon. Mr. Chapais.

Bill 44, an Act respecting The Western Dominion Railway Company, as amended. —Hon. Mr. Watson.

DIVORCE BILLS

SECOND READINGS

Bill W3, an Act for the relief of John Wilson.—Hon. Mr. Barnard.

Bill X3, an Act for the relief of Albert Harding.—Hon. Mr. Bennett.

Bill Y3, an Act for the relief of Thomas Furneaux.—Hon. Mr. Nicholls.

Bill Z3, an Act for the relief of Matthew John Scott.—Hon. Mr. Ratz.

Bill A4, an Act for the relief of Dora Lucy Bell.—Hon. Mr. Gordon.

Bill B4, an Act for the relief of Henry Kropp.—Hon. Mr. De Veber.

Bill C4, an Act for the relief of Arthur Daughton.—Hon. Mr. Ratz.

Bill D4, an Act for the relief of Annie Maude Bell.—Hon. Mr. Proudfoot.

Bill E4, an Act for the relief of Thomas Henry Foster.—Hon. Mr. Mulholland.

POSSESSION OF WEAPONS BILL

SECOND READING—REFERRED TO SPECIAL COMMITTEE

The Senate resumed from May 3 the adjourned debate on the motion of Hon. Mr. Belcourt for the second reading of Bill M3, an Act to amend certain provisions of the Criminal Code respecting the possession of Weapons.

Hon. Sir JAMES LOUGHEED: I had not intended making any observations upon this Bill. I simply directed the attention of the House to the desirability of permitting it to stand until further consideration could be given to it. I understood that the Minister of Justice was sending up to this Chamber a Bill amending the Criminal Code respecting firearms and weapons; but my honourable friend from Ottawa (Hon. Mr. Belcourt), who has charge of the Bill before the House, has directed my attention to the very immaterial amendments to the Code in that regard in the Bill that is coming from the House of Commons. May I ask my honourable friend from Ottawa what his intention is in regard to the Bill which he has before him?

Hon. Mr. BELCOURT: I had hoped that the Bill was of sufficient importance and would command sufficient interest to cause some discussion on the second reading, and I had hoped my honourable friend would give the lead in that regard. I am vain enough to think that the Bill is one of considerable merit, and I think it is one which is quite in line with public opinion. I think the people of the country realize that a measure of this sort must be adopted. My honourable friend speaks of the Bill which the Minister of Justice has sent to this House. I have read it, and there are only a few lines in it touching the fringe of the subject dealt with in my Bill. The fact is that it deals only with weapons in the hands of aliens, whereas my Bill deals with the whole subject from A to Z. I am

sorry if no honourable gentlemen have thought it of sufficient importance to look at the Bill and offer their views. I was hoping that we might benefit by the opinions of honourable gentlemen here, especially that of the leader of the Government.

Hon. Sir JAMES LOUGHEED: I hope my honourable friend from Ottawa will not take offence at my not having made myself acquainted with the full details of this particular Bill. It just happens that I have been somewhat absorbed in other measures with which I have had to do, and which have occupied all my attention. If my honourable friend sees his way to allow the matter to stand for a day or so, I shall be very glad to look into the Bill, and to express to the House my views upon it.

As I intimated the other day, there are some very important principles involved in the Bill. There is the interference with the industry of manufacturing firearms and weapons, which since the war has assumed considerable magnitude. Then there is of course the other feature of it, which is not to be overlooked, that the importation of weapons and firearms is very considerable. Then there is the feature of the stocks-in-trade throughout the whole of Canada, which must represent the investment of a very considerable amount. All these matters should receive every consideration in dealing with an amendment to the Criminal Code.

As it is desirable that the Bill should receive a good deal more attention, I took the liberty of suggesting to the honourable gentleman to-night that a good deal more attention could be given to the Bill, as it affects the various interests involved, if it were sent to a special committee, where those interested in the trade or in the promotion of legislation of this character might appear. In that way, if we had a report from the Committee the House would be seized of information that would permit of an intelligent debate upon the subject. To treat it as drastically as is proposed by my honourable friend is, in a sense, unique. It is something upon which it is somewhat difficult to express an opinion as to the action which should be taken. Hence it seems to me that the course suggested would be more advisable than to discuss the matter in a very general way without a knowledge of the facts.

Hon. Mr. BOSTOCK: Honourable gentlemen, I think this discussion is a little irregular, but I think the Bill brought forward by my honourable friend from Ottawa is one that should receive the serious attention of this House; because, as the Criminal Code stands to-day, no one is allowed to have anything in the way of a revolver or a rifle or any such article unless he be a farmer, and then he may have only a shotgun in his house, unless he has a permit or some other authority. That was the amendment which we made last session to the Code. I do not think that any great effort has been made seriously to enforce the Act throughout the country, but I presume it is open to some use by the Government if they wanted to use it in any particular case. The Bill as introduced purports to go into the matter very thoroughly, and deal with all the different weapons of defence, which are very often carried when it would be very much better if they were not. We should certainly try to arrange to give some attention to a matter of this kind. The honourable leader of the Government has said that the Bill might affect the business of the manufacturer of firearms and other manufacturers in the country; but I presume that the Government has had representations made to it on account of the clause at present in the Criminal Code. We are getting near a late period of the session, and if this Bill goes to a committee this session, of course we shall not be able to deal with it in time to get it passed into law; but if the Bill is going to be a very serious interference with important businesses in the country, if adopted at the present time, it might possibly be well to adopt the suggestion of my honourable friend and send it to a special committee before which manufacturers and others interested in the question could appear and give evidence. I feel very strongly with my honourable friend the Senator from Ottawa, that we should take some steps to deal with this question in an intelligent and comprehensive manner, because of the danger of numbers of people going about with those weapons in their pockets and of such accidents as we read of from time to time happening because of people who should not have such weapons in their hands using them indiscriminately. That is a very serious danger, and an evil that I think should be stopped as soon as possible.

Hon. Mr. BELCOURT: In view of the fact that the honourable gentleman is not prepared at this juncture to discuss the Bill in detail, I think that probably the

best thing I could do would be to adopt my honourable friend's suggestion and let the Bill go to a special committee, in order that persons who have objections to the Bill or suggestions to offer may come and give the committee the benefit of their views. Of course, I apprehend that the sending of a Bill of this sort to a select committee at this stage will prevent it from being passed during the present Session; but I hope that it will have the effect of bringing greater attention and interest to the subject than has been shown to it up to this time. Within the last year or two newspapers in almost every Province in Canada were clamoring for a Bill of this sort, by reason of the negligence with which the law, ineffective as it is, was being put into force; yet it does not seem that the bringing up of the matter at this stage has even revived the interest of those who discussed it with great fervour not many months ago. The sending of the Bill to the committee may bring the matter more directly under the notice of those people, and also raise some opposition, and possibly the committee may thus find that some very valuable and important information will be brought out.

Hon. Mr. BENNETT: Would it not be well to provide that the Bill, if it became law, should not come into force until a certain time, say a year. That would afford those who might have objections an opportunity of discussing the provisions of the Bill.

Hon. Mr. BELCOURT: I have that in the Bill.

Hon. Mr. BENNETT: What date is that?

Hon. Mr. BELCOURT: The first of January, 1922. In spite of the suggestion of difficulty in framing such a Bill, I make bold to say that when this Bill is examined carefully it will be found that it deserves a little more attention than it has received so far. But I accept the suggestion of my honourable friend the leader of the Government that the Bill be sent to a select committee. I have not the names at this moment, but if I am given permission I will get the names. I understand my honourable friend will agree to a committee of nine, say?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BELCOURT: Then perhaps he will allow me to consult with him as to the nomination of the committee, and then the motion can be put.

Hon. Mr. BELCOURT.

Hon. Sir JAMES LOUGHEED: I am quite agreeable.

The motion was agreed to, and the Bill was read the second time.

PUBLIC HARBOURS BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Mr. Casgrain, the Senate went into committee on Bill 40, an Act to amend the Canada Shipping Act (Public Harbours). Hon. Mr. Beaubien in the chair.

On section 1—penalty for breach of harbour regulations increased:

Hon. Sir JAMES LOUGHEED: Can my honourable friend say what the clause is that we repeal?

Hon. Mr. CASGRAIN: I am afraid I cannot. I am very much like the leader of the House; I am not able to give the information to-night. I suppose we shall have to move that the Committee rise and report progress, if my honourable friend insists.

Hon. Sir JAMES LOUGHEED: I do not insist upon it.

Hon. Mr. CASGRAIN: I really regret very much that I am in the position that my honourable friend very often is; but I think it would be a pity to delay this bill, seeing that it has had the assent of both sides in another place, and if the honourable gentleman will give me time I will hunt up the statute and give that.

Hon. Sir JAMES LOUGHEED: On the third reading we can get that.

Hon. Mr. DANIEL: I would like to know what the Bill is about, any way.

Hon. Mr. CASGRAIN: I regret that the honourable gentleman was not present to hear the remarks I made on the Bill on its second reading. I explained it very fully, and if the honourable gentleman had heard my speech he would know all about it. The Bill consists of this. At present the maximum fine that the Government can impose upon any one causing any damage in a harbour while cleaning ships, etc., is only $100. Now, with the great use of oil for fuel, when oil tanks are being cleaned the oil is allowed to be spilled on the water, and only recently an accident took place. Some one by mistake threw a red-hot bolt into the water, and the oil took fire and caused one of the wharves to burn. When remonstrances

were made to the ship-owners, the Government said that they should clean and empty those oil tanks when they were on the ocean, and not inside a harbour. The small amount of $100, however, was not sufficient to cause them to take heed, and the Government, I understand, would like to have the right to raise the penalty to $1,000. I understand the Bill was accepted by the Minister of Marine and Fisheries because he considered it advisable.

Hon. Mr. DANIEL: I quite agree with the honourable gentleman, and the statement he has made is one that should be brought to the attention of all who have anything to do with the harbours of Canada. I know that the same trouble has arisen in the harbour of St. John, and also the question of penalties to be put on ships allowing oil waste to be discharged on the water in the harbour, and so becoming a menace from fire. This practice involves another danger—that of killing fish where the waters are inhabited by them. I would be very glad indeed to support the honourable gentleman in forwarding and bringing to a finish any legislation that would control that matter, and put an end to the trouble. It is a very important subject.

Section 1 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

WEDNESDAY, May 11, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

ANSWERS TO INQUIRIES

Hon. Mr. CASGRAIN rose in accordance with the following notice:

That he will call the attention of the Senate to the incomplete and unsatisfactory answers given to questions asked of the Government by members, and to the unnecessary delays in obtaining the information.

He said: Honourable gentlemen, I expect that this complaint of mine will be useless. I had hoped that I might have got satisfactory answers to some inquiries, but I regret to say that for a long time, not only in this Session, but in other Sessions, I have not been able to get them. I want to say clearly that I do not blame the leader of the Government at all, because he simply hands the question to some official of the House, who sends it to some Department, which simply telegraphs the wording of the question, for instance, to Toronto, and naturally the answer comes back, "We don't know anything about it." I have asked what is the total ascent in feet on the Transcontinental railway between Winnipeg and Quebec. That is not a difficult question, but the answer presented to this House was ridiculous. It said that the ascent was some 9,000 feet, which is more than the adverse grade from ocean to ocean. Therefore I asked the leader of the Government to withdraw the answer so that it would not appear as though the Government had no idea of the thing at all. That is only one of the answers I have received. I have asked many other questions, and in reply to some of them I have been told to look at the books myself. As I say, I do not blame the leader of the Government at all, but it seems to me that the system in the Government departments is absolutely disorganized. Nobody seems to care. When I went to the Railway Department to get some information, the Assistant Deputy Minister of the Department at first was not even polite. But before I got through with him he was polite. Then he told me he would telegraph again. I said: "Telegraphing will do no good. You have stenographers here, and lots of them: you can get one of them to write a letter with the explanation that I have given to you." If nobody in the Railway Department can tell what is the total of adverse grades between two points in this country, the sooner we get somebody else in charge of those railways the better. The information is available on all the other railways. Those figures I have.

Another statement was that for the C. P.R. the information is unavailable. Now, that information has been on record in the Department for years and years. They said they could not get it. Once more, for the third time, I say I do not blame the honourable leader of the Government. All he can do is to send down for the information. But I say the whole Civil Service is disorganized, and what is disorganizing it more than anything else is that so-called Civil Service Commission, which simply sends people to the various departments, where they are absolutely lost.

Under the old system a Deputy Minister had charge of a Department and saw that his officials did some good and answered questions that were asked.

Hon Sir JAMES LOUGHEED: Honourable gentlemen, I am glad that my honourable friend from De Lanaudière (Hon. Mr. Casgrain) has acquitted me of any want of courtesy with regard to answering the various questions he has submitted to the House. While there may be a reason for the delay which has taken place, yet it is quite possible, if the different Departments exerted themselves to the full extent of their energies and their numerical strength, that my honourable friend's questions would be answered.

But there is this to be remembered, that with the demands that are made during a Session of Parliament upon the various Departments, and particularly those branches which are largely statistical, it is difficult to meet all the requirements of both Houses. In the other branch of Parliament members are even more inquisitive than in this House. There seems to be a thirst for information which is really insatiable; and when one does bring down the information, it does not satisfy those who have demanded it.

Let me illustrate to my honourable friend, so that he may exercise a little charity towards the officials who are charged with those responsibilities. A particular case occurred in this Chamber a few Sessions ago, in which an honourable member, in his thirst for information, placed upon the Order Paper a motion for certain papers to be brought down. They were brought down at an expense of something like $1,000. It took nearly that amount to prepare the return. When he saw the magnitude of the papers placed upon the table of the House, it gave him considerable surprise. "Why," he said, "I had no idea that my questions involved the preparation of so much documentary evidence. If I had known that, I would have called at the Department and have asked them the questions."

That perhaps is an exceptional case, but if the honourable gentleman whom I have in mind had been good enough to step into the Department instead of placing that particular question upon the Order Paper, he could have had his question answered and would have saved the exchequer of the country at least $1,000; because the furnishing of the information involved telephoning all over the Dominion and the preparation of voluminous documents, which, when they were placed upon the Table, were not even looked at. That occurs time and time again, and I would respectfully suggest to honourable gentlemen that they could obtain information very much more easily by attending at the Department and asking the Minister of the Department to secure the information they wish. I do not for a moment question the right of honourable gentlemen to seek information in Parliament, but there is a much more expeditious and easy way of acquiring it, and I fancy that honourable gentlemen who really want information would be able to satisfy themselves by acting upon the suggestion which I have made, rather than by taking the circumlocutory way that is adopted in placing on the Order Paper either an inquiry or a notice, so that the attention of the Senate may be directed to a particular subject. I make this suggestion with all deference —not for a moment seeking to obtrude my opinion upon the right of honourable gentlemen to make inquiries in the usual way. I would merely suggest that we could expedite the business which we have in view by adopting the other means.

Hon. Mr. CASGRAIN: The Departments were asked for information, but they simply refused to give me any.

Hon. Sir JAMES LOUGHEED: They should not do that.

Hon. Mr. CASGRAIN: They do not even say, "Go to the Minister." They say, "We have no right to give information here: if you want it, put a question."

Hon. Sir JAMES LOUGHEED: If my honourable friend would be good enough to give me the names of any officials who treated him discourteously or refused him information, I shall be glad to draw the attention of the Government to the matter.

Hon. Mr. CASGRAIN: I was so often told in the various Departments that they could not give the information, and that if I wanted it I must place an inquiry on the Order Paper, that I gave up going to the Departments. That is why I ask so many questions—because every Department seems to be hermetically sealed.

Hon. Mr. BELCOURT: I would like to draw the attention of this House to what has been my own experience, though it has been not nearly as frequent as that of my honourable friend to my left (Hon. Mr.

Casgrain). I have been told in the Departments that information of this kind would not be given even to a member of Parliament, that it would have to be asked for in the House. I think the impression exists in some of the Departments, if not in all of them, that Senators or members of the House of Commons are not entitled to go to a Department and get any information upon these public matters. I think my honourable friend will find that that is the impression throughout the Civil Service, and that Deputy Ministers think they are not justified in handing information even to members of Parliament, but that we are placed on exactly the same footing as persons who are not members of Parliament.

Hon. Sir JAMES LOUGHEED: I would say to my honourable friend from Ottawa that the Minister is almost invariably available, and would be only too glad to give instructions in his particular Department for the information to be furnished.

Hon. Mr. BELCOURT: That may be so, but I understood my honourable friend to say that the Deputy Ministers would also give the information if they were asked. I want to draw my honourable friend's attention to the fact that the Deputy Ministers do not think they are authorized to give that information. I would not have mentioned this but that the matter has come up. Personally I am not very inquisitive. In all my years in Parliament, over a quarter of a century, I have asked only one question, which my honourable friend answered the other day.

CANADIAN NATIONAL RAILWAYS

THE PROPOSAL OF LORD SHAUGHNESSY

Hon. L. O. DAVID rose in accordance with the following notice:

That he will call the attention of the Senate to the letter of Lord Shaughnessy re solution of the Canadian National Railway difficulties and inquire whether the Government intend to take action in regard thereto.

He said: Honourable gentlemen, I was induced to make the present motion by the idea that it would be a proper subject for a useful and interesting discussion. The anxiety produced by our war obligations has been increased considerably by the disastrous situation of our National Railways, and in all parts of the country people are asking: "What is to be done? How will the Government meet so serious difficulties and solve such a disturbing problem? What remedy can be applied?"

There is no doubt that both parties have been imprudent in connection with the railway question, by authorizing a multiplication of lines exceeding the present needs of the country and unable to pay before twenty or thirty years. But before the war, in view of the extraordinary development of the country, discounting the needs and the brilliant promises of the future was general, and in all the spheres of our social and our political world—everywhere, in Montreal as in all other towns—thousands of people invested money in the purchasing of land. They seemed to be under the impression that there was lots of gold in each piece of land they bought. Even if there had been no war, a reaction was inevitable; but naturally the financial crisis would have been less disastrous. Anyhow, whether the Laurier Government were wrong or not in authorizing the construction of the Canadian Northern Railway and of the Grand Trunk Pacific, and whether the present Government were wrong in assuming the responsibility of purchasing these railways, is not a practical question and will not solve the alarming problem. But, in order to do his duty towards his country, to do what is right, a public man must, raising his mind above party considerations, seek a remedy for the situation and suggest what he thinks proper. When one thinks of the elements of prosperity and grandeur which Canada possesses, when a public man especially is convinced that it is destined to be one of the richest and most prosperous countries of the world, he cannot but have a deep feeling of anxiety about the actual state of things.

It was, no doubt, under the influence of those patriotic feelings and motives that Lord Shaughnessy judged proper to suggest what he thought required by the deplorable situation of the country. All those who are convinced that government ownership and administration of railways is disastrous, as clearly demonstrated by experience in Canada as in almost all the countries of the world, cannot but congratulate Lord Shaughnessy on having laid before the country a scheme so worthy of consideration. There are many members of the House of Commons and members of the Senate who voted with reluctance for the Bill authorizing the Government to buy the Grand Trunk, because they thought it was the necessary consequence of the buying of the Transcontinental and of the Canadian Northern, and they saw nothing else to do. How many in the Parliament and in the country are convinced that the administration of the

National Railways, including the Grand Trunk, will make our financial situation worse, and will constitute an intolerable burden to our country.

Government ownership and administration applied without discrimination is one of the great fallacies of our times, as is clearly demonstrated by what is taking place in Russia, and as shown by the results of the operation of that scheme in the United States. Government ownership and administration of industries are the curse of our civilization, of rational and private progress, of human activities and energy, of the initiative efforts of talent and genius. Unfortunately, we are living in a time when people are easily convinced that they will find happiness in the destruction of the laws of nature and of the foundations of social, political, and religious order. But our country is not yet at the mercy of the preachers or partizans of radical theories and we may lay the foundations of our future before it is too late.

But let us come back to the consideration of Lord Shaughnessy's letter. I repeat that all those who are opposed to the administration of our railways by the Government must be happy to consider a scheme which would avert what they consider so dangerous. I don't contend that the scheme is perfect and cannot be modified; but, being the only way offered to our consideration in order to avert the evil which threatens the country, we must treat it with due regard and sympathy. How often it has been said that the National Railways, including the Grand Trunk, ought to be administered by a special company, organized and operated as much as possible in the way and manner established by the Canadian Pacific Railway! And even how often it was said that the C.P.R. was the sole company in a position to operate those railways in the interest of the country! Well, Lord Shaughnessy's scheme must give satisfaction to people so speaking. It is true that the Government would become owner of the National Railways, including the C. P. R., but it would have nothing to do with the administration of the same, which would be done by the C.P.R., one of the best organized and administered corporations of the whole world. The rolling stock, the terminals, and everything used in the operations of the different lines of railway, would be common, and there be only one administration, one direction. It cannot be denied that the result of such unification and administration would be a considerable reduction in the cost of equipment, rolling stock, and management of the system. How many millions would be saved only by the doing away of the duplication lines and by the transfer of rolling stock where most needed. It cannot be denied that a company can do what a Government cannot do in order to reduce the expenses connected with the administration of a railway. That has been clearly established by figures lately published, and showing the difference of costs and revenue in the administration of the C.P.R. and of the Government railways. There cannot be two opinions on the advantages to be derived from the unification of our railways, and from their administration by the powerful Canadian Pacific Railway Company. I do not think it is necessary to cite the opinion of Lord Shaughnessy on that point.

But there are objections? What are they? It is alleged that the Shaughnessy scheme would create a monopoly—a dangerous monopoly. But, in view of the control which the Board of Railway Commissioners has upon the rates and doings of the Company, it is difficult to see how that monopoly could be so dangerous. The powers of the Railway Board are such that the harm done by monopoly would be little and would not last long.

It is alleged that the lack of competition would paralyze the spirit of emulation, which is a powerful element of success. I don't see how that lack of emulation will prevent the able officers of the Company from continuing to do their duty, and will affect a system of administration so well established on sound and permanent foundations. At all events, the harm done by that lack of emulation would be more than compensated for by the advantages which will be derived from the administration of our whole system of railways by one sole Company, with one sole Board. The operations of a system of railways by the Government and of another system by a company must necessarily be detrimental to both. A time may come, and it will come, when our Government will be composed or controlled in such a way that they will undertake to give satisfaction to the partizans of Government ownership by taking possession of the C.P.R., and they may organize against the company such a competition that it would be forced to submit to the will of the Government. We may have an idea of what would happen then from what has happened elsewhere. It would be the ruin of the C.P.R., and of the whole system. The ruin of that Company would be a national

calamity. Then it is proper, opportune, and wise to do what is required to avert such a calamity, and it is one of the reasons which would induce me to vote for the scheme proposed by Lord Shaughnessy

As I said a few days ago, the world is drifting towards extreme democracy, and the Parliaments everywhere will be controlled by partizans of radical opinions. Let us do what is necessary to protect and preserve our national and social institutions; let us secure their future as much as possible. Lord Shaughnessy is too intelligent, his mind is too farseeing not to foresee what will happen before long, although Canada will be one of the last countries where their radical theories will prevail, and, I am happy to add, because in great part of the sound principles of the Province of Quebec.

The most serious objection to the scheme of Lord Shaughnessy consists in the fact that the Government would assume the obligation of paying the dividends to the shareholders of the company and would have to meet the deficits, if any occur, in the operations of the railways, while the Company will keep as its assets everything it possess outside of the railway system, such as lands, hotels, steamships, irrigation projects, etc. All the risks of the enterprise would be on the Government side, and it is alleged that it should acquire the assets of the Company to provide for the possible deficits. There is something in that objection, and it might be possible to modify that part of the scheme, if necessary, in the negotiations which may take place. But, considering that the effect of the scheme would be to amalgamate a rich and powerful company with bankrupt corporations, we cannot expect that Lord Shaughnessy would not protect and preserve the interests of the shareholders of his Company, that he would betray their confidence in his ability and honesty and take such a responsibility without taking all the just and reasonable guarantees which they would require. No, but he thinks and he has reason to think, and to say, that he would reconcile the interests of his Company with the interest of the country. He is convinced, and we must share his conviction, that the unification or amalgamation of all our railways and their administration by his Company would save the country millions and millions of dollars, reduce every year the deficit, and probably succeed in restoring completely the financial situation of the railways. It is said by the Montreal Gazette:

> If amalgamation of the roads would not end the day of deficits, it would make reduction possible, and there is reason to believe that under a single operating company both deficits and rates can be substantially cut down.

I do not think it necessary to go into all the details of the scheme, and I do not pretend that it cannot be modified; but even as it is, it offers to the Government and to the country the only chance of success—"planche de salut," as we say in French. Placed as we are between the continuation of a state of things which threatens so seriously the financial situation of the country and a scheme which will certainly improve the situation, the choice is easy. The country is in the situation of a sick man to whom is offered the only remedy that can save his life. He would take the remedy even if he did not like it. Well, the country is sick, and its sickness, instead of decreasing, will become more and more dangerous if the only remedy that can save his life is rejected. The letter of Lord Shaughnessy has roused everywhere a feeling of relief, it has had upon public opinion the effect of the rays of the sum through a dark and cloudy sky.

I know that much more may be said for or against the Shaughnessy scheme. I have contented myself with considering it in its general lines and general results, leaving to the honourable members of this House the task of treating this important question with more ability and effeciency, but not with a greater desire to do what the interest of the country requires. All who love our country and wish to see it happy and prosperous have reason to be anxious about the railway question, and I am sure that in the consideration of the Shaughnessy scheme they will consult only the interest and the needs of Canada. Partizanship, personal and selfish motives, have no place in the consideration of such an important question, when the welfare and the future of the country are at stake.

I hope honourable members of this House will continue the discussion of this question. I have always contended that the Senate is composed in such a way that it is able to discuss any question, not only in the interest of the country, but in the interest of the Senate itself.

Hon. HEWITT BOSTOCK: Honourable gentlemen, my honourable friend from Mille Iles (Hon. Mr. David) has brought up this question to-day with every desire to have it discussed in this Chamber. The railway situation in this country to-day is

a very serious one, and one which demands the consideration and attention of every member of this House. But I question very much whether we are in a position to say definitely what is the best course to be pursued. As I see the matter at the present time, we who have had an opportunity of studying this question for some weeks realize that some steps will have to be taken in order to deal with the railway situation, and, if possible, to bring about a remedy. There is at the present time in the House of Commons a Committee inquiring into certain aspects of this question, and until we see the results of that inquiry we shall not have before us sufficient information to enable us to discuss this question as I think we should discuss it.

The proposal made by my honourable friend that we should discuss the memorandum distributed to the members of Parliament by Lord Shaughnessy is a laudable one; but I think it deals with a matter that is really one for experts, and one which it would be very difficult for members of this House to criticize and to say what the effect would be. The feeling all through the country is, I think, that it is questionable whether it would be good policy to have a monopoly extending from one end of the country to the other in the hands of one organization. I think that many people in the country, while they wish to see some policy adopted which will improve the situation, are not satisfied that a complete monopoly in the hands of one organization would be a satisfactory solution of the difficulty. The danger is that a monopoly of that kind would be so strong that the problem of controlling it would be a very difficult one, and the fear is that the results of creating such a monopoly might be worse than the evils with which we are confronted at the present time.

No doubt we all realize the difficulty of the Government, with this enormous organization on its hands to-day, in getting men of responsibility as officials for the organization and for the work of the railway system who will really give the service that they would give if they were working for a private company. That always seems to me one of the troubles of Government operation or organization.

Hon. E. L. GIRROIR: The honourable gentleman has stated that it would be very difficult to get officials working under Government ownership to give the attention to their work that they should give to it. I agree with him. But is not one of the reasons for that the fact that we cannot dismiss Government officials except after a very long inquiry, and after taking a great deal of evidence, whereas a private company can dismiss men on the instant if they do not do their work properly?

Hon. Mr. BOSTOCK: The question the honourable gentleman has asked may be a very pertinent one. Of course, the Government have endeavoured to meet that situation by handling the operation of the railways as a company instead of as a direct Government work. It has always assumed that the Canadian National Railway Company are in the same position as any other company; that they are not interfered with in any way by patronage or influenced by members of Parliament or others throughout the country, and are therefore in a position to deal with officials and employees in practically the same way as a private company would. I am not prepared to say whether they have been able to carry out their business under this organization in that way or not. Possibly the Committee that is sitting at the present time may be able to give us some information in regard to that question.

But there is no doubt, as I have already said, that there is great difficulty in getting the employees to give the same care and attention to their work and to perform it with the same energy as they do when employed by a private company. I fear also that there are at the present time a great many more employees than would be the case if the railways were in the hands of a private company. The same thing occurred in the United States. No doubt honourable gentlemen have seen the statement made in the newspapers that the American railways, when they went back into the hands of the managers of the companies, found that they could dispense with many of their employees. This all goes to show that unfortunately a condition arises when a government is handling a large organization like a railway company under which they somehow have to take on more employees than are apparently absolutely necessary.

The railway question is really the most important question that we have before us to-day, because I think we have reached the point in this country where no relief can be obtained by way increased rates. The rates were increased last fall, and the effect was to interfere seriously with the business of the country. In a country such as Canada, with such long distances to be traversed, where goods have to be carried from points inland to the sea, if

there is to be an export trade built up, there must be low freight rates. Therefore we are faced with a tremendous difficulty, because we cannot help the situation by an increase of freight rates. The railways are a most important element in the building up of this country, and the development of the business of the country will very largely depend on how the railway situation is eventually worked out. The railway question to-day is much more important than any question that may arise as to an increase or a decrease in the tariff. The railways of the country must be developed to enable the people of the country to transport their goods from one end of Canada to the other, or from the centre to the seaboard for the purpose of exporting to the markets of the world; and unless we can work out a system of railways that will enable us to do that, I think we shall find that the country is really in a very serious position.

I do not want to take up the time of the House longer. We have heard before, a great deal about the railway question. I would only say that I think honourable members of this House can do very little more than discuss the question. The solution of the difficulty lies with the Government itself. The Government is in such a position that it can call to its councils the most expert and the best railway men on the whole continent, and after consulting with them can lay down the policy that is to be followed in the future. But of course they are in this position to-day, that until the question of the Grand Trunk, which was before us the other day, is finally settled, they cannot take any definite step. It is with hesitation I make these remarks, for the purpose of bringing forward the situation which, as it seems to me, is facing the country at present. With regard to this memorandum of Lord Shaughnessy, it is evident that he is anxious to give advice to the Government if they desire to accept it; and every man in the country who has had such experience as his in handling railways, would perhaps only be desirous of giving testimony as to what be considered to be the best way of dealing with this problem. We must therefore appreciate very highly the action taken by Lord Shaughnessy in bringing this matter forward.

Hon. GEO. LYNCH-STAUNTON: Honourable gentlemen, it may not be of much interest, but perhaps a little discussion on this question in this House may help in some way; and everybody knows that this is an occasion on which help is needed. In my opinion, the Government of this country —and I am speaking quite irrespective of what party is in power— is not capable of formulating a railway policy, for the reason that no man is capable of outlining a policy for a business in which he is not thoroughly experienced. One may have many theories, but in nine cases out of ten theories fail when they are brought into practice. In my judgment the Government should look about and see what railways have succeeded, and why.

We know that in Canada only one railway company has made a success of its enterprise. We know also that the railway company which has had the best territory, the finest terminals, and the greatest access to business in Canada, has miserably failed, although it was first on the ground, and had every opportunity that a Canadian railway could have to succeed as a business enterprise. Why has that railway not been a success, and why does it find itself in a position of bankruptcy? In my humble opinion it is because it had not at its head, in the country where it was operating, a first-class executive of experienced railway men. It was governed from England by a Board of Directors who knew nothing of Canadian affairs, Canadian life, or Canadian business; and, as far as I can hear, it has never had an era of prosperity since it began to lay its rails in 1859 or 1860. Therefore it is not to that railway and its management that this country should apply for advice.

In my judgment the Government should first realize that it is incapable of formulating a policy for the operation of an enormous railway system such as we have in this country; then it should look about for the best, most experienced, most successful railway man in America, and ask his advice as to who should be made the permanent head of this great Canadian system. Any man who had risen to that exalted position would feel that he had a great opportunity of doing something for his country if he were to accede to the Government's request, and give us his best advice. If there is such a man, the Government should unhesitatingly adopt his selection, and leave him free to surround himself with a small executive whose business it should be in association with him, to manage this road. They might then put on ornamental directors from each of the provinces, to satisfy what they call public clamour—to which, if I were Czar in this country, I would pay no attention in the management of that railway. All Governments feel that they must listen to public opinion; but public opinion on a

question of this kind is about as ignorant a guide as one can possibly follow. However, if I had such men put on as directors, they would be purely ornamental. The Canadian Pacific has an executive in Montreal such as I have suggested; and its entire staff of employees, from the President down to the most humble servant, exhibit an esprit de corps which I have never seen equalled in any band of men in my life. I have talked to the men on the Canadian Pacific, from the high-ups to the very low-down, and I never knew a man who did not speak with enthusiasm of the organization and of all the people in it. That is the greatest asset that a railway could have. That great soldier, Foch, said the other day that the reason why the Allies succeeded was because they had a wonderful esprit behind them, and that the reason why the Germans failed was because, in the end, they had no esprit behind them. Nothing can succeed without that, and the first and most fundamental thing is to create and foster in the staff that feeling of enthusiasm and devotion to their cause. It will require a great man and a great executive to achieve such a success as that.

I attended a meeting of the Railway Committee the other day, and I heard one of the vice-presidents say that the executive of the Government railways was a changing body; that any directors who drifted into the meeting formed the executive. To my mind that was an appalling statement. I should have thought that the executive would have been chosen of men whose business it would be to be present at that Board and keep themselves posted as to what went on. I know of no corporation in this country, which has an executive, that would allow any members who do not keep themselves informed in the affairs of the corporation to remain on the board. The executive is the governing body, yet in this National railway we have directors who came from all parts: one may drop in from Nova Scotia, another from Winnipeg, and perhaps attend three meetings in a year, and yet remain members of the executive. That is a fundamental mistake which, in my humble judgment, would not be tolerated if we had a great man at the top of the organization.

Another thing which I think must be avoided by the Government is to allow either the Intercolonial or the Canadian Northern or the Grand Trunk or the Transcontinental to be the dominant factor in this system. In fact, it seems to me an absolute necessity that the head of this railway should not be chosen from any one of those organizations, because there are bound to be—and nowhere more prominently than in the public service—jealousies and heartburnings, so that if a man from the Grand Trunk is put over others in the system, it is looked upon as favoritism against the Canadian Northern and towards the Grand Trunk—favoritism by the chief manager for his own friends of one line as against the other. Thus there would grow up a spirit of discontent and rebellion which, above everything else, should be absolutely avoided in a business corporation. This National railway will never succeed so long as the officials take the view expressed by a man, whom I admire very much in other respects, who said in my hearing. "Oh, well, if you do away with such a train the public will not tolerate it." Why, the business of the management of that road is to run it in the interests of the country as they see them, not as every Tom, Dick, and Harry on the street, who know nothing about it, may think. I saw in a speech made in another place last night the statement that there are twenty passenger trains running between Ottawa and Montreal.

Hon. Mr. CASGRAIN: That is right.

Hon. Mr. LYNCH-STAUNTON: If I recollect correctly, there were four on the Grand Trunk, five or six on the Canadian Northern, and ten on the C.P.R. They cannot all pay. In any business with which I am connected, what do we do when we find that anything does not pay? We discontinue it. When a man is running a great plant and is not making money, he closes down; he does not ask, "Will there be an outcry in the Montreal or Ottawa, newspapers if we discontinue this train?" No; he finds out whether or not it pays, and if it does not, that train is cut off.

The other day when I made this statement I was asked, "Would you hand the business to the C.P.R.?" I would hand all the unpaying business I could to the C.P.R. This is a business proposition, not a political question. It is a problem of profit and loss, and where losses can be lessened it is the duty of the railway company to lessen them. If necessary, we should cut down passenger trains to the minimum, so as to give the right of way to freight, because everybody knows that the backbone of a railway is the freight. Expedition in carrying freight gains new business for a road. So I would clear the

road of the unpaying passenger trains so far as possible, and give more way to freight; that is how to get money into the chest. So far as I can see, these things are not being done. When a gentleman who was before the committee the other day was asked what was the cost of a train from Ottawa to Toronto, he could not tell. I venture to say that any experienced railway man, if asked to put on a train between Ottawa and Toronto, would be able to tell what the additional cost to this country would be in doing so; and, if he could tell that, he could surely tell what it would cost to operate it, and he could with a shingle and pencil figure out whether it was or was not paying. It does not seem to me that a man who says he could not tell is profoundly skilled in the art of running a railway.

Hon. Mr. CASGRAIN: He didn't want to tell.

Hon. Mr. LYNCH-STAUNTON: Perhaps not, but he said he could not, and I take his word for it.

Hon. Mr. CLORAN: Is he a railway man?

Hon. Mr. LYNCH-STAUNTON: He is one of the officials of the railway.

What I arose to say was that the first and last duty of the Government is to seek, as the honourable leader of the Opposition said, the advice of the greatest railway man in Canada or in America, and unhesitatingly follow it.

Hon. J. G. TURRIFF: Honourable gentlemen, there is no doubt that the question brought up by my honourable friend from Mille Iles (Hon. Mr. David) is one of the most important that the people of Canada have to deal with at present, or will have for a great many years to come. The question is, how best this task can be accomplished. Personally I do not agree with the conclusions of my honourable friend, that the best way to save the situation would be to have the Canadian Pacific Railway Company take over the management of the Government railways. There is no doubt whatever that the Canadian Pacific is an extremely well-managed company, and I agree very largely with what has been said by the previous speaker. It seems to me that if the Government roads were handed over to the C.P.R. to operate, and the Canadian Pacific road itself were taken over by the Government, as proposed by Lord Shaughnessy, the Government paying the dividends on the C.P.R. stock for all time to come, that very method would do away with the good management that has characterized the C.P.R. Why? Because you would put it on exactly the same footing as the other railways—that the Government would have to pay the dividends on the C.P.R. stock anyway—and from that time forward you would lose a great deal of the esprit de corps of which my honourable friend spoke, and which is undoubtedly a tremendous asset. Then you would get the lassitude and let-it-go spirit that prevails on Government railroads, and practically on all Government works. You would not get the snap and the up-to-date methods and the hard work of the men who are now operating the C.P.R.

Honourable gentlemen will further notice that Lord Shaughnessy does not suggest handing over the whole Canadian Pacific property. He only proposed to hand over the railway itself. He intends to keep a great many of the assets, running up into some hundreds of millions. I suppose, that would be very fine paying propositions outside of the railway. For instance, the C.P.R. company have a big fleet sailing on all the seas. If they had control of all the railways, don't you think it would be a very easy matter, and a very natural thing, in making through rates, we will say, from the western parts of Canada to the markets of Europe and Asia and other parts of the world, to make such rates that the railroad end would work practically for nothing, and that their ships that carried the freight would get the big end of the profits? That would be almost absolutely certain to happen; you could hardly expect anything else if you put them in a position to control all the rail-carrying of Canada. To my mind that is not the solution of the question.

My honourable friend stated a moment ago that the Government was not in a position to establish a railway policy. I am not sure whether my honourable friend stated that the Government was not in a position to operate the railways; but anyway he said they could not establish a railway policy. If that is the case, the Government should not have taken over the roads, either the Canadian Northern or the Grand Trunk. But that is done now, and I do not think that it is going to be of much use to discuss at present whether it should have been done or not. But take the roads of the United States. When a road got into trouble there and was not able to pay its way, the Government did not take it over. There is not a big road

in the United States that has not been through the hands of a receiver. Some of them have been through the hands of a receiver two or three times. And those roads never stopped operating. The men who originally put their money into the railways probably lost money, but eventually the lines were recognized and worked by private enterprise, and in many cases became very successful. The United States railways are not in good condition now, simply because the United States Government took them over during the war, and they were allowed—at least, the railroad owners so stated—to run down. Those railroads have been taken back by the owners. The fact that they are in bad shape at the present time is largely due to the conditions following the war.

But to my mind the way to deal with this subject is this—and it is only the opinion of a layman who knows not a great deal about running railways. My honourable friend who spoke before me pointed out the number of trains running between here and Montreal. Honourable gentlemen, that same thing is going on all over the country. In a report made by the Government Railways it has been shown that there were trains running in the West that paid a revenue of 35 cents a mile and cost $2 or $2 and some cents, to operate.

Hon. Mr. CASGRAIN: More than that.

Hon. Mr. TURRIFF: Now, that sort of train service should be eliminated. There is one of the troubles with Government-owned railways. We have observed it all our lives in connection with the Intercolonial. Whenever in the last twenty years it has been suggested that a train should be cut off there has been a howl from people in the lower provinces that they had to have that train whether it paid or not; and in most instances they were allowed to keep it and have two or three trains running for every one that was needed. The train service should be cut down to just the number of trains that can do the work, and let the people howl just as much as they like. I quite agree with my honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) that public opinion is a poor guide in that respect. The elimination of unnecessary train service would be one way to relieve the situation and cut down the tremendous deficit that we have each year.

There is another thing. The Government railroads to-day are overmanned. It was just the same when the Liberals were in power. I am not criticizing the Government in a party manner at all. It has been the same under all administrations. In fact, the best man there ever was at the head of the Intercolonial railroad, to my mind, was the late Frank Cochrane, who did his best to cut down expenses. But the railway system, like every other part of the Civil Service, is absolutely overmanned.

If the whole management of the Government roads could be put under one good man, I would not raise one word of objection. I would commend the Government if they paid a man $100,000 a year providing he was worthy of it. Why, a salary of $1,000,000 to the manager of 20,000 miles of railroad would cut no figure if he were the right man. It is only by paying a good salary that you will get the right man. That is the only way you will get good service. I think the Government railroads are now getting pretty well away from Government patronage foisting anybody on the railway executive. As my honourable friend stated, you want a railway executive composed of men who understand the railway business. The directors that have been put on the board of Government railways have not been railroad men. I absolutely agree with the statement of my honourable friend that the chief executive should not have been a man who had spent his life on any one of those railroads. I am myself quite convinced at present that the management of the Government Railways have their knife out for the Grand Trunk Pacific all the time, and are in favor of the Canadian Northern. It looks like that. There is the best track in Canada, and what is it given to do? Practically nothing. Practically nothing that can be avoided. A good man in charge of the whole railway system would put an end to that situation, and would use the system as it is to the best advantage, and to my mind that is what should be done.

My honourable friend (Hon. Mr. Lynch-Staunton) spoke also of the lack of esprit de corps on Government railways. I go further than that: there is no doubt that there is a lack and there will always be a lack of that spirit, but there is a lack of esprit de corps amongst the people of Canada. There are thousands and thousands of persons who could just as well travel by Government lines, but do not. On many parts of the Government railways I find just as good service as can be found anywhere on the continent of America. There are thousands of persons who would not step a foot aside to help the Government

railroads by patronizing them, although it is the people who must pay the deficit. If the people of Canada would only realize that, it would go quite a long way towards bringing about more of an equilibrium between receipts and expenditures.

Hon. Mr. CASGRAIN: The Government sent troops over the C.P.R.

Hon. Mr. TURRIFF: I can understand that a good many would have to be sent that way. But even the Government, I think, has been remiss in that respect.

Another point I want to mention is that the labour question on the railroads is such that, unless the Government takes steps to bring about a better system—a better rate of pay for the labourers we shall never get out of the hole we are in at the present time. It is all right for the Minister of Labour to make excuses and gloss things over. That does not help the matter. The fact remains that conductors and engineers are drawing $5,000 and $6,000 a year, and that station agents whose wages were $135 a month have drawn $224 for two weeks' pay, under the McAdoo award, getting double pay for overtime, and all that sort of thing. The rate of wages is not so exorbitant; it is the overtime that is piling up the cost. Imagine: 75 cents out of every dollar that is received for freight and passenger traffic—

Hon. Mr. WATSON: Eighty-five cents.

Hon. Mr. CASGRAIN: Eighty-five cents.

Hon. Mr. TURRIFF: Eighty-five cents of every dollar is paid out in wages. The thing is absurd, and the Government may as well make up their minds to bring about a change in that system, and the sooner it comes the better. The employees of the railway system can afford to take less pay, because the cost of living is coming down. Just think of it, honourable gentlemen: every dollar that this country is paying in income tax, which is a pretty heavy tax, is going out to pay the loss on the railways—

Hon. Mr. CASGRAIN: Twice that much.

Hon. Mr. TURRIFF:—largely caused by the over-payment in wages.

Honourable gentlemen, I do not wish to take up any more time. This is a serious question. It is one that must be dealt with, and the sooner it is dealt with the better. But to my mind it can only be successfully dealt with by reducing the cost of operation by fewer trains being run and by the people of the country coming to the rescue of their own railways. I do not think we can get over the difficulty by handing the railways over to the Canadian Pacific Railway Company or by guaranteeing their stock.

I agree with my honourable friend the leader of the Opposition that until we get the report from the Committee that is now dealing with the subject we are not in a good position to deal with it here. But I think it has been a good thing to start the discussion on this matter, and do what we can to bring about a better state of affairs than exists at present or is likely, if the same conditions prevail, to exist for many years to come.

On the motion of Hon. Mr. Boyer, the débate was adjourned.

UNMARRIED WIVES OF SOLDIERS

INQUIRY

Hon. W. B. ROSS inquired of the Government:

1. How many women were recognized as wives of men enlisted in the C. E. Force in the late war although not legally married to such men?
2. How many children were there of such illegal unions?

Hon. Sir JAMES LOUGHEED: This information is not available, and to obtain the same would entail an expenditure of approximately $100,000.

THE DIVORCE QUESTION

PENALTIES FOR THE OFFENDER

Hon. L. G. POWER moved:

That, in the opinion of the Senate, it is desirable that in the case of every divorce hereafter granted, whether by Parliament or by decree of a court or judge, the party whose misconduct has led to the divorce shall not be free to marry again and shall be subject to such penalties as Parliament may provide.

He said: Honourable gentlemen, I have to ask the indulgence of the House for the few remarks that I intend to make. As a rule I have no objection at all to interruptions or questions, but at the present time my hearing is so defective that I could not follow questions or interruptions by honourable gentlemen of the other side of the House. I shall be as brief as I reasonably can in dealing with this subject.

Up to five or six years ago the number of divorce cases heard by the Committee of the Senate did not amount to more than seven or eight in a Session. We are in the habit of taking things easily, not undertaking to do work that is not absolutely necessary, and the Senate has not

taken any steps about the matter. But during the last two or three Sessions a completely different condition of things has supervened. I do not remember just how many cases we dealt with last Session, but this Session we have already reached, I think, the 106th case. Honourable gentlemen, I feel that that is a very unsatisfactory state of things. Any stranger picking up the Minutes of the Senate might imagine that he had got hold of the minutes of a Criminal court. Our minutes nowadays do not read like the minutes of a parliamentary body at all. I think that it is the duty of the Senate, and the duty of the Government, to take some steps to remedy the existing condition of things.

The increase which has taken place during the last three or four years is not likely to slow down. Take, for instance, the State of Ohio, which is a neighbour of Western Ontario. I find that there in 1879 the proportion of divorces to marriages was 1 to 199—practically 1 to 200. Coming to 1913, we find that the proportion of divorces in Ohio had increased to 1 in 66, and in the year 1919 the proportion was 1 to 29. The same condition of things is likely to go on here. Honourable gentlemen are no doubt aware that in the State of Ohio, and in other States which look upon divorce much in the same way as Ohio does, the number of divorces as compared with the marriages is increasing very rapidly, and the moral tone is falling. That, it seems to me, is a very unsatisfactory condition of things, and I think that some steps should be taken to rectify it.

Let us consider our practice in any ordinary case. We will suppose that the husband is the guilty party, the wife the injured one. She decides to apply for a divorce. She retains counsel; she has to pay fees to the Senate; and in a great many instances she has to pay very liberally to the counsel who acts for her. She has all the trouble, all the anxiety, and all the expense. She gets her divorce. She is the innocent party. The guilty party, the husband, simply sits quietly, does nothing, and when his wife gets the divorce he has a divorce too; and I have been informed by judges who have had to try divorce cases that very often the offence is committed with the view of getting a divorce, and I have no doubt that that is perfectly correct.

The guilty party does not even have to pay any costs. All the expense falls on the innocent applicant. That is not what ought to be. The right thing would be that the guilty party should be punished and the innocent should not suffer; but our practice brings about exactly the reverse condition of things: the guilty party does not suffer while the innocent party suffers a good deal.

When the divorce is granted, as I say, the husband is free and he is at liberty to marry again, just as his ex-wife is; and very often it happens that he marries the woman, misconduct with whom has brought about the divorce. I think, honourable gentlemen, that that is a most unsatisfactory condition of things. It is a case of the good suffering and the wicked prospering, and I do not think the Senate, which is supposed to be a House of high moral tone, should do anything to encourage that situation. Our practice is unjust. The guilty escape all punishment whereas the innocent suffer; and really the practice encourages immorality.

There is a provision put in our Divorce Bills that there has been no collusion; but honourable gentlemen will see that, while there may have been no formal collusion, there may have been practical collusion, and I believe that there is in a great many cases.

It is very important that this condition of things should be remedied, and I think that on the whole the most convenient remedy, and the one which would be immediately operative, is to provide that the guilty party in a divorce case shall not be allowed to marry again, and that if he does marry he shall be subject to whatever penalty the law shall prescribe. I do not undertake to say just what should be done; but it seems to me, now that things have got to that point, that it is the duty of this House, and perhaps more particularly the duty of the Government, to take steps to cut off a large number of cases. I am satisfied that if the rule that I venture to advocate were adopted, it would almost immediately cut down the number of divorces by one-half; and I think that in the interest of public morality and in the interest of the reputation of the country, it is desirable that we should take that step.

Hon. J. H. FISHER: Honourable gentlemen, I did not have the pleasure of hearing the opening remarks of the honourable gentleman from Halifax (Hon. Mr. Power); but I should like to say just a word or two in connection with the motion that he has brought before the House. I came in just as he was referring to the increased number of cases that have been

brought before the Committee. We are all aware that the number of cases has increased, particularly last Session and this. I think, however, that that is due very largely to the war, and I have no doubt whatever that, perhaps from this time forward, the number of cases will decrease instead of increasing as predicted by the honourable gentleman. I do not think it is possible to pass any general Act that would do justice to all parties. I think in some individual cases a very great injustice would be done if a resolution such as the honourable gentleman has proposed were allowed to go through. I am speaking, perhaps I should say, as a member of the Divorce Committee; and we have had considerable experience in the last two or three Sessions. I am not aware that in any other country where divorce is granted there is any such law as this. There may be, but if so I am not aware of it. I do not think any country prohibits either of the parties remarrying.

Hon. Mr. BEAUBIEN: Is it not the case that in certain countries the guilty party, after divorce, is prohibited from marrying a co-respondent?

Hon. Mr. FISHER: I cannot answer that question. I do not know whether or not that is the case. There are cases, I think, in which the respondent should be prohibited from remarrying, and that is in cases where it has been clearly shown that the respondent has venereal disease of any kind. It is not right that any man or any woman who is the victim of disease of that kind should be allowed to remarry. I am prepared to go as far as that; but I do think it is far better that where it is shown that people have been living in open adultery they should be allowed to remarry, rather than to continue to live in adultery; and there are many cases to-day where they would be living in open adultery if they had not been allowed to remarry.

I have made these remarks simply to give a few of my reasons for voting against the motion of the honourable gentleman from Halifax.

Hon. W. B. WILLOUGHBY: Honourable gentlemen, I want to make even a shorter statement than that of the honourable gentleman who has just spoken (Hon. Mr. Fisher). I noticed upon the Order Paper to-day the resolution of the honourable gentleman, and I sent out just now for the report made by the English Commission in 1909. It was a most representative Commission, presided over by the Right Hon. Lord Gorell. I am not going to debate the subject generally; I am just going to point out what was recommended by this most competent Commission after a most elaborate inquiry. I read from section 456 of the report:

> In England, during the period of divorce by private Acts of Parliament, it was required, and in Irish bills of divorce it is still required, that the Bill should contain a clause prohibiting the marriage of the two guilty parties. This clause was formerly struck out in committee in the House of Commons, but latterly in committee in the House of Lords.
>
> In Scotland, by a Statute passed in 1600 (Act 29, "anent the marriage of adulterous persons"), the marriage of a person with one with whom such person is found guilty of adultery is forbidden.

That is a statement of the law in the old land. Then comes the recommendation of the commission:

> 462. The question then seems to be, what is the true point of view having regard to the best interests of the community as a whole? The prohibition would probably be a strong deterrent to yielding to temptation placed before women of any social position or even in any well-to-do circumstances, but it seems doubtful whether it would have any real effect as a deterrent on those of poorer degree, and it might thus result in the end, in the large majority of cases, in continued immorality, which could not be cured by re-marriage.
>
> 463. If such a restriction were to be imposed, it would have to be expressed that such a marriage should be prohibited and not recognized as valid in England, wherever celebrated, which again, in the present state of foreign laws, would give rise to trouble. Further, it would be necessary, if other grounds than adultery are allowed, and a divorce took place on such other ground or grounds, to provide that the marriage of the divorced person with any person with whom adultery has in fact been committed during the dissolved marriage should not be permitted. Unless a provision of this nature be introduced, the law could be evaded, in cases of adultery, by proof of another ground, which would be the ground of divorce selected, or even created, to avoid the operation of the law.

Without tiring the House, I may say that they recommend that no change be made in the law. The law in the old land at the present time does not prohibit the re-marriage of one of the persons divorced with the co-respondent, which is the extreme case referred to. The resolution introduced by the honourable gentleman from Halifax (Hon. Mr Power) goes further than that, and would prohibit the marriage of the guilty person, either with the co-respondent or anyone else

As I said in opening, I am not going to debate the question; I just refer to the practice in the old land at the present time.

Hon. HEWITT BOSTOCK: My honourable friend from Halifax (Hon. Mr. Power)

has thought it well to bring this question before the Senate I regret that I do not see eye to eye with him in this matter, because, for one thing, I think the enforcement of any regulation of this kind would be very difficult and very tiresome. What has just been said by the honourable gentleman from Moosejaw (Hon. Mr. Willoughby) gives the reasons why such a motion should not be adopted by the Senate. I know the honourable gentleman from Halifax has brought forward his motion with the very best intention, and no doubt the discussion upon it will have a good effect in drawing attention to the serious condition of things which exists at the present time.

The honourable gentleman has called attention to the tremendous increase in the number of divorces, not only in Canada, but, I may say, all over the civilized world. I am sure every member of the Senate realizes that the number of cases that come before the Senate Committee on Divorce at the present time are a very great burden on the members of that Committee, and that they would be the first to wish to take any steps that possibly could be taken to prevent these divorces being dealt with in this way. We have tried to get rid of divorce trials in the Senate, and to have them placed before the courts; but unfortunately the action taken in that matter has not met with appreciation in another place, and we have to face the situation as we find it to-day, and as, I presume, it will exist for some considerable time.

The question of divorce is a very wide one, and I think it is the duty of the people of every country to-day to study the whole situation and see what is really the basis of the trouble. Only the other day I picked up the Morning Post, an English paper, of the 23rd of April, in which this appeared:

To-day's Divorce Cases

No fewer than five judges sit to-day to deal with undefended divorce cases so that the innovation of Saturday sittings of the Divorce Court begins with a burst. There are 105 cases on to-day's list, and the work is distributed as follows:

The Lord Chancellor—twenty-five cases;
Mr. Justice Horridge—twenty-five cases;
Mr. Justice Rowlatt—twenty cases;
Mr. Justice Shearman—fifteen cases;
Sir Henry Duke—twenty cases.

When all these cases are disposed of the total so dealt with in the present sittings will be 321.

That, honourable gentlemen, refers to just one set of sittings of the English courts, and I think it will give us a very clear idea of the condition of things in England.

Hon. Mr. BOSTOCK.

Hon. Mr. POWER: And you think we ought to catch up with England?

Hon. Mr. BOSTOCK: No. If I thought my honourable friend's motion could stop these divorces in any way, I would be in favour of it; but I think the reasons given by the honourable gentleman from Moosejaw (Hon. Mr. Willoughby), in objecting to any motion of this kind, are very sound. The trouble, I think, is that our whole system of education at the present time has not sufficiently brought home to the people the seriousness of married life, and I hope something may be done along that line. I should like to see those who are interested in and responsible for the education and training of the young of this country, and of every country, taking up this question seriously, and placing before them the serious view of married life. I think that is the only way we can really bring about a reform in this regard.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I regret that the honourable member from Halifax (Hon. Mr. Power) has brought this motion up, for the simple reason that I think it will not be productive of any good results. The discussion of subjects of this kind from time to time, which manifestly cannot result in anything practical, is but a futile way of spending our time in giving attention to public subjects. The motion is meaningless in this respect.

In the first place, if carried, it could not be productive of any practical results, because there would be nothing to prevent a report of a committee being voted upon when brought before the House, the same as before. This is simply a motion for a pronouncement of opinion by the Senate. It has no binding effect. As an old parliamentarian my honourable friend must realize that nothing short of a statute would have an effect in preventing the marriage of the respondent. A resolution of this House would not affect it. This resolution, if carried, would not bind this House to any particular action upon the consideration of a report from the Divorce Committee, because the report would have to do with a specific matter, and this is simply a general expression of opinion.

In a second respect the motion is meaningless. I take the ground that it could not bind the provinces of Canada. It is a controversial question, but I hold the opinion that the Parliament of Canada would have no right to create a disability by statute, resolution, or otherwise, that

would prevent the exercise of the provincial authority in regard to marriage. I think that is manifest. For instance, we accord to the provinces to-day the right to pronounce upon disability of marriage; we accord to the provinces, and they exercise the authority, rightly, under the British North America Act, of saying what shall constitute a legal marriage. They legislate as to age and other qualifications as to marriage. Will we venture to say to the provinces of Canada, "Notwithstanding your jurisdiction in matters of marriage, we are going to enforce a prohibition against it"? I think my honourable friend will probably admit that consideration has not been given to that very important point in the subject which we are debating.

Then, there is the further fact that if we adopted a prohibition against marriage, there is nothing to prevent a respondent from going across to the United States and being married and then coming back to Canada. I venture to say that there would be nothing to prevent his being married in any province of Canada, that province claiming the jurisdiction to say what are the qualifications for marriage. But in any event it could not be gainsaid that the respondent could go to the United States and be married there and return to Canada.

It has always been fundamental in English jurisprudence that prohibition of marriage is against public policy. Take this case, for example: if in a will the testator provided that any of the beneficiaries or legatees should not marry, according to English jurisprudence the courts would hold the prohibition nugatory, because it is against public policy to restrain marriage. For the purpose of impressing this on our minds, let us take the data given by my honourable friend as to the growth of divorce in the United States. I think he referred to Ohio as having one divorce to 29 marriages. What would be the result if prohibition in this connection were enforced? Why, honourable gentlemen, it would debar a large proportion of the people in the United States from being married. If we are going to make the same racial progress in Canada, we would have a prohibition against a large proportion of the people being married. Would that contribute to morality? Not for a moment.

I refer to these things to point out the futility of such a proceeding. We are living in a civilization made up of humanity, and, so long as human beings constitute this world's population, we shall have to face all the infirmities of the human mind. It cannot be otherwise: it is common to our civilization. All the churches and great educational institutions of the land are engaged in combatting not only this evil but all kinds of evil, but none of us are sanguine enough to expect that humanity shall reach that stage where it shall be without spot or blemish. I know my honourable friend from Halifax is very considerably exercised over the possible ascendancy of evil in the community; but he and all of us will have to reconcile ourselves to the fact that we are here in this world for the purpose of combatting the forces of evil, and resisting them as far as we can; but we can never hope to escape them. Like the poor, they will always be with us, and it is just as well that we should not distress ourselves by thinking that the adoption of motions or the placing of statutes upon our statute books will bring this world into such a state of purity that hereafter there will be no occasion for any moral or religious efforts.

Furthermore, there is just this peculiarity about the question, to which I might refer. There is too great a disposition in the present day on the part of some to build ring fences around other parts of the community. It seems to me that the community to-day is divided into two camps, one of which is always saying, "Thou shalt not," and the other answering, "We shall, notwithstanding your prohibition against us." In fact, our statute book is made up of prohibitions of all kinds, one class of the community trying to obtrude and force upon another class their will and their opinions and the doctrines which they entertain upon all subjects. Let us freely admit that we live in a day of more or less freedom, and that human nature will assert itself until the end of time. All we can do is to ameliorate, as far as we possibly can, by good, commonsense legislation, the human impulses and the activities of life.

Hon. Mr. POWER: I do not propose to ask for a vote of the House on this question; but in asking leave to withdraw the resolution I wish to say that there was one point that I overlooked—that the religious papers throughout the whole country, of all denominations, are regretting the great increase in the volume of divorce, and feel that effective steps should be taken to prevent that increase. I venture to say, notwithstanding the observations made by various honourable gentle-

men, that if you provide that the guilty party shall not be allowed to marry again, you will cut the number of divorces in half. I have the honour to ask that the resolution be withdrawn.

The motion was withdrawn.

PRIVATE BILLS

FIRST READINGS

Bill M4, an Act respecting the Great West Bank of Canada.—Hon. Mr. Ross (Moosejaw).

Bill O4, an Act to incorporate the Edmonton and Mackenzie River Railway Company.—Hon. Mr. Harmer.

SECOND READINGS

Bill I4, an Act respecting The Central Railway Co. of Canada.—Hon. Mr. White (Inkerman).

Bill 16, an Act respecting "Les Révérends Pères Oblats de Marie Immaculée des Territoires du Nord-Ouest."—Hon. Mr. Pope.

Bill 53, an Act to incorporate The Fort Smith Railway Company.—Hon. Mr. De Veber.

PUBLIC HARBOURS BILL

THIRD READING

Bill 40, an Act to amend the Canada Shipping Act (Public Harbours).—Hon. Mr. Casgrain.

DIVORCE BILLS

FIRST READINGS

Bill N4, an Act for the relief of Lily Maude McCormack.—Hon. Mr. Ratz.

Bill P4, an Act for the relief of Herbert Henry Brown.—Hon. Mr. Proudfoot.

SECOND READINGS

Bill G4, an Act for the relief of Edward George Taylor.—Hon. Mr. Proudfoot.

Bill H4, an Act for the relief of Margaret Swanston Neville.—Hon. Mr. Proudfoot.

Bill J4, an Act for the relief of Ernest Lillie Montgomery.—Hon. Mr. Ratz.

Bill K4, an Act for the relief of Ethel Gordon Wright Ball.—Hon. Mr. Gordon.

Bill L4, an Act for the relief of Ivan Ignatius Brazill.—Hon. Mr. Gordon.

THIRD READINGS

Bill W3, an Act for the relief of John Wilson.—Hon. Mr. Barnard.

Bill X3, an Act for the relief of Albert Harding.—Hon. Mr. Bennett.

Bill Y3, an Act for the relief of Thomas Furneaux.—Hon. Mr. Nicholls.

Bill Z3, an Act for the relief of Matthew John Scott.—Hon. Mr. Ratz.

Bill A4, an Act for the relief of Dora Lucy Bell.—Hon. Mr. Gordon.

Bill B4, an Act for the relief of Henry Kropp.—Hon. Mr. De Veber.

Bill C4, an Act for the relief of Arthur Daughton.—Hon. Mr. Ratz.

Bill D4, an Act for the relief of Annie Maude Bell.—Hon. Mr. Proudfoot.

Bill E4, an Act for the relief of Thomas Henry Foster.—Hon. Mr. Mulholland.

THE PRINTING OF PARLIAMENT

CONCURRENCE IN REPORT OF JOINT COMMITTEE

Hon. R. S. WHITE moved concurrence in the first report of the Joint Committee of both Houses on the Printing of Parliament.

Hon. HEWITT BOSTOCK: Honourable gentlemen, this report appears on page 233 of our Minutes. I want to give great credit to the Committee for the good work that they have done, and the valuable recommendations they have made; but there are in the report one or two points which I think should be discussed for further elucidation. I think that credit is to be given also to the Editorial Committee for the work that they have done in reducing the cost of the Printing of Parliament. The report sets forth the whole matter. I do not intend to take up time in reading it all, but I am unable to understand the first two paragraphs of the report and perhaps I had better read them to the House. The report says:

> Since Confederation it has been the practice of Parliament to pay for the printing of all departmental reports. The Joint Committee believes the time has arrived when this policy should be abandoned, and that instead each public department be required to annually prepare its printing estimates to cover all services, including the annual report; that Parliament pay only for copies of reports necessary to meet the requirements of its mailing list, and for the Sessional Papers.
>
> This change in practice, it is believed, will conduce to greater economy and be an incentive to the departments to watch their printing appropriations more closely. If this change be accepted by Parliament it is recommended that it be made operative for the fiscal year commencing April 1, 1921.

The report suggests a change in the printing of the departmental reports. But after that it goes on to say:

> The foregoing recommendation having been approved by Parliament, effect was given thereto by Order in Council of August 18, 1920.

If the clause that I have read has already been approved by Parliament, I am

unable to understand why we should be asked to adopt it now; and, further, if it was approved by Parliament and put into effect by Order in Council of the 18th of August, 1920, I can hardly see why it should be suggested that it be made operative for the fiscal year commencing the 1st of April, 1921. That is one point that occurred to me in reading over this report.

Then, in the last paragraph of the report, it is stated:

> In one or two instances, the jurisdiction of the Editorial Committee has been challenged and the Joint Committee therefore recommends that the rule as regards requisitions for all classes of printing, binding, etc., be made applicable to all officers appointed by Parliament equally as to the public departments.

As I understand, the arrangement at the present time is that the Editorial Committee have the power to say whether a part of a report shall be printed or not. If they consider that it is not in the public interest that the whole report should be printed, they have the power to delete certain portions of it. But it has been brought to my attention that in regard to certain works as to which the Editorial Committee exercise this power, the officers concerned do not get notice in a proper form and do not exactly understand from whom the instructions come; they only get information from the Printing Bureau that such and such a part of a report or document is not to be printed, and it is not always clear to them whether the action has been taken by the Editorial Committee or by somebody else. If such is the case, I think that the Editorial Committee should be asked to see that any of the decisions they come to are properly noted and bear the authority of their signature, because, as you can quite understand, anybody sending in a report might naturally feel aggrieved if the report were cut down in any shape or form. Therefore, although departmental officers are quite willing to adhere to what the Editorial Committee recommend, they ought to be informed that the action taken is the work of the Editorial Committee, and the door should not be left open for possible action on the part of somebody else, representing that he is acting in the position of the Editorial Committee.

I wanted to bring those points to the attention of my honourable friend. Probably he can give us an explanation of them.

Hon. R. S. WHITE: Honourable gentlemen, I think the wording of the report, saying that these matters have been approved by Parliament, is not quite right. The report of the Editorial Committee was evidently approved by Order in Council P.C. 1940, which quotes the same recommendation as the report here, and the object in putting it into this report is simply to have it confirmed by Parliament. The idea, I think, is to get estimates from the different departments as to how much printing they will need, including the annual report; but, for instance, all the translating of the reports is still to remain under one head. Departments will simply put in their requisitions for their printing. I do not know that the change will do anything further than simply check up the amount of printing that the Department may require during each term.

The question of the authority of the Editorial Committee is a matter with which I am not altogether familiar. I do not know what authority the Editorial Committee has beyond a report to the Joint Committee on Printing as to what they recommend. They simply recommend what is to be printed and how much is to be printed, and it is, I think, the general Committee on Printing who really have the authority to say whether the printing shall be done or not.

Hon. Mr. BOSTOCK: Would not the Editorial Committee have the power to say that a certain part of a report should be put in order or not put in, without referring the question to the Printing Committee? Take, for instance, the question of a department report. It is stated here that in this respect the Printing Committee have been able to cut out photographs, and it says that the half-tone illustrations in annual reports in 1916 were over 9,000,000 and last year there was none. So I presume the Editorial Committee themselves cut those out without reference to the Printing Committee.

Hon. Mr. WHITE: The Editorial Committee simply recommends.

Hon. Mr. BOSTOCK: And that recommendation is adopted by—?

Hon. Mr. WHITE: By the Printing Committee.

Hon. Mr. BOSTOCK: Did I understand my honourable friend to say that there was some slight error in that first part of the report?

Hon. Mr. WHITE: Simply that I presume that this Order in Council passed in August last has not yet been confirmed by Parliament.

The motion was agreed to.

JUDGES BILL

CONSIDERATION OF HOUSE OF COMMONS DISAGREEMENT

The Senate proceeded to consider the message from the House of Commons disagreeing to the second and third amendments made by the Senate to Bill 60, an Act to amend the Judges Act.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I do not know that anything is to be gained by further discussing this subject. It was fully discussed in this Chamber, both in session and before the Committee of the Whole. Apparently the Commons will not assent to our amendment. I therefore move:

That the Senate do not insist upon its second and third amendments.

Hon. Mr. PROUDFOOT: I would ask the honourable leader of the House to let this matter stand until to-morrew. While it is apparently the desire of the honourable leader of the Government to concur in what the House of Commons has done, I do not think that those who were in favour of the amendments made here the other day adopt the same view. I therefore ask that this matter be allowed to stand. Otherwise I will proceed to discuss it.

Hon. Sir JAMES LOUGHEED: I would not put it in the way that my honourable friend has, that if I do not consent he will proceed to discuss it. I do not know whether he intends to put that before the House as a penalty that will ensue upon my proceeding with the measure.

Hon. Mr. PROUDFOOT: Oh, not at all.

Hon. Sir JAMES LOUGHEED: My honourable friend is perfectly reasonable in what he is asking, and I certainly will, with very much pleasure, allow it to stand until to-morrow.

The order stands.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

THURSDAY, May 12, 1921

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

Hon. R. S. WHITE.

FRASER RIVER IMPROVEMENT

INQUIRY WITHDRAWN

Hon. Mr. TAYLOR rose in accordance with the Notice of Inquiry:

That he will call the attention of the Senate to the undertakings of successive governments to maintain the Fraser river as a highway for ocean traffic; and to the failure to make satisfactory progress with the permanent improvements at the sand heads at the entrance to the river. And will inquire:

1. Who, if any person, assigned to three employees of the Public Works Department the function of investigating prospective trade on the Fraser river;

2. What are the names and places of residence of the persons so assigned, and what were supposed to be their qualifications to report on prospective trade of the district named;

3. Whether any opinion they may have offered to the Minister of Public Works is accepted as superior to the testimony, if any, offered to him by Fraser Valley business men and others representing that their interests and the interests of their community are suffering serious loss because of the delay in making the Fraser river accessible to the shipping presently available to British Columbia ports.

He said: Honourable gentlemen, I understand that satisfactory arrangements have been made for an inquiry on the grounds into the matters covered by this notice. Therefore I would ask permission to withdraw the inquiry.

The inquiry was withdrawn.

RETIRED PILOTS

INQUIRY

Hon. Mr. DANIEL inquired of the Government:

1. What are the annual amounts of pay granted to retired or superannuated pilots, in the following pilotage districts respectively: Montreal, Quebec, Sydney, Miramichi, Pictou, Halifax and St. John?

2. What, if any, changes have been made in these rates during the last seven years, giving amounts, dates, and districts?

3. Under what regulations are these annual amounts arrived at in the different pilotage districts?

Hon. Sir JAMES LOUGHEED:

1. Montreal—No pensions paid by Government; Quebec—$300 per annum to those entitled to it; Sydney—No pensions paid by Government; Miramichi—No pensions paid by Government; Pictou—No pensions paid by Government; Halifax—No pensions paid by Government; St. John—No pensions paid by Government.

2. No change.

3. By Order in Council, dated December 5, 1906, in order to reduce the number of pilots in the pilotage district of Quebec. A pilot must retire at the age of 65 years to obtain this pension.

DIVORCE BILLS

FIRST READINGS

Bill Q4, an Act for the relief of Rose Seigler Schatsburg.—Hon. W. B. Ross.

Bill R4, an Act for the relief of Eudora Edith Webster Perry.—Hon. Mr. Pope.

Bill S4, an Act for the relief of John Howard Ferguson.—Hon. Mr. Laird.

Bill T4, an Act for the relief of Edith Myrtle Barnes.—Hon. Mr. Ratz.

Bill U4, an Act for the relief of Sherman Talmage Smith.—Hon. Mr. Ratz.

Bill V4, an Act for the Relief of John Hurst.—Hon. Mr. Nicholls.

Bill W4, an Act for the Relief of Florence Gibb.—Hon. Mr. Fisher.

PROCEDURE ON DIVORCE BILLS

On the Orders of the Day:

Hon. Mr. BOYER: Honourable gentlemen, to-day we have on the Orders of the Day five items for the third readings of Divorce Bills; yesterday we had nine. Would it not simplify matters if the Clerk were to read the item numbers, 1, 2, 3, 4, and 5, with the titles of the Bills, and if the Speaker were then to ask, "Is it the pleasure of the House that they be carried?" Then take items 12 to 16. They are all reports of the Divorce Committee. Could they not be lumped together?

The Hon. the SPEAKER: What does the leader of the Government say to that?

Hon. Sir JAMES LOUGHEED. I am quite content.

The Hon. the SPEAKER: I have no objection to the suggestion made by the honourable gentleman. It would be new procedure, and if any one were to object he would have a perfect right to do so.

Hon. Mr. BOYER: Oh, yes, that is understood.

Hon. Sir JAMES LOUGHEED: Yes, he could go back to No. 2 or No. 3.

Hon. Mr. BOSTOCK: Do I understand that the proposal made by the honourable gentleman from Rigaud (Hon. Mr. Boyer) has been accepted?

The Hon. the SPEAKER: It seems to have been accepted by the whole House, so I have no objection to it.

Hon. Mr. BOSTOCK: I really do not think we should proceed in that way. Would we not have to amend our rules in order to follow procedure of that kind?

The Hon. the SPEAKER: By the unanimous consent of the House we might adopt it.

Hon. Mr. BOSTOCK: There are one or two gentlemen in this part of the House who object.

The Hon. the SPEAKER: Then we will proceed as in the past.

ANSWERS TO INQUIRIES

On the Orders of the Day:

Hon. Mr. DANIEL: I wish to draw the attention of the House to the same subject to which attention was called yesterday by my honourable friend from De Lanaudière (Hon. Mr. Casgrain), namely, to the replies which are given to inquiries. I have received a reply to an inquiry made yesterday. In order that honourable members may see that the answer is not a fair answer to the question asked, I will read the first question. It is:

> What are the annual amounts of pay granted to retired or superannuated pilots, in the following pilotage districts.

I did not ask how much the Government was paying to these men or how much was paid by any other authority, but what amounts they received. The answer to that given by the Government is this:

> No pensions paid by the Government.

I did not ask whether the Government paid them any pension; I asked how much they required.

Hon. Sir JAMES LOUGHEED: May I point out to my honourable friend that the amounts of pay granted to retired or superannuated pilots—

Hon. Mr. DANIEL: Not by the Government.

Hon. Sir JAMES LOUGHEED: The Government has a right to assume, and the House has a right to assume, that it is payment by the Government. We cannot obtain information as to what other parties may pay.

Hon. Mr. DANIEL: As a matter of fact, the Government controls all these pilotage districts now. They used to be controlled by local boards, but now they are controlled by the Government—certainly those at Halifax, St. John, Montreal, and Quebec—and the Government knows exactly what the pilots receive.

Hon. Sir JAMES LOUGHEED: My honourable friend overlooks the fact that he asks what is paid to retired or superannuated pilots.

Hon. Mr. DANIEL: Exactly. It is well known that they all receive a certain amount. What I am inquiring is how much they receive. In the case of Quebec the answer given is: "$300 per annum to those entitled to it." But it does not say who is entitled to it. I might as well have gone to the library or somewhere else and tried to find these things out myself. I must say that to my mind the replies are very unsatisfactory, and will necessitate my putting in another inquiry with more particulars, I suppose.

Hon. Sir JAMES LOUGHEED: It would seem to me that there has been an attempt to break the record for speed in this instance. My honourable friend made this inquiry yesterday, and we are pleased to find the answer is down to-day. It is not, perhaps, quite what was expected.

Hon. Mr. DANIEL: It is not an answer at all.

Hon. Sir JAMES LOUGHEED: If quick answers are to be discouraged in this way, I am afraid the departments will fall back into the old rut.

Hon. Mr. DANIEL: It is quick action with blank cartridge.

Hon. Mr. MURPHY: I am glad to hear the leader of the Government speak of speed in the Departments. I have drawn the attention of the Department of Marine to the case of a pilotage commission in which two men had died five years ago, and where there is not yet any authority to appoint pilots. There is only one of the commissioners left. While this port may perhaps not be as important as the port of Montreal or the port of Quebec, where millions have been spent, nevertheless it is important that when a vessel wants to get men it may be able to do so. I have drawn the attention of the Department to the matter with two letters, but nothing has been done.

With reference to the Department being able to answer as to what they give these men as pensions, I may say that I have never known the men to get any pensions, and they only get very little for the services which they perform. I think my honourable friend from St. John (Hon. Mr. Daniel) has got as good an answer as could be given.

Hon. Mr. DANIEL.

Hon. Sir JAMES LOUGHEED: I direct my honourable friend's attention to this fact: if they have been able to get along without pilots for five years, they may so continue.

Hon. Mr. MURPHY: A vessel coming to a strange harbour is supposed to be able to raise her flag and to obtain a pilot. That is the law as it stands to-day.

DIVORCE BILLS

THIRD READINGS

Bill G4, an Act for the relief of Edward George Taylor.—Hon. Mr. Proudfoot.

Bill H4, an Act for the relief of Margaret Swanston Neville.—Hon. Mr. Proudfoot.

Bill J4, an Act for the relief of Ernest Lillie Montgomery.—Hon. Mr. Ratz.

Bill K4, an Act for the relief of Ethel Gordon Wright Ball.—Hon. Mr. Gordon.

Bill L4, an Act for the relief of Ivan Ignatius Brazill.—Hon. Mr. Gordon.

GAS INSPECTION BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 13, an Act to amend and consolidate the Acts respecting the Inspection of Gas and Gas Meters.

He said: Honourable gentlemen, the Gas Inspection Act is to be found in the Revised Statutes of 1906. I think there was legislation on the subject before that date, but with the revision of the statutes it was consolidated, and in 1910 very important amendments were made. Since that time, owing to the progressive changes that have taken place in regard to the calorific or heat values of gas used for domestic purposes and the improvements that have been made in the manufacture and quality of gas, it is desirable, on behalf of the consumer as well as the manufacturer, that the Act should be further revised. This Bill, therefore, is a consolidation of the Act with all the legislation which we have heretofore passed. It involves the repeal of several sections, amendments to others, and additional legislation. For instance, it is proposed to take authority to measure gas by heat units, as is done in England, instead of by the cubic foot. Apparently, the more modern way is to measure it by heat units.

Hon. Mr. CASGRAIN: B.T.U's.

Hon. Sir JAMES LOUGHEED: It is not proposed at once to give force to this particular method of measuring gas; the

Government is taking to itself the authority to put it into operation, if desired. With these few observations, I move the second reading of the Bill.

Hon. HEWITT BOSTOCK: Honourable gentlemen, my honourable friend has referred to this Bill as a consolidation. There are certain points with regard to it to which I should like to draw his attention, and perhaps he will be able to give us some information on the subject when we go into committee. As far as I can see, there is no provision in the Bill whereby the Government is to look into the question of the purity of the gas supplied. It may be very important for the consumer to know that he is getting gas of a good quality. The only clause of that nature is clause 19, which says:

> Any contractor who supplies any purchaser with manufactured gas containing any trace of suplhuretted hydrogen shall be liable to a penalty not exceeding $100 and not less than $25.

Apparently the Government does assume some responsibility in the matter of seeing that a consumer is not hurt by injurious gas; but it does not take upon itself to see that there is any test as to the purity of the gas or its illuminating power.

Then my honourable friend did not say anything as to why the Dominion should be dealing with this question. It seems to me that this is a matter for the provinces rather than the Dominion. Of course, I can quite understand that it may be an advantage to have the work of inspection all centred in one office for the Dominion, rather than scattered over the different provinces; but, as the use of gas is necessarily confined to the particular province in which it is applied, I do not quite understand why, in the first instance, the Dominion dealt with the question of the inspection and regulation of the supply of gas in the provinces.

Hon. Mr. CASGRAIN: It comes within weights and measures.

Hon. Mr. BOSTOCK: Further, as to the question of the use of natural gas, I do not see that this is included in this Bill at all, and possibly it might be.

Hon. Sir JAMES LOUGHEED: There is room to include all kinds of gas.

Hon. Mr. BOSTOCK: Would natural gas be included in this?

Hon. Sir JAMES LOUGHEED: I think so.

Hon. Mr. BOSTOCK: The question of quality would of course arise with regard to that gas, in the same way as with manufactured gas, and it is important for persons using natural gas to know that what they are receiving is of good quality.

Hon. Sir JAMES LOUGHEED: I might say to my honourable friend that that is furnished by nature, and we shall find a little difficulty in improving it, I am afraid.

Hon. Mr. BOSTOCK: I quite understand that there would be a difficulty in dealing with it; at the same time, if the Government carry out an inspection, they should take these questions into consideration. I hope my honourable friend will be able to give us some information when we go into committee.

The motion was agreed to, and the Bill was read the second time.

PRISONS AND REFORMATORIES BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 35, an Act to amend the Prisons and Reformatories Act.

He said: Honourable gentlemen, this is an amendment to the Prisons and Reformatories Act, advancing from 16 to 18 the age of those who may be sent to a reformatory. Under the Act as it is at present, the maximum age is 16. There are many cases in which it is very undesirable that youths between 16 and 18 should be committed to a penitentiary or a jail; consequently it is proposed to advance the maximum age of those committed to reformatories to 18.

Furthermore, it is provided that the operation of the Act may be suspended until it becomes apparent that the various provincial institutions working under the Act have made provision say for the separation of the older inmates from the younger ones so that there may not be that degree of demoralization that might occur by the association of a youth of 18 with a youth of more tender years.

The second part of the Bill, beginning at clause 2, has to do entirely with the province of Nova Scotia, the object of the measure being to make the Prisons and Reformatories Act applicable to the legislation which obtains in that province. The clauses from section 2 to the end of the Bill, I understand, have been prepared by the province of Nova Scotia with the object in view which I have mentioned.

Hon. L. G. POWER: Honourable gentlemen, I have not had the opportunity to

read this Bill over carefully, but there is one provision in it which strikes me as being of very questionable wisdom, and that provision is to be found in the very first clause. The existing provision as to the sentencing of young people to prisons and reformatories is altered by substituting the words "eighteen years" for "sixteen years." There has been a long experience, both in Canada and in other countries, with respect to this question of age—the age at which a youth should cease to be treated as a boy or child and should be treated as a man. I think that the House should hesitate before it makes so sweeping a change as is proposed here. This is to be borne in mind: a lad comes before a magistrate and is sentenced perhaps to four years for some comparatively trifling offence, which means that if he is eighteen years of age when sentenced, he is liable to be detained until he is twenty-two. In the first place, I think that is a highly objectionable thing in itself; and, in the next place, if you allow a number of grown-up young men to be included in the same reformatory institution with boys under 16, the effect on the boys is likely to be very pernicious indeed. Up to the present time the operation of the law as it stands, with respect to age, has been satisfactory, and I think that the Senate should hesitate before they undertake to change the law.

Hon. HEWITT BOSTOCK: Honourable gentlemen, the Government are to be congratulated on what they are trying to do in regard to this matter; but, if I understood aright the remarks of my honourable friend (Hon. Sir James Lougheed), the reformatories are all controlled by the provincial governments and the penitentiaries by the Dominion Government. If I understand this Bill aright, it means that the provinces will be put to a certain amount of expense in rearranging and possibly increasing their reformatory accommodation in order to make provision, as stated by my honourable friend, for keeping the older persons separate from the younger persons who are sent to the reformatories. I fear, therefore, that it may be some time before this measure can be brought into effect, because, if it should entail a considerable expense on the provinces, they may hesitate to incur that expense, owing to the financial condition in which they are now placed. The finances of the provinces are not too sound, or they have not a large enough surplus, to enable them to spend money on anything of this kind.

Hon. Mr. POWER.

Hon. Mr. DANDURAND: Except Quebec.

Hon. Mr. BOSTOCK: My honourable friend to the right says, "Except Quebec." I think it is quite necessary that the older persons sent to a reformatory should be kept separate from the younger ones, and for that reason I am rather afraid that it will be some time before we see this Act really go into effect.

The motion was agreed to, and the Bill was read the second time.

COURT OF INTERNATIONAL JUSTICE BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 73, an Act to authorize the ratification and carrying into effect of the Protocol of the sixteenth day of December, 1920, accepting the Statute for the Permanent Court of International Justice of the thirteenth day of December, 1920.

He said: Honourable gentlemen, in the month of December last, I think it was, there was held at Geneva an assembly called by the League of Nations at which, under the covenant of the League, there was prepared what is known as a statute —in other words, the constitution of a Court of International Justice; the intention being that it shall be a permanent Court, and shall deal with such International subjects as are submitted to it from time to time. This Bill consists of two clauses: the first proposing to ratify the protocol which was prepared and is attached to the outline of the Court, which is to be found in the Bill; and section 2, proposing to pass the necessary regulations to permit of effect being given to the entire scheme.

It is unnecessary for me to enter into the details of the scheme, because honourable gentlemen, by referring to the statute attached to the Bill, will be able to form a much more intelligent idea of what is proposed to be done than could be conveyed by any explanations I might give. Suffice it to say that this measure has been prepared by some of the most eminent jurists in the world. The Committee of the Council that was charged with the preparation of the constitution of the Court invited the most eminent jurists known in the civilized world; it was immaterial whether they were represented by members of the League or not.

The statute which was prepared represents the combined effort of the eminent Committee which was summoned for that purpose.

It is entirely unnecessary for me to say anything as to the desirability of the adoption of such a scheme as that which is proposed, for the purpose of making every possible legitimate effort for the maintenance of the peace of the world. It is the outcome of the Covenant of the different members that constitute the League of Nations, and represents, I think, the consensus of opinion of the different members that constitute the League. Although the United States is not a member of the League, yet it had its representatives on the Committee. One of the most eminent jurists in the United States contributed his services in the preparation of the constitution of the proposed Court of International Justice. Canada was represented by three members at the Assembly held at Geneva, and there the scheme was adopted and the protocol prepared, which is also to be found in the Bill, on page 2. This protocol is submitted for ratification to the different Parliaments represented by the members of the League, and, so far as we know at the present time, it wil be accepted without any dissent whatever.

With this short explanation, I move the second reading of the Bill.

Hon. R. DANDURAND: Honourable gentlemen, I believe that very few persons throughout the world will object to the creation of a Court of International Justice to try differences between the nations; but I believe also that persons who have been giving some thought to the matter will regret that there is no compulsion enacted by this statute. Under it no nation will be able to bring another nation before that tribunal for the settlement of a difficulty. It is a court to which parties will have to agree to submit their case, and they will thus obtain a judicial answer.

I notice that by section 1 it is provided that the Court of Arbitration which was organized by the Convention of the Hague of 1899 and 1907 is still to be maintained. Under the organization of the Court, nations can agree to arbitrate their differences by collecting their judges from a panel composed of representatives of all the nations that were parties to the Conventions of 1899 and 1907. Under this organization, instead of having a panel of three arbitrators, the nations will be able to appear before a regularly constituted court; but, as I have said, this Court will be able to hear only the cases of the parties who will agree to appear before it. There are some cases which must go to that tribunal under the Treaty of Peace, but outside of the cases which arise in the interpretation of the Treaty, this is to be a tribunal to which nations will resort voluntarily.

I notice that this measure constitutes a step forward towards Canadian autonomy, notwithstanding what my honourable friends from Ottawa (Hon. Mr. Belcourt) and from De Lanaudière (Hon. Mr. Casgrain) stated a few days ago. Clause 1 of Bill 73 says:

> The Governor in Council is authorized to advise that His Majesty be humbly moved to ratify on behalf of Canada the said Protocol of the sixteenth day of December, 1920, in the manner thereby stipulated.

So we are enacting legislation whereby we shall request the signature of His Majesty the King for Canada to ratify an Act of the Canadian Parliament. I stated the other day that from the lips of the former Prime Minister of this country (Sir Robert Borden) there fell the declaration that the Canadian ambassador to Washington would be appointed by a Canadian Order in Council—that His Majesty the King would be asked to endorse his appointment. It is true that the British North America Act has not been amended, but remains as it is; yet there is in fact a constant evolution in constitutions, even the written constitution of the Dominions, which evolution, going from precedent to precedent, enlarges the Dominions' autonomy.

May I be allowed to revert to a statement I made in a preceding debate—that the Colonial Conference of 1894, which, if I mistake not, was presided over by Sir Charles Tupper, passed the following resolutions:

> That provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity, including power of making differential tariffs with Great Britain or with one another;

and that the Colonial Secretary, who was then Lord Ripon, answered the Dominions officially:

> by telling them that such power could not be granted, inasmuch as it would be giving them an international status as separate and sovereign states, and would result in breaking up the Empire. Therefore such negotiations must be conducted by Her Majesty's representatives at the court of the foreign power. He agreed that such representatives should have the assistance of a colonial representative, even as a second plenipotentiary, or in a subordinate capacity.

I would emphasize these words—that the negotiations for commercial arrangements between the Dominions and foreign countries can only be conducted by Her Majesty's representatives at the Court of the foreign power. That was in 1894. There has been quite an evolution since then.

Hon. Mr. CASGRAIN: It is not in the book.

Hon. Mr. DANDURAND: Honourable gentlemen will recall the fact that in 1903 the Canadian Government were desirous of getting better treatment from the German Empire for the entry of Canadian goods into Germany, and they had asked the Imperial authorities to interest themselves in obtaining better terms for Canada. The British authorities had failed, but the then Minister of Finance opened negotiations with the German Consul General, Mr. Bopp, which were followed by a super-tax imposed on German goods coming into Canada. I see in the Parliamentary Debates of the Imperial House a question that was put on the 21st of July, 1903, by Mr. Black to Mr. Joseph Chamberlain, who was then the Colonial Secretary:

I beg to ask the Secretary of State for the Colonies, whether, in view of the fact that it has heretofore been the usage for the self-governing colonies to bargain as to commercial treaties on equal terms with foreign nations and with the mother country without regard in the case of foreign nations to the fiscal policy of the mother country, the Government proposes to alter this usage.

Mr. Chamberlain answered:

The practice as to commercial arrangements between self-governing colonies and foreign countries is described in the despatch of my predecessor of 28th June, 1895, which was laid before Parliament on the 6th of July in that year.

That was the Lord Ripon message which I have just mentioned, addressed to the Dominions in answer to the resolution of the Colonial Conference, and refusing to the Dominions the right to negotiate their own commercial treaties.

In the same month, on the 23rd of July, Mr. Chamberlain, speaking in the House of Commons regarding the negotiations that had been carried on by the Dominion of Canada with the Consul General for Germany, said:

We communicated the failure of our representations to the Dominion of Canada, and then the Dominion of Canada took the matter to a certain extent into its own hands. Technically, of course, no negotiations were going on between Canada and Germany, but what might be called an interchange of views between certain persons, who might be said to be representatives of Canada and the Consul General of Germany. They were not in a proper and technical sense negotiations. We have not received any record of them, and as far as I know of no such record exists. In any case they would have no final authority, because any treaty would be made formally between this country on behalf of Canada and the German Government.

That was in 1903. I draw the attention of my honourable friends who thought that there had been no evolution going on in our relations with the outside world to the correspondence which was exchanged in London between Sir George Eulas Foster and the present Minister of Justice, Right Hon. Mr. Doherty, simply informing Lord Milner what they had been carrying on. Sir George Foster, in writing to Lord Milner, says:

I am enclosing herewith an agreement which had been arrived at by myself and the Ministers of Commerce and Foreign Affairs of France with reference to a modus vivendi carrying on for a period the main features of the Convention of 1907-09, of which I spoke to you yesterday, and I would be much obliged if you would forward it to the Secretary of State for Foreign Affairs for transmission to the British Ambassador at Paris. The French Ministers have the duplicate of the agreement and will sign it and forward to me at Ottawa for my signature and they will sign this attached copy and retain for themselves.

I could not find in the letter that a duplicate copy was being sent to the Colonial Secretary to be forwarded to the Ambassador, to be signed before being delivered, but I find that a letter which he was addressing to Lord Milner, Secretary of State for the Colonies, had been handed over to his colleague, Right Hon. Mr. Doherty, for transmission. Here is the letter:

London, January 5, 1921.

Dear Lord Milner,—

I am transmitting to you, herewith, a letter from Sir George Foster with the accompanying Convention with the French Government signed by him.

I understand from a telegram received from Mr. Roy, our Commissioner at Paris, that in addition to the articles mentioned in Schedule 2 of the Convention and those mentioned in the memorandum annexed to the Convention there should be provision made for our having a preference of 50 per cent of the difference between the maximum and minimum Tariff on furniture made of bent wood, and on caned furniture a deduction of 50 per cent of the sur-tax on the caning.

Will you kindly, when transmitting the Convention, ask the Ambassador to ascertain from Mr. Roy if my understanding is correct and if so to have these matters covered by an interchange of notes or otherwise.

If I should be mistaken in regard to these items the Convention may be delivered without their being added.

Yours, etc.,

(Sgd) Charles J. Doherty.

The correspondence which followed I need not read, but there is a memorandum from Lord Milner to the Foreign office saying:

I am asking the Foreign office to comply with the request of the Minister of Trade and Commerce of Canada, and forward that Treaty arrangement to Paris to be signed by the British Ambassador.

Well, it is self-evident that we have advanced a step.

Hon. Mr. EDWARDS: Advanced in our minds.

Hon. Mr. DANDURAND: The honourable gentleman says in our minds; but here is that Order in Council of 1895 which refuses the right to the Dominions to negotiate their own commercial treaties, and requires that they must be negotiated by the British Ambassador; and here is this Treaty, carried on by the Canadian representative to Paris without the knowledge of the British Government, and when it is completed it is adhered to by both parties. The Canadian representative signs the agreement, and asks the British authorities to empower the British Ambassador to sign with him that very document. He does not send the document with a request that it be examined and passed upon. No; he says, in effect: "I have been carrying on negotiations in Paris with the French Government; I have left a duplicate arrangement with the Foreign office in Paris; I have signed my duplicate copy; will you send it over through the proper channels to the British Ambassador to sign?"

Hon. Mr. CASGRAIN: Why did he want the British Ambassador to sign it, anyway?

Hon. Mr. DANDURAND: Of course, as I remarked when we were discussing this question two weeks ago, I thought our Canadian Minister of Trade and Commerce could have sent over to Ottawa for an Order in Council appointing him and the Minister of Justice as representatives of Canada to sign that Treaty, and asking His Majesty direct, through the Governor General, to subscribe to that order. When the Minister of Trade and Commerce was asked in the other chamber why he had not proceeded that way, he said he had been simply following tradition. Well, is there not here an assumption of power by the Dominions, recognized by the Imperial authorities, which we can note?

In regard to the Act before us, I have drawn the attention of this Chamber to the fact that we are asking His Majesty the King to sign for Canada our consent to, and ratification of, the creation of the proposed International Court of Justice. It would be no business of the British cabinet, even if it were sent through a British cabinet minister. He has no discretion in the matter. This is an Act of the Canadian Parliament, which will go to His Majesty the King direct, and this, in effect, represents a precedent which brings us to clearer equality of standing in the British Empire.

My honourable friend from Ottawa (Hon. Mr. Edwards) does not believe that there is a real serious evolution; but, although we are facing the old constitution of 1867, I believe that we are gradually developing into a nation with greater autonomy; and very little will be needed to free us from any state of dependence upon the Colonial Office in London. I think 1907 was the date when the Prime Minister of Canada suggested that the Imperial Conferences were conferences between the Governments of the various Dominions and the metropolis, which should not be presided over by the Colonial Secretary; and from that moment it was decided that those Imperial Conferences would be presided over by the Prime Minister of Great Britain.

I was surprised lately to find the Colonial Secretary, Mr. Churchill, stating that the next reunion in London would be a cabinet of the Premiers of the Empire. His statement was contradicted by the Prime Minister, who said it would not be a cabinet of premiers, but a conference of premiers. Whatever it may be, the Colonial Secretary will have very little to do in that reunion; he has disappeared as chairman of the Imperial Conferences; I hope that he has disappeared for good. In the natural evolution of things we will have to create an organ in London to be used by the Dominions to reach His Majesty the King for the Dominions; so that our legislation and our orders in council, when we are dealing with the outside world internationally shall be sent not to the Colonial Office, but direct to His Majesty the King. Then, and then only, shall we have the clear evidence that we are a sister nation in the Birtish Empire.

Hon. W. C. EDWARDS: Honourable gentlemen, we are either a nation or we are not. I claim that we are not, and I look upon all this sort of Act as simply child's play, and I simply desire to record my strongest protest against our interference in international affairs until we are actually a nation.

Hon. J. G. TURRIFF: Honourable gentlemen, I do not profess to understand enough about the Bill before us to express a very clear opinion on it. I do not know how far it goes. To my mind it is a rather complicated matter. I just wish to say a few words on the general subject, not particularly on this Bill.

It appears to me that we are being gradually drawn into European matters more than we might wish to be. I feel this way, that Canada in the past six or seven years has done her duty not only to this country but to Great Britain and to the Empire. If we have done our duty when we were not tied up in any sense whatever, and not obliged to send a man over, why should we be tangled up by that round-table outfit in Great Britain in any way? If we have done our duty without being bound, why bind us at all? There is a large party in Great Britain that wants to involve every part of the British Empire in the carrying on of wars and the defence of the Empire. While I believe that Canada should take part in the defence of the Empire, I claim that the way to keep the Empire intact and to get the best out of the outlying Dominions is to do what Great Britain has done for the last fifty years—leave us alone. If we want to take part in the defence of the Empire, we can do it as Canada and as Canadians; if our share in the defence of the Empire should consist in having a navy of our own, let us build a navy and have it for the defence of Canada and for the defence of the Empire.

We have in Canada a certain number of people who are ready to follow the desires of Great Britain in anything that will tend toward centralizing the power of the Empire. I for one am utterly and absolutely opposed to centralizing the Empire in London. The past has shown that the present condition is satisfactory, and I am as absolutely convinced of it as that I am standing here, that if that party in England and that party in Canada should be able to tie us up and entangle us, they would have planted the seeds of the disintegration of the British Empire. The reason I feel so strongly on this question is that I take second place to no man in my loyalty to Canada, Great Britain, or the British Empire. I have lived as a member of the British Empire, and I want to die as a member of the British Empire; and I want my children to live and die as members of the British Empire. If you want to maintain that condition of affairs, you must steer clear of everything in the shape of entangling alliances with European affairs.

I was very glad to see, during the last few years, that our ex-Premier, Sir Robert Borden, took a very strong stand, a very proper stand, on these matters, namely, that nothing must interfere in the slightest degree with the autonomy of Canada. I have good reason to believe that our present Prime Minister, the Right Hon. Mr. Meighen, holds views along those lines; but my right honourable friend is going to London next month to take part in negotiations there, and, judging by the past, honourable gentlemen, it will be a most difficult matter for our Prime Minister to steer clear or keep clear of something that will eventually tie us up and entangle us; and that is what a great many people in the Old Country want to bring about. They do not seem to realize that if they leave us alone to our own good judgment we shall be all right and they will be all right. If we are left alone I am sure the day will never come when the men and the money of Canada shall not be available for the defence not only of Canada, but of Great Britain and of the Empire. But we must be absolutely free agents in the matter. You cannot have two authorities. It is all very well to talk about having an Imperial Parliament and an Imperial War Council, or anything of that kind, and I have heard it stated that under those circumstances Canada's voice would be the same proportionately as that of Great Britain; but what good would that do us? The English-speaking parts of the outlying Dominions do not amount to more than one-third of the people of the British Empire. If it is going to be a per capita control what about India with her millions? She could swamp all the rest of the Dominions with her tremendous population.

I just want to take this opportunity of putting myself on record as being utterly opposed to any change or any agreements being made that will have the result of entangling us in the future and drawing us into quarrels that we have not any right to be concerned in. I have not the slightest fear that Britain will ever be aggressive and make war unnecessarily. She has all the territory she wants, and more than she wants; and if the time ever comes when she is forced into war or when an unfair advantage is taken of her, she will get twice the help from Canada if it is absolutely free. Five or six years ago, before war

was declared, our Prime Minister wired that if Great Britain was forced into declaring war, Canada would be right with her; and, if we are left alone, there will be no change in that position in the future. But any attempt to bind the Empire's forces together will simply be sowing the seeds of disintegration.

Hon. J. S. McLENNAN: Honourable gentlemen, let me congratulate our honourable colleague from De Lorimier (Hon. Mr. Dandurand) upon what he has said in reference to this very important matter. He could have gone further back than he did; he could have gone back to the first exercise of control by the British Government over what is now Canada, and he could have carried on from 1763 the gradual progression of liberty which the people of Canada have enjoyed in governing themselves as each previous step in administration was outgrown. The system which existed became unwieldy and confining; it came to cramp the development of the country; and when this occurred a newer and a freer form of government was given. That process has gone on up to the present time. It will go on, I believe, continuously, although it seems to me it has pretty nearly reached the limit, and that we have pretty nearly all that any people could have in the way of self-government. I think the issue had been obscured by too freely dealing in names. "Define what is a nation." It is very much like saying, "Is So-and-So a man?" In the legal meaning of the word he is a man when he is twenty-one years of age; but in the true intent he is a man when he exercises the ability and assumes the responsibility of manhood. I think it is the same with nations. You can quibble over the meaning of words; but the real test of nationhood is whether the people are united and strong enough and intelligent enough to discharge all the duties of the State to its members, and when they can properly discharge their obligations to other people with whom they may come in contact. And I think, tried by that test of performance, that Canada is a nation.

Through circumstances over which I had not complete control, I was in London this winter much longer than I expected to be. I came in contact not only with political people there, but with citizens and parliamentarians of the other Dominions. I heard a good deal about the relations of the Empire, and about what might happen at the approaching Conference. I have a distinct feeling that the eloquence of the honourable gentleman from Assiniboia (Hon. Mr. Turriff) was directed at frightening away a bogey which does not exist; I am confident that there is no desire on the part of the English people to bind us closer to them except through the ties which have proved so strong during the last four or five years, and that there is a desire not only in Great Britain, but also in Australia and in New Zealand, and, I believe, in Canada, for absolute co-operation to make the ties which bind us together stronger for the purpose of absolute co-ordination in making effective for our benefit and for the peace of the world the strength which we have and which we showed on the battlefields. The only desire, I think, of any one with whom I came in contact was to make that co-ordinative strength more powerful and effective than it has been. The only official utterance that I heard on the subject was made in an interview with Lord Milner, who, I take it, would be held to be the head of that terrible and secret body, the Round Table, and who is a statesman who accomplished something both during the war and before it for the benefit of the Empire. In January, or possibly in February, about the time of his retirement, this interview appeared in the Observer. He then stated, substantially, speaking of the Dominions, that the next step must come from them. I believe that is the position of the people who have given attention to the matter in England, and that there is to-day a desire, such as I have never before known to exist, to consult the Dominions rather than any such absurd thing as to attempt to coerce them.

Hon. GEO. LYNCH-STAUNTON. Honourable gentlemen, I do not approve of this Bill. This is not because of any jealous feeling that we may be allowing our right of self-government to slip from us, or that we may be concentrating the power of the Empire in Great Britain, but rather because I think it is absolutely outside our Constitution. Our Constitution is a written one, and is not susceptible to any evolution. It is susceptible only to interpretation. The British Constitution, being an unwritten one, goes on broadening, as it is said, "from precedent to precedent," adapting itself to the new conditions that arise with new generations, and fitting itself as a machine for making

harmonious the relations not only of Great Britain's people among themselves, but her relations with the world.

The British North America Act has conferred upon the people of Canada the right to legislate in respect of matters which affect Canada alone—by that I mean matters which do not affect other portions of the Empire. We cannot pass any legislation which directly prejudices or interferes with the rights of the Empire at large or of the other States which compose the Empire. I was much interested in the speech which Sir Robert Borden made in another place the other day, in which he traced what we sometimes call the evolution of our constitutional powers in regard to outside peoples. In my judgment he was really tracing the evolution of the realization of our rights and powers with regard to other nations. I cannot see that we are one step farther advanced, in so far as our relations with foreign powers are concerned, than we were on the day when the British North America Act received the Royal Assent. We have the right, as I have already tried to explain, to legislate with regard to matters which affect us alone; and that does not mean and cannot mean that we have only the right to legislate with regard to matters occuring inside the Dominion. From the beginning Canada has made contracts with foreigners for loans; from the beginning Canada has made contracts with people outside of this country, and has carried them out. We did not think it was a step forward when we sent our troops abroad. We sent our troops abroad, and naturally we made agreements with foreign nations as to the landing of those troops in their countries. We sent troops into South Africa, and we had to enter into contracts and relations with the people there. Is there any possible distinction between making a contract, which is called a treaty, with a foreign country regarding the admission of goods into that country or the admission of goods into this country and making a contract to borrow money from that nation? In order that this country may be governed, it is necessary that in all affairs which affect it alone, it shall have as much right as any independent state to make a contract by treaty or by covenant; and in making contracts with foreign nations we are not in the slightest degree treading on the rights of the Imperial Parliament, and I cannot understand how we ever came to concede the right to the Secretary for the Colonies to pass our contracts on to His Majesty the King. To my mind it is clearly expressed in the British North America Act that we have the right to make laws for the peace, order, and good government of Canada, and that the sending of these contracts to His Majesty through the Secretary for the Colonies is a mere practice, and not a legal duty on our part. But we have gradually, from year to year, realized that there is nothing more serious or more sacred or more imperial in making a treaty regarding our own individual affairs with the United States or with France than there is in making a contract to borrow money in either of those countries.

I am not in favour of this Bill, for the reason that in my opinion it never was intended by the British North America Act, nor can it be spelled out of the British North America Act, that we should have power to make war or peace, or that we should have had power to enter into any contract or relation which would embarrass or prejudice the Empire as a whole. All such arrangements, agreements, treaties, or obligations as we become bound by must of necessity be entered into by the Imperial Government. It will be conceded that Canada could not go to war without involving the Empire; therefore Canada has no authority or justification to commit either the whole Empire or any portion of it to hostile relations with any other nation.

How can we function—to use a modern term—in regard to Imperial relations with foreign countries? Only through conferences. I listened with great interest and pleasure to that luminous explanation given by the right honourable the Prime Minister in his speech in the House of Commons of what he regards as the position that he will occupy when he goes presently to the conference to be held in London. He stated that the very meaning of a conference precluded any contract being made. A conference is a meeting at which people discuss, but do not agree upon anything. The Prime Minister said that at the coming conference he would not commit Canada in the slightest degree to anything. If a great national question arises in which the whole Empire is interested, if a great policy is to be agreed upon, the Prime Ministers of all the commonwealths which compose the British nation will meet, in London or elsewhere, will resolve upon a policy and come to some understanding, and will return to their respective parliaments and submit what they believe to be in the interest of the country. If that

is approved of by the respective parliaments of the different commonwealths or dominions, then the Empire, speaking through the Prime Minister or Cabinet of Great Britain, will enter into the proposed relations. That is the only practicable scheme by which we can make our influence felt in foreign lands. In the nature of things, the majority of the nations which compose this Empire must necessarily prevail.

Not to detain the House longer, I will come to the reason why I disapprove of this Bill. The rights and powers conferred on us by the British North America Act, which are inelastic and cannot be widened out by usage, do not permit us to interfere in any relations with foreign countries which do not affect us alone. I think that is a very happy condition for us to be in. If the fathers of the constitution of the United States did anything wise, it was to lay it down that the United States should, as far as possible, keep themselves untrammelled by relations with people outside this continent. If we can keep ourselves from interfering in the relations of the nations of Europe, so much the better for us. It is proposed by this Bill that we may discuss the relations between foreign countries, quite irrespective of the representatives of the Empire at large, although we may be sitting beside them. It seems to me an absolute contradiction. It seems to me utterly impossible. If Canada has no right to make treaties which will bind the whole Empire, if Canada has no right to declare peace or to declare war, what right can she have to sit in an International Court and settle, or try to settle, disputes which may lead to war between two other countries—between some of those barbarians in southern or middle Europe, for instance? It is no business of ours at all in such matters. They are not within our constitution, and we are loading up this country with a large expense for the maintenance of a Court in which we have no possible interest in the world. For that reason I think that we should leave all these peace courts and Hague tribunals and Geneva conferences, and all such matters relating to the League of Nations, to the Imperial Government, and we should not interfere at all. If in our personal relations we have a dispute with the United States, we settle that easily enough ourselves. Why we should try to settle the boundaries between Austria and Hungary, or between Spain and Portugal, or between Syria and Palestine, passes my understanding. It is only creating officers to pay them salaries and spending a lot of money which we have no right to spend at all, and in matters in which we should not interfere.

Hon. Mr. ROCHE: I would like to ask the honourable gentleman if he would carry his argument a little further, to this point, that every Act of the Parliament of Canada is subject to the disallowance of the King. Does he agree with that?

Hon. Mr. LYNCH-STAUNTON: Every Act is subject to the disallowance of the King in every legislature in every part of the Dominions, from the Imperial Parliament down. If the honourable gentleman means to ask me whether or not in my opinion, after the Governor General has assented to an Act, it may be reserved for the further consideration of the King and Council in London, my impression is that there is technically that right, but it never was and never will be exercised.

Hon. Mr. CASGRAIN: Yes, there is the Supreme Court.

Hon. WILLIAM PROUDFOOT: Honourable gentlemen, I am rather surprised that members of this House should take a stand against this Bill. It seems to me that the Bill is a highly satisfactory one, and one which we as Canadians should be proud to concur in. Why should we not concur in it? Every action that we take in international matters, in connection with the Empire, advances Canada a step towards what may be called nationhood. I do not know that at the present time we occupy anything like an inferior position.

My honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) said he did not approve of the Bill because we might be called upon to assist in settling the boundaries between some of the nations in Europe. Why should we not be called upon to do that?

Hon. Mr. CASGRAIN: We have good surveyors.

Hon. Mr. PROUDFOOT: Yes. We might send my honourable friend to assist in carrying it out, and I have no doubt that he would be able to give them a great deal of valuable information and valuable assistance if he were called upon. When we consider the position that Canada took in the war, when we consider the position that our representatives took at Geneva last year, why should we say that Canada has not advanced to the position of a

nation? There is only an imaginary difference. The statement is often made that we have no control over our own affairs except in so far as the Imperial authorities give us the right to deal with them. We have a right to control our own affairs. We can make our own treaties. We can do everything that any other nation can do.

My honourable friend from Hamilton says that we have no power to declare war or interfere in matters of that description. I do not know that he is altogether right in that respect. Supposing for a moment that Canada should be attacked by the nation to the south of us.

Hon. Mr. CASGRAIN: We do not declare war; others do.

Hon. Mr. PROUDFOOT: If we were attacked by the nation to the south of us, would we not at once, as Canadians, start in to defend ourselves, and if necessary declare war against the people who were attacking us? We would not wait for England or any other portion of the Empire to say what we were to do in that respect. We would jump into the breach ourselves. It might have the effect of bringing England into the war; but England would be only too anxious to assist us in the same way that we assisted her in the war which has just been brought to an end. Then why should we not have representation in this Court and why should we not pass an Act of this kind? As I understand it, a Bill similar to that which we in this Parliament are called upon to pass will be passed by all the other nations, including Great Britain herself. What position would Canada be in if we were to say that we would not join in this Act?

Hon. Mr. LYNCH-STAUNTON: Would the honourable gentleman explain how it would prejudice Canada not to join in this Act?

Hon. Mr. PROUDFOOT: Certainly it would prejudice us. I will explain that, I think, in a moment. It would prejudice us in this way: if we did not join in it Canada would have no representation and would not be able to say anything at that board. Would not that be a very great prejudice to us?

Hon. Mr. LYNCH-STAUNTON: That is what I want the honourable gentleman to explain—how it would be a prejudice.

Hon. Mr. PROUDFOOT: In one word, would not the mere fact of our not being represented there be a sufficient reason to prejudice the position of Canada as a nation? I consider that Canada is a nation. I do not care what honourable gentlemen say to the contrary, that is the position I take. Not only are we a nation, but we showed it to the world in this way, that without being asked by the Imperial authorities to join in the war, we sent our men over there and they took a prominent part in it. Not only did we do that, but we spent our money and increased our liabilities in this country from three hundred millions of dollars to something over two billions. I suppose my honourable friend would say we should not have rushed into the war and spent that money in that way.

Hon. Mr. LYNCH-STAUNTON: My honourable friend should not impute that. I was not discussing any question of that kind at all. I was discussing the legal position only.

Hon. Mr. PROUDFOOT: I do not wish to impute anything to my honourable friend further than this. It strikes me that if he takes the position that we should not be a party to this particular Act, then, having reached that position, he must think that we have been wrong all the way through.

Hon. Mr. LYNCH-STAUNTON: My honourable friend is still, I think, unintentionally misrepresenting me. I said we went into the war and we passed a Conscription Act, and everybody said it was necessary and advisable, because that was in the interest of Canada.

Hon. Mr. CASGRAIN: Not everybody.

Hon. Mr. PROUDFOOT: I go further than that. I have no desire to misrepresent my honourable friend at all, because I think he was quite in accord with everything that was done towards helping on the nation, so far as the war was concerned; but the view I take is that, having gone into the war and taken the part that we did in it, we should not stop at this point, but should continue and place ourselves in the position that we ought to occupy. If we are not completely in the position of being a nation, will not our participation in this International Court place us in advance of the position we are in at the present time? If we can advance our position by doing so, why should we not join in passing this Act? I understand that it is the desire of the Imperial authorities that Canada and the other Dominions should do so. If we say that we will not pass the Act, the Imperial

authorities may very well say: "They are only little Canadians. They do not recognize the position that they might occupy in the world's theatre."' Here is a tribunal which will be a very important one, and it is possible that we may have a Canadian representative in the position of a judge of the court if by joining in this Act we become a party to the scheme. There is no reason why we should not. At the conference in Geneva our representatives stood out quite as prominently as any of the men who went over from England and the other countries which were represented there. Canada need not blush or feel ashamed at the stand that our men took on that occasion. Such being the case, why should we drop out?—for that would be the effect of our refusal to pass this measure. We would simply lose the position which, as I said before, we have attained through the sacrifice of the blood of some of our best and bravest men and by the expenditure of our vast wealth. We would lose all that and would simply go back into an insignificant place. I say, honourable gentlemen, that that is not the stand that we should take. We should take the stand that we are asked to take. We should pass this Act and say that we are ready to proceed, ready to give all the assistance that can be given to this proposal, ready to pay whatever may be necessary, so far as we are concerned, for the carrying on of the affairs of that Court; and furthermore, ready, if the occasion should require it, to send as members of that Court men who will ably represent Canada and be a credit to Canada and the Empire.

Hon. Mr. CASGRAIN: The honourable gentleman is an experienced lawyer. Will he tell us, would it make any difference whether we joined that Court or not? Would it make any difference to the Court or to the Empire?

Hon. Mr. PROUDFOOT: Certainly it would. It would strengthen the Court very greatly if we joined. Not only would it strengthen the Court, but, as I said a few moments ago, if they want able surveyors over there, we could assist them in that respect.

Hon. Mr. BEAUBIEN: I must confess that I am rather surprised at the objections made to this proposal, and at the levity with which in some cases they have been made. I am not going to dwell upon the reasons why we should pass this measure. They are quite obvious. This is a measure passed by practically every big nation in the world, and its purpose is to prevent wars in the future. That is sufficient.

But I would like to deal in just a few words with the objections that have been raised. They are of two kinds: one is a legal objection and the other is a practical one.

As to the legal objection, I am not surprised to hear it expounded, as it has been, by a clear legal mind that follows its argument to an absolutely logical conclusion. But my answer to that is that the British constitution cannot be followed in a logical way, step by step, from the premises to the conclusion. The reason is quite apparent. If the British North America Act has not been amended in its text, has it not been amended in its application? Is it really for us to complain because its application has gone beyond the text? Is it not a fact, honourable gentlemen, that the world is quickly becoming very small, and that the causes which threw us into the terrible war that has just closed may occur again? Is it true or not that not one voice was raised at the beginning of the war to prevent this country from doing its share? Not one voice. If such conditions were repeated, is it not natural and logical to think that we would do the same thing over again? Should the big nations of the world consider it of permanent necessity to open deep again the arteries of humanity, would not all those of us who want to maintain liberty in this world, let alone England, speak for one-quarter of the superficies of this globe and one-fifth of its population? Are any of you honourable gentlemen willing that England alone should have to decide? Or do you wish that the voice of the British Empire should be composed of the voices of the Dominions that constitute it? I want my honourable friends to face the question now. Are they willing that Great Britain should say, "We are going to war, and we shall not consult Canada," or are they willing to seize upon the opportunity which is given to us more and more as the years go by to decide what we shall do? Are they willing to be still infantile, so to speak, as was the case fifty years ago, or are they willing to take now their full share of manhood? When the British Empire speaks, when the Prime Minister of England gives an answer for all parts of the Empire, should he not first of all listen to the voices

of the component parts of the British Empire which are gradually becoming nations on the same footing?

Hon. Mr. LYNCH-STAUNTON: That is exactly what he is going to do, as I said: he will consult our people before he goes to war.

Hon. Mr. BEAUBIEN: I said that my honourable friend from Hamilton had presented his arguments logically but basing them on the written constitution, and he has taken absolutely no account of its modification by the application in a wider way.

Now, gentlemen, take this Bill: it may decide peace or it may decide war for us; it may prevent calamities equal to what we have had to record. Is any man ready to stand up in this chamber and say that he does not want the voice of Canada to be heard in that court? All the nations of the world are united there: forty-two of them were glad and proud to see Canada joining in this effort. Are any members of this honourable chamber going to stand up and say they are not willing that Canada should join?

Hon. Mr. TURRIFF: Could my honourable friend not trust the British Government to do the right thing by the Empire?

Hon. Mr. BEAUBIEN: Well, I am indeed surprised. I would not be quite so surprised if that question had come from the honourable member for De Lanaudière (Hon. Mr. Casgrain), who has a method of treating these large questions with a great deal of levity; but do I understand my honourable friend to want to revert to the old system where we had nothing to say in the administration of the Empire?

Hon. Mr. TURRIFF: That is just exactly what I want. We were quite satisfied, and everything was quite satisfactory, under the old system, and all the talk at the present time of our being a nation is, to my mind, all rot.

Hon. Mr. BEAUBIEN: That simply means that the honourable gentleman prefers Canada to stay as it was fifty years ago, always in embryo, never growing, never coming to manhood. He may choose; it is his concern; but I must say it is a great disappointment to me to hear him expressing these views, and I am surprised that even one member of this House should hold such views. After all, gentlemen, time passes rapidly, and even a century is little in the life of a nation. Some day or other in the far future, when our population is very much larger, we are destined to be independent—I suppose we are. I am not looking for that day. As far as that is concerned, I absolutely share the opinion expressed by the honourable gentleman from Assiniboia (Hon. Mr. Turriff): I would like the present state to remain. I want all the nations of the British Empire to be bound together by an imponderable but unbreakable tie of sympathy; I am absolutely in accord with that. But I believe that the Crown should not stand on only one point of support; I would like it to stand more and more on practically all the different independent nations that compose the Empire, and it seems to me that never was a better opportunity offered to us than the Bill that is now under consideration, to establish a Court of International Justice where quarrels will be decided according to law and not by the sword. For my part, I would be proud to see in that Court of Justice a representative of Canada. That representative could do very much, in my opinion, to protect our future against embroilments in the world. If the problems which are distinctively our own were not explained and defended in that court we would not be protected as we should be. It is very easy to conceive of cases where the interests of Canada should be considered first in the British Empire. Does my honourable friend from Assiniboia think for one moment that the statesmen from the British Isles could better explain a case than one Canadian-born, brought up here, having lived his life and breathed our atmosphere, and knowing our problems? If he thinks that, he has a very small opinion of the kind of men we produce in Canada; and let me add that that is not the opinion held in Great Britain and in Europe at the present time. I believe, therefore, that we can have no better guardian to protect us from the embroilments that may come over the world than a man whom we shall select to sit on that International Court of Justice. It seems to me that the objection from the practical point of view must be eliminated.

As to the legal objection, if we are estopped, so to speak, in the exercise of our liberty, who can complain unless it be Great Britain? Does she complain that the power is gradually drifting from her hands into ours, and into the hands of those who now represent the different nations which compose the Empire? No, she is not com-

plaining. On the contrary, she is glad of that. But honourable gentlemen say, "Well, the text of the contract, you know, points to something else." We will agree with that, and say, "You are quite right, but the contracting party does not complain; he rather encourages us to go beyond the contract, and we have everything to gain by doing so." My friend, legally you are right; but allow us to go beyond your objection, and to reap the benefit that comes to us if we do so.

Hon. Mr. BOSTOCK: Honourable gentlemen, I did not take part in the discussion of this question at the commencement, because it seemed to me that when we agreed to the Treaty of Versailles we practically endorsed what we are asked to do under this Bill. Clause 14 of that Treaty gives authority to the countries to propose this Court of Justice. It reads as follows:

> The Council shall formulate and submit to the members of the League for adoption plans for the establishment of a permanent Court of International Justice. The Court shall be competent to hear and determine any dispute of an international character which the parties thereto submit to it. The Court may also give an advisory opinion upon any dispute or question referred to it by the Council or by the Assembly.

We agreed to that when we passed the Treaty, and this is only another step in the carrying out of that clause of the Treaty. I therefore felt that we were committed to this action, and I think that we are bound to carry out the clause of the Treaty, as we agreed to it at that time. I agree with the other honourable gentlemen who have addressed the House that Canada is quite able to take her part in dealing with the question of the selection and recommendation of the representatives of Canada in this International Court. I think it should be the desire of everyone that as far as possible we should take our share in this matter, and trust that the result of the action now being taken will be the establishment of this court, and that the court will be the means of preventing the nations from going to war. Of course, honourable gentlemen will remember that under this arrangement only those nations who signed the Treaty come under the jurisdiction of this court, and, as I understand the position, the court has no arbitrary authority: it cannot compel even those nations who signed the Treaty to come before it. Only by the consent of the parties can questions come before the court.

As to the other question, the relation to Canada within the Empire, that has been so fully discussed to-day that I do not propose to weary the House by going into it again.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, when I moved the second reading of this Bill I scarcely anticipated that it would assume the constitutional aspect with which it has been discussed. I must say that no doubt arose within my own mind as to the authority of Canada to enter into an obligation such as that contained in the Convention of the League of Nations, the Bill before us being a part of the obligation which we then assumed.

In answer to some of the observations which have been made to-day, I must say that I have never been able to feel that degree of anxiety to which some gentlemen have given expression, in regard to the development of Canada's powers as to treaty-making or other matters of that kind, for the simple reason that I have always been under the impression that Canada's freedom, nationally expressed, was entirely within her own power. I venture to say there has never been a time, from Confederation down to the present moment, when Canada could not have exacted from Great Britain whatever freedom she desired in regard to the treaty-making power, or any greater freedom that she might have wished. In my judgment, Canada is as free as any people can possibly be. While we may not possess all the sovereign rights that Great Britain herself possesses, yet we have all the sovereign rights by which we may exercise that measure of freedom which is common to any people for their national development. I have never regarded Canada in any sense as bound in its national expansion by the British North America Act. That Act is simply a legislative pact between the Federal and the provincial entities that make up Canada to-day. It is simply an Act of Confederation by which the old Canada and the provinces which constituted the old Canada entered into a pact establishing a Federal authority and a provincial authority. But that Act did not bound the national powers of Canada.

My honourable friend from Rideau (Hon. Mr. Edwards) has repeatedly asked, "What is a nation?" He might as well ask, what is a free agent? I would ask him, what is a free agent? You can interpret the one as easily as the other. A nation

may be circumscribed, as Canada is, and in a like manner a free agent may be circumscribed in his activities.

I would refer my honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) to the first recital of the British North America Act, because he seems to lament that Canada does not possess greater powers than he attributes to it. The recital of the British North America Act says:

> Whereas the provinces of Canada, Nova Scotia and New Brunswick have expressed their desired to be federally united into One Dominion under the Crown of the United Kingdom of Great Britain and Ireland, with a Constitution similar in Principle to that of the United Kingdom—

We have all the principles of government and liberties which obtain in the United Kingdom. There is no attribute of the United Kingdom necessary for our national existence which we also do not possess. No people, whether a people of nine million or a greater number, could be found within the four corners of a written constitution. Our written Constitution is simply meant to define the legislative activities in which we may engage; but outside of that we have all the liberties and freedom common to any people. No constitution prevents any community of people, call them a nation or what you will, from defending themselves or from engaging in a war with another people. When Canada's sympathies were with Great Britain in the South African War she did not stop to ask whether she had the power to engage in that war. Canada engaged in that war with just as much freedom as Great Britain. When the great war of 1914 broke out, Canada did not hesitate to express her intentions. She was just as active as Great Britain or any other nation that entered into the war. Canada did not take up the British North America Act and turn over its pages to ascertain whether she could enter into that war; she exercised just as much freedom, and manifested just as much loyalty and patriotism towards the cause, as any nation that entered into the war and became one of our Allies.

It is idle to talk of a constitution circumscribing a people when that people want to do any act of a national character. I think some honourable gentleman in the discussion this afternoon said that it was necessary to apply logic to the situation. Why, honourable gentlemen, no community knows logic. When national endeavour asserts itself, and a people assumes to enter upon a national undertaking, everything else disappears in the face of the throbbing forces of human nature which impel the people to play the part of men.

My honourable friend from De Lorimier (Hon. Mr. Dandurand) gave us a very interesting address upon the evolution of the treaty-making power from the day of Confederation down to the present time. Historically he was correct; but I must say that I view the matter from a different angle to that of my honourable friend. The matter of routine or the matter of diplomatic usage or national etiquette has been the subject of much discussion; but to-day we are emerging into the larger field and have thrust to one side the routine which has been followed for many years, and which has more or less circumscribed us in the past.

When one takes into consideration the fact that the British Empire is made up of possessions in all parts of the world, one will appreciate the necessity of some such central entity as the United Kingdom doing the business of these possessions with other parts of the world. Years ago, if Canada had assumed to enter into treaties with European or Eastern nations, those nations possibly would have asked what and where Canada was. It was necessary for Canada to do business through a responsible agency, and that agency was the Imperial authority, through which was done the particular business of treaty making, or whatever you choose to call it. But that does not mean that we have been limited in entering into a contract or treaty that Canada thought fit to enter into. I have always been of the opinion, and the more I am in touch with public affairs the more I am convinced that I am right, that all Canada has to do is to express its desires to the British Government and they will be fulfilled. Great Britain will never refuse what Canada may ask.

Hon. Mr. EDWARDS: If we are a nation, why should we ask Great Britain?

Hon. Sir JAMES LOUGHEED: We are a commonwealth of nations; we are in the same position as my honourable friend, who may have partners in his business. He is not prevented from assuming all the responsibility of a sole owner of the business, and yet he does business through his firm or along with his partners, as the case may be. The technical question of what constitutes a nation is immaterial. I have been to some extent—say to a somewhat limited extent—a student of constitutional

history, and I have not yet seen any satisfactory definition of what constitutes a nation.

Canada has been developing rapidly owing to the consciousness of her growth. It is idle to talk, as the honourable gentleman from Assiniboia (Hon. Mr. Turriff) has done, about Canada remaining where she was. My honourable friend might as well make up his mind to remain in an inert condition for the rest of his life as to talk of Canada remaining inert or passive, or not assuming any more obligations than she has done in the past. A nation has obligations in the same way as an individual has them: it may not sit idly by and remain unconscious of its national responsibilities to the rest of the world. We have precisely the same responsibilities as an individual, and the individual who fails to recognize his responsibilities must simply, like a plant, droop away and die. So will any nation or any people. If Canada is to grow and is to achieve her destiny she must recognize her responsibilities and obligations to other parts of the world, and must be prepared to assume them.

Hon. Mr. TURRIFF: Canada did not remain inert during the war.

Hon. Sir JAMES LOUGHEED: That just reveals the consciousness of her power. Canada is a young giant, just recognizing that she possesses the same powers and the same forces possessed by other nations of the world; recognizing that she has a destiny equal to that of the greatest nations of this or any other continent. When we became a member of the League of Nations it was simply another evidence of the conscious growth which entails national responsibility. When the Peace Conference was being held in Versailles, Canada recognized that she had to become a member of the League of Nations. What was it that induced Canada to become a member of the League but a sense of her importance and her responsibility in the future? Do honourable gentlemen expect Canada to remain in a state of tutelage for the rest of her days? Is it to be said that we have not conceived her destiny? I am prepared to say that the time will come when Canada will have to assume even greater responsibilities—responsibilities just as great as those of Great Britain herself. The time will come when Canada will be as important as Great Britain, and when the population of the northern half of this continent will be as great as, or will exceed, that of Great Britain. We must look forward to the day when Canada will be a sovereign power on this continent, with the right of asserting her power in any way.

As my honourable friends who have spoken in favour of the Bill have pointed out, the Bill is a most commendable one. It would be difficult, it seems to me, for the Parliament of Canada, or for any other body of people, recognizing our responsibilities, to say that we should not become a party to endeavouring in every conceivable way to maintain the peace of the world. This is a business which we do not want to do through Great Britain when we have a consciousness of our ability to do it, and consequently Canada proposes to become a party to this Court of International Justice. I have no doubt, honourable gentlemen, that this Bill, notwithstanding the comments which have been made and the criticisms to which it has been subjected, will receive the unanimous support of the Chamber.

The motion was agreed to, and the Bill was read the second time.

OPIUM AND NARCOTIC DRUG BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 81, an Act to amend the Opium and Narcotic Drug Act.

He said: Honourable gentlemen, this Bill is very largely made up of amendments to legislation formerly placed upon the statute book and dealing with opium and narcotic drugs. It has been found that the use of narcotics is growing very considerably. The evils proceeding from the use of drugs are obtruding themselves upon us every day. The organization of the Department of Health has permitted of very much closer attention being given to this subject, and it has been found necessary to place upon the statute book new legislation of a much more drastic character than that which we have heretofore enacted.

As honourable gentlemen will readily concede, this legislation is in the interests not only of the morals but of the health of the community, and therefore I have no hesitation in asking for the second reading of the Bill.

The motion was agreed to, and the Bill was read the second time.

NATIONAL RESEARCH BILL

MOTION FOR SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 116, an Act to amend the Research Council Act and to establish a National Research Institute.

He said: Honourable gentlemen, this Bill does not deal with an entirely new subject. We already have upon the statute book legislation touching the subject of scientific research. During the war an Advisory Council, somewhat similar in plan to that established in Great Britain, was formed in Canada. That Council was made up largely of representatives from the different universities and educational institutions of Canada; it was under the Chairmanship of Dr. McCallum, who has since separated himself from this work so far as the Government of Canada is concerned, and has entered upon other fields.

It is now thought desirable to enter in a much larger way than heretofore into scientific and industrial research, the necessity of which has become more apparent since the close of the war. Our attention has been directed to the operation of similar legislation in almost all countries, particularly in England, where the different industrial activities have in their own behalf established research organizations. Science has made wonderful progress within the last generation, probably more especially since the war, and the necessity for the application of scientific methods to all our manufacturing and industrial activities is being recognized more and more every day.

The Bill may be said to be divided into two parts: one dealing with the Council, and the other dealing with the practical means of carrying out national research. A substantial sum has, I believe, been placed in the Estimates of the present year, with the anticipation of expending it in the establishment of a National Research Institute in Ottawa, as provided in the Bill.

I forbear going further into this matter, because I know some honourable gentlemen in this Chamber have been giving considerable attention to the subject; and when I can induce honourable gentlemen to take up subjects of this kind, I recede with alacrity from the position of strongly urging the Bill which I may present. My honourable friend from De Lanaudière (Hon. Mr. Casgrain) has given a good deal of attention to this subject, and I know that he is prepared to address the House upon it. I move the second reading of the Bill.

Hon. J. P. B. CASGRAIN: Honourable gentlemen, the honourable leader of the House is very kind in saying that I have devoted a great deal of time to research on this matter, and the statement is quite true. I believe this is one of the best moves that the Government could possibly make. They are only following the example of other countries engaged in scientific research. Much as we dislike Germany in many respects, there is certainly one way in which we might, for the good of our country, follow the German methods of thoroughness and of developing things that already exist. As honourable gentlemen are aware, the Germans have invented very few things, but the things that have been invented—for instance, the dyes in England—were taken over to Germany and perfected there. Illuminating gas was invented in France. And I might enumerate other things. The Germans do not invent, but, with their thoroughness, they take the thing that has been invented and perfect it and turn it to commercial use, with the help of large subsidies from the Government, and with any amount of protection that may be needed. Before the war they were invading the world, and if they had waited for a little time, no one can predict what might have happened. If they had waited a few years they might have captured the trade of the world, not only with their dyes, but also with drugs and medicines. They were producing drugs that cost next to nothing—that were worth one cent and were selling at a dollar in every drug store. The drug stores, I am told by my neighbour (Hon. Mr. Dandurand), are full of such drugs to-day; and they were before the war.

There is any amount of work that can be done by the Department of Scientific Research. The fuel problem is staring us in the face. As you know, there is no coal in central Canada. Gasoline also is all being imported from the United States. Then there is industrial alcohol, then motor alcohol, then lignite in briquettes, and sawmill waste, and liquid oxygen, and explosives, and fertilizer. There is fertilizer made by high pressure. There are the aids to navigation. Sailing ships, we find, are coming back owing to the high price of coal. Sawdust is used as cattle-feed. It

has been used in Germany for a long time, and is being used now, and successfully in America.

Canada's total production of coal is 14,000,000 tons, valued at $55,000,000; whereas we import from the United States 17,000,000 tons, of which four millions are anthracite, representing a value of $61,000,000. The coal we get from the United States is cheaper than the coal we produce in Canada. That should not be. And we are paying our good money to the amount of $61,000,000, plus the exchange, to the United States. Fancy what would happen to central Canada if for only one winter the United States were short of coal themselves, as they were only three years ago. Suppose the United States were to prevent coal being shipped into central Canada and the St. Lawrence being frozen. Anyway, the soft coal that we have, I am told by experts, cannot be used in our houses for heating in the winter time, because of the sulphur it contains, especially if the windows have to be kept almost hermetically sealed on account of the cold weather.

If time permitted, I would tell you about peat. I may do so later. But of coal and coal by-products I have here a list of no less than a hundred articles. I may say that I am indebted for this list—and it is the second that he has been good enough to give—to Mr. de Gaspé Beaubien, brother of the houourable gentleman from Montarville, who during the war came forward and at his own expense, without subsidy, started a dye factory. As you know, dyes were not being exported from Germany and they were not manufactured in the United States. No dyes could be had. Mr. Beaubien succeeded in making some colours. I am told he succeeded in making a very good black; and, strange to say, the black was made with benzol, which is absolutely white. He must be an ingenious chemist to be able to change white into black, as he did.

Hon. Sir JAMES LOUGHEED: The difficulty is to change black into white.

Hon. Mr. CASGRAIN: If honourable gentlemen had the time to look at this list they would see what a mass of wonderful things there are in the products derived from coal. You would find saccharine, sweeter than sugar, in the list of by-products; you would find aspirin; you would find even perfume for the ladies. The basis of the finest perfume can be extracted from coal.

Hon. Mr. BLAIN: Is my honourable friend going to put the list on Hansard?

Hon. Mr. CASGRAIN: I am afraid that it would be too bulky to place it on Hansard, but it would be very valuable.

Hon. Mr. BLAIN: Yes.

Hon. Mr. CASGRAIN: It would be extremely useful. I was unfortunate enough to lose one of those lists, and if it had not been for the kindness of the brother of the honourable Senator from Montarville (Hon. Mr. Beaubien), I would not have been able to refresh my memory. It will be seen by this list that one of the greatest things we can get from coal is gas liquor, which makes any quantity of ammonia, which, as you know, is the very basis of all the best fertilizers. If it is the desire of the House, I shall be only too happy to place the list on Hansard.

Hon. Mr. SCHAFFNER: That is a list of the by-products of coal, is it?

Hon. Mr. CASGRAIN: A list of the by-products of coal. I have counted them, and if my addition is right there are 102 in this list.

Hon. Mr. SCHAFFNER: None of which is being produced in Canada as yet?

Hon. Mr. CASGRAIN: Yes; tar is produced here; pitch is produced and some light oil, and gas.

Hon. Mr. SCHAFFNER: I would like very much to have that list included in Hansard.

Hon. Mr. CASGRAIN: I will hand it in with the greatest of pleasure:

Statement of the Products derived from Coal and Some of their Uses

Gas: Carbon bisulfid, benzol, toluol, xylol, sulfur, cyanogen, illuminating gas, fuel gas, sulfocyanid, ferrocyanid, ferricyanid, prussian blue.

Gas liquor: Anhydrous ammonia, aqua ammonia, ammonium sulfate, ammonium nitrate, ammonium carbamate, ammonium carbonate, ammonium chlorid, refrigeration.

Coke: Metallurgical coke, domestic coke, coke breeze briquets, oven carbon, graphite, electrodes, lamp black, lubricant, crucibles, electrodes.

Tar products of coal include the following:

Light oil: Crude benzol, carbon bisulfid, solvent, pure benzol, dyestuffs, solvent, nitro benzols, explosives, anilin, dyestuffs, hydrochlorid, anilin black, hydroquinone, photography, sulfanilic acid, dyestuffs, phenylhydrazin, antipylin, acetanilid, diphenylamin, dimethyanilin, dyestuffs, phenylglycin, indigo, sulfo acids, resorcin, dyestuffs, phenol, azobenzol, benzidin, dyestuffs, pyridin, denaturant, solvent naphtha, xylol, nitroxylol, xylidin, heavy naphtha, para-inden, para-cumaron, varnish, crude carbolic acid, phenol, cresols, disinfectants, para-cresol, meta-

cresol, nitro-cresol, explosives, ortho-cresol, crude toluol, pure toluol, nitro toluol explosives, toluidin, dyestuffs, sulfo acid. saccharin, benzaldehyde, dyestuffs, perfumes, benzoic acid, perfumes, sodium benzoate, food preservative.

Middle oil: Crude carbolic acid, phenol, cresol, nitrophenol, para-amidophenol, phenacetin, dyestuffs, ortho-amido phenol sulfo acid, dyestuffs, dinitrophenol, picric acid, explosives, synthetic resins, synthetic plastics, salicylic acid, aspirin, amido-salicylic acid, dystuffs, methyl salicylate, flavorings, neutral oils, paint thinners, shingle stains, lamp black, crude naphthalin, refined naphthalin, ball flake etc., insecticids, sulfo acids dyestuffs, phthalic acid, phthaleins, dyestuffs, phthalimid, anthranilic acid, indigo, naphthols, sulfo acids, dyestuffs, dyestuffs, nitronaphthalins, naphthylamins, amidonaphthol sulfo acid, dyestuffs naphthylamin sulfo acid, dyestuffs, explosives.

Heavy oil: Crude carbolic acid, phenol, cresols, disinfectants, wood preservation, pressure impregnation, anthracin oil, wood preservation, open tank and brush, lubricating greases, crude anthracin, carbazol dyestuff, phenanthrin, anthracin, anthraquinone, anthraquinone sulfo acids, alizarin dyestuffs, algol dyestuffs, quinazarin, dyestuffs, lamp black.

Refined tar: Paints, tarred felt with pitch, composition shingles, specification roofing, ready roofing, insulation, water proofing, pipe coating. subflooring, tar-rok, sidewalk compositions, paving materials, tarvia.

Pitch: Soft pitch, insulation. water proofing, paving filler, medium pitch, briquets, paints, roofing, waterroofing, hard pitch, briquets, core compounds, metal casting, electrodes carbons, targets, powd fuel, pitch coke, fuel.

It may surprise honourable gentlemen to learn that coal has become too dear to be used in cargo boats to-day. Much as I admire our Canadian Marine, and much as I favor the building of steamships, still I have to admit that cargo boats are to-day operated at a loss. I do not make that statement on my own authority; I have right here the proof, if anybody wishes to challenge any of my statements. My authority is the Chamber of Shipping of the United Kingdom. This year, they say, only a few steamships are operated at a profit, and it is at a very small profit, and more and more ships are being operated at heavy losses. Take for instance a 10,000-ton ship, a freighter; it will consume roughly speaking, about 1 ton of coal an hour, which means 24 tons a day. That quantity of coal at the current price, which would be, I suppose, about $10 a ton, would cost $240 a day. No freighter can afford that expense. The Chamber of Shipping of the United Kingdom go on to say that at present freighters are not earning enough to pay for the coal, not to mention the interest on the ship or the wages of the crew.

Of course, the use of steam will continue for fast freight and passenger boats; but the use of sailing ships for long voyages is becoming more profitable. Before the war, in normal times—for instance, about 15 years ago—all freight rates were fixed by the price of coal at the place to which the goods were going. If a cargo was sent, we will say, to the west coast of South America, the price of coal was governed by the price at which coal could be got at Punta Arenas, which is, as you know, at the west end of the Magellan Straits. There were coal boats, some from Australia, some from England, waiting there all the year round so as to be able to supply coal to ships needing it at that place. An accident might have happened to a ship, or it might have been delayed, or it might not have taken on enough coal, or might have encountered storms. At whatever price coal was selling at Punta Arenas, that price was immediately quoted in London, England, and throughout the world. It was found to be worth while to have a ship start from England with coal as part of its cargo, in order that it might come back with some of that coal rather than have to pay the outrageous prices. When I say "outrageous prices," I mean 30 or 40 shillings—which is nothing as compared with the prices prevailing to-day.

"But," honourable gentlemen may say, "these sailing ships are too slow." The late fifties were the clipper ship era. There was then no need for worry as to speed. To give you one instance, the Flying Cloud sailed from New York for San Francisco in 1851. It travelled 5,912 miles at an average rate of 9½ knots an hour, and covered the remaining 1,256 miles at the rate of 12½ knots an hour. Mind you, that ship was going in the wrong direction for speed, for it was going westward, and, as we all know, the prevailing winds, especially around the Horn, are all from west to east; they are all western winds, and there are terrible storms encountered in rounding Cape Horn. Notwithstanding this, the Flying Cloud made that wonderful voyage in less than 30 days. No tramp steamer has ever made that distance in anything like that time. Not long afterwards another ship, called the Lightning, in a gale, went 436 miles in one day—a speed equal to 18 or 18½ knots an hour. To-day we could improve on that. We have steel for the hull and for the mast, and wire ropes for all standing and running gear, and finer lines for the ships. The old wind-jammer, the old square rigger, could sail only 6 points to the wind. Those who understand navigation know that that is almost equal to going with a beam wind. When you are

going 6 points to the wind you are 67½ degrees from the wind, and naturally the ship must make a great deal of leeway—so much leeway that a ship of that kind will go 12 miles to gain one mile to windward. If it makes one tack of 12 miles, another tack of 12 miles, it goes 24 miles and gets only 2 miles to windward. But the fore-and-aft, which is what is called the schooner rig, just like a four-masted or five-masted schooner, will go, it is claimed, 4 points to the wind. That makes all the difference in the world in regard to leeway. When it is going 4 points to the wind it is at an angle of 45 degrees to the wind; consequently the leeway is very much less, and in covering exactly the same distance by a tack of 12 miles and another tack of 12 miles, it would make 17¼ miles of headway towards the wind; it would get 17¼ miles to windward. Those new ships—I have a design of them here—would be equipped with a small Diesel engine, not primarily for the purpose of propelling the ship, but in order to provide power for hoisting the sails and furnishing leight. The only objection to the fore-and-aft rigging was the fact that those great, big sail, the mainsail and the foresail and the others, five of them in a row, were so unwieldy that it was almost impossible without carrying a big crew to hoist one of them up 80 feet from the boom to the throat. It took a great number of men. Therefore these new ships have a separate motor and a drum for each halyard and also for each sheet, and, according to this new design, the man at the wheel, simply by turning a switch, can hoist or lower. These big sails, that were so unwieldy, have now been cut into two halves, the upper and the lower. The lower one is put up, and if the ship needs more sail the other one is just set like an ordinary topsail, along the peak of the lower one.

From the report entitled, "Transactions of the Engineers and Shipbuilders of Scotland," February, 1921, I take these statements regarding the absolute necessity of turning back to the sailing ships, on account of the high price of coal. Mr. P. O. Liljegren studied with Herreshoff, the great yacht designer of America. Before the engineers and shipbuilders of Scotland he proved that with machine-driven ships the cost was greater than the earnings and that this condition would prevail for an indefinite period. Steamships were possible when fuel was cheap; but, according to all the authorities that you can find, according to our own Research Bureau, the day of cheap fuel is gone forever. It may be surprising to hear of the return of sailing ships, but such is the fact. Honourable members of this House may be surprised to learn that for some years there has been in Boston a company owning about 20 schooners, fore-and-aft rigs, four-masted and five-masted schooners, and they are doing a thriving business. We know that the steam freighters, or machine-driven boats, are starving. Everybody knows that until 1842 the sailing ship reigned supreme. There were no steam freighters until 1842, but in 1845 steam-driven vessels began to break even, because then there was a period of very cheap fuel. For some reason fuel again went up in price and the sailing vessel came back. It was only in 1879, you will find, that steam vessels came to the fore for good, and fuel was cheap from then until the outbreak of the war. Now the price of fuel is altogether too high; but remember one thing, honourable gentlemen, that if the price of fuel has gone up, the price of wind is not changed; it is still the same as in the fifties, when sailing was at its best. Westward around Cape Horn ships would go 13 and 15 knots to the China Seas, leaving the freighters far, far behind. To-day, with the new design, we can do much better. Now, the design of the five-masted ship is not a new design at all. It is the ordinary fore-and-aft. All those who have lived on the shores of the Great Lakes have seen these four and five-masted schooners and know them perfectly well. If you go to the Atlantic coast you see them there also, only these have been made, as I said, more perfect, and the sails are cut into upper and lower halves.

I might mention that in Vancouver, during the war, I and some others built 9 wooden sailing ships, with 2 small Diesel engines of about 160 horse power each: they were 3,300 tons. That was quite big enough for the lumber trade, because it appears that there is no part of the world where more than 1,000,000 feet of lumber is wanted at one time for one yard, and it would be of no use to have the ships any bigger. At any rate, a couple of cargoes were sent to Australia, and the trip from Vancouver to Sydney, Australia, was made in 52 days. The ships would have sailed much better if they had had feathered propellers, but unfortunately they could not have them. Moreover they have to keep the propellers going pretty much all the time, so as to offer so much resistance.

If the honourable leader of the House has no objection, unless it is intended to

meet this evening, I would move the adjournment of this debate until Monday afternoon.

Hon. Sir JAMES LOUGHEED: Or until whatever day we adjourn to.

On the motion of Hon. Mr. Casgrain, the debate was adjourned.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

THURSDAY, May 13, 1921

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DOMINION LANDS BILL

FIRST READING

Bill X4, an Act to amend the Dominion Lands Act.—Hon. Sir James Lougheed.

NORTHWEST TERRITORIES BILL

FIRST READING

Bill Y4, an Act to amend the Northwest Territories Act.—Hon. Sir James Lougheed.

GOLD AND SILVER MARKING BILL

WITHDRAWN

Hon. Mr. LYNCH-STAUNTON, from the Special Committee appointed to hear evidence and to report upon Bill C, an Act to amend the Gold and Silver Marking Act, presented the following report:

The promoters of the Bill having signified their desire to have the Bill withdrawn, your Committee recommend that leave be granted accordingly.

The report was concurred in, and the Bill was withdrawn.

PRINCE EDWARD ISLAND FREIGHT RATES

DISCUSSION AND INQUIRY

Hon. B. C. PROWSE rose in accordance with the following notice:

That he will call the attention of the Senate to the unfavorable conditions affecting the Province of Prince Edward Island at the present time in connection with our most important product in the form of the large amount of potatoes on hand at the present time which cannot be shipped on account of the prohibitive freight rates.

Hon. Mr. CASGRAIN.

Also the prohibitive freight rates on cordwood, which made it impossible during the past winter, when coal could not be obtained from the mines, and the poor class were unable to obtain wood for fuel, with which our Province is dotted, and inquire if it is the intention of the Government to take any action with regard thereto?

He said: Honourable gentlemen, before proceeding to inquire of the Government for certain information, I desire to apologize for occupying the precious time of this honourable House. I will make my remarks as plain and as short as I can. But the conditions on the Island are so serious in a way that it is necessary to draw the attention of the House to the prohibitive freight rates on our potatoes. We have to-day in the province hundreds of thousands, I may say millions, of bushels of surplus potatoes which, on account of the prohibitive freight rates, cannot be shipped. We have, on the other hand, the markets of New Glasgow, Amherst, Halifax, the Sydneys, and Newfoundland, if we can only get the rates down to a normal level. Cars are going up to the Sydneys and New Glasgow loaded with coal, and they are hauled back absolutely empty. The only extra charge in filling these cars, would be for the few extra pounds of coal that would be used. The crews are paid just the same, and they are expensive crews. The railways and the cars are there, and the cars all go back to the mines empty, although the miners want our potatoes. Potatoes to-day can be bought in the province of Prince Edward Island for 17 cents per hundred pounds. The freight rate on potatoes to Sydney is 43 cents.

Hon. Mr. WATSON: Per hundred pounds?

Hon. Mr. PROWSE: Per hundred pounds.

Hon. Mr. CASGRAIN: What is the distance?

Hon. Mr. PROWSE: I am not quite sure, but it is about twelve hours' run.

I would ask the honourable leader of this House to take up the matter with the Minister of Railways. I would ask also for the co-operation of the Minister of Labour, who, I know, is as much interested in this matter as any of us. I know he is interested in reducing the high cost of living, and I do not know of any way in which it could be done more quickly.

Another matter, honourable gentlemen, is the question of cordwood. From one end of Prince Edward Island to the other, along the whole line of railway, cordwood is avail-

able. You can hardly go more than a quarter of a mile without finding birchwood that is good for fuel. Last year, when it was impossible to get coal from the mines, we could not get the wood hauled into the towns, because of the prohibitive freight rates. The only way we could get it in was to have the farmers haul it in.

On Prince Edward Island cars are going back and forward empty, the same crews handling them as if they were loaded. There is no doubt whatever, honourable gentlemen, that the sooner we get a management of the Prince Edward Island railway that is conversant with local affairs the better it will be. A Prince Edward Island railway cannot be managed from Toronto by a Toronto man. It cannot be managed from Moncton. It is necessary to have a man who is thoroughly familiar with the local conditions on Prince Edward Island.

Hon. Mr. MURPHY: And give him authority.

Hon. Mr. PROWSE: Let me tell you this further, honourable gentlemen. I am a business man and know something about business on Prince Edward Island, and there is no doubt in my mind that the Prince Edward Island railway can be made to pay, and pay well, if it is only handled properly. But it is not managed in the interests of the people, nor in a business way in any respect. In a few years, if present conditions continue—if you make the rates absolutely prohibitive—the only thing that the Prince Edward Island railway will be good for will be the pasturing of sheep.

I do not desire to take up too much time—

Hon. Mr. CLORAN: Take all the time you want.

Hon. Mr. PROWSE:—but I may not be out of order in saying right here that in the honourable leader of this House (Hon. Sir James Lougheed) the people of Prince Edward Island consider they have a friend, and a warm friend; and I know that when you come to Prince Edward Island, if you should ever come down there, sir, you will find a very warm reception. I can say, honourable gentlemen, that on more than one occasion the honourable leader has stepped out of his way to do little acts of kindness and to see justice done to the Province that I have the honour to represent. I refer, honourable gentlemen, to the $100,000 that could have been vetoed, but that the little province got, and got for all time to come. I can tell you we appreciate that. Down on the Island we have not the Crown lands; we have not the sources of revenue that the other, larger provinces have. The little acts of kindness done to the little Province of Prince Edward Island are appreciated.

Another instance was when he settled for all time to come the representation of the little Province. He could have said: "No, gentlemen, we will let the British North America Act stand as it is—as the fathers of Confederation made it." But he said: "No, gentlemen: there has been an injustice done to the Province and I am going to have it set right." Do you think our people in that little Province have forgotten that? No, sir; and they will not forget it. And I want to ask him this time to interview the Minister of Railways, with the Minister of Labour, and see if there cannot be some relief granted with respect to the freight rates on Prince Edward Island.

In conclusion I beg to submit a unanimous resolution of the Prince Edward Island Legislature:

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 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 the 15th day of June to enable our farmers to dispose of this surplus food product.

Benjamin Gallant,
Walter M. Lea,
Commissioner of Agriculture.

Hon. P. C. MURPHY: I will supplement only slightly what has been so well said by my good friend from Charlottetown. We have 1,000,000 bushels of potatoes. The people in Ottawa and Toronto are paying a dollar a bushel for potatoes, but in Prince Edward Island they can be bought for 20 cents a bushel. At that price a carload of 500 bushels would cost only $100; but it costs $315 to get them to the point of distribution. There is something wrong under these

conditions. It is an injustice to the buying public, and it is an injustice to the people who produce these goods and have to ship them to the points of distribution. We were paying 70 cents a bushel for potatoes last fall. We were shipping them largely to Boston; but it takes as much to get them to Boston, in a two-days' haul, after six months' hard work. There is something wrong. As the honourable gentleman says, the prohibitive rates are an injustice to the producer, and an injustice to the labouring man who has to buy the potatoes by the peck.

As has been very well said by the honourable Senator from Charlottetown, we have our cars running half empty most of the time, when they might just as easily be loaded with freight. The situation seems to be similar to what was so well demonstrated to us the other day in Quebec, with its terminals, and a 2,000,000-bushel elevator that must have cost untold money—a warehouse 1,000 feet long with nothing in it but a little pulp, and all the cars running from Vancouver to Montreal, Quebec, St. John and Halifax half empty. It would seem to me that there should be some means of remedying this situation. Even if you were losing money for a while, you would be furnishing employment for labour at the distribution point, and you would be taking goods, even our potatoes, back to Montreal and to Toronto and giving them to the labour people at a lower price than they are now paying, and would enable them to work for less and be better satisfied with their lot.

Another question referred to by my honourable friend from Charlottetown was that of our cordwood. We had an extremely low rate on cordwood; and it was necessarily low. Our province is dotted throughout with the second growth of wood. We were embargoed to a certain extent. The rail shipment of coal was not allowed while the ports were open and vessels could get up to Montreal and relieve the conditions That might have been necessary, but the rates on cordwood were increased to such an extent that it would cost twice as much as the cordwood originally cost for the carrying of the 6 or 8 cords that our small cars contain. The freight for carrying cordwood fifteen miles from where I live was twice as much as the original cost of the wood. That made it absolutely prohibitive for poor people.

As has been very well said by my honourable friend from Charlottetown, there should be on the ground a man who is able to deal with the situation. Mr. Hanna may be a good man. I do not want to find any fault with him. I have my own ideas, as a railway man, about those so-called experts who, as I said the other day, are endeavoring to classify and catalogue things in their own way. But, as has been said by my honourable friend, a man on the ground knows the conditions better. There should be some way to harmonize matters so that, as Sir Thomas White would say, they might synchronize with local conditions.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, Parliament is the proper place to ventilate grievances of this kind, and I am very glad my honourable friend from Charlottetown (Hon. Mr. Prowse) and also my honourable friend from Tignish (Hon. Mr. Murphy) have directed the attention of this House to this grievance. It is another feature of the railway situation. The trouble with the railways does not seem to be limited in any particular direction. Apparently it has extended to Prince Edward Island. I was under the impression that Prince Edward Island was absolutely free from any difficulties of this kind, but apparently it is not.

However, it seems to me that the Government is not blameable in this matter. We have a Railway Board with jurisdiction to fix freight rates throughout the whole Dominion, and if the provincial authorities in Prince Edward Island, or the merchants or the individuals in that province, would choose to invoke the Railway Act, they have the right to set in motion an inquiry by the Railway Commission to adjust this difficulty. I would suggest to my honourable friend that he make use of the statutory authority which is vested in that Commission; that their attention be directed to the grievance that he has so well pointed out; and I have no doubt that the Railway Commission will be very glad to redress the difficulty under which the people of Prince Edward Island, with their potatoes, are labouring.

Hon. Mr. MURPHY: How long will that take? What will become of the potatoes in the meantime?

Hon. Sir JAMES LOUGHEED: There is no other way of doing it.

Hon. Mr. PROWSE: May I say to the honourable leader that that has been done already, and we have got no satisfaction.

Hon. Mr. MURPHY: The potatoes will rot in the cellars.

Hon. Mr. PROWSE: The Chairman says there is no market for them. That is his answer. I say there is a market for them if we can only get proper freight rates.

Hon. Sir JAMES LOUGHEED: I would point out to my honourable friend that the Government has no authority to move in the matter. Those railways have been handed over to an organization, and Parliament has delegated its authority to the Railway Board, and it seems to me that there should be no hesitation in pursuing the Railway Board again and again, if necessary, until they act in the matter.

Hon. Mr. PROWSE: I think I can show the honourable gentleman a letter over Mr. Carvell's signature, in which he says he has not control over the local railways.

Hon. Mr. SMITH: Since there is a great surplus of boats at the present time, would it not be possible to have those potatoes moved to different parts of the eastern coast of America—to Boston, if necessary, and to Sydney and Newfoundland—by the schooners there?

Hon. Mr. PROWSE: Does the honourable gentleman put that in the form of a question?

Hon. Mr. SMITH: Yes.

Hon. Mr. PROWSE: It is impossible to get the schooners. We cannot get ships around the coast, and if we had them the freight rates would also be prohibitive, for the simple reason that there are so few ships. It is impossible to get them.

ANIMAL CONTAGIOUS DISEASES BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 136, an Act to amend the Animal Contagious Diseases Act.

He said: Honourable gentlemen, the object of this Bill is to extend the compensation which is paid under the Animal Contagious Diseases Act to owners of animals destroyed by reason of their having a disease mentioned in the Act. The period under the present Act expires on the 24th of the present month. It is proposed to extend this for another three years.

The motion was agreed to, and the Bill was read the second time.

CONSERVATION ACT REPEAL BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill F4, an Act to repeal the Conservation Act and amendments.

He said: Honourable gentlemen, this is the Bill which proposes to repeal the Conservation Act and its various amendments. Unedr chapter 27 of the Statutes of 1909 provision was made for the organization of what is now known as the Conservation Commission. That Commission has its origin in this way. At that particular time considerable attention was being paid in the United States and in Mexico, and in some other portions of this continent to the desirability and the necessity of conserving the natural resources common to this continent. A conference was called by President Roosevelt, of the United States, and representatives from Canada, from Mexico, and possibly from elsewhere were asked to attend. The conference resulted in a proposal being made that the different Governments represented at that time should take the steps necessary to conserve the natural resources of their respective countries. Legislation was introduced into the Parliament of Canada for the purpose of establishing what is known as the Conservation Commission, and legislation was introduced in the United States by which there was established, as I understand, a Commission somewhat similar to our own. At that time it was intended that an incentive should be given by these different countries, by the introduction of legislation such as I have mentioned, for the conservation of the natural resources of those countries. It was thought that sufficient attention was not being given to this class of legislation and to this class of public activity.

In Canada, as was the case, I think, in the United States, the Commission was purely advisory. It had no administrative powers; it was intended that it should collect information and occupy an advisory position to the Government of the day. The originators of this suggestion seemingly overlooked, as I think honourable gentlemen will readily observe, the human or personal equation in establishing a Commission of this kind; because no sooner is the authority placed upon the statute book for an organization of human effort than it develops an insatiable desire to stretch out its arm for further power, and, we may say, for further usefulness, and it became apparent at that time to some of the critics of the legislation in this Parlia-

ment that when the incentive to really conserve our natural resources became sufficiently strong it would result in the expansion, the growth, the development of the activities of the Commission, and that it must necessarily overlap the departments of Government that were then charged and were afterwards more fully charged with giving practical effect to those same purposes.

This Commission became active immediately after its organization, although it was intended that it should have a very modest staff and should confine its activities to a comparatively narrow compass. The Minister of Agriculture of that day pointed out to the House that it would probably cost about $10,000 or $12,000 a year, and that it was desirable that this fund should be placed in the Estimates for the purpose of bringing together to one common centre the various influential persons who occupied honorary positions on the Commission. The staff was to consist of, I think, three clerks and two typists, and, with that very modest staff, the Commission was to begin business and was to interest various influential citizens, notably Lieutenant-Governors, and men of that class, throughout the whole Dominion in order to assure the conservation of the natural resources of this great country. It was the intention, honourable gentlemen, to excite an active interest throughout the Dominion in the carrying out of the objects which the conference held in the United States had in view; and it was thought that a body made up of representative citizens, some fifteen or twenty in number, would be a very effective organization. Consequently, under those very happy auspices the Commission proceeded to carry out the activities which had been outlined in the statute.

Hon. Mr. CASGRAIN: Who was the first Chairman?

Hon. Sir JAMES LOUGHEED: I think the Hon. Clifford Sifton was the first Chairman. He retired from the Commission shortly after.

Just here may I point out, in regard to the similar legislation in the United States, that it became apparent immediately after the formation of their organization it could not run along lines parallel with the activities of the administrative Government in that country. Consequently, after the first or second year, the Conservation Commission of the United States went out of being as a Government activity, and became an organization supported by that section of the public that was interested in work of that particular kind. Consequently, the same difficulty which we were called upon to face later did not confront the United States in the activities of their Conservation Commission, inasmuch as it became practically a public organization outside of the control of the Government.

The organization in Canada, however, began to extend its activities into many branches until it threatened to absorb the Government itself. It was something like the seven lean kine in Joseph's dream: it had almost swallowed the seven fat kine. Before long it had invaded the following spheres of activity of the different Dominion departments: In Agriculture: fertilizers, farm and county surveys, demonstration farms, and animal health.

Hon. Mr. CASGRAIN: Town planning.

Hon. Sir JAMES LOUGHEED: It entered upon external affairs, making independent representations to and before International Joint Commissions, and by publicity propaganda which has at times confused the settled policy of the different departments in connection with international problems. It invaded the field of the Department of the Interior in regard to water-powers, stream flow, forestry, wild life, natural resources inventory and information. It then cast its eyes abroad and saw a field of usefulness in the Marine and Fisheries Department, and made representations on the depletion of the sockeye salmon in British Columbia at a time when the question had been dealt with by international negotiations. Not satisfied with operating on the surface of the earth, it went below it, and took up the question of mines, and dealt with coal, peat, pulverized fuel, gas, mineral fertilizers, and mineral resources survey. It entered the field upon which my honourable friend yesterday delivered a very interesting address, namly, scientific and industrial research, and proceeded to take up the fuel problem of Western Canada, the briquetting of lignites, the utilization of fish waste, and so on.

The cost of the Commission began to mount up from the small sum of about $12,000, mentioned by the Minister of Agriculture at the time he introduced the Bill, until it has, since its inception down to the present time, averaged something like $104,000 per annum. The staff of three or four clerks and a couple of typists increased, and there has been spent by the Commission upon salaries of staff over

$610,900. The travelling expenses of the Commission have reached $115,600. The library of the Commission alone has cost $24,000; and if you give a Commission $24,000 worth of books, and give them a free hand to exploit all the information that may be found therein, you will very likely be involved in a further expenditure of a very considerable sum of money. In the printing of reports and the publication of publicity propaganda the Commission has expended over $280,480. The expenditure for the last year—I think this is the fiscal year ending March, 1920, but I will not be positive of that—reaches the very handsome sum of $155,771.31 which is made up as follows:

Rent—	
Ottawa	$ 6,777 75
Toronto	510 04
Preparation and Printing of Reports	6,041 15
Travelling Expenses—	
Staff	12,830 83
Annual Meeting and Fur Farming Conference	2,630 73
Town Planning Convention—	
Entertainment of Delegates	103 70
Stenographic Reports	395 80
Forestry Investigations	1,474 38
Agricultural Surveys	567 35
Stationery, Supplies and Office Expenses	6,001 80
Staff—	
Unassigned and available for allotment throught Civil Service Commission	20,529 88
Consulting Services	750 00
Miscellaneous—	
Books, Periodicals, etc	885 74
Auto, etc	812 37
Advertising and Legal Services	86 70
Sundries	173 39
Salaries	95,199 68
Total	$155,771 31

The growth of the Commission at this ratio of progress would very soon outstrip the expenditure the Government of Canada is making upon the different departmental activities which have always been carried on, and which cover the same class of work.

I do not refer to the activities of the Commission in any critical or hostile way. I simply point out what is the logical sequence of creating an organization and giving it authority when it cannot be controlled or restrained by any Minister of the Crown inasmuch as it is only responsible to Parliament. This Commission is not controlled by any Department. It makes use of the Minister of Agriculture as the channel through whom its desires and representations reach the Government. But in a sense it is a law unto itself. With all due regard to the work done by the Commission and to the ability of the staff, I must say that the position is subversive of a very well established principle of Government. That is to say, the members of its staff are not responsible to any Minister, and therefore are not responsible to the Government. The Government cannot satisfactorily control any authority which is not responsible to a Minister. In fact, it is a fundamental principle of representative Government that responsibility must vest in a Minister. The Minister is responsible to the Government, and the Government is responsible to Parliament. Consequently we have been forced to recognize that some step must be taken to prevent a duplication of the work which is being carried on by the various Departments to which I have already referred. That duplication of work, as honourable gentlemen will readily understand, will become intensified as time goes on, because we have the departmental branches and the Conservation Commission endeavouring to out-rival each other in the same field of action. The more eager they are in the race, the greater the expenditure becomes until in due course it would overwhelm the exchequer of the country.

Hon. Mr. CASGRAIN: Is it the intention of the Government to make that valuable library part of the Parliamentary Library so that we would have access to it?

Hon. Sir JAMES LOUGHEED: There is no reason why that should not be done.

May I cite some illustrations, honourable gentlemen, so that your minds may be duly impressed with the necessity of the Government taking action along the line which I have indicated? We quite recognize that once an activity of this kind becomes established, it is very difficult to interfere with it, and there should be good reason for dispensing with it.

Since its inception until March 31st, 1921, the Commission of Conservation has cost the Dominion of Canada an average of over $104,000 per annum.

There has been spent by the Commission upon salaries of staff over $610,900.

The travelling expenses of the Commission have cost approximately $115,600.

The library of the Commission has cost about $24,000.

On the printing of reports, publications and publicity propaganda the Commission has expended over $280,400.

The Commission has duplicated the work and invaded the spheres of activity of the following Dominion departments:

Agriculture: Fertilizers, Farm and County Surveys, Demonstration Farms, Animal Health.

External Affairs: Independent representations to and before the International Joint Commission and by publicity propaganda which has at times confused the settled policy of the different departments in connection with International problems.

Interior: Water Power, Stream Flow, Forestry, Wild Life, Natural Resources Inventory and Information.

Marine and Fisheries: Representations on the depletion of the Sockeye Salmon in British Columbia at a time when the question had been dealt with by international negotiation.

Mines: Coal, Peat, Pulverized Fuel, Gas, Mineral fertilizer, Mineral Resources Survey.

Research Council: Fuel Problems of Western Canada, Briquetting of Lignites, Utilization of Fish Waste.

The Commission, through a carefully thought out system of publicity propaganda, has made a determined effort to obtain for itself credit for practically all work relative to Canadian natural resources, generally ignoring the constructive work done by the permanent governmental organizations and in many cases claiming credit for this work, to the detriment, in the eyes of the public, of the organization which has been responsible for its actual accomplishment.

By the establishing of the Department of Health in 1919, the Government may be considered to have adjudged that matters of public health hitherto dealt with by the Commission are now outside the functions of that body, and to have created a precedent which should lead to a like absorption of the functions of the Commission into the cognate responsible Departments.

The publication, "Fertilizers and their uses in Canada," issued by the Commission of Conservation, is a pamphlet written by the Dominion Chemist, an officer of the Department of Agriculture. This subject had repeatedly been dealt with by Dr. Shutt, in the annual reports of the Experimental Farm and also orally before the House of Commons Committee on Agriculture.

In the matter of utilization and briquetting of lignites the Commission of Conservation clearly invaded a field which was inaugurated by the Mines Branch, and reported upon by the Advisory Council for Industrial and Scientific Research, and now under the jurisdiction of the Department of Mines, which is carrying on the work as authorized by Parliament.

Since 1913 the Commission of Conservation has spent large sums of public money on forest surveys in different provinces and in research work relating to non-agricultural and cut-over pulp lands. These surveys are embodied in five lengthy reports, the work of but two or three men over two, three, or four seasons. Large portions of the volumes are, however, duplication of material provided by responsible forestry departments.

Since 1907 Canada has had a Dominion Forestry Branch under the Minister of the Interior performing with its personnel (500 at this time) of rangers, trained foresters and experts a national work covering scientific investigations, fire protection, and a forest products laboratory.

The evidence shows that an irresponsible organization such as the Commission of Conservation has no need to invade the field of the above-mentioned branch and duplicate its work at the public expense.

Coal mining administration in the prairie provinces is a function of the Minister of the Interior. The commission initiated an entirely unnecessary conference of officers of the two prairie provinces and of the Dominion Department of the Interior interested in mining administration questions. At this meeting, convened in Ottawa at considerable expense, certain round-table discussions was had, following which general resolutions were passed and given wide publicity. The interested officials of the Interior Department were not asked to state whether or not the resolutions referred to were practicable, whether they could be incorporated in existing regulations or otherwise, or further, whether the object which the Conservation Commission was advocating, namely, the curtailment of the excessive waste in mining coal in Western Canada, could not be secured by some other indirect method with the co-operation of the Dominion and Provincial officials interested.

The activities of the Commission of Conservation as related to the Water Power Branch were:

(a) The Commission in its "Power Survey of Canada" is endeavouring to duplicate one of the functions of the responsible investigatory body, viz., the Water Power Branch, and uses the first-hand data of this body.

(b) In the matter of the work of the Commission re "Water Powers of Manitoba, Saskatchewan and Alberta," there was no justification for the reprinting in an expensive volume material, of which 75 per cent was original data of the Water Power Branch, and still less in printing on the report as co-author the name of the Director of the Branch without his knowledge.

(c) Of the 650 pages in the "Water Powers of British Columbia," 133 pages are a direct copy of hydrometric survey information already published by the Dominion Water Power Branch. Moreover "this volume, which will contribute an authoritative and standard work for many years," will, according to the opinion of the responsible Branch, stand considerable revision.

(d) The gathering of stream flow and water level data is a function of the Department of the Interior and it is a waste of public funds for an outside irresponsible body to attempt this work especially since the responsible department has had staffs in the field engaged for years in carrying it out.

The Departments of the Interior, Agriculture, and Mines may be regarded as the logical and actual custodians of the greater portion of the natural resources of the Dominion. These Departments have been and are responsible for the investigation, development and exploitation of these resources. Through careful organization they have been able to attain their objective by evolving into a closely-related whole, built up through the formation of a number of branches constituted for the purpose of administering these functions to the best national advantage.

Concurring in the precedent already established by the Government in the transfer of that portion of the work of the Commission of Conservation relating to Public Health to the Department of Health, similar action should be taken with reference to all phases of the work of the Commission.

1910 Annual Report of Commission of Conservation:

Your committee begs to report that it is deemed desirable to obtain at once, a compilation of statistics relative to the known mineral resources of Canada, the annual production of mineral in each province or in any territory. (p. 189 from report of Chairman of Committee on Minerals).

Long prior to the creation of the Commission of Conservation in 1909-10, the Mines Branch, under the authority of the Act creating the Department of Mines, collected statistics for mineral production a function which it still carries out at the present time.

1913 and 1914 Annual Reports of Commission of Conservation:

The work of the Committee on Minerals was devoted mainly to the writing of the report entitled, "Conservation of Coal in Canada," embodying the results of the investigation on coal mining. This report considers questions relating to the mining and utilization of coal and treats of such subjects as: the generation of power for mining purposes; the coking of coal in by-products, coke ovens, etc.

On page 3 of the Summary Report of the Mines Branch for the year 1913 it is stated: "Investigations are being made by the Mines Branch with the object of determining the values of the different coals of Canada for such purposes as the production of power and industrial gas," etc.

1917 Annual Report of Commission of Conservation.

In the Report of the chairman of the Committee of Minerals occurs the following:

Our mining engineer has sent in quite an elaborate report setting forth our mineral resources, and has also set forth the results which have been obtained in the working up of new materials never before produced in Canada, such as ferro-molybdenum and metallic magnesium. (page 285).

On page 4 of the Summary Report of the Mines Branch for the year 1915 occurs the following:

The Mines Branch has devoted no small part of its activities to giving practical assistance in various ways to the movement for placing on the market certain of our mineral products now much in demand, owing to conditions due to the war. One instance of this class of work is the assistance rendered by the department in the examination of several molybdenite properties; the sampling and testing of molybdenite ores from different prospects; and the perfecting of a simple concentration process for these ores, in order that the product may meet the requirements necessary to make it a marketable commodity.

Publications by the Conservation Committee on Lands:—

1. "Fertilizers and their uses in Canada" 1917 by Frank T. Shutt, Dominion Chemist.

On page 4 Dr. Shutt states that this report was prepared "almost at the eleventh hour—impossible for me to prepare a paper which might completely and satisfactorily set forth the investigational work that we have done and are doing in Canada under the direction of the Division of Chemistry of the Dominion Experimental Farm's system."

In the Annual Report of the Commission of Conservation for 1920 occurs the following:

"We have secured a building which we will move over for a kind of club house. . . . Last week a little farce, 'Love in all corners,' was put on which brought down the house." "Next week there will be a charter members' open fireside 'at home', and then a splendid play with which it is hoped to do a little touring". (Extract from notes by a member of the "Community Association").

Further we read:

"This is only the beginning of a complete organization of the county in this connection."

That, I may say, honourable gentlemen, we have not contested.

Hon. Mr. BOSTOCK: What part of the Dominion is that in?

Hon. Sir JAMES LOUGHEED: I am not sure. The section of country in which I live has not been favoured, so far as I know, with this "Love in all corners."

Hon. Mr. THOMPSON: British Columbia, I guess.

Hon. Sir JAMES LOUGHEED: In 1918 the Commission of Conservation requested Dr. F. J. Shepherd of Montreal to visit Alberta and British Columbia and to report on the prevalence of goitre in those provinces. Dr. Shepherd prepared a pamphlet on Goitre which was published by the Commission of Conservation early in 1919. In the Annual Report, 1919, Dr. Hodgetts submitted a paper on Venereal Diseases, which was read at the Annual Meeting, 1919. In the same report several pages are given to the subject of public health, implying that this subject constituted a regular function of the Commission's activities. This idea has been further perpetuated by the publication in the Commission's monthly Bulletin, "Conservation," of such articles as: Prevention to Typhoid Fever (April 1920), Anti-tuberculosis Campaign (March 1920), and Build up the Body Resistence (January 1920), in which articles the Commission of Conservation may be considered to have exercised the functions of the Department of Health.

1910 Annual Report of the Commission of Conservation:

In the Maritime Provinces the lobster and oyster fisheries are the two very essential fisheries that require the attention of the Commission, but these are subjects which take a great deal of time. (p. 188).

Also on page 188:

Your committee beg to report that, within the short time at their disposal, it was impossible to obtain any information on the subject of this enquiry which would be of practical use, and that it will take much time and involve much enquiry, as well as a considerable expenditure of money, before a report can be made. (F. L. Haszard, Chairman).

In the Annual Report of the Fisheries Branch, Department of Marine and Fisheries for 1909-10, the Deputy Minister (p. xiv) shows that the lobster and oyster industries are receiving special attention, which is confirmed by the inclusion in this same volume of a special report by William A. Found on "The Oyster Fishery on the Canadian Atlantic Coast" (pp. lx-lxxi) and also by a "report on oyster culture by the departmental expert" on pp. 337-342 and by special reference to the lobster question on page 269.

1912 Annual Report of Commission of Conservation:

Mr. Sifton: We have never succeeded in making much of a success of our Committee on Fisheries. . . . I would suggest that Dr. Jones should take the chairmanship of this Committee and I am sure that would be acceptable to you.

Dr. Jones: I can only say that I know very little about fisheries or fishery questions.

Mr. Sifton: You have an open mind.

Dr. Jones: Not only an open mind but almost a vacant one. I shall be very glad to make the experiment for a year, and, if I do not accomplish anything, I suppose someone else could take the matter up. (p. 84).

The following letter addressed to the Sub-Committee of Council on Governmental Publications under date of January 9, 1920, occurs as report No. 20 in the printed brochure of the Reports of the Editorial Committee (Reports Nos. 17-28):

Gentlemen,—

The Editorial Committee has had before it manuscript from the Commission of Conservation on the "Fraser River Salmon Situation." The covering requisition calls for the printing of 5,000 copies on "Featherweight book" or "Tariff" paper, with cover.

Knowing that this question had been dealt with by the International Fisheries Commission, and that all that is necessary to give the Convention effect is ratification by the Senate of the United States, the Committee submitted the manuscript to Mr. G. J. Desbarats, C.M.G., Deputy Minister of the Naval Service, who was a member of said International Commission. Mr. Desbarats' view is that while Mr. Babcock's paper is an excellent one, it aims to correct a situation which has already been met by the Convention. Mr. Desbarats thinks the publication of the paper now would convey the idea that nothing had been done to remedy existing conditions, and to that extent would create a false impression. The report dealing with the work of the International Commission contains much of the same information as appears in Mr. Babcock's paper, and as this report is already printed and will be distributed as soon as the treaty is ratified, the Committee recommends

that Mr. Babcock's contribution to the question be not printed, and that the Commission of Conservation be advised accordingly.

Respectfully submitted,

Fred Cook, Chairman.
F. C. T. O'Hara,
F. C. C. Lynch.

Approved by Sub-Committee of Council,
G. E. Foster.

Extract from explanation given by Commission of Conservation in regard to its estimates for the year 1919-20, page 1:

An enormous amount of such information has already been gathered, inasmuch as one of the principal duties of the Commission since its inception has been to make an inventory of the natural resources of Canada. This, however, must be kept up to date, must be supplemented by additional data yet to be secured through field work and from departmental archives and must be compiled and published in a convenient readable form for the man who contemplates risking his capital in developing these resources. It is proposed to issue a portion of the Directory of Natural Resources during the fiscal year 1919-20 at an estimated cost of $20,000, for which a new vote will be necessary.

The Department of the Interior, through its various branches in co-operation with the Natural Resources Intelligence Branch and with similar Federal and Provincial bodies, has been actively engaged in this work for many years. The Department of the Interior has an extensive staff of highly-trained technicians specializing in the various fields of natural resources and has been and is considered by the public as the basic source of information in this connection.

The Commission's report on the "Water Powers of British Columbia" represents about 650 pages of material of which over one-third is republished matter. One hundred and thirty-three pages are a direct copy of hydrometric survey information already published by the Dominion Water Power Branch, and which was two years out of date when included in their report by the Commission.

Extract from explanation given by the Commission of Conservation in regard to its estimates for the year 1919-20, page 15:

Work to be done under the direction of the Committee on Waters and Water-Powers during the fiscal year 1919-20, will include the collections and co-ordination of all available stream-flow and water-level data.

This is a function of the Department of the Interior and cannot be completed by other than the investigatory bodies directly concerned. The Department of the Interior has for years had staffs in the field engaged in gathering stream-flow and water-level data. The gathering of stream-flow and water-level data is a distinct function of the Department of the Interior, the responsible Department charged with the investigation and administration of water-power and irrigation, and it is a waste of public moneys for another Government body to attempt this work.

The report of the Commission of Conservation on the Water Powers of Canada, published in 1911, has caused the Department of the Interior a great deal of unnecessary and unwarranted expenditure, arising from the applications for power privileges submitted to the Department and often vigorously pressed, most of them based upon the general information contained in the Commission's report. The city of Saskatoon, for instance, applied to the Department for power privileges on the South Saskatchewan river, and the Department officials found it very difficult to convince the municipal officers that the development of power on the South Saskatchewan river was inadvisable, because of the paucity of hydrometric data. The main support for the city's assumptions was the very general information contained in the Commission's report.

These, honourable gentlemen, are a few of the many illustrations that might be cited of deliberate overlapping—it has not been accidental, it has been deliberate—of the other activities of the Government Departments, thus involving the expenditure of a considerable amount of money.

An inter-departmental committee, representing many of the Departments, was appointed, and that committee investigated very thoroughly the duplication and overlapping of work and the unnecessary expenditure of money, by way of publicity and otherwise, on the part of the Commission. The conclusion is irresistible. It cannot be gainsaid that the Government of Canada would not be justified in continuing the Commission any longer and subjecting the country to the enormous expense, which is annually increasing, and which during the last fiscal year exceeded something like $150,000.

We quite recognize, honourable gentlemen, the ability in the way of active research of many of the Commission. The staff, or at least many of them, are undoubtedly very capable gentlemen in the particular branch or profession to which they belong; but there are equally capable officials who are doing precisely the same work in the other active branches of the Government. The work for which this

Commission was organized has been done. As I have already pointed out, the intention of President Roosevelt, in calling his conference together in Washington, at which representatives from Canada and Mexico and other countries attended, was to furnish to the different Governments on this continent an incentive to give special attention to the conservation of natural resources. That incentive probably found a reflection in the increased activities of the different governmental bodies on this continent charged with looking after those particular subjects. I may say that in Canada, since the organization of the Conservation Commission, the attention of the public has been called to the necessity of giving closer attention than in the past not only to the conservation, but also to the development, of our natural resources. The development of our resources involves probably much more consideration and a higher class of scientific attention than their conservation. But I am happy to say that the Government of Canada to-day and for some years past has had a most capable organization in its various Departments dealing with those same subjects—dealing not only with the conservation of our resources, but likewise with their development where it has been desirable that conservation should cease and development begin. Under these circumstances the Government feels that it has no alternative but to repeal the Act constituting the Conservation Commission, without passing any reflection whatever upon the ability of the gentleman who is at its head and the staff which has laboured so zealously under him. I therefore move the second reading of the Bill.

Hon. HEWITT BOSTOCK: Honourable gentlemen, my honourable friend has given us a very interesting account of the work done by the Conservation Commission since the time of its appointment. He has shown to the House the overlapping that has apparently gone on as between the work of the Departments and the work carried on by the Conservation Commission. Of course, we are not in a position to make a comparison in that respect. I have no doubt there has arisen a situation in which overlapping between the Departments and the Commission has occurred.

However, I specially remark the statement of my honourable friend about the irresponsibility of this Commission. Although under the Act the Commission is not responsible to any particular Minister, it can get no money except what is voted by Parliament, and the money has to be voted every year. If there was so much overlapping as my honourable friend has represented in his speech this afternoon, it is rather curious that this question was not discussed before, when the Estimates were before the House, during the years that this Commission has been in existence. Honourable gentlemen will remember that the Commission was created in 1909. Apparently the amount of money which the Commission each year requested from Parliament for the purpose of carrying on its work has gradually mounted up, as my honourable friend has said, from $12,000 at the inception of the Commission to about $150,000, I think he said, this last year; but that increase in the money provided for the Commission must have been granted by Parliament, and Parliament would not have voted the money, I presume, if they did not consider that there was some return for it. In this House we do not discuss the various items of the Estimates as they are discussed in another place; but if the overlapping has been going on, I should think the question ought to have been raised in another place before this.

Although no member of this House would want to see such overlapping as my honourable friend has mentioned, between the Commission and the Departments, still I think that the Conservation Commission has a useful work to do in this country. If honourable gentlemen had before them the Act establishing the Commission, they would see that it was to consist, first of all, of "twenty members appointed by the Governor in Council, who shall hold office during pleasure." If I understand that wording, the Government had sufficient control over those gentlemen, if they were not doing what was wanted, to bring about a change, and in that case it could have been represented to them pretty strongly that the work of the Commission was not being conducted along lines conducive to the best interests of the country, or that the Commission's work was overlapping the work of the various Departments. It was provided also:

> The Minister of Agriculture, the Minister of the Interior, the Minister of Mines, and the member of each Provincial Government who is charged with the administration of the natural resources of such Province shall be ex officio members of the Commission.

Then, clause 4 of the Act of 1909 says:

> Of the members appointed by the Governor in Council at least one member appointed from each province shall be a member of the faculty of a university within such province, if there be such university.

The effect of that provision is that it brings into touch with the natural resources of Canada, and particularly the conservation of those resources, men who are studying such questions, and who, by their training and experience, are in a position to bring to the consideration of them a point of view different from that of officials of the Departments.

Section 5 of the Bill provides:

> The Governor in Council may appoint one of the members of the Commission to be its chairman.

I understand that the first chairman of the Commission was the Hon. Sir Clifford Sifton, who held the chairmanship, I think, from 1909 to 1917 or 1918. Since that time the Government do not seem to have felt called upon to appoint a successor. In appointing a new chairman, had they wished to do so, the Government could have instructed him to curtail the work of the Commission in so far as it was overlapping the work of the various Departments to which my honourable friend has referred, and could at the same time, in continuing the Commission, give it an opportuity to do the valuable work which I think such a Commission can do, outside of the actual work done by the Departments.

My honourable friend, referring to the reports published by the Commission, has mentioned that there is in them a great deal of repetition, and that in one instance, I think, they are not brought quite up to date. But I have found in various parts of the country that those reports have been read very widely. There is sometimes a disposition on the part of the public to read the report of a Commission of this kind more readily than a departmental report. Without wishing to cast any reflections on any of the Departments, I think there is on the part of the public a feeling that the report of a Department may be biased in favour of the policy of the Government; that it would not criticize in any way a policy laid down by the departmental head. It is quite possible that some friction might arise as between a Commission of this kind and a Department in this respect.

Then, again, this Commission should be in closer touch with the different provincial governments throughout the Dominion and there is possibly quite an advantage for the country in the fact that, in dealing with the question of our natural resources, the Commission can keep in touch with the various provinces of the Dominion in a better, more friendly, perhaps more unofficial way than can the officials of a department of the Government. I think there has been a considerable amount of good work done by the Commission since its establishment, and that, if anything, from what my honourable friend has said here to-day, Parliament itself has been somewhat remiss in not paying more attention to the work of the Commission and keeping down the expenditure or making the Commission show more particularly, each Session, how the money was going to be spent, or pointing out to the Commission that they should be careful to see that their work did not overlap the work of the Department.

With regard to the statement of my honourable friend that the Commission was appointed before the Water Powers Branch of the Department of the Interior was created, I am not absolutely sure, but I think that the Water Powers Branch of the Interior Department was established after the Commission, and that the work taken up by the Commission in regard to water powers was begun by them before the work of the Interior Department was initiated.

At the present time we are all most anxious that as much expense should be saved as possible in the administration of the affairs of the country. According to the statements of my honourable friend, there has been considerable expense connected with this Commission, and if they are overlapping in the way he has described to the House, this expenditure should certainly be reduced. But I regret very much that the Government, instead of trying to curtail the work of the Commission and direct it along certain lines of work which it can do, I think, better than the Departments, have determined to abolish the Commission altogether.

Then the Library, as has been mentioned by my honourable friend from De Lanaudière (Hon. Mr. Casgrain), is part of the work of the Commission. There may be in that Library a considerable amount of useful information, and it would be a great pity if steps were not taken to see that the books were placed either in the Library of Parliament or in some other place where they would be available for members and for the public generally. We have observed lately that certain books which unfortunately were not considered by certain persons to be of any value were destroyed.

The country has, I fear, suffered considerable loss by the destruction of those volumes, simply because there was apparently nobody to look after them and they were put away. They were destroyed through a mistake or a misunderstanding of some kind. The country has thus lost a considerable amount of valuable information. It is quite conceivable that when this Commission is wound up and put out of business, unless special steps are taken to see that the publications of the Commission are properly housed and properly put away, and unless somebody is responsible for looking after them, the same thing may happen again.

I would simply say that I regret that the Government have decided on this policy and have not seen their way to continuing the work of the Commission along lines which would be of great value to the country.

Hon. J. G. TURRIFF: Honourable gentlemen, I should like to ask my honourable friend the leader of the Government what it is proposed to do with the staff, numbering about fifty, which is now engaged in connection with the Commission of Conservation.

Hon. Sir JAMES LOUGHEED: Where it is possible, with advantage to the Government to absorb any of the staff, I think it will be done. No particular scheme of that kind has been worked out at the present time; but I say without hesitation that no institution looks more carefully after a staff that has been dispensed with than the Government of Canada.

Hon. Mr. TURRIFF: Then I think we may take it for granted that none of them will be dismissed, and that in that respect we shall not make much of a saving by doing away with the Commission.

Hon. Sir JAMES LOUGHEED: Would my honourable friend allow me to reply now so that I shall not consider myself bound to do so later? There is this to be said: any surplus staff that is absorbed in any branch of Government work takes the place of those who might subsequently be hired to do the same work. All we have to do is to follow the activities of the Civil Service Commission to know that every day we engage many employees, sometimes hundreds. I do not say that we engage one hundred every day, but it is a very short period of time in which we do not employ say one hundred civil servants.

Hon. Mr. BOSTOCK.

Hon. Mr. TURRIFF: From the remarks of my honourable friend during most of the time he was speaking, the public at all events will take it that the Commission of Conservation started in a very small way, and that its sole object was gradually to monopolize everything until, as the leader of the Government has said, the Government itself was in danger of being swallowed up by it. I want to say to my honourable friend that all this was done under the Government of which he himself is a member. The Government had to supply every dollar required to enable the Commission to go on, and during all these years has consented to every activity in which the Commission has engaged. So I do not think it is fair to make it appear that it was the Commission of Conservation that brought about all this duplication. That is absolutely not the fact, because every dollar of expenditure was voted in the Estimates, and the Government fathered it all. As my honourable friend stated, in the beginning, before he was a member of the Government, the expenses of the Commission were about $10,000 or $12,000 a year. Since then all the Government departments have spent a great deal more money than they did previously. The point that I want to make is that it would appear, from the manner in which this matter has been presented, that the Commission was altogether to blame; whereas the fact is that the Commission did its work all through with the authority and the consent of the Government.

I am sorry that there has been duplication, but I think a good deal of it was brought about because others, being jealous of what the Commission had done, took up similar work. This condition may have reached such a stage that the Government is right in putting a stop to it; but the blame, if there is blame, cannot all be put on the Commission; the Government has got to take its share.

Hon. J. W. DANIEL: If the statement made by the leader of the Government in introducing this subject is correct, I think the remarks of the honourable gentleman from Assiniboia (Hon. Mr. Turriff) will hardly apply, because the leader of the Government has told us that the gentlemen comprising the Commission were not under the control of the Government, but under the control of Parliament. I think it is quite evident that the gradual increases in expenditure is a result of the work of the Commissioners themselves.

Any one knows that the Government would hardly undertake to interfere with an important commission of this kind, which was engaged in doing what apparently was valuable work so far as the general public knew anything about it; in fact, I do not see that the Government could interfere, except by putting through Parliament such legislation as we are putting through to-day.

I just rose to say a good word for the Commission. The action which is now proposed is, I suppose, necessary. The reasons stated by the leader of the Government for abolishing this Commission are very good reasons, and such as would lead us to adopt the proposed legislation. At the same time, I would like to say that so far as I know the publications of the Conservation Commission, I admire them very much, and I have found them very interesting and educative. They are produced in an attractive form, and for some reason or other are more widely read than the departmental reports which it is said they overlap. Why that should be I cannot say.

The leader of the Government referred to one publication in which the Commission went into the matter of public health. I read that report with a great deal of interest, and in it I found the very article to which the honourable gentleman referred —an article on venereal disease, which is nowadays a matter of very great interest. To my mind that publication contained one of the very best short treatises on venereal disease that I ever read, and I thought it was a very valuable production.

I have been told by librarians that they were more particularly desirous of getting the reports of the Conservation Commission than they were of getting those of any other public Department. That shows that the reports are attractive to the people, and that they are read by them to a greater extent than are the ordinary departmental reports.

Personally I shall be sorry to see the demise of the Conservation Commission; at the same time, I feel the urgency of the reasons advanced by the leader of the Government. I think the Commission has done a good work, although I was surprised to hear that it had perhaps taken without leave or license, and had adopted as its own, work which had already been done by Government agencies. I was quite unaware of that. But, so far as the public is concerned, I think it did a very useful work.

Hon. Sir JAMES LOUGHEED: Before going on to the next item of business, may I explain to my honourable friend from Kamloops (Hon. Mr. Bostock) that the Water Power Branch was organized two years before the Conservation Commission. That would be in 1907 or 1908.

The motion was agreed to, and the Bill was read the second time.

PRIVATE BILLS

SECOND READINGS

Bill M4, an Act respecting the Great West Bank of Canada.—Hon. J. H. Ross.

Bill O4, an Act to incorporate the Edmonton and Mackenzie River Railway Company.—Hon. Mr. Harmer.

DIVORCE BILLS

SECOND READINGS

Bill N4, an Act for the Relief of Lily Maude McCormack.—Hon. Mr. Ratz.

Bill P4, an Act for the Relief of Herbert Henry Brown.—Hon. Mr. Proudfoot.

GAS INSPECTION BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 13, an Act to amend and consolidate the Acts respecting the Inspection of Gas and Gas Meters. Hon. Mr. Daniel in the Chair.

Sections 1 and 2 were agreed to.

On section 3—regulations:

Hon. Mr. BOSTOCK: Is there any change in the regulations?

Hon. Sir JAMES LOUGHEED: Yes, that clause is amended; but it is practically the same.

Hon. Mr. BOSTOCK: There is no very important amendment?

Hon. Sir JAMES LOUGHEED: Oh, no, there is no change in principle.

Section 3 was agreed to.

On section 4—units and standards:

Hon. Mr. BOSTOCK: Is there any change in these units of measurement?

Hon. Mr. PROUDFOOT: What is meant by: "The unit of measure for the sale of gas by heat units shall be the British thermal unit"?

Hon. Sir JAMES LOUGHEED: The British thermal unit is a standard of measurement that I understand has been

adopted in Great Britain. Instead of the gas being measured at so much per foot, it is measured in heat units. The heat is produced by gas; but you buy heat; you don't buy gas. We have not a standard here by which heat may be measured, but we take the power to introduce that system into Canada.

Hon. Mr. PROUDFOOT: Would it not be very much better to state exactly what a British thermal unit is? I have always been opposed to putting in words that you have to find the meaning of somewhere else. It is my idea that we should put in the meaning.

Hon. Sir JAMES LOUGHEED: The difficulty would be that we would have to publish an encyclopædia with each Bill. This term is apparently well known to the trade, and immediately it is introduced into Canada the public will become familiar with it and what it means.

Hon. Mr. BOSTOCK: Is there a meter for the purpose of measuring these heat units?

Hon. Sir JAMES LOUGHEED: Oh, yes; but how the heat is measured I could not tell you.

Hon. Mr. BOSTOCK: If the system were introduced, I suppose the purchaser might have the option of having the gas measured by the cubic foot.

Hon. Sir JAMES LOUGHEED: The results are measured instead of the raw material.

Section 4 was agreed to.

On section 5—registration:

Hon. Mr. BOSTOCK: Was there no registration before?

Hon. Sir JAMES LOUGHEED: Apparently not. This is a new clause.

Section 5 was agreed to.

On subsection 1 of section 6—right of access by contractor to premises where gas is used:

Hon. Mr. BOSTOCK: I see that subsection 1 is new.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: Surely the contractors before have been in the habit of entering the premises of a purchaser?

Hon. Sir JAMES LOUGHEED: They were not known as contractors before; but now they are authorized, by certificate from the Government, to furnish gas, because in this way they are regulated by the Government. Of course, if they were not admitted they would simply cut off the gas; they practically had that right.

Hon. Mr. BOSTOCK: But it was not formally given them by statute?

Hon. Sir JAMES LOUGHEED: No.

Subsection 1 was agreed to.

Paragraph a was agreed to.

On paragraph b—ascertaining the quantity of gas consumed or supplied:

Hon. Mr. BOSTOCK: This is only for the purpose of ascertaining the quantity of gas supplied, but no power is taken under the Act to test as to the purity of the gas?

Hon. Sir JAMES LOUGHEED: No. The Government would not have any way of doing that, except where it is manifestly dangerous to health. They would then take the authority of stopping that kind of gas.

Subsection 2 was agreed to.

Section 7—pressure, supply of facilities for testing—was agreed to.

On subsection 1 of section 8—director:

Hon. Mr. PROUDFOOT: Who pays for the directors who are to be appointed under that subsection?

Hon. Sir JAMES LOUGHEED: There are certain fees chargeable for the inspection.

Hon. Mr. PROUDFOOT: But would the director be a Government official?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. PROUDFOOT: Appointed by the department?

Hon. Sir JAMES LOUGHEED: Yes, and paid by inspection fees that will come in under section 11.

Hon. Mr. BOSTOCK: He will be an official of the Department of Trade and Commerce?

Hon. Sir JAMES LOUGHEED: Yes. That subsection is taken from the Electricity Inspection Act which is on the statute book. It is new in that regard.

Subsection 1 was agreed to.

On subsection 2—appointment of district inspector, and his duties:

Hon. Mr. BOSTOCK: I think my honourable friend said the other day, when we

were on the second reading of this Bill, that this question really comes under the heading of weights and measures.

Hon. Sir JAMES LOUGHEED: Yes, and standards.

Hon. Mr. BOSTOCK: Weights and measures come under the Inland Revenue Department, but this Bill is under the Trade and Commerce Department. Is not this establishing two classes of inspectors?

Hon. Sir JAMES LOUGHEED: No; I think inspection of standards is under Trade and Commerce. They sometimes switch them about; they have the right to do so.

Hon. Mr. BOSTOCK: But there is no authority of the Minister of Trade and Commerce to use the inspectors of the Inland Revenue Department?

Hon. Sir JAMES LOUGHEED: Oh, no.

Hon. Mr. BOSTOCK: They are two separate departments entirely?

Hon. Sir JAMES LOUGHEED: Yes, they are separate departments. It would not result in any duplication or clashing of authority.

Hon. Mr. BOSTOCK: But what occurred to me was that in the interest of economy the same man who was inspecting for the Inland Revenue Department might be able to inspect for this work as well, and where he is travelling from one town to another he might be able to employ his time more economically for the country by doing the inspection for both.

Hon. Sir JAMES LOUGHEED: Of course, he does not do this class of inspection. This is exclusively done by the Trade and Commerce Department. There is enough for one man to do.

Subsection 2 was agreed to.

Subsections 3, 4, and 5 were agreed to.

On subsection 1 of section 9—meters:

Hon. Mr. BOSTOCK: I notice that this clause is made permissive: it depends on either party desiring. I presume in every case gas is supplied by meter?

Hon. Sir JAMES LOUGHEED: I understand it is, but I suppose there would be nothing standing in the way of a flat rate if a company taking a contract for heating a building wanted such a rate.

Subsection 1 was agreed to.

Subsections 2, 3, and 4 were agreed to.

On subsection 5—reverification of meters:

Hon. Mr. BOSTOCK: Are there central places in various parts of the Dominion where that work can be done, or do they all have to be sent to one centre?

Hon. Sir JAMES LOUGHEED: All the standards are kept here, but I think inspectors can carry them with them. They have methods of measuring and testing meters that accompany the men who do it. It is only the type of meter that we pass.

Subsection 5 was agreed to.

Subsections 6, 7, and 8 were agreed to.

Section 10—disputed tests—was agreed to.

On subsection 1 of section 11—fees, how fixed:

Hon. Mr. BOSTOCK: Is there to be any change in these fees, or will the same fees be enforced right along?

Hon. Sir JAMES LOUGHEED: They are changed from time to time. They are not a fixity. I do not know that any change is contemplated; it is a matter for the Governor in Council on the recommendation of the Minister.

Hon. Mr. PROUDFOOT: The idea apparently is that the Act should pay for its own administration.

Hon. Sir JAMES LOUGHEED: Yes. This is practically the old section; the only change is in subsection 1, where we strike out the words "and shall form part of the Consolidated Revenue Fund."

Hon. Mr. BOSTOCK: What is the object of that? I see that the fees are to be "accounted for and paid to the Minister of Finance."

Hon. Sir JAMES LOUGHEED: Yes, that is a matter of bookkeeping.

Hon. Mr. BOSTOCK: I thought that all fees of this kind were paid into the Consolidated Fund, and remained there at the order of the Minister.

Hon. Sir JAMES LOUGHEED: Yes. The cost of the stamps, apparently, will be defrayed out of any appropriated moneys forming part of the Consolidated Revenue Fund. Under the old Act it amounts to the same thing. That is the wording of the old Act apparently.

Hon. Mr. BOSTOCK: Those words have been left out this time?

Hon. Sir JAMES LOUGHEED: They are left out in subsection 1.

Subsection 1 was agreed to.

Subsection 2 was agreed to.

On subsection 3—stamps, preparation of.

Hon. Mr. BOSTOCK: This subsection provides that the stamps shall be paid for out of the Consolidated Revenue Fund, although there is no provision that the fees shall be paid into that fund.

Hon. Sir JAMES LOUGHEED: Under the general law I fancy all fees come into the Consolidated Revenue Fund.

Hon. Mr. BOSTOCK: But the effect is that the Minister of Finance can use the money, and not the Minister of Trade and Commerce?

Hon. Sir JAMES LOUGHEED: Yes.

Subsection 3 was agreed to.

Sections 12 and 13 were agreed to.

On section 14—penalty for forging and counterfeiting stamps and seals:

Hon. Mr. BOSTOCK: Is there any change in this section?

Hon. Sir JAMES LOUGHEED: This is a recast of clauses 52 and 56 of the old Act, and makes the text more definite. For instance, the person who forges or assists in forging any stamp or seal is declared to be "guilty of forgery," and any person who steals any such stamp or seal is "guilty of theft," thus making the guilty person liable to punishment under the Criminal Code. In other respects the penalties remain unchanged. I fancy that is to bring it in accordance with the Criminal Code.

Sections 14 and 15 were agreed to.

On section 16—penalties for not keeping records or permitting inspection of them.

Hon. Sir JAMES LOUGHEED: This is the same as the old, excepting that we use the word "records" instead of the word "books." The word "records" includes both.

Hon. Mr. BOSTOCK: In the old Act the penalty was simply $50. There is a change here, in making the contractor liable to a penalty of not less than $5 and not more than $50.

Hon. Mr. PROUDFOOT: They are not very consistent in the penalties.

Sections 16 and 17 were agreed to.

On section 18—where heat units are used as measure for sale:

Hon. Mr. BOSTOCK: What is the object of making a difference between the penalties for a contractor who has 10,000 metres and one who has 5,000?

Hon. Sir JAMES LOUGHEED: Really I could not tell you.

Hon. Mr. BOSTOCK: This is an altogether new clause?

Hon. Sir JAMES LOUGHEED: Yes, but the penalties are the same.

Hon. Mr. BOSTOCK: There was no clause of that kind in the old Act.

Hon. Sir JAMES LOUGHEED: No, but as to selling gas.

Hon. Mr. BOSTOCK: Or electricity?

Hon. Sir JAMES LOUGHEED: Yes.

Section 18 was agreed to.

Sections 19 and 20 were agreed to.

On section 21—procedure:

Hon. Mr. PROUDFOOT: Why is paragraph b limited to "two justices of the peace, if the penalty exceeds $25"? In most towns and cities in Ontario we now have police magistrates, and the police magistrate has the same jurisdiction under the Ontario Acts as two justices of the peace, and if this clause stands as it is it will lead to a great deal of confusion.

Hon. Sir JAMES LOUGHEED: May I ask my honourable friend, does not the Criminal Code provide that where two justices of the peace have jurisdiction, a magistrate may exercise the same jurisdiction? I think they are convertible terms. That is my impression.

Hon. Mr. PROUDFOOT: The honourable leader is quite right in that statement, but where an Act expressly mentions, as this Bill does, two justices of the peace, without referring to the police magistrate, it may cause confusion.

Hon. Sir JAMES LOUGHEED: Would my honourable friend look into that? Before we take the third reading we could correct it if it is wrong. But I am under the impression that that is what is intended.

Hon. Mr. PROUDFOOT: I am satisfied that that is what is intended, but it is not made clear.

Hon. Sir JAMES LOUGHEED: It would not do to say "a magistrate" because that would exclude the two justices of the peace; but if you give jurisdiction to two justices of the peace, that would include the magistrate.

Hon. Mr. PROUDFOOT: Under the local statute, any act which may be performed by two justices of the peace may be performed by a police magistrate.

Hon. Sir JAMES LOUGHEED: Yes; that is what this has reference to.

Hon. Mr. PROUDFOOT: I will look into the question and see whether that applies to an express provision of this nature.

Section 21 was agreed to.

Section 22 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

COURT OF INTERNATIONAL JUSTICE BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 73, an Act to authorize the ratification and carrying into effect of the Protocol of the sixteenth day of December, 1920, accepting the Statute for the Permanent Court of International Justice of the thirteenth day of December, 1920. Hon. Mr. Mitchener in the Chair.

On section 1—power to ratify Protocol:

Hon. Mr. BOSTOCK: Can my honourable friend tell us what is going to be the cost to Canada of this Court? I understand that Canada has to bear her part of the expense of the Court, and that some question has been raised about the way in which the basis of Canada's share was arrived at. Perhaps my honourable friend can give us some explanation as to how much we are liable to have to pay towards providing for the Court.

Hon. Sir JAMES LOUGHEED: That I could not do at the moment. There has been a great deal of satisfaction up to the present time at Canada having been placed upon a parity of responsibility with the other powers. Of course, the other smaller nations have likewise complained as to the distribution of the expense. Hence, I understand, at the next meeting of the Assembly the matter will be adjusted so that the more important members of the League will bear a greater proportion of expense, more commensurate with their importance. What the expense of this Court of International Justice will be I cannot say. It will be distributed upon the same basis as the general expenditures of the League. I understand that all the expenditures involved in carrying the different articles of the Covenant will be distributed pro rata, according to the proportion that may be determined upon at the next Assembly.

Hon. Mr. BOSTOCK: Are the judges that are appointed to be paid an annual salary.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: Not just paid for the particular work that they have to do?

Hon. Sir JAMES LOUGHEED: I do not think it will be very large, but it will be, I understand, an annual honorarium.

Hon. Mr. BOSTOCK: It is conceivable that the work might be of a nature to take up all their time.

Hon. Sir JAMES LOUGHEED: If large questions come up, that may be the case. However, I cannot say anything about that now. Nothing has been determined yet, so far as I know.

Section 1 was agreed to.

Section 2 was agreed to.

The schedule, the statute, the preamble, and the title were agreed to.

The Bill was reported without amendment.

The Senate adjourned until Tuesday, May 17, at 8 p.m.

THE SENATE

TUESDAY, May 17, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

FIRST READINGS

Bill Z4, an Act for the relief of Frederick Orford.—Hon. Mr. Proudfoot.

Bill A5, an Act for the relief of John Deluce.—Hon. Mr. Nicholls.

Bill B5, an Act for the relief of John Samuel Bain.—Hon. Mr. De Veber.

COURTS OF CRIMINAL APPEAL

DISCUSSION AND INQUIRY

Hon. L. McMEANS rose in accordance with the following notice:

That in the opinion of the Senate it is essential for the better administration of the criminal law that a Court of Criminal Appeal should be established in the different provinces, with jurisdiction similar to that possessed by the Court of Criminal Appeal in England, and will inquire whether it is the intention of the Government to create such Courts.

He said: Honourable gentlemen, in rising to move this resolution I desire to say that it is done with no intention of criticising the judges or the officials or others engaged in the administration of the criminal law. I have no fault to find with the administration of the criminal law as it exists at the present time; but I do say without hesitation that the system under which the criminal law is administered is out of date I think that Canada is to-day the only civilized country in the world in which such a system exists without any appeal.

Prior to the year 1907 there was no such thing as a Court of Criminal Appeal in England, although various attempts had been made by very eminent jurists to introduce that great reform. Since 1907 a Court of Criminal Appeal has been established in England, and has been very satisfactory in every respect. At the risk of taking up the time of this House for a few moments, I would like to call the attention of honourable gentlemen to what was done prior to 1907 in regard to criminal appeals. In a work by Mr. Cohen on the Criminal Appeal Act of 1907, he starts out by saying:

Numerous proposals have been made from time to time to establish a Court of Criminal Appeal and to enable persons convicted on indictment to apply to such court to review their cases on the ground that they have been improperly convicted or sentenced too severely. So early as 1844 Mr. (afterwards Lord Chief Baron) Fitzroy Kelly introduced a Bill on this subject, and from that time up to the year 1906 as many as twenty-eight Bills (at least) had been introduced with the same object. Some of these—namely, the Criminal Codes—were Government Bills, and were introduced by the Attorney-General, the Solicitor-General, the Attorney-General for Ireland, and the Home Secretary, but it was found impossible to pass them.

In 1883 there was also a Court of Criminal Appeal Bill introduced by the Attorney-General (Sir Henry James), the Home Secretary (Sir William Harcourt), and the Solicitor-General (Sir F. Percy), which passed through the Standing Committee and was reported to the House but was withdrawn the 21st August. The other Bills were introduced by members of the House of Commons, some of whom had had large experience in the administration of the Criminal Law, as will be seen by the Return referred to, but they all met the same fate.

In 1892 the judges were consulted on this thorny subject, and I think it desirable to state what then happened.

The Council of Judges, held under the Supreme Court of Judicature Act, 1873, Section 75, made a Report to the Secretary of State (July, 1892) and passed certain resolutions (Return to House of Commons, 24th May, 1894, No. 127) Lord Coleridge was Lord Chief Justice. It will be seen that the judges were in favour of a Court of Criminal Appeal for some purposes, and with reasonable limitations. The Report was as follows:

Court to Review Sentences

Besides the foregoing matters relating to the working of the Judicature Acts, the Judges of the Supreme Court have thought it their duty to consider that which is the most responsible and the most difficult part of the administration of the law, namely, the administration of the Criminal Law. A pressing question is whether there should be a Court of Appeal in Criminal Cases, and what jurisdiction it should exercise. There is a great diversity in the sentences passed by different Courts in respect of offences of the same kind, where the circumstances are very similar. It is much to be desired that this diversity should be if possible avoided.

It often happens when a person is convicted of a serious crime and is sentenced to a severe punishment and most frequently when a person is convicted of murder that a petition is presented after having been circulated for signatures, and the Home Secretary is pressed to review the finding of the jury and the sentences of the judgs.

This review is not asked for on the ground of the exercise of the prerogative of mercy, but by way of appeal upon an assertion that the verdict or sentence was wrong. The request is really an appeal and not merely a petition. That appeal throws at times more responsibility of the Home Secretary than any one man ought to have imposed upon him. After full consideration the institution of a court is recommended, having full jurisdiction to review and alter sentences, and a limited jurisdiction to assist the Home Secretary in reconsidering sentences or convictions at his request. As to sentences, the great object is to procure a greater uniformity than exists. A series of decisions by one court would, by examples and the reasons given for them, tend to secure uniformity. The court should, as far as possible, for long periods consist of the same judges.

I need not take up the time of the House in going through the report of the judges to the House of Parliament. They were unanimous at that time in recommending that a Court of Criminal Appeal should be established. As I understand the establishment of the Criminal Court of Appeal in England, a similar court in this country would not entail any additional expense on the Government. The Court in England is merely made up of a Board of Judges selected by the Lord Chief Justice, and there is no increased expense of any kind.

The reasons that were given at that time for the establishment of a Court of Criminal Appeal in England—

Hon. Mr. BELCOURT: What is the year of that report?

Hon. Mr. McMEANS: July, 1892. The Bill was not passed until the year 1907, and it did not come into force until the year 1908.

Hon. Mr. DAVID: When there is an appeal is there a second trial, and if so does it take place before a second jury?

Hon. Mr. McMEANS: No, the case is reviewed and the court can remedy any injustice which has been done in the trial. I shall refer to one or two cases that occurred in England, which were fully discussed by the British Parliament, and which in my opinion, had a great deal to do with the decision arrived at to establish a Court of Criminal Appeal.

The Court of Criminal Appeal has of course no power under the Act to interfere with a sentence that is fixed by law. Take for instance the crime of murder, for which the penalty is death. The Court of Criminal Appeal cannot interefere with that sentence; but it could interfere with the sentence if the man had been sent to the penitentiary for ten years. One of the advantages of that system is that all the courts and judges throughout the land know of the decision that is given, and it is a guide to them in dealing with cases of a similar kind.

In Canada we have judges of the Court of Appeal sitting upon the trial of criminal appeals on questions of law. I looked up the current report of the Ontario Law Times the other day, in the case of the King vs. Mouer, in which two young girls and their families had moved away into the woods north of North Bay. These girls dressed themselves as boys when they got to North Bay. They were going down a road, and a young fellow came along and grabbed one of them, not knowing they were girls masquerading in boys' clothes. The sister became excited and cried out that he was carrying away her sister. Another young boy came along and pulled a revolver and shot the first boy through the heart, instantly killing him. This boy was tried for murder at North Bay, and a verdict of guilty was brought in and he was sentenced to be hanged. The case was taken to the Court of Appeal on a question of law; as to the admissibility of certain evidence. At the trial counsel tried to get in evidence of what was said by the girl who was dragged away, and it was objected that that would not be heard by the one who had committed the crime. The judge ruled it out. It took the Court of Appeal three or four days to hear the argument in the case. If they found that the evidence was improperly rejected, they could order a new trial; but apart from that they were powerless to do anything. Supposing that the jury had brought in a verdict of mansalughter, and the same question arose as to the admissibility of evidence: in that case the court would have heard argument for some four or five days, and would then have been powerless to deal with the facts, and could only have dealt with the question of whether the evidence was properly admitted or otherwise. The case was brought to the attention of the Minister of Justice, and he remitted the sentence of death to one of imprisonment for ten years.

Now, take the case of a man sentenced to life imprisonment for manslaughter. An appeal is made to the Minister of Justice. The difficulty is that nobody hears of his decision: it is not published, and it is no guide to any judge in the country. One of the drawbacks of the system of administering justice in this country—I know it is the case in Ontario and the West, I do not know about Quebec—is that laymen without any experience in the administration of justice are appointed magistrates. In Toronto and Winnipeg they have lawyers for magistrates; but there are towns all over the country where the magistrates are not lawyers. The Criminal Code gives to those magistrates the power to impose sentence. I need not go into the question—I have discussed it before—of magistrates imposing widely differing sentences for similar crimes, and their being no provision for review.

Mr. Boulton, one of the members of the British House of Commons, in the introduction to his work on the Court of Criminal Appeal, said:

> Both the public and the profession had therefore arrived at the conclusion that some review of the evidence upon which convictions in criminal cases rested was necessary.
>
> The disadvantages of the late system may be summed up in a few words. In the first place, the Home Office has no power, if it is dissatisfied with a conviction, of quashing it. If, after full inquiry, the case appears doubtful, the Home Secretary may advise the granting of a pardon to the prisoner, or he can grant a remission of the imprisonment. But the Home Office can give no definite and final judicial finding, such as a court of law can give.
>
> In the second place, on a petition to the Home Office the prisoner's case only is before it. The

result of that is that the Home Office has to discover the case against the prisoner, to test his conviction and his guilt in order to establish, if possible, his innocence.

In the third place, there is no legal finality in the position of the Home Secretary. The consequence is that, although he might come to a clear and definite decision, he is always exposed to pressure to reconsider his decision.

In the fourth place, the Home Office cannot, as a general rule, state its reasons for its decision.

Fifthly, the Home Office cannot take fresh evidence on oath and allow the cross-examination of witnesses.

The Home Office inquiry is not conducted by legal minds. There is no representation of the accused and no argument. The reasons upon which the decision is based are not disclosed, and therefore unknown to the public.

Of late there has undoubtedly been a tendency to criticize proceedings of the Home Secretary in a tone which would not be tolerated by any judicial tribunal in the country. There must, therefore, be a great advance in our legal system if the burden of an investigation, which must be essentially judicial in its character, is cast upon a judicial tribunal. The Court of Criminal Appeal will be composed of judges of the King's Bench Division. It will have the power of quashing a decision, and thus removing the effect which a conviction must have upon the status of the prisoner. Its decisions will, save in exceptional cases when an appeal to the House of Lords is permissible, be final, and it will be enabled to hear both sides, and, if necessary, to take the sworn testimony of fresh witnesses, or hear fresh evidence and allow of cross-examinations. Finally, it can give the reasons for its decisions.

The Home Office, too, will have an added advantage.

In the first place, the number of cases which come before the Home Office for interference will be greatly diminished, though they will certainly not be altogether removed.

In the next place, it will have a choice. The Home Secretary can either deal with the case as heretofore by confidential inquiry, and arrive at an independent judgment if necessary; or he will be able, under the power given by the Act, to refer the whole case, or any point in connection with the case, for the opinion of the Court of Criminal Appeal.

One of the peculiarities of our system is that, in the case of a man who is charged with a crime and convicted by a jury or by a judge, and afterwards found to be absolutely innocent, there is no power that can pronounce him an innocent man. If he is once convicted he is guilty, and we have the very extraordinary state of affairs that this man, after it is found that he is innocent, is graciously pardoned by the Crown. I do not know how that system might affect some honourable gentlemen in this House. I think that a Senator convicted of a crime must forfeit his seat. Consequently, if an honourable member of this House were accused of some crime and convicted by a magistrate, although he was absolutely innocent and the evidence was there to show it, he would still be a convicted man, and the only redress that he would have would be that the Crown would be gracious enough to extend to him a pardon for an act which he had never committed.

In a country like Canada, extending as it does for 3,000 miles, and having a great diversity of population, it is a difficult thing to administer criminal justice. I know, and other honourable gentlemen who have practised law know, the difficulty of making an appeal for clemency to the Crown, on account of the time it takes to get the petition here and for the Department to report back and get the opinion of the judge. There is another peculiarity —and I am not criticizing the Department, but merely the method on which they work: the first thing that is done when a petition is made for clemency is to go to the judge who tried the man and get the report of that judge—the very man from whom in England the appeal is taken. Surely it is not reasonable that a judge who has convicted a man after he has heard the evidence should be asked to report and stultify himself by saying that he is wrong. I think the system is wrong, and it is about time that there was some remedy for that sort of thing.

During the discussion of this question in the House of Commons in Great Britain there were two cases referred to. One of them was the well-known Beck case, and I think it is a very good illustration of what the power of a Court of Criminal Appeal would be. A man of the name of Smith had procured money from certain loose women in London by representing himself to be a lord, and stating that he was going to start an establishment of his own in St. John's Wood, and that he wanted a mistress. He wrote out cheques to these women and told them to go and buy furniture; but in the meantime he borrowed all the money he could from them, and all their jewelry. He was convicted of this crime, and was sentenced to penal servitude for some seven years. After serving part of his sentence he was let out. Then the crime was committed again under very similar circumstances, the name of a different lord being used. A man named Beck was going along a street in London, when a woman rushed up to him and said, "You are the man that defrauded me." He said, "I never saw you in my life." They got into an altercation, and a policeman came along, and they were both taken to the police station. The woman said this was the man that had made representations to her, and two policemen were called in, and, although there was a period

of seventeen years intervening, they identified the man Beck as the man Smith. There was one sergeant of police who knew Smith, or who did not believe Beck was Smith. He sent down to the penitentiary to get Smith's identification marks. They did not tally with those of Beck, but this was not brought out at the trial. Then they examined the handwriting on the cheques that were issued, and the lawyer acting for Beck asked the expert questions about the handwriting of Smith. The presiding magistrate ruled the evidence out, and said that they were not trying Smith, and that he would not allow the question as to whether the cheque was the handwriting of the man Smith. Beck was sentenced to seven years penal servitude. While in the penitentiary he discovered by accident that Smith had represented himself in the prison to be a Christian and afterwards a Jew. From this statement they examined to find out whether Smith was a Jew or not, and they discovered that he was circumcised. This fact was reported to the Home Secretary. When Beck came to the penitentiary he was given Smith's number and was treated as a convict who had been convicted on a second offence; and all that the Home Secretary could do was to say: "I don't care anything about that; we can cancel his second offence and can take Smith's number away from him and give him a new one." Well, that man had served seven years in penitentiary, and was then released; and after a short time was arrested again on a similar charge and convicted, and when he was called up for sentence the judge postponed the sentence. His counsel said to the judge: "If you will give us time we will produce witnesses from Holland to show that this is not the man." The request was granted, but in the meantime the Crown counsel comes in and says, "My witnesses are leaving England, and this man must be tried at once," and the judge ordered the trial to go on. He was convicted and was awaiting sentence; but during that interval Smith was arrested, and then they found out for the first time that Beck was not Smith. An inquiry was demanded in the House of Commons in England, and a committee of very able men was appointed to go into the matter in detail. That committee were very severe on the Home Secretary's office They said: "This man never should have been convicted in the first place." They held that the judge had improperly ruled out the evidence in cross-examination on the handwriting, and said that if that cross-examination had taken place, or if the police concerned had communicated to the Crown counsel that the marks on Smith's body as indentification marks were entirely different from Beck's, this man would not have been sentenced or have served seven years penal servitude. The policeman said he did tell the Crown counsel, but the latter denied it. However, there it is; after the man had served seven years penal servitude, and had been convicted the second time, His Majesty, on the report of the committee appointed by the House of Parliament—not by the Home Office, because in that report the committee found serious fault with the Home Office for what they had done—was graciously pleased to pardon him for the second offence which he had never committed. That matter was fully discussed in the House of Commons, and I dare say there are many other cases that might come to light if the circumstances should be the same as in that case, where some little thing might turn up afterwards and show the man to be innocent. That evil would have been cured by a Criminal Court of Appeal.

There was another case—that of Edalji Sibley (Criminal Appeals, page 370). That was another investigation—not by the Home Office, but because a member of the House of Commons made a charge and demanded an investigation, a committee of the House, composed of very able men, took the evidence, went through it, and reported that in their opinion there was not the slightest ground for the man's conviction. Edalji was a broker. Some cattle in the neighbourhood were being killed or maimed, and he had been foolish enough, in the way of a joke, to write a letter accusing himself and several other people of the commission of this offence. As the commissioners said in their report, the police made up their minds not to find the man who had committed the crime, but to fasten it on Edalji. The case came before a jury at a time when the country was excited, and there was a good deal of feeling; and, as somebody must be offered up, the jury convicted Edalji. The committee reported there was no evidence at all, and, that even the evidence that was given should not have been admitted. One circumstance that created doubt as to his having committed the crime was the fact that while he was being tried, and when he was in jail, the same crimes continued night after night in the same locality, which proved that he

was not the man. However, there is no use in going into detail. He was brought up before the House of Commons; a committee reported on him, and found that the Home Office should have interfered; and, owing to the report of the special committee appointed, this man was cleared and was allowed to return to his business; and I believe he also received a pardon for a crime he had never committed.

I should not have attempted to bring such a grave matter as this before this honourable body without being able to quote statistics as to how criminal appeals have worked in England. I endeavoured to find the report in the library, but was unable to do so, and both the Librarian and myself assumed that there had not been any return made during the last three or four years owing to the war. But I was able to find the report of the Commissioners for 1914, and the table shows that between April 18, 1908, and July 15, 1913, there were 167 convictions quashed and 164 sentences reduced. Out of these, 21 convictions were quashed and 21 sentences reduced in cases in which leave to appeal was given by the Court, though refused by the examining judge. Of the total number of sucessful appeals, 12.6 per cent were cases in which the judge had refused his consent. Under the English law, application for appeal must be made to the judge trying the case, and, if he refused application may be made direct to the Court of Criminal Appeal.

Another feature about the Court of Appeal is that it works out as stated by Sibley, at page 33:

> It may be that the chief use of the Act will be to prevent miscarriages rather than to put them right.

A judge trying a case and knowing that there is an appeal, either on the facts or on the sentence he gives, will certainly be more careful. When this question was before the Parliament of Great Britain, it was held very strongly by one of the eminent judges that the Act might affect juries in the verdicts they gave, as he feared it would make them less mindful of giving prisoners the benefit of the doubt, because they would have a chance of appeal. Montagu Williams, K.C., the great criminal lawyer, replied to that. He said it would be rather a good thing, and in a work which he wrote, in discussing the Hungerford poaching murders, said:

> I cannot help thinking that this case furnishes an additional argument to those already brought forward by me in favour of the establishment of a Court of Criminal Appeal. Had such a Court existed, I should not have been able to point out to the jury that, while in all cases of crimes short of murder an erroneous verdict can be quashed, in cases of actual murder, if a verdict is returned which, though carefully weighed and conscientiously given, is yet erroneous, no earthly power can restore the life forfeited to the law. I think I am right in saying that, in acquitting my two clients, the jury were influenced by the consideration I thus brought to their notice.

This matter does not in any way interfere with the prerogative of the Crown, because, even if the Court of Appeal should refuse to interfere, there is still recourse to the Minister of Justice. In a case of murder they could not of course alter the sentence or anything of that kind, but the prerogative still exists.

There has been some objection on the ground that the courts would be filled with appeals of a petty nature, or those without foundation. That was alleged recently in one of the law journals. While no doubt that was one of the weaknesses of the Act, it has been adjusted in this way, that the Criminal Appeal Court in England has said that if frivolous appeals are brought before them, or those which are not justified, they will punish the appellants by increasing the sentences and making them pay the cost. That has served to a very large extent to minimize that type of appeal.

Honourable gentlemen, if a country like England, which has always stood for justice, and which is renowned throughout the world for its administration of criminal law, felt it necessary to the administration of criminal law as far back as 1907 to institute the Court of Criminal Appeal, and if that Court has been of great benefit to the people of England, as it undoubtedly has, is there any reason why we in this country should continue the antediluvian system that we have at present? The only reason that can be given for our present system is that in matters of criminal law the majority of the people of this country do not take any interest. Criminal law is the most difficult of all to administer; yet we notice that when a trial is going on the vast majority of the population take a very keen interest in it and watch its outcome; and on the conduct of those cases the people form their opinions as to the administration of justice in the country. They have then a healthy respect for the law so long as they know that justice is being done and that there is no miscarriage. Important criminal trials appeal to the people more directly than civil suits, even those involving $100,000, because the loss in such cases affects only

the loser, while a wrongful conviction affects every resident in the community, and to my mind is the most important phase of administration of justice that we have to deal with.

I do not desire to take up any more time, because I know that among the honourable gentlemen in this House there are very many eminent lawyers—men who are more capable than I am to deal with this matter; but if I have succeeded in interesting the House or any of those honourable gentlemen in this matter, I will consider myself very well repaid for any trouble I have taken in the matter, and I trust it will receive full consideration from this honourable body.

Hon. Mr. DAVID: Can the Crown appeal from a sentence under that law in England?

Hon. Mr. McMEANS: I believe so. If not, there should be such a provision, and it would be a very easy matter to put it in the Act. Why should a guilty man escape and an innocent man be punished?

Hon. E. L. GIRROIR: Honourable gentlemen, I said a few words last year in support of my honourable friend when he introduced his Bill to provide for appeals in criminal cases. It might probably be felt that I was not with him in regard to the present resolution if I did not say something on this occasion.

I think this is a question which should be very carefully considered, as it is one of the most important that has come before the Senate for a long time. The issues at stake in civil matters are small compared with those involved in criminal matters; and yet a man can appeal from a decision where he is adjudged liable to pay $100 to a party who has brought action against him, while under our criminal law, where his life or his liberty is at stake, he has absolutely no appeal on questions of fact, though, as my honourable friend pointed out, there is an appeal on questions of law. If the attorney for the accused thinks there has been a misdirection on a point of law by the trial judge in his charge to the jury, he may ask for a stated case, and there may be an appeal on a point of law.

I have seen cases where the greatest possible miscarriage of justice has taken place, and yet the accused had absolutely no remedy under the present law. I think I cited a case last year that had come under my own observation, where a boy of 15 or 16, going down the street of a town one evening, as a prank took an overcoat, put it on his back, and walked around the town. The boy had never been guilty of any criminal offence before. His character was good. He belonged to a respectable family. The owner of the coat saw him on the street, and ran and took it away from him. That boy was arrested and taken to court. The feeling in the town was rather intense at that particular time, because there had been a great many cases of petty theft, in many of which the guilty persons had gone unpunished. This boy was tried and sentenced by the County Court judge to three years in the penitentiary. An appeal was made to the Minister of Justice, and the boy was let out on ticket-of-leave; but the stamp of criminality was placed upon him, and any one could say to him that he had been in the penitentiary, that he had been convicted of theft; and, while he was clearly not guilty of any criminal offence, he was nevertheless an ex-convict. Had there been a court of appeal where the evidence could have been reviewed, no doubt it would have led to this young boy being released. Cases like this are occurring every day throughout Canada, perhaps because of public feeling in the community, perhaps because of prejudice, or because in many cases of the fact that a criminal may not be properly defended; that is to say, he may not be able to engage counsel and his case may go practically undefended. I feel sure that the institution of a Court of Criminal Appeal would be a step in the right direction.

The English Act as I read it gives very wide powers indeed to the Court of Appeal. They can get the same witnesses examined; they can summon new witnesses; they can take evidence by commission; they can do anything that the Court of Appeal can do in civil cases. There does not seem to me to be any reason why, when an appeal is granted in a civil case, it should not be granted also in a criminal case. My experience as a criminal lawyer has not been very wide, but from what little experience I have had I have come to the conclusion that the establishment of a Court of Criminal Appeal is most desirable.

The objection has been raised that a Court of this kind would encourage appeals. I do not think that that is a correct view of what would actually take place. The fact that no costs are allowed in appeals of this kind, and the further fact that there will be a uniformity of decisions established

and that lawyers will in many cases be able to judge what is likely to happen on certain evidence on appeal, will have, I think, the contrary effect. Once there is a uniformity of decisions, once counsel is able to judge fairly accurately what will result from the hearing by the Court of Appeal on certain evidence, he can be guided by that and is most unlikely to appeal unless he has reasonable grounds for believing that the Court of Appeal will lighten the sentence. Then there is this further fact, that the Court of Appeal, besides having the power to lighten the sentence passed upon the accused, has the further power to increase the sentence, and no counsel or accused will take the risk of appealing when the evidence is so strong that there is a possibility that the Court of Appeal, instead of lightening the sentence, may increase it. For these reasons I think there is no danger of the number of appeals being greater than is reasonable under all the circumstances. That has not been the case in England, where this Court of Appeal has been in operation since 1907. The number of appeals has not been greater than is reasonable, and the judgment of eminent counsel and judges who have had to do with the administration of the Act is that it has worked no injustice to anyone, but, on the contrary, has been productive of great good and is a most desirable law to have in force.

Hon. Mr. DAVID: Will the honourable gentleman allow me to repeat my question? Can the Court of Appeal declare guilty a man who has been declared not guilty by a jury?

Hon. Mr. McMEANS: I think the honourable gentleman asked me that question. I do not think there is any provision in the English Act for that. Of course, if a Court of Appeal were established in Canada, such a provision could be put in if required. On the other hand, if such a provision were included in the English Act and were not desired, it could be struck out.

Hon. Mr. GIRROIR: My honourable friend has correctly stated that there is no appeal by the Crown. Section 3 of the Act, the section regarding right of appeal and determination of appeal, says:

> A person convicted on indictment may appeal under this Act to the Court of Criminal Appeal—
>
> (a) Against his conviction on any ground of appeal which involves a question of law alone; and
>
> (b) With the leave of the Court of Criminal Appeal or upon the certificate of the judge who tried him that it is a fit case for appeal against his conviction on any ground of appeal which involves a question of fact alone, or a question of mixed law and fact, or any other ground which appears to the court to be a sufficient ground of appeal;

That seems to be the extent of the jurisdiction of the Court.

I was just now discussing the point raised, that the institution of a Court such as this would increase the number of appeals, and I wanted to read the answer to that, as set forth in the resolution of the judges who were appointed in 1892 to inquire into this question. This is what they say on that point:

> These proposals are made in the anticipation that the number of appeals will not be greater than the Court, constituted and acting as suggested, will be able to deal with. The non-payment of costs, the possibility of an increased sentence, and, after a short time, the increased uniformity of sentences throughout the country, and the consequent difficulty of obtaining an alteration, will prevent hopeless appeals.

That is what they say about it, and I believe that that is what has worked out in fact. Knowing what has happened in other countries—knowing that in the United States, in England, and in practically all civilized countries there is an appeal on questions of fact in criminal matters—I think it is quite right that we should devote some time to discussion of this very important matter and, if the majority of the Senate so think, a resolution should be passed and steps taken to establish a Court of Appeal. We are often accused of not initiating sufficient legislation. Here is an opportunity for us. We have strong precedents to justify the course which we might take. The importance of the question, and, as I have pointed out, the fact that courts of criminal appeal have been established in other countries, should surely be ample justification for at least passing this resolution and making such further inquiry into the matter as the Senate deems fit.

Hon. F. L. BEIQUE: Honourable gentlemen, I think the honourable member who has brought up this question deserves to be congratulated on the remarks that he has made. I believe he has made out a strong case in favor of the motion which he has laid before this honourable House. I would not be in favor of an appeal by the Crown; and I do not believe that it exists in England. When a jury has declared a person not guilty, it would surely

be very dangerous to submit the case to a new trial and have him convicted by another jury.

But there is another point. The liberty of the subject demands here, as in England, that anybody that has been accused and convicted should be afforded an opportunity to show his innocence. As was very properly stated, if a person has been condemned to pay a sum of money, he is allowed to appeal, whether the conviction was made upon the verdict rendered by a judge, or one rendered by a jury. Why should he not have the same opportunity in matters which are of much more importance, when his liberty is at stake? The point which has been brought to our attention, that if a person has been condemned he cannot be declared innocent even if upon further inquiry made by the Minister of Justice or at his instance it is found that he was improperly convicted, is to my mind a very strong point in support of the resolution propounded by the honourable gentleman (Hon. Mr. McMeans).

We have, of course, in this country the right to appeal on questions of law. If the evidence has been adduced the accused may demand a reserved case. If the trial judge refuses to reserve the case, he can be forced by a Court of Appeal to make a reserve case, or a stated case. Therefore there is an appeal on questions of law. But there are no appeals on questions of fact, and to my mind there should be here, as in England, appeals on such questions.

Hon. R. DANDURAND: Honourable gentlemen, the matter which is before us is introduced in the form of an inquiry and not as a motion. The honourable gentleman seems to solicit the opinion of the Senate, but he concludes his statement by a simply inquiry of the Government. I do not know whether or not it was his intention to have this adopted as a resolution. It would surprise me to learn that that was his intention, because the Senate passed upon this last year. A Bill presented by himself was adopted; consequently he has the opinion of the Senate as to the advisability of appeals from convictions being granted.

Hon. Mr. BEIQUE: Did we pass the Bill last Session?

Hon. Mr. DANDURAND: If I am not mistaken, the honourable gentleman's Bill of last year covered this very matter.

Hon. W. B. ROSS: In part, not all. It was not as wide a Bill.

Hon. Mr. McMEANS: The Bill of last year was simply a Bill with regard to excessive or inadequate sentences, to provide that the Court be empowered either to reduce or to increase the sentence. It did not deal with the question of appeal in any way, and under that the Court could not hear facts and could not declare a person innocent. In the discussion of the Bill last year it was quite apparent that it was a temporary measure, more than anything else, and that its scope was not wide enough to constitute a regular Court of Appeal. That is the reason why we have submitted the present inquiry.

Hon. Mr. DANDURAND: From the inquiry which is before us I observe that the honourable gentleman intends to ascertain from the Government its opinion as to the creation of such a Court of Appeal as he suggests. Perhaps he could himself have brought in a Bill enlarging the right of appeal. If the Government intends to move in the matter on the lines indicated by this inquiry, I would suggest that, since it would be too late to do so this Session, the attention of the Attorneys-General throughout the Dominion be drawn to the Government's intentions, because then, I am quite sure, the Attorneys-General of the various provinces would indicate the modifications that might be made to the English procedure, and valuable information could be gathered by the Department of Justice.

Hon. GEORGE LYNCH-STAUNTON: The subject referred to by the honourable gentleman is the establishment of a Court of Criminal Appeal. It seems to me that this is a matter which, under section 92, subsection 14, of the British North America Act, should be dealt with by the provinces. The Act says:

> The administration of justice in the Province, including the constitution, maintenance, and organization of the provincial courts, both of civil and criminal jurisdiction and including procedure in civil matters in those courts.

Under that section this matter is given to the provincial legislatures to deal with and the Dominion would have no power to establish courts in the various provinces. Perhaps what the honourable gentleman intends is that the right of appeal from a convertion, such as exists in civil cases, should be given.

As I understand it, when a man is tried by a jury no court of appeal would reverse the finding of the jury on the facts, because that would be depriving the man of his trial by jury. There is no appeal from

a trial by jury in any British jurisprudence that I know of, and the only remedy that the court may apply is to grant a new trial or reverse the decision, if, in their opinion, there was no evidence to go to the jury, or if the jury was improperly charged. But there can be an appeal in the case of a trial by a judge, because it is not an appeal to a different tribunal but only to a higher tribunal of the same class. I could never understand why a man whose life, liberty, or honour was at stake, should not have as much right to appeal as a man who has $400 or $500 at stake.

On motion of Hon. Mr. Willoughby, the debate was adjourned.

PRIVATE BILL

FIRST READING

Bill 38, an Act to incorporate La Compagnie de Téléphone Québec Union Eléctrique (The Quebec Union Electric Telephone Company).—Hon. Mr. Chapais.

RETIRED PILOTS

INQUIRY

Hon. Mr. DANIEL inquired:

1. What are the annual amounts of pay granted to retired or superannuated pilots in the following pilotage districts respectively either by the Government or other authority—Montreal, Quebec, Sydney, Miramichi, Pictou, Halifax and St. John.

2. What, if any, changes have been made in these rates during the last seven years, giving amounts, dates and districts.

3. By what authorities in the several districts are these allowances paid and from what sources are the amounts obtained.

Hon. Sir JAMES LOUGHEED:

1. Montreal—$350 per annum for each retired pilot. $175 per annum for each widow of retired pilot. Minor children left orphan, same pension as widow would have been entitled to.

Quebec—(a) Varying from $190 to $300 per annum for each retired pilot. Varying from $64 to $116 per annum for each widow of retired pilot. Children $30 per annum. (b) In addition some of the retired pilots are entitled to $300 per annum from the Government.

Sydney—By by-law, at the discretion of the Pilot Commissioners, retired pilots may receive $100 per annum. Retired pilots in this district now receive $50 per annum. Widows of retired pilots receive $30 per annum.

Miramichi—No pension or relief fund.

Pictou—No pension or relief fund.

Halifax—Under the Pilot Commissioners retired pilots received $260 to $600 per annum, varying with length of service. Widows of pilots receive sums varying from $100 to $300 per annum. Under the by-laws of the present Pilotage Authority, the Minister of Marine and Fisheries, retired pilots receive $20 per annum per year of service up to a maximum of $800 if the funds will allow. Widows of pilots receive one-half of what their husbands would have been entitled to. Children up to the age of 16 years receive $25 per annum.

St. John—Under the Pilot Commissioners retired pilots received $80 to $300. Widows of pilots received $125 to $200 depending on number of children. In 1920 the Pilot Commissioners allowed retired pilots and widows a bonus of $50. Under the bylaws of the present Pilotage Authority, the Minister of Marine and Fisheries, retired pilots receive $20 per annum per year of service up to a maximum of $800 if the funds will allow. Widows of pilots receive one-half of what their husbands would have been entitled to. Children up to the age of 16 years receive $25 per annum.

2. Montreal—Regulations governing payment of pensions first put into effect in 1916 (Order in Council 26th August, 1916). 1920—Increased from $300 per annum to $350 for retired pilots; increased from $150 per annum to $175 for widows of pilots.

Quebec—No change.

Sydney—No change.

Miramichi—See No. 1.

Pictou—See No. 1.

Halifax—1915—Maximum pension to retired pilots increased from $500 to $600 per annum.

St. John—No change.

3. Montreal—Out of the "Montreal Decayed Pilots' Pension Fund," which is administered by the Department of Finance, 5 per cent of the gross earnings of each pilot.

Quebec—(a) Out of the pension fund of the Quebec Corporation of Pilots, and the administration by this Corporation. 7 per cent of the gross earnings of each pilot. (b) By Order in Council, dated 5th December, 1906. Voted by Parliament yearly.

Sydney—Out of the Sydney Pilots Pension Fund. 2½ per cent of the gross earnings of pilots.

Miramichi—See No. 1.

Pictou—See No. 1.

Halifax—Out of the Halifax Pilots' Pension Fund, administered by the De-

partment of Finance, 1920. 5 per cent (voluntarily) of the gross earnings of each pilot.

St. John—Out of the St. John Pilots' Pension Fund, administered by the Department of Finance, 1920. 12 per cent (voluntarily) of the gross earnings of each pilot.

SUBSIDIES, LOANS, ETC., TO RAILWAYS

INQUIRY

Hon. Mr. TANNER inquired of the Government:

1. What are the respective amounts:—

(a) of subsidies;

(b) of loans;

(c) of other payments;

(d) of securities guaranteed by the Dominion to and on behalf of the Canadian Northern Railway system; with date of each undertaking, date of maturity, rate of interest and total unpaid in each case?

2. The same question is repeated in regard to the Grand Trunk Pacific Railway?

3. The same question is repeated in regard to the Grand Trunk Railway?

4. What is the total cost of construction of the Transcontinental Railway?

5. What are the respective amounts of operating deficits and advances in regard to each of the above-mentioned railways (not included in answers to foregoing questions) which have been provided for by the Dominion or which the Dominion has undertaken to pay?

Hon. Sir JAMES LOUGHEED:

1. (a) $31,831,616.56. (b) $225,401,180.43. (c) $10,000,000. Acquisition of capital stock. (d)

Amount	Date of undertaking	Date of maturity	Rate of interest
$9,539,996 72	July 10, 1903	July 10, 1953	3 %
7,896,588 26	" 20, 1908	" 20, 1958	3½%
44,866,667 33	Sept. 1, 1914	Sept. 1, 1934	4 %
3,569,996 86	Apr. 1, 1912	Apr. 1, 1962	3½%
3,149,998 86	May 4, 1910	May 4, 1960	3½%
35,770,000 00	" 19, 1911	" 19, 1961	3½%

All matured interest has been paid for out of loans.

2. Grand Trunk Pacific Railway—(a) None. (b) $62,611,237.10. (c) $27,899,647.26. Advances to Receiver. (d)

Amount	Date of undertaking	Date of maturity	Rate of interest
$68,133,333 33*	Jan. 1, 1905	Jan. 1, 1962	3%
16,000,000 00†	" 1, 1914	" 1, 1962	4%

Total unpaid—*$35,040,000; †$8,440,848.

3. Grand Trunk Railway—(a) $18,556,332.54. (b) $27,514,789.18. Not including items chargeable against 1921 loan purchase of rails. (c) $2,937,384.49. (d)

Amount	Date of undertaking	Date of maturity	Rate of interest
£ 12,500,000	May 21, 1920	Perpetual	4%
4,270,375	"	"	5%
2,723,080	"	"	5%
24,624,455	"	"	4%
308,215	"	"	4%
$ 25,000,000	Oct. 1, 1920	Oct. 1, 1941	7%

All maturities have been met.

4. Transcontinental Railway—$167,820,599.48. As at December 31, 1920.

5. Canadian Northern System—The requirements of the C.N.R. for 1921, as provided for in the Estimates are $51,903,133. This includes an estimated operating deficit for 1921 of $5,000,000.

Grand Trunk Pacific Railway—The requirements of the G.T.P. for 15 months ending March 31, 1922, as provided for in the Estimates are $26,000,000, of which $11,250,000 is the estimated operating deficit for that period.

Grand Trunk Railway—The requirements of the G. T. R. for the 15 months ending March 31, 1922, as provided for in the Estimates, $89,687,633.39. Provision for operating deficits has not been specifically indicated.

GOVERNMENT PAYMENTS TO RAILWAYS

MOTION FOR RETURN

Hon. Mr. BEIQUE moved:

That an order of the Senate do issue for a statement showing:

1. The amount of money paid each year by the Government of Canada subsequent to 1910 to, for, or in connection with;

(a) The Intercolonial Railway;

(b) The Canadian Northern Railway, and its subsidiaries;

(c) The Grand Trunk Pacific Railway;

(d) The Transcontinental Railway;

(e) The Grand Trunk Railway of Canada.

2. Apart from the above, the amount of loans to each.

3. The total amount charged to date to capital account against or in connection with the Intercolonial Railway and the Grand Trunk Pacific Railway, separately.

4. The additional amount, if any, paid by the Government to, or in connection with the Intercolonial Railway, and the Grand Trunk Pacific Railway, separately, and not charged to capital account.

The motion was agreed to.

DIVORCE BILLS

THIRD READINGS

Bill N4, an Act for the relief of Lily Maude McCormack.—Hon. Mr. Ratz.

Bill P4, an Act for the relief of Herbert Henry Brown.—Hon. Mr. Proudfoot.

GAS INSPECTION BILL

THIRD READING

Bill 13, an Act to amend and consolidate the Acts respecting the Inspection of Gas and Gas Meters.—Hon. Sir James Lougheed.

JUDGES BILL

CONSIDERATION OF HOUSE OF COMMONS DISAGREEMENT—DEBATE ADJOURNED

On the Order for the consideration of the message from the House of Commons disagreeing to the second and third amendments made by the Senate to Bill 60, an Act to amend the Judges Act:

Hon. Sir JAMES LOUGHEED moved:

That the Senate doth not insist on the second and third amendments made by the Senate to Bill 60, an Act to amend the Judges Act.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, I do not feel inclined to concur in this motion and to abandon our amendments to the Judges Act. I read the remarks that were made in the House of Commons, and I could not see that any reason was advanced for our doing so. If we had the assurance of the Government that a Bill would be introduced to prevent judges acting on arbitrations and dealing with matters involved in the amendments, very well, we might abandon the amendments; but we are simply told that this is not a proper way to amend the Act. But all kinds of amendments are made to all kinds of Acts; and if that is the only reason the Government has for objecting to the amendments, personally I do not feel inclined to vote in favour of withdrawing them.

Hon. Mr. PROUDFOOT: Honourable gentlemen, I have given this matter a good deal of consideration. The amendments were fully considered when they were before this House, and they were voted on and carried by a large majority. I followed the matter in the House of Commons. Like my honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) I have read what appears in their Hansard in reference to what took place in that House, and there is no reason given by the Minister of Justice, who appears to be the only member in the House of Commons who took any particular interest in the matter, for disagreeing with the amendments put forward by the Senate. When amendments are made to a Bill by the Senate after full and mature consideration, we are entitled to receive from the Commons some particularly good reason for their declining to adopt them.

If any good reason had been advanced one could understand why the Minister of Justice did not concur in the amendments which we proposed. I am rather inclined to think that he wanted to treat the matter in a sort of offhand way, as if the Senate had no right to make these particular amendments, apparently on the ground that they were dealing with matters outside of the Bill which was then before the House. I say this more particularly in view of the language used by Mr. Lemieux and also by Mr. Mowat.

Having read the discussion that took place in the Commons, I took the trouble to investigate the procedure and to inquire as to what course should be taken by the Senate or the House of Commons as the case may be, and I am satisfied that when amendments are proposed to an Act, the Act is then before the particular body discussing it, and that it has the right to propose amendments, not only to the clauses which are brought forward in the Bills, but the clauses in the Act itself. I do not know that any one would seriously controvert that statement. The authorities on the question are very clear, and I do not intend to take up the time of the House in dealing with them.

I was very much surprised to find that our amendments had been dealt with as they have been, and it seems to me that if the members of this House, in view of what took place in the Commons, should reverse what they did a few days ago, they would be simply stultifying themselves. That is a position that I do not think we should be placed in. If the amendments proposed had not been fully considered, one could understand the House changing its view on the question, providing, of course, if some good reasons were advanced for doing so; but to reverse our decision when no reasons are advanced for doing so would be equal to saying that we passed the amendments without giving them consideration and without fully understanding their nature. I therefore submit, honourable gentlemen, that, in justice to ourselves and in justice to the position which we took, we should

stand by the amendments which were sent forward to the Commons; and, so far as I personally am concerned, I decline to concur in the motion now before the House.

Hon. Mr. BELCOURT: Honourable gentlemen, this is the first occasion in my experience that either Chamber or Parliament has sent back a message refusing to concur in an amendment adopted by the other House and giving no reason whatever for so doing.

Hon. Sir JAMES LOUGHEED: Oh, yes, reasons are given.

Hon. Mr. BELCOURT: I have read the discussion, and there is no good reason given at all. The pretext is that this amendment does not fit in with the rest of the Bill—is not germane to the Bill. It did not please the fastidious eye of the Minister of Justice; it is not in the place where he would like to have it; and that is the only reason there is; you cannot find a shadow of any other. I submit that the least that should have been done by the honourable Minister was to indicate the reasons why he could not accede to the amendments. He does not go into the merits of the question at all; he does not say he is against the principle of the amendment or for it; he simply says: "I do not like it where you put it."

There can be no doubt where this House stands on the question, because this is by no means the first time we have adopted the principle embodied in the amendment. Last Session or the Session before the honourable gentleman from Middleton (Hon. W. B. Ross) had a Bill to which I was pleased to give my support, because I was very strongly in favour of the principle which it embodied. The Bill was passed by this House, I think unanimously, and went to the other House, and died there, as our Bills often do. There can be no doubt as to what the Senate thinks of this subject, because it is on record as being in favour of the principle which we reaffirmed the other day in this Bill. It simply means that when Bills are proposed in this House, if they do not just suit some Minister of the Crown, all he has to do is to say, "I don't like it," and that is the end of it.

Hon. W. B. ROSS: Honourable gentlemen, for myself I feel like adhering to the action of this House with regard to this Bill. I do not think there is anything in the statement of the Minister of Justice that is worthy of attention except, perhaps one particular point, and I do not think there is very much in that.

There was nothing irregular in what we did. The question was raised here as to whether we were in order in doing what we did, and the Speaker ruled that we were; and to my personal knowledge, during the last nine years amendments of the same character and principle have been made again and again. There was at one time a rule that when an amendment which substantially constituted a new Bill was introduced, the amendment would not be received. But that is not the fact with regard to this legislation. The Minister of Justice, or say the other House, had a Bill amending the Judges Act containing certain sections. What we did was simply to add another clause to the Judges Act. The same thing has been done again and again; and it has been challenged; and it has always been conceded by the majority of this House that we had the right to do as we have done. More than that, Bills have come up from the other House, and, after they have come here the Government has introduced amendments of the same kind—something they have forgotten, or something some one has suggested—and they have been added to the Bill. Therefore I do not agree with the statement that there is anything irregular in what has taken place.

The only thing that is worth talking about is the assertion that they cannot consider the subject-matter as well in the form of an amendment as in an independent Bill. Such a statement will not stand a moment's examination, and, while I do not want to use disrespectful language, to me it is almost absurd—I hope that is not too strong—and the argument has no validity at all. Suppose you introduced a new Bill with one section, just one sentence, such as you have in this amendment, the subject-matter could then be discussed in the House of Commons as fully and elaborately on that amendment as if it were an independent Bill. If that cannot be done, somebody had better explain to us why it is that they cannot talk of it in the shape of an amendment just as well as they could in the shape of a new Bill.

Hon. Mr. BELCOURT: Was the subject not discussed in the other House on its merits?

Hon. W. B. ROSS: No. The Government were cautious not to express an opinion about it; but one or two members say they are in favour of what lies back of that amendment. There seems to be cropping

up in the lower House an expression of opinion in accord with the action of the Senate.

Hon. Mr. BELCOURT: That is what I meant.

Hon. W. B. ROSS: Oh, yes, that has been made clear.

I want to speak about the way we have been treated by the lower House. Three Bills have gone from this House to the lower House, and that is the last that we have heard of them. Now it is being suggested that we prepare a new Bill, and send that. Well, there is no reason to suppose that that would not go the way of those other three Bills—into the waste basket of the Minister of Justice, or whatever other Minister takes the matter up. I think that that is not very good treatment of this House. I for one have always resented it, as I resent it now; and, as far as I am personally concerned, I feel like adhering to the amendment, because we have the Bill, and they have to deal with it; they cannot put it into the waste basket without putting the whole Bill in, and that is one way we have of keeping ourselves right with the other House.

Hon. Mr. DANDURAND: Hear, hear; reciprocity.

Hon. W. B. ROSS: If they will not treat the Bills that we send down there with ordinary respect, then we have the matter in our own hands, to take care of their Bills when they come up here.

Hon. Mr. DAVID: I would ask the honourable member for Hamilton, who is so strong an advocate of this amendment, this question: does the honourable gentleman maintain that the clause which limits the jurisdiction of provincial parliaments is not ultra vires? We have in the Province of Quebec statutes giving the right to the Government to appoint judges to make inquiries in connection with municipalities, and several inquiries have been made in the Province of Quebec under that statute. Can Parliament pass a law the effect of which would be to limit the jurisdiction of a provincial parliament, and do away with statutes which have been passed by those Provincial Parliaments?

Hon. Mr. LYNCH-STAUNTON: As I understand the honourable gentleman's question, he asks me whether or not the parliament of Canada has jurisdiction to prohibit their appointees, the judges, from acting in any capacity other than that to which they are appointed. My opinion, whatever it is worth, is that the Dominion Government has that power; but if a provincial government were to pass an Act making those duties a part of the duties of the judges as a whole, of the court to which they are appointed—in other words, if they attach those duties of making inquiries to the court—then it might be a very serious question whether they had not that power. But the Dominion Government, if it has the right to appoint the judges, can limit them to that office if it chooses, as it appears to me. It can say who may be appointed, and that men who do not act in other capacities shall alone be entitled to exercise judicial functions in the province. It appears to me that it has that right: it has exercised it from of old. Every Government from 1896 has assumed that it has that right, and I never heard of anybody challenging it.

Hon. Mr. BEAUBIEN: May I ask the honourable gentleman a question? If a law of a province were so drafted that the duties of an ordinary commissioner would become the duties of an ordinary court, I understand that would be altogether outside of the provision that we want to put in this Bill?

Hon. Mr. LYNCH-STAUNTON: Certainly.

Hon. Mr. BEAUBIEN: Therefore it seems to me the question that you put, with all due respect, does not apply.

Hon. Mr. LYNCH-STAUNTON: Not the question I put; the answer I made agrees with you.

Hon. Mr. BEAUBIEN: The evidence of that appears very clearly when a judge in the Province of Quebec is obliged to make an investigation—in a corporation, for instance; therefore it is the plain duty of the judge, though it is a commission that he holds.

Hon. Mr. LYNCH-STAUNTON: He does not sit as a judge at all.

Hon. Mr. BEAUBIEN: In such a case he has not only the right but the duty and obligation to go on the investigation.

Hon. Mr. BELCOURT: How does the obligation arise?

Hon. Mr. BEAUBIEN: By a petition.

Hon. Mr. BELCOURT: Under a statute?

Hon. Mr. BEAUBIEN: Under a statute; and there the Government has made this duty judicial, which otherwise would be the duty of a commissioner.

Hon. Mr. LYNCH-STAUNTON: But there is no statute making it a duty.

Hon. Mr. BEAUBIEN: I know there is no statute covering what we in this House want to eliminate; but I say that if there were a law in the Province of Quebec that would make any such duty a judicial duty, then of course it would be absolutely outside of what we want to provide against; therefore we do not need to bother about it.

Hon. Mr. WILLOUGHBY: Has the province the right to say what is judicial duty?

Hon. W. B. ROSS: No. This is the fact, that the province has a right to constitute the court, and it puts the matter into court. There may be a dispute between two municipalities, and the province may decide that that shall be tried in a court, as part of the work of a court. No one objects to that. That would be taken into concern along with other matters; it may be the duty of Judge A or Judge B or Judge C. No one wants to interfere with that. But this is another thing altogether; it relates to the appointment of judges to extra duties—duties outside of the courts altogether.

Hon. Mr. CASGRAIN: I think we should adhere to our amendment, which I think is the best that has ever been made to prevent judges from doing things that do not pertain to their office. Let them stay in the courts as long as they remain in office; they are all right there, and have the respect of the community; but when they become arbitrators they lower their office, and people have no more confidence in them. I could cite the case of two judges in Ontario who have been investigating some timber limits, and it is awful to read what has been said about them in the papers and on the floor of the legislature. It has lowered the bench in Ontario, and it has been taken up in this House. If there ever was a good amendment made in the Senate during the twenty years I have been here, it is that amendment to prevent judges from doing business that is not judges' work. As long as they do judges' work the provinces have a right to tell them what they are to do.

Hon. W. B. ROSS: Yes. It is worse than that, too because there are judges who do not want to be dragged into the dirt of political and extra-judicial duties, yet who are forced to perform them, and are complaining of it. There are many complaints from judges, and I think we ought to help them out.

Hon. Mr. WILLOUGHBY: I think my honourable friend would not object to a concrete instance from Saskatchewan. The judges of our District Court are made the arbitrators for the assessment of certain damage cases against municipalities. Of course, they are so named by virtue of the Act of the Province. I know that none of us object to that, but I would like to ask, is it the right of the Province to say that that is a judicial duty?

Hon. W. B. ROSS: The moment they assign it to the judges they make it a judicial duty at once, provided it is assigned to those judges en masse.

Hon. Mr. BELCOURT: There is no jurisdiction imposed on the legislature as to what it will refer to the courts. There is no reason why disputes between two municipalities should not be a judicial function just as much as it would be between my honourable friend and myself. When it is done by statute it could not possibly come under the operation of this amendment.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I am going to ask for the adjournment of this debate until to-morrow. We have a lengthy Order Paper before us, and this discussion is going to run along constitutional lines, and a great deal of ingenuity is going to be exercised to show how the action of the House of Commons can be circumvented, and all that kind of thing. In the meantime I shall have the pleasure of directing the attention of the Minister of Justice to the illuminating arguments which have been presented in behalf of the amendments, and possibly to-morrow we may be able to throw a little more light on the subject. I therefore move the adjournment of the consideration of the message until to-morrow.

Hon. Mr. BELCOURT: Is the honourable leader sincere in his compliments?

Hon. Sir JAMES LOUGHEED: Well, I shall know better to-morrow.

On the motion of Hon. Sir James Lougheed, the debate was adjourned until to-morrow.

BANKRUPTCY BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 118, an Act to amend The Bankruptcy Act. He said: Although this is apparently a lengthy Bill, it is not as formidable as it seems to be upon the face of it. There are a great number of amendments being made to the Act as it stands upon the statute book. Many of the old sections are being repealed, and replaced by entire sections which appear in this Bill. The amendments chiefly relate to procedure. The Act has been in operation for a couple of years, and from the experience gained in its operation many suggestions have been presented to the Department of Justice, and this Bill is very largely the outcome. There is no departure in principle from the Bankruptcy Act as it at present stands on the statute book, and we can consider the amendments very much better in committee than by any explanation I might make at this time. I therefore move the second reading of the Bill.

Hon. Mr. PROUDFOOT: I have gone over this Bill, and I think there are a number of amendments which are very important. I was going to ask for an explanation of some of them, but, as suggested, I presume we can take all those questions up in committee.

Hon. Sir JAMES LOUGHEED: That is the best place for them.

Hon. Mr. CASGRAIN: I have received letters asking to have this Bill amended in a certain way when it came up. The objection, I understand, is to the principle of this Bill, because it appears that in the province of Quebec, under the operation of this Bill, a merchant doing business, say in Rimouski, could assign in any place in that province which he might choose; and, as many creditors would be for small amounts, if the liquidator were not absolutely honest and wanted to connive with the bankrupt, they could arrange the assignment in a locality to which the people could not go on account of the expense, and thus small creditors would have to forego their claims. I saw the Minister of Justice about this, and he thought that that provision was very wrong and should be amended, though I do not know whether or not it could be, because in other provinces the system is different. On its face, it does not look right that a man should have the privilege of assigning in another district than the one in which he does business, and in a place so far away as to put him beyond the reach of the creditors.

Hon. Sir JAMES LOUGHEED: Bring the matter up in committee and we will thrash it out.

The motion was agreed to, and the Bill was read the second time.

DIVORCE BILLS

SECOND READINGS

Bill Q4, an Act for the relief of Rose Seigler Schatsburg.—Hon. Mr. Laird.

Bill R4, an Act for the relief of Eudora Edith Webster Perry.—Hon. Mr. Pope.

Bill S4, an Act for the relief of John Howard Ferguson.—Hon. Mr. Ross (Middleton).

Bill T4, an Act for the relief of Edith Myrtle Barnes.—Hon. Mr. Ratz.

Bill U4, an Act for the relief of Sherman Talmage Smith.—Hon. Mr. Ratz.

Bill V4, an Act for the relief of John Hurst.—Hon. Mr. Nicholls.

Bill W4, an Act for the relief of Florence Gibb.—Hon. Mr. Fisher.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

WEDNESDAY, May 18, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILL

THIRD READING

Bill R3, an Act respecting certain patents of Photographic Register Systems, Limited.—Hon. Mr. H. Bostock.

SUSPENSION OF RULES

MOTION

Hon. Sir JAMES LOUGHEED moved:

That from and inclusive of to-day, and until the end of the session, Rules 23f, 24a, b, d, e and h, 63, 119, 129, 130 and 131, be suspended in so far as they relate to Public or Private Bills.

Hon. Mr. BOSTOCK: Honourable gentlemen, I was going to ask my honourable friend if he intended to press that motion to-day. I do not know how the business coming before Parliament stands at the

present time, but apparently we have not on the Order Paper so much business that it is necessary to move the suspension of the rules. I do not want to stand in the way of the Government proceeding with necessary business, but I do think that the rules should be maintained, and not suspended, until it is absolutely necessary to suspend them.

Hon. Sir JAMES LOUGHEED: I would point out to my honourable friend that it is very desirable, for the purpose of expediting the business before Parliament, to pass the motion which I have placed on the Order Paper, inasmuch as there are a great number of private Bills that have come or will come before the House, and the probabilities are that they will have to be dropped unless this motion is passed. I have been informed this morning that there is a probability of Parliament proroguing at an earlier date than we anticipated: from all I can learn, there is every probability of Parliament proroguing next week. Even if the motion passes, it cannot be subject to abuse, because if it becomes apparent that any injustice would be done or that the public business would suffer by the suspension of the rules, any honourable gentleman will have the opportunity of moving that this shall not apply to any Bill in question. I think it is very desirable that this motion should be passed.

The motion was agreed to.

DIVORCE BILLS

FIRST, SECOND AND THIRD READINGS

Bill C5, an Act for the relief of Norah Beatrice McDonald.—Hon. Mr. McCall.

Bill D5, an Act for the relief of Mabel Alice Allport.—Hon. Mr. Bennett.

Bill E5, an Act for the relief of Ada Jean Harris Wigle.—Hon. Mr. Ratz.

Bill F5, an Act for the relief of Walter Edwin Sloan.—Hon. Mr. Proudfoot.

Bill G5, an Act for the relief of James Leslie Glover.—Hon. Mr. Proudfoot.

Bill H5, an Act for the relief of William Gordon Gordon.—Hon. G. V. White.

Bill I5, an Act for the relief of Annie Elizabeth Walker.—Hon. Mr. Taylor.

Bill J5, an Act for the relief of Arthur Wilfred Rigby.—Hon. Mr. Gordon.

Bill K5, an Act for the relief of Alfred Sydney McPherson.—Hon. Mr. Blain.

Bill L5, an Act for the relief of Ernest Alfred Ballard.—Hon. Mr. Blain.

Bill M5, an Act for the relief of William Gladstone Cook.—Hon. Mr. Blain.

PRIVATE BILL

THIRD READING

Bill O4, an Act to incorporate the Edmonton and Mackenzie River Railway Company.—Hon. Mr. Harmer.

PRINCE EDWARD ISLAND FREIGHT RATES

On the Orders of the Day:

Hon. B. C. PROWSE: Honourable gentlemen, I wish to draw the attention of the Government to a certain article that appeared in the Ottawa Journal on Saturday last, which reads as follows:

> Senator Prowse in the Senate yesterday drew the attention of the Government to the prohibitive freight rates in effect in Prince Edward Island. There was a surplus of a million bushels of potatoes which could not be marketed because of these high rates. Potatoes were selling for 17 cents a bushel, while the freight rates to the nearest markets in Nova Scotia were 43 cents per 100 pounds.
>
> Sir James Lougheed, speaking for the Government, said that although Parliament was the place to air grievances he had to remind him—
>
> That is myself—
>
> —that this was a matter for the Railway Board. The Government had no authority over rates.

This statement, to my mind, honourable gentlemen, is absolutely out of order and misleading. Naturally the general public would suppose that there was no answer to this statement coming from the leader of the Government. We know that there is an answer, but the general public outside do not know that there is. Any person knowing the leader of the Government would certainly take his word. I would, any time.

Hon. Sir JAMES LOUGHEED: Thank you.

Hon. Mr. PROWSE: But I think, if the reporter or the person responsible for this article had gone a little further in last Friday's Hansard he would have seen that I pointed out that the Government was responsible.

I have in my possession a letter from the Chief Railway Commissioner, Hon. F. B. Carvell. I will read part of it:

> I can assure you that I have some knowledge of the situation, and you have my sincere sympathy.

Sympathy is a very good thing but what we want in this case is action not sympathy.

Legally the rates of the P.E.I. and I.C.R. are not under our control. I am, however, forwarding a copy of your letter to the Canadian National authorities in Toronto.

We have the leader of the Government saying that the Government has no authority; we have the Chief Commissioner of the Railway Board saying that they have no authority. Now, what we want to know, and what the country wants to know, is, who, in Heaven's name, has got authority?

We know of cases in which the Government has stepped in before now. We do not want to create a precedent. A few years ago there was a shortage of the hay crop in Prince Edward Island, and our cattle and horses were starving for the want of hay. What did the Government do? They stepped in and delivered hay to Prince Edward Island absolutely free all the way from Quebec. In the West, when the farmers in Alberta and Saskatchewan had two or three crop failures, the Government stepped in and supplied the seed wheat for those farmers.

Here is a case of emergency, in which the people not only in Prince Edward Island but also in New Brunswick have a surplus crop of potatoes. The people down in the mines do not grow potatoes and they need our potatoes. The people of Newfoundland, who do not grow potatoes, need our potatoes. There is no reason why the Government should not act immediately in this matter. There is no use in shifting from pillar to post and throwing the responsibility from one department to another. I say, honourable gentlemen, it is time for action. We do not want answers from the floor of the House or through the papers; it is action on the part of the Government that we want. As I have said, those cars come up from the mines—from the Sydneys and Glace Bay and various other localities —filled with coal, and they go back absolutely empty. Those cars can be filled with potatoes, and it will not cost the country one cent to carry the potatoes absolutely free to the people down there who want them. It can be done. Not only that, honourable gentlemen, but there are hundreds of cars that come to the Island loaded with dry goods, groceries, fertilizers, etc., and in which there is nothing to be shipped off the Island at present except potatoes. There is no reason why those cars should not be shipped back full, if the freight rate were made a nominal one.

I do not wish to take up too much of the time of the House, or to become a bore; but I would like just to give you some idea of the high rates. The freight rate on coal from Sydney to Charlottetown is 16 cents per cwt. The freight rate on potatoes from Charlottetown to Sydney is 43 cents per cwt. Why should that difference be? The people of Sydney want our potatoes as much as we want their coal. They cannot do without our potatoes; neither can we get along without their coal. From Springhill mines coal is delivered in Charlottetown at 11 cents per cwt. The rate on potatoes from Charlottetown to Springhill is 35½ cents per cwt. Why should that difference be? There is absolutely no excuse for it.

This is a question for the Government to take up, and the party responsible for these rates should be called up. In conclusion, honourable gentlemen, I want to mention that I have here a telegram from a party in St. John, which shows you that this matter is attracting notice not merely in Prince Edward Island, but also in New Brunswick:

Press despatches state Sir James Lougheed claims Government had no control over freight rates. We understand Government can and should absolutely control all Intercolonial rates, and any other control is not in accord with Confederation promises. Have wired Sir James Lougheed to this effect.

(Signed) H. R. McLennan,
Secretary Commercial Club, St. John, N.B.

I do not want to take up any more time, honourable gentlemen, but I would ask the Government not to drop this thing by making an excuse. I would ask them to act in this matter. And I would not waste any time in correspondence; I would spend a few dollars in telegrams to have the rates adjusted, because every day that is lost now means a loss of thousands of dollars to the producer, the shipper, and also the consumer, who has to pay too high a price. The adjustment of the freight rates, by lowering the price, would help the producer, the shipper, and the consumer. Every day that is lost there are thousands of bushels of potatoes going to waste, and in a few weeks' time they will have to be dumped out. I thank you, honourable gentlemen, and am sorry for having taken up so much of the time.

Hon. Sir JAMES LOUGHEED: May I say to my honourable friend that it is possible there may be some misunderstanding as to the authority for fixing rates in Prince Edward Island and upon the Intercolonial generally. The policy of Parliament, as embodied in the Act touching our National Railway System, is that all rates shall be fixed by the Railway Board. I

understand that that provision will come into operation by proclamation at a very early date. In the meantime, I am informed by the Minister of Railways, authority was given to the Railway Board on behalf of the Government to fix freight rates on the Intercolonial, including the Prince Edward Island Railway. If the Chairman of the Railway Board does not act, he probably cannot be compelled to act; but I was under the impression, as was the Minister of Railways, that he was prepared to assume that authority.

I shall be very glad to direct the attention of the Government to the remarks made by my honourable friend from Charlottetown (Hon. Mr. Prowse). It is a situation which should be met by prompt action. I quite agree with him in that respect.

DIVORCE BILLS

THIRD READINGS

Bill Q4, an Act for the relief of Rose Seigler Schatsburg.—Hon. Mr. Laird.

Bill R4, an Act for the relief of Eudora Edith Webster Perry.—Hon. Mr. Pope.

Bill S4, an Act for the relief of John Howard Ferguson.—Hon. Mr. Ross (Middleton).

Bill T4, an Act for the relief of Edith Myrtle Barnes.—Hon. Mr. Ratz.

Bill U4, an Act for the relief of Sherman Talmage Smith.—Hon. Mr. Ratz.

Bill V4, an Act for the relief of John Hurst.—Hon. Mr. Nicholls.

Bill W4, an Act for the relief of Florence Gibb.—Hon. Mr. Fisher.

NATIONAL RESEARCH BILL

SECOND READING

The Senate resumed from Thursday, May 12, consideration of the motion for the second reading of Bill 116, an Act to amend the Research Council Act and to establish a National Research Institute.

Hon. J. P. B. CASGRAIN: Honourable gentlemen, at 6 o'clock on Thursday last, I was discussing the advisability and the great probability in the near future of the use of sailing ships for freight in place of steamers, and I was just about to say that small Diesel engines, with small power, would propel these ships in a calm at a speed of four or five knots an hour. Still, that is equal to 100 miles a day and would bring any ship out of a calm area to where there was a breeze. These Diesel engines would be very inexpensive, for the great consumption of fuel in the propulsion of a ship is altogether due to the high speed. Take for instance the Mauretania. Going at full speed, it covers 26 knots an hour and consumes 1,000 tons of coal a day. The Mauretania, leaving Liverpool in September, 1919, was taking on coal at 100 shillings, practically $25, a ton, and was burning 1,000 tons or $25,000 worth of coal a day, when steaming at the rate of 26 knots an hour. After the ship got away from the coast of England, the cost of coal having been found excessive, the speed was reduced to 23 knots or 26 miles an hour, a speed equal to that of an ordinary passenger train, which has to make frequent stops. By the reduction of speed by 3 knots an hour the consumption of coal was reduced by 500 tons a day, which shows that it is the last few knots that cause the high consumption of coal. Approaching the shores of America, the Mauretania, desiring to arrive in New York at 6 o'clock in the evening instead of 9 o'clock, put on full speed again for 24 hours, in order to gain 86 or 87 miles, and that increase of speed by three knots cost the company $12,500 additional in coal. I am speaking in favour of a Bill presented by the Government, and do not want honourable gentlemen to think that I am straying away from the subject.

This Bill provides:

> The Institute shall have charge of:
> (a) researches undertaken to promote the utilization of the natural resources of Canada.

You see, that embraces a great deal. I skip over sub-clause b. The next paragraph provides for:

> (c) researches undertaken with the view of utilizing the waste products of said industries.

I promise, honourable gentlemen, that I will not go beyond the scope of this Bill. Skipping paragraphs d and e and coming to paragraph f, we find:

> The investigation and standardization at the request of any of the industries of Canada of the materials which are or may be used in, or of the products of, the industries making such a request.

I have already dealt with the coal situation. Honourable members of this House may ask: if coal is so dear, why not use petroleum, as they are doing during the great strike in England at present, when the miners will not produce coal? But there is a strange thing about petroleum—we will not enter into a discussion of that: all the chemists of the world do not know what petroleum comes from—whether from organic matter or from minerals. One satisfactory point about it is that it can be very easily manufactured. However,

the use of petroleum would not help matters. I know of one steamship company that many years ago changed from coal to coal oil for its boats running the St. Lawrence rapids. The passengers wanted to be on deck to enjoy the beautiful scenery of the St. Lawrence, but the cinders from the coal, falling on the white dressses worn in summer, made it very disagreeable for the ladies to be on deck. The company therefore changed from coal to oil; but I must say the change cost a good deal of money. The production of petroleum can easily be carried on. May I be allowed to quote from a recent statement by Sir Edward MacKay Edgar:

"In ten years' time America will be forced to buy annually from Great Britain 500 million barrels of oil." This is a most startling prediction, and, if it be fulfilled, might spell disaster to many of our interests.

I may say that that pronouncement by Sir Edward MacKay Edgar has caused a great stir, especially in the United States, and has considerably affected the Imperial policy in Persia. At present there are being used in the United States, roughly speaking, about 3½ barrels of petroleum yearly per capita; that is, 350,000,000 barrels. If we assume that the increase in the use of petroleum will in future be the same as it has been in the last 20 years, that is to say, 268 per cent, the United States will in the year 1928 be using 9 barrels per person or 938,000,000 barrels a year.

Now, as to the manufacture of petroleum. It is composed of carbon and hydrogen.

Carbon and hydrogen are elementary substances to be had, the carbon from our coal, even of the lowest grade, and hydrogen from water, and we may consider them inexhaustible. This problem can and undoubtedly will be solved by some one of our 15,000 or more chemists, but it is, in fact, a national problem, and could come under Government supervision. It would well justify the offering and payment of a handsome reward for its early solution. (M.S.A. report).

This is an extract from a paper read by Dr. Edward C. Acheson, before the Water Power League of America.

Honourable gentlemen will notice that even in the United States the sources of petroleum are becoming somewhat exhausted. I think I proved when I spoke before that coal was almost prohibitive in price for cargo boats. If this statement as to petroleum is true, where are we going to find it unless we manufacture it? And there is no reason why we should not manufacture it, considering the simplicity of the process. That is one thing to which this Department of Scientific Research might very well devote some attention.

It would be a wise provision if, besides the Advisory Council, this honourable House appointed a Committee of some men who have devoted some attention to scientific research to advise with the Advisory Council. These people are very likely to go into questions of research for the pleasure of looking into things that are not absolutely of interest or use to the public. The Director of the Advisory Council will be like a Deputy Minister in this new Department, and a Committee of this House such as I propose would be very useful. They could tell them that before they go into new researches they should apply to the Bureau of Standards in Washington and find what they know, and how far they have gone. That Bureau has been in existence for many years and has made great advances. Then some one could be sent to Europe to find out what they are doing in England and France, and lastly in Germany, where, as we all know, industrial processes have been developed to a very great degree.

The next subject which this new Department could take up is Aids to Navigation. We are par excellence a country which is sure to have a large navy, It has been known all over the world since the days of Carthage that no country has become great without a navy—I do not mean a military navy, but a merchant marine. Of course, a war navy may become necessary to defend the merchant marine; but a country to become great must have a navy.

I have here a description of another aid to navigation to which I call the attention of this new Department, and which I believe would be of great use. Like many other things that I am referring to to-day, it is not new at all, but simply seems to have been forgotten by the large majority of the members present. This is the leader gear, a Canadian invention:

What is technically known as Leader Gear or Leader Cable for guiding vessels in and out of harbors or in channels and rivers which rendered such useful services during the war was invented by two McGill University professors: Dr. R. B. Owens, now secretary of the Franklyn Institute, Philadelphia, U.S.A., and Dr. L. A. Herdt, Head of the Department of Electrical Engineering, McGill University, Montreal.

The Leader Gear consists essentially in a cable laid at the bottom of the sea or river, that is, submerged in the fairway. An alternating electric current is passed in this cable and through telephonic listening devices on board

ship the man whose job it is to steer a vessel in or out of a harbor or to pilot it along the course of a river can do so with perfect security as the deviation of the ship from the laid-out course (marked by the submerged cable) is given by visible indicators which point in feet the distance right or left from the submerged cable.

Such electric cables were laid by the British Admiralty in the harbors of Great Britain during the war, and fog, snowstorms, enemy sumarines, and mines lost much of their intense danger under such conditions.

This device, initiated by Canadians, has not yet been adopted in Canada.

In 1904 experiments were carried out on the St. Lawrence ship channel by Professor L. A. Herdt, of McGill University, under authority of the Department of Marine and Fisheries, to try out this guiding system. A submerged cable was laid out from Sorel into the St. Lawrence river. The cable was nine miles in length. These experiments were witnessed by the Hon. R. Préfontaine, Minister of Marine, in 1904, and proved without a doubt that the device employed enabled the pilot of a steamer to locate exactly the position of his ship in a channel within a few feet—the center of the navigable channel being marked out by a submerged electric cable.

The Department of Marine is fully conversant with this system, which would render great services to navigation, and is particularly adaptable as an aid to navigation in the St. Lawrence river.

I may say here that a cable like this in the bad places in the St. Lawrence river would soon bring down the high insurance rates of which we hear so much complaint, because Lloyds' rates every year are fixed according to figures based on the last preceding period.

It would enable navigation to be extended a month earlier in the spring, and could be carried out much later in the autumn. The cost of installation is quite small. Fog, snowscost of installation is quite small. Fog, snowstorms, bends on the river, would lose their danger with the system in operation. It could be used with great advantage in entering Halifax harbor, Vancouver, St. John, and, in the St. Lawrence river at the dangerous spots where numerous groundings have taken place.

This Leader Cable is now being installed in the entrance of the New York harbour, following exhaustive tests carried out by the United States Navy.

The French Ministry of Marine has decided to lay down a cable in all French ports and across the English channel in collaboration with the British Admiralty. Ships will steer safely into port in the densest of fogs.

We may well ask what is Canada going to do? Will an invention by Canadians be appreciated last in Canada?

What drew my attention to this leader gear was the fact that the French Admiralty had done a great deal of advertising of the fact that a cable had been laid in the harbour of Brest, France, and that ships had entered that harbour in dense fogs without any difficulty whatsoever. It has also been suggested that two of these cables should be laid across the British channel, parallel to one another, and at sufficient distance apart to guard against accident. A ship going from England to France would follow the cable to the south, and a ship going from France to England the one to the north, and in the densest fog they could cross with the greatest ease without fear of collision. As I say, this system was in operation in Canada eighteen years ago, but it has never been accepted in this country. These cables were laid in the mine fields during the war, and ships followed the cables; and even if a man were blindfolded he could steer a ship, because not only do the indicators show the position of the ship, but there is also a bell ringing, and the intensity of the ringing increases as the ship gets away to the right or to the left of the cable.

Hon. Mr. FOWLER: I should like to ask the honourable gentleman if that invention would not be very useful for the navigation of the Hudson bay?

Hon. Sir JAMES LOUGHEED: Oh, do not ask this honourable gentleman.

Hon. Mr. CASGRAIN: The honourable gentleman from Portage la Prairie (Hon. Mr. Watson) asked me that question sotto voce just now, but, as this is a rather difficult subject, and as I am following notes from books, I would rather not be disturbed at present. All this is just as new to me as it is to some of my honourable colleagues.

But there is another aid to navigation, a most marvellous one, and it is good in the open sea. This aid to navigation makes use of sound waves. We all know the shorter the ways the higher the note. These waves are so short and the notes so high that they are inaudible to the human ear; but they will pass not only through the air but through the water, and, strange to say, they pass through the water with greater rapidity, and will indicate the presence of an iceberg anywhere within a radius of 5 miles of a ship. These sound waves strike the side of the iceberg and rebound back to the ship, where a precision instrument will tell exactly or very nearly the distance and the direction from the ship in which the iceberg lies. This device was used during the war. One of the gentlemen who has given me this information said he thought that perhaps I should not make it public, because the Germans would get hold of it; but then he said the Germans probably

knew it already, so there was no danger. This mechanism was so perfect that it could detect a submarine; it could detect the submarine even if it was against a wall or embedded in rocks, and it could detect it either still or in motion.

These are two aids to navigation which our Research Committee could very well inquire into to see whether they are practical and commercial.

Hon. Mr. FOWLER: Will this device tell the nationality of the submarines?

Hon. Mr. CASGRAIN: The next thing, and a very important one, in view of the cost of fuel, is industrial alcohol. We all know that alcohol, after water, is the very best solvent of any other liquid. This industrial alcohol makes a very superior fuel, and for chafing dishes, for spirit lamps, and for all sorts of uses it is the very best substance that can be had. But a greater use that can be made of such alcohol is for motor cars. It is, I am informed, much better than gasoline, and it will give more miles to the gallon. Honourable gentlemen all know that the post office of the United States has been sending their mail by aeroplane for the last three years daily without interruption from New York to Washington, a distance of I think some 220 or 250 miles. The aeroplanes in that service have never used anything but alcohol as fuel, because alcohol, it appears, will not carbonize the spark plugs; it keeps them clean.

The United States Bureau of Standards says that alcohol extraction from coke-oven gas is commercially possible. The Cleveland Institute of Engineers in England says the same thing, and it adds that alcohol can be made from almost anything. Here in Canada wood waste is the very cheapest thing from which we can make alcohol. To give this House an idea of the quantity of alcohol that is being made in the United States, I may say that there is one plant there which manufactures 60,000 gallons a day of pure alcohol. The great trouble with that manufacture is that the alcohol is perfectly good, potable alcohol, and it has to be denatured, that is to say, given a bad taste and poison put into it so that people will not use it as a beverage. It was difficult to find something cheap to denature this alcohol, and ethyl alcohol was used. Ethyl alcohol is made directly from wood; it is a very simple way of making alcohol. You simply put the wood into a red-hot retort, and the vapour which comes out of the wood makes ethyl alcohol, which is poisonous, and by adding 10 per cent of the poisonous alcohol to the pure alcohol you get the alcohol which can be brought into the trade. This one mill in manufacturing 60,000 gallons makes a return in money, at around 40 cents a gallon, of $8,760,000 a year. There is no reason in the world why we should not do the same thing in Canada.

Hon. Sir JAMES LOUGHEED: What is that made from?

Hon. Mr. CASGRAIN: From wood.

Hon. Sir JAMES LOUGHEED: Sixty thousand gallons?

Hon. Mr. CASGRAIN: Sixty thousand gallons daily from wood. We could have many of these mills in this country, and could effect a saving by using wood alcohol in place of gasoline for our motors. We could keep our money in Canada, and on the exchange alone to-day we could save over $1,000,000.

Hon. Mr. NICHOLLS: Where is that mill situated?

Hon. Mr. CASGRAIN: I should be very glad if any honourable gentleman takes enough interest in this matter to ask me afterwards. I have all the notes and clippings from the papers here, and would be very glad to show any honourable gentleman my authorities. Naturally I cannot go fully into the subject. My honourable friend to my left has reminded me, "Do not take too long," so I must cut short my remarks.

Hon. Mr. DANDURAND: My honourable friend is perhaps referring to me. I told him that if he had many subjects to touch upon he might limit his remarks on each to what is absolutely necessary; because otherwise his exposition might take too many days.

Hon. Mr. FOWLER: May I ask the honourable gentleman, what would be the output of that mill on which a million dollars would be saved on exchange?

Hon. Mr. CASGRAIN: I said, and I shall be very glad to repeat, that they make 60,000 gallons of pure alcohol every day.

Hon. Mr. POPE: Where is that?

Hon. Mr. CASGRAIN: I have the paper here. I mentioned that a minute ago. To manufacture this alcohol in Canada would mean a saving to us of $8,760,000 a year. That same amount in American money,

at the exchange rate prevailing to-day, is worth $1,000,000 more; so we would save $1,000,000 in exchange alone, besides keeping the $8,000,000 in this country, if that were manufactured in Canada.

Hon. Mr. FOWLER: Oh, that mill is in the States?

Hon. Mr. CASGRAIN: Yes.

Hon. Mr. GORDON: What State is it in?

Hon. Mr. CASGRAIN: With regard to ethyl alcohol for motor fuel, 50 tons of sawdust will make 500 gallons daily or 175,000 gallons yearly, in a plant that would cost $50,000. This statement appears in a Government publication, in which honourable gentlemen can find it if they wish: it is the Report of the Administrative Chairman of the Honorary Advisory Council for Scientific and Industrial Research of Canada for the year ending March 31, 1920. The receipts from the manufacture of this pure alcohol would be, at 30 cents a gallon, over $52,000.

Hon. Mr. FOWLER: Has the honourable gentleman addressed his mind to this question: the gathering together of the sawdust from the different mills?

Hon. Mr. CASGRAIN: Yes. I will come to that in a moment. I would remind honourable gentlemen, in answer to the very point raised by the honourable member from Kings and Albert (Hon. Mr. Fowler), that there would be no long haul necessary. For years and years, adjacent to our sawmills, there will be burners; and for the making of alcohol the wood is even better than the sawdust into which it is reduced.

There is also industrial alcohol made from sulphite liquor waste. Not long ago honourable members of this House visited Grand'Mère at the kind invitation of the honourable senator from Inkerman (Hon. R. S. White), and they saw there those huge digesters. The chips are blown into those digesters. They are about an inch or an inch and a quarter in length, according to the choice of the mill, and they are put under a very high steam pressure, with a little sulphurous acid, which eats the gum which holds the fibres of the wood together. Consequently the fibres are left just like so much cotton or so much oakum, and they form the warp and woof of newsprint paper, which, when made, is filled in with ordinary wood-pulp—simply ground wood, with no chemicals at all in it. There is one part of chemical pulp to three parts of wood-pulp in the ordinary newsprint. It has not very much consistency, because there is as little as possible of sulphite pulp put into it, sulphite pulp being as a rule twice as expensive as the ordinary wood-pulp. But, when this is done, at the bottom of those huge digesters that honourable gentlemen may have seen there is the sulphite liquor, and this sulphite liquor is the part of the wood that is turned into sugar. In the St. Maurice valley there are two firms, the Laurentide Paper Company at Grand'Mère and the Belgo-Canadian Pulp and Paper Company at Shawinigan Falls, about five miles from there, who can supply without any cost—this thing is not used at all now, but is lost—2,000,000 pounds of this sulphite liquor waste. I have not at the moment the exact figure showing the number of gallons of pure alcohol it would make. The cost of making it would be 40 cents a gallon, and it would be 95 per cent pure. And again—the irony of fate—it would be absolutely good alcohol, but, I am sorry to say, it would have to be denatured and rendered so that we could not drink it; it would have to be mixed with wood alcohol for use in industry. I may say that the governments throughout the world have always been chary about permitting any industrial plant to make alcohol from any of those products, because no matter how much the alcohol is denatured, no matter how much you extract from it, or what a bad taste you give to it, or how much poison you put into it, a very ordinary chemist can extract that poison or that bad taste, and again it is good alcohol. Governments have always tried to prevent the manufacture of alcohol in that way; but Germany has gone ahead so far that in that country at present there are 2,000,000 gallons of industrial alcohol made annually, and during the war the quantity manufactured was considerable. This alcohol is largely used also in the making of explosives, and during the war we suffered from that to a great extent.

Another thing that costs nothing, and which this new department might develop, is blasting with liquid oxygen. Now, liquid oxygen costs absolutely nothing. It is extracted from the air simply by decomposing the air. Simply by having the air in a chamber and by sending through that chamber a strong electric current, the air is immediately decomposed, the nitrogen coming out on the positive pole and the oxygen coming out on the negative pole. Those are the two outlets. The oxygen

under pressure becomes liquid, and once it is liquid it loses its pressure; there is absolutely no pressure in the liquid form. It is put into a bucket or any other receptacle, and all that it is necessary to do is to soak in it any porous substance, such as wool, cotton, or even paper, for about fifteen minutes, so that it is well saturated, and this will keep for at least 24 hours. It is used instead of dynamite, and it has a strength that is 40 per cent greater than that of dynamite. There is not all the danger which is present in transporting dynamite from place to place, exposing the lives of people. Besides, as I say, it costs so little that it was possible to manufacture it all through the war. The Germans had motor trucks the engines of which they used for the liquefaction of oxygen, and nearly all the blasting in tunnels during the war was done with this liquid oxygen, that cost nothing. This has not been used in Canada so far as I know. It is an absolutely new invention.

I come now to the question of chemical fertilizers. These have not been as much used in Canada as they should have been. It is not because they were not known. I find in Hansard of May 12, 1908:

Smelting by Electricity

The process of electric smelting is based simply on the enormous temperature produced by the electric furnace. The ores fuse and the oxygen which they contain is driven off as gas, leaving the pure molten metal behind.

It is different in principle from smelting with coke, where the carbon of the burning coke first combines with one atom of oxygen of the air, making carbon monoxide, and then with another atom of oxygen from the ore which does not fuse, forming carbonic acid gas and escaping as such from the furnace. The exygen of the ore is thus slowly taken up by the carbon of the coke until nothing but the metal is left in a molten state.

Production of Nitrates by Electric Power

Another use of electric power is fixing, as it is called, atmospheric nitrogen so as to make it available for fertilizing agricultural lands in precisely the same way that the famous nitrates from Chili and the guano from Peru are used.

We all know that before this fixation of nitrogen, ships, mostly wooden sailing ships, were sent to Chili. Evidently, in ages gone by, Chili must have been a wet country. Now, as we know, in most parts of Chili along the coast it never rains. In the olden days, however, it must have been a wet country with lakes. These lakes have dried up and left, at the bottom deposits of nitrates; for there are plenty of nitrates in the water. The nitrates were taken to Europe and sold there, years ago, at about $40 a ton. That practice has been given up, because in Europe, especially in Norway, where water power was cheap, electricity could be obtained at as low a rate as $5 per horse power a year. But years ago the atmosphere was used in the making of fertilizers.

The atmosphere contains an inexhaustible supply of nitrogen, but in an inert form as the scientists say, that is, it is not taken up readily by plants, or rather by the bacteriae through which they feed on nitrogen. The best means have always been to supply the nitrogen to the ground in the form of a soluble salt, and hitherto only nitrate and guano, and animal or vegetable manure have been used, because chemists had not found the way to produce nitrogen salts out of atmospheric nitrogen.

But, by means of the terrific temperature of the electric furnace, that long sought result has been achieved, and the production of nitrate from atmospheric nitrogen is to-day an industrial fact in Norway. At such temperature, the recalcitrant nitrogen combines with lime and makes a soluble salt, that is, all that is necessary for the purposes of fertilizing.

And those eminently useful applications of the electric furnace are only recent developments.

Mark you, honourable gentlemen, that was 13 years ago.

The world's scientists and inventors are looking for more, and it is pretty safe to predict that more will be found.

I would like to know what progress has been made in Canada. Those words were spoken in this Chamber in 1908, but there was no department to take up the question of the development of the inexhaustible quantity of power in the country. Of the 25,000,000 horse-power which exist in Canada, 17,000,000 are in Quebec. I do not believe there are more than 2,000,000 developed—

Hon. Mr. FOWLER: There are 13,000,000.

Hon. Mr. CASGRAIN: In Quebec. It would have been quite feasible to make all the fertilizer required, and the effect would have been to increase considerably the yield per acre, not only in the eastern provinces, but even in the West.

Here is another development, and this is a new one. I do not think that it is known. Instead of using electricity to obtain the nitrates from the atmosphere, they are obtained by tremendous pressures. Here is an article entitled, "Azote for the Land of France." I may say that "azote" is a perfectly good English word. The gas is generally called nitrogen, but it should be called azote. The nitrogen—if you like—is ob-

tained from the air through the action of electricity. This invention is due to Monsieur Georges Claude, at Montereau, on the banks of the Seine. The factory is located in an old shed that was used during the war for the making of asphyxiating gases. The liquid nitrogen is formed at a temperature of 150 degrees below zero. In the presence of the reporters of the journal from which I am taking this information, L'Illustration, M. Claude drew a bucketful of this liquid, and spilled it on an iron bucket, which immediately became covered with ice, making the air all about intensely cold. By accident—not while the reporter was there, but shortly before—some one dropped a lighted candle into a bucket of this liquid, and there was a terrible explosion. The inventor, M. Claude, nearly lost his eyesight.

This new fertilizer is made with liquid nitrogen and hydrogen, from the decomposition of water. The mixture is one part of nitrogen to three parts of hydrogen. I may say the liquid hydrogen is obtained under very high pressure, and because of the fear of explosions the process is carried on in the open air. The one part of nitrogen and the three parts of hydrogen are brought together by very small tubes and put under very high pressure. They are compressed first at from 200 to 250 atmospheres, in one receptacle, and they are compressed again, in another receptacle at from 900 to 1,000 atmospheres. As an atmosphere is 14¾ pounds, honourable gentlemen will see that the pressure is equal to that of gunpowder in the bore of the biggest cannons that were used in the war.

It may be asked, but how did they get such a pressure? It is very simple. The pressure is obtained by means of pistons of very small surface. All that is required is simply cheap power. The machine at Montereau on the banks of the Seine makes about 10,000 pounds daily of this new fertilizer, which, as I say, is manufactured simply by the pressure of hydrogen and nitrogen gas.

Honourable gentlemen are aware that the critical temperature for the liquefaction of ammonia is 600 degrees above zero. The mixture under pressure is brought through small tubes of the catalyzator, and there by electric heating and tremendously high temperature of 600 degrees above zero is obtained. As I have said, the catalyzators are placed outside the building, for fear of accident, and they are surrounded by reinforced concrete walls.

This is new in France, though not new in Germany, where it has been worked for years in the famous works of Badische Anilin at Oppau, which have cost no less than $50,000,000 at the usual rate of exchange. This Frenchman, George Claude, has in this small mill manufactured this same fertilizer 30 per cent cheaper than the Germans have done. It was thought in France that it would be necessary to import machinery from Germany, and also to employ German engineers; but Claude has dispensed with both, yet he had made a mixture costing very much less than the German one, thus beating the Germans altogether.

Now, in getting hydrogen you have to be near some place where there are coke ovens, and you also require cheap power for compression. As we have plenty of cheap power and also coke ovens in Canada, it would be very easy for this new department to take up this problem, and produce fertilizing material not merely for the land in Canada but also for sale to the whole world. The honourable member from Montarville (Hon. Mr. Beaubien) intends shortly to invite a delegation of savants from France to come here and give us the benefit of their inventions. I would suggest that he invite Mr. George Claude to tell us how we can start a fertilizer factory of this kind. The honourable gentleman would certainly be a benefactor to Canada if he could persuade Mr. Claude to start factories where we could make all the necessary fertilizer out of the simple atmosphere.

The cement dust that accumulates around cement works, now going to waste, would make an excellent fertilizer.

Then, in the Maritime Provinces we have 300,000 tons of fish waste yearly, about half of which, or 150,000 tons, would be available, and could be transformed into the very best fertilizer, as it contains more phosphorus than any other material that I know of.

Now I come to the most interesting thing, which I thought was new, but in this publication of which I gave the title some time ago, printed on March 31, 1920, I find it fully described; and even my honourable friend to my right (Hon. Mr. Edwards), when I told him about it, said: "It is not new; it is very old." I refer to the conversion of sawdust into cattle-feed. Here are the particulars:

The Conversion of Sawdust into Cattle Feed

Recent investigations carried out at the Forest Products Laboratory indicate that the sawdust of coniferous woods can be converted into a wholesome cattle feed.

The process for preparing such cattle feed depends upon the conversion of part of the wood into sugar by cooking it for about fifteen minutes with a dilute acid under 120 lb. pressure. In this treatment about 20 per cent of the wood is converted into sugar and the remainder rendered more digestible. The sugars are then extracted from the digested dust with hot water, the acid is removed from the resulting solution by neutralization, and the liquor is evaporated under reduced pressure to a thick syrup. The concentrated sugar solution thus obtained is then mixed with the residue left after cooking and the whole is dried to less than 15 per cent moisture content. The finished material is darker than the original sawdust, is very brittle, and contains a larger proportion of fine dust.

A preliminary feeding trial, using a product prepared in this way from Eastern white pine, was conducted by the Wisconsin College of Agriculture with favorable results. Three cows were fed by the reversal method for three periods of four weeks each. In the first and third periods they were given an excellent ration consisting of alfalfa hay, corn silage and a concentrate mixture of 55 parts of ground barley, 30 parts of wheat bran and 15 parts of linseed meal. In the second period hydrolized sawdust was substituted for part of the barley, 2lb. of sawdust being fed in place of each pound of barley, as it was not expected that hydrolized sawdust would have as high a feeding value, pound for pound, as barley. The mixture used during the second period contained about 26 per cent of hydrolized sawdust. At no time was any difficulty experienced in getting the cows to clean up this concentrate mixture. The cows maintained their production of milk in the second period as well as in the first and third and showed an appreciable increase in weight was noted during the period in which they were fed the treated sawdust.

While no definite conclusions can be reached from this brief trial, the results do show that cattle may be fed a limited amount of hydrolized sawdust with beneficial results. It should be pointed out that hydrolized sawdust contains only a negligible amount of protein and that it must necessarily be fed in conjunction with other nitrogen-containing materials. In both rations used in this trial plenty of protein was furnished by the other feeds used.

We wish to emphasize the fact that these experiments are preliminary and that as yet the laboratory is not in position to advise as to the commercial application of the process. Further trials will be carried out to furnish additional data on the feeding value and methods of preparation.—From Chem. and Met. Eng.

Hon. Mr. GIRROIR: I understand my honourable friend is arguing that sawdust with other material might be used for feeding cattle. I was wondering if shavings could be used in some way.

Hon. Mr. CASGRAIN: Certainly; perhaps better.

Hon. Mr. McMEANS: What about wire nails?

Hon. Mr. CASGRAIN: I have here the Government book dealing with those substances which are made with the help of acids. Referring to the conversion of wood and mill waste into feeding material, I find this extract from a report on this subject:

Molasses from wood which consists almost entirely of digestible carbohydrates and may be defined as a super-concentrated feed was used as early as 1830 for feeding horses and has recently come into very general use with extremely satisfactory results. When thus used, it is sometimes sprinkled on dry feed, being first diluted with water, or it is mixed with some material which absorbs it and renders it easy to handle such as peat dust, etc. It is also common practice to mix wood molasses with the drinking water in a trough allowing the animals to drink from this ad libitum. The best plan, however, is to thoroughly incorporate it with a coarse fodder so that the animals do not become smeared in eating.

As a part of a mixed ration it has been proved that one quart of molesses from wood will replace three to four quarts of oats.

I am not a farmer, but I can read books as well as anybody else, and it may be true. I give you the authority.

Hon. Mr. FOWLER: What has that to do with sawdust? What is the use of molasses in feeding cattle with sawdust? I don't understand.

Hon. Mr. CASGRAIN: My honourable friend surely is not serious. The wood molasses is made from sawdust or from wood. I thought I had made myself clear.

Hon. Mr. FOWLER: I thought it was made from sugar-cane.

Hon. Mr. CASGRAIN: There is a certain amount of sugar in everything. As I told you, there is about 20 per cent of sugar in wood after it has been digested by these agents. My honourable friend probably has seen these digesters himself. The pulp, after the gum has been separated, is floating on the top. At the bottom of the digester is the liquid sulphur waste, which is the sugar. Everything, in order to be absorbed, even in the human body, must be changed into sugar before it can be assimilated; and the minute you have the molasses you have the alcohol also. The alcohol that was used in this country for years and years was made from molasses, and what was rum made from except sugar and other ingredients?

I did not want to detain the House so long with this matter. I only wanted to say that I entirely approve of this Bill, and I may say to honourable gentlemen that I have here all the proofs in reference to

the matters I have discussed, and if they wish to examine them for themselves they can do so.

Another matter to which I wish to draw the attention of this Senate is that of briquetting lignite in the Northwest. At a place called Bienfait, which I think is in south-east Saskatchewan, a plant has been erected by the Government which has cost some $490,000 to date, according to the report, although I noticed from a statement in another place that it had cost something over $500,000.

Hon. Mr. TURRIFF: About $600,000.

Hon. Mr. CASGRAIN: They need tar as a binder for these briquettes after they have carbonized the coal and reduced the lignites to powder and put them under pressure. The Government awarded the contract for the tar recovery plant to the Mechanical and Chemical Recovery Manufacturing Company of Philadelphia. The switchboard contract was given to the Monarch Electric Company. The wiring contract has been let to the United Electric Company of Regina and this work is more than half done. The piping contract has been let to the Garth Company of Montreal. These briquettes have been made in Ottawa, at the Experimental Farm, I think, and small quantities have been sent out—some to the Right Hon. Arthur Meighen, the Prime Minister of Canada, some to the Hon. Sir James Lougheed, Minister of Mines, some to the Hon. T. C. Norris, Premier of Manitoba, and some to the Hon. William Martin, Premier of Saskatchewan, and I am told they were found satisfactory. A Mr. Stansfield made tests in his own house, and found those briquettes quite equal to ordinary anthracite. It will be a wonderful thing for the Northwest if these coal briquettes can be manufactured out of the inexhaustible supplies of lignite that exist in the Northwest Territory. If the by-products can also be had, hydrogen can be made from the coke ovens that are there, and with the three parts of hydrogen and one part of nitrogen, which is God Almighty's atmosphere—and there is plenty of it in the Northwest and everywhere else—those two will produce fertilizer right at hand to enrich the land, especially in Manitoba, where the yield is not as great as it used to be because the land has been farmed so long without having any manure put on it.

In the sixth issue of Progress Report No. 19 we have mention of two official visits from representatives of the Bureau of Mines at Washington on the 5th of March. Mr. Foster Bain, the Director, called on the Bureau of Research here in company with Mr. Camsell, the Deputy Minister of Mines at Ottawa. A few days later W. W. Edgley, the principal of the engineering staff, spent three days with the Bureau of Research here—two days in Montreal and one in Ottawa. Those gentlemen were given all the information that could be placed at their disposal. This shows that we are moving in research matters, when gentlemen from the United States take the trouble to come all the way from Washington to see what we are doing in the way of briquetting our lignite.

Now, honourable gentlemen, there are many other matters about which I might speak, but I do not want to abuse the patience of this House, and any one of these subjects would require a long speech to give anything like a full account of it. When you come to consider what has been done in connection with navigation, the substitution of sails for coal, the conversion of sawdust into cattle feed, the liquidization of oxygen, and so on, and making fertilizers in different ways, a proper exposition of these would require hours; and it is very difficult to give an explanation that would be satisfactory unless we would all be prepared to receive the technical details. I might say I have devoted weeks to this investigation, and spent more than one Sunday preparing this summary but I would be very glad indeed if honourable gentlemen would take enough interest in these problems so that they could examine for themselves the details and the proof of every word I have said.

Hon. WM. ROCHE: There is so very little in the actions of the Government to commend that it is a great pleasure to endorse what is proposed on this occasion. I am very well disposed towards it, and glad to be able to support it. We are very much indebted to my honourable friend who has given us so much information on various subjects, both on the land, in the air, and in the sea.

May I submit, with great diffidence, that it would be more useful to Canada if, instead of recondite science and the chemical aspect of inquiry, the attention of this Research Bureau would be devoted to the economical and substantial subjects rather than aerial or purely chemical ones? Obscure scientific combinations can be made commercially of real value, when composed of the prolific production of nature, and will promote public comfort and economy.

I think that the attention of the Bureau might be bestowed, first, upon economy—economy of food products. Everybody knows that there is an enormous waste in this country of valuable food products, and that other food products could be made, not exactly from wood, but from vegetable matter, which would be very valuable for the food of men and animals. We have also been wasteful in the forests. Great quantites of most valuable oak, birch, and other woods have been used for firewood and inferior purposes. They are now very scarce in Canada, and had they been conserved and economically used they might have been a vast resource of great benefit to the country; but they have been cut down and used and wasted. We know that in the food-producing countries of Europe there is a great scarcity of food. In some countries vast numbers of people have died of starvation. A very observable feature in those countries which were large producers of food, and a very lamentable one, is that, in consequence of the war and the unemployment of the farming and productive interests, they are destitute of food and must draw upon the resources of other countries for the purpose of sustaining their population. In the United States, with the great increase in population which is taking place, there will come a time, and it will not be far distant, when they will not be able to export wheat and grain and other natural products; and that condition will rebound on the fast-growing population.

Scientific research should be directed to the inventing and producing of new articles of food as substitutes. They may be found in the ground, in the vegetation, and so on, and such research may be useful along economic if not purely scientific lines. I do not think these people should be engaged in seeking to have alphabets placed after their names, or in going to Europe to learn of discoveries that may have been made there, or that they should take part in a mutual admiration society, or endeavour to find out from others what they already know instead of making new discoveries. We have a new land. Canada is probably a part of the oldest formation on the globe. In Siberia, which is opposite the northern part of Canada, there are found under the ice the remains of tropic animals and of old vegetation, which is the result either of that portion of the globe having been a part of the tropics at one time, or of a uniformly warm climate over the whole globe that may have been changed by the earth's nutation or some other process. It is very probable that in the new districts of Canada there may be found metals of the old formation, which are not to be found in Europe; and if there be discoveries of these metals and new combinations of metals, that would give a great impetus to Canada, because articles of a higher and more refined qualtiy could be made, and it would be of vast industrial benefit.

I leave that, because it might be enlarged upon, and some gentleman who thinks of it might take it up. But it appears to me that the mineral resources of Canada are untouched, and that there are valuable minerals and possessions now under the ice of the far North that might be of material advantage, and will be of material advantage, to Canada, when people have devoted their attention to utilizing the products of those regions that are now of no use whatever to civilized man.

I turn away from this for a moment to the excursion which was made by my honourable friend on the high seas. He gave us the speed of steamers and the speed of sailing ships in the old times. I am perfectly familiar with the progress of steam development, because I lived next door to, and my walk adjoined the walk of Sir Samuel Cunard, the Halifax man who projected the great Cunard steamship line. Two years ago I saw the Mauretania lying at the wharf formerly owned by Sir Samuel Cunard and his father—a beautiful ship, one, I believe, that has the blue ribbon of the Atlantic for superior speed. I remembered the Hibernia, the America, the Canada, the Asia, the Africa, the Europa, the Arabia, all those being of the old Cunard line; and what were they? Vessels of 12,000 tons; and it seemed to me a remarkable coincidence that that great ship, the best product of English skill, should come back to the place where it originated in the mind of Sir Samuel Cunard some seventy years ago.

There is another subject upon which my honourable friend dilated with great satisfaction to me, and that is the speed of sailing ships. He told us of the sensational performances of the Flying Cloud, the Lightning, the Great Republic, the James Bain, and all those other wind-jammers of the forties. The Lightning, the Flying Cloud, and the Great Republic were all built by Nova Scotians. Donald McKay was the architect and the builder of those great ships, and the man who sailed them was Captain Lauchlan McKay, a brother

of the builder, who came to Halifax years ago and visited my father, an old townsmate, and told about the performances of those ships and how in the Sandwich Islands his ship, the Great Republic, had alongside five American whalers whose cargoes of oil he took into the Great Republic. That shows what Nova Scotia could do in those days. Nova Scotian captains were known as being the most daring and enterprising and skilful of any sailing men in the world. What is the fact to-day, honourable gentlemen? I would like to call it to the attention of the Government, because I think it is a very important matter. In the United States, where they have built so many new steamers, they are seeking out the best of our Nova Scotian captains and are putting them in command. Those same men cannot get employment in Canada; they are driven out by the policy of this Government, and forced to go to a foreign land for a living, and strangers are brought in and put in the places that they ought to occupy. That is a policy which ought to be condemned. I should like to see some Canadian rise up with a voice powerful enough and with influence enough to inform the Government and the people that that is not a policy to commend—that Canada should be for Canadians first, and the world afterwards if we like; that our money and promotions and honours and emoluments ought, first of all, to be for our own people.

I am very sorry that I have not more time to address to the observations of my honoured friend to whom we are indebted. He made a little digression on the subject of coal. There are a great many people, some of them on commissions inquiring into the coal question, who know very little about it. I would say to my honourable friend who made a comparison of British or Nova Scotian or other coal with the American coal, that there is this great physical fact: The British coal and the Nova Scotian coal are brought from a great depth, and in the British coal mines there are five tons of water to be pumped up to the surface for every ton of coal that is raised, thus making its production expensive, whereas some of the best coals of the United States are above ground, where cars can be run right in and loaded directly, which will always give the Americans the advantage in competition in coal. Also, some of their coals are of better quality than any in Canada. But the physical fact remains that the cost of raising coal in the British Islands and in Canada is far greater than in the United States, and that therefore they will have the advantage in the markets of the world adjacent to them and communicable with by shipping, over those coals which are more costly to raise, and where there is no longer transportation.

Hon. Mr. FOWLER: Take the supply for Italy. Would not the much longer transportation from the United States more than overcome the advantage of the easy mining?

Hon. Mr. ROCHE: No. The coal of the United States can be produced so much cheaper as to overcome the extra cost of transportation. The distance is not appreciably greater, and when it is only 100 miles or 200 miles, it does not make much difference.

The other day I listened to some observations from the acute and inquisitive mind of my honourable friend from Midland (Hon. Mr. Bennett). He said that you could transport the grain of the West down to Sydney, which was a commodious and available port, and bring coal back. I would remind my honourable friend that he need not go so far as Sydney, and that the grain of the West, if there were sufficient transportation, could be shipped to the commodious port of Halifax, which would accommodate all the shipping of Canada for hundreds of years to come. But a feature in the transportation of grain is the high cost, and that cost is emphasized by the fact that there is no return freight, and that the empty cars have to be dragged back. I have noticed that in the railway transportation on the Intercolonial and connecting railways the locomotive power is not sufficient to drag back the accumulation of cars. But if grain were transported from the far West to Halifax, on the way back we have the mines, now but slightly developed, in Cumberland county, the mines in Pictou, and other mines on the main line between Halifax and the Great West, and they could carry coal to the parts of Ontario and the Northwest that are now served by American coal, thus saving half the cost of transport because they would have return freight the whole way.

I might go on to expand further upon what has been said by my honourable friend; but he has gone so thoroughly into the chemical and other departments of this discussion that I do not propose to weary the House by further extending the remarks which I have made, and which

I have put before them only because I do not think the things I have mentioned are as familiar to the other members of the House as they are to me. I should like to have my honourable friends consider them and remember that all these problems are to be solved by relying upon our own resources, using our own people, and doing all that we can for the comfort of the inhabitants of the whole of Canada.

Hon. HEWITT BOSTOCK: Honourable gentlemen, we have had two very interesting speeches this afternoon on this subject by the honourable member from De Lanaudière (Hon. Mr. Casgrain) and the honourable gentleman from Halifax (Hon. Mr. Roche). I do not wish to take up the time of the House in following their speeches through, but there are one or two matters in regard to this Bill to which I should like to draw the attention of the leader of the Government.

He did not, I think, give us quite as full an explanation as I for one would have looked for as to the objects of this Research Council. My honourable friend apparently knew that some honourable gentlemen in this House were going to make rather extended speeches on the question of the resources of this country, and the proper lines of investigation and research to be followed, and apparently he did not think it necessary to go into the actual work of this Research Council and explain to the House what it would be. I therefore rise for the purpose of asking my honourable friend if he will be able to give us further information when we go into Committee on the Bill, because I notice that the Bill is divided into two parts—the first having for its object the creation of a Research Council, which is more or less a continuation of the Research Council which was established in 1917 during the war, for the purpose of carrying out the investigations and doing certain work required at that time. The second part of the Bill deals with the establishment of a Research Institute, which I presume will be here in Ottawa, and which will be under the direction of the Research Council. When the Research Council was first established in 1917, I heard the criticism that it was overlapping the work of the other departments. It is, of course, quite possible that the regulations and directions given to this Research Council may not be clearly laid down at the start. I notice that the Minister, in discussing this matter in another place, said that a part of the work carried out by the Research Council was the investigation of this coal question, the briquetting of lignite, to which my hon. friend from DeLanaudière (Hon. Mr. Casgrain) has referred, and also the question of that peat industry. There is already established under the Government a Department of Mines, and I should have thought that both those subjects were very largely matters coming within the scope of that Department. I think there is great danger of considerable overlapping between the work of the Research Council and the work of other departments unless the line between them is very clearly drawn. I hope that when we go into committee, my honourable friend (Hon. Sir James Lougheed) will be able to give us more definite information about this than we now have from the Government.

Hon. WM. PROUDFOOT: Honourable gentlemen, I have a word or two to say in reference to this Bill. In the House a few days ago we heard the honourable leader refer to the Conservation Bill and state reasons why the Commission of Conservation should be abolished. It seems to me, on reading over this Bill, that the Government are going to repeat exactly what took place in connection with the organization that they are now so anxious to get rid of. Section 3 of this Bill provides:

> The Council shall consist of not more than fifteen members, who shall be appointed by the Governor in Council on the recommendation of the Minister of Trade and Commerce.

Then the Bill goes on to provide how the Council shall be continued. There is to be a Chairman, who, I take it, is to receive a salary. This means that we are going to have another organization which, like the Conservation Commission, will grow and will be a source of considerable expense. It may be that owing to the form of this Bill the Government will have more control over the Research Council than they had over the Conservation Commission. I observe in section 17 of the Bill that the Government intend to have a certain amount of money appropriated annually by Parliament. It is not stated how much, but I presume that it would have to be a considerable sum. Under section 18 of the Bill the receipts and expenditures are to be audited by the Auditor General. I gather from the scope of these two sections that it is intended to secure money from sources other than Parliament. The point I want to make is this. We have an organization under the Conservation Act. That organi-

zation is a very good one: I understand it has done a great deal of good for this country. I would suggest that, instead of doing away with that organization, the Government should hand over to it the work which is intended to be covered by the Research Council. In that way the Government could take greater control over the Conservation Commission and could also secure what is required. It would also prevent the overlapping which has just been referred to by the honourable the leader of the Opposition, and which was mentioned the other day by the honourable the leader of the Government in dealing with the Conservation Act. It strikes me that the Government are now going to repeat what the honourable leader said the other day was a mistake. I think that under the circumstances this House might very well pause and consider before entering upon expenditure of the kind which will be incurred if we pass this Bill.

Hon. J. G. TURRIFF: Honourable gentlemen, I desire for a few moments to support the position taken by the last speaker. We have now on the Order Paper a Bill for the abolition of the Commission of Conservation. We have also this Bill to appoint a National Research Council. The statement made the other day by my honourable friend the leader of the Government was that the Conservation Commission was duplicating work that was being done by the various departments of the Government, and here we are appointing a Council that is going to do exactly the same thing.

This Council is to be composed chiefly of scientific men in Canada, who will receive no remuneration whatever, except the Chairman. The Chairman of the Council is to receive $10,000 a year. The Chairman of the Conservation Commission did not get anything. So far as I can see, that is the one and only difference between these two bodies.

The honourable leader of the House pointed out some undertakings of the Conservation Commission that were a duplication of work being done by various branches of the Department, several of them branches over which my honourable friend presides so well. But I have here a little publication issued by the Research Council, and it mentions some things that they propose to deal with and that are being dealt with by branches of the Department of the Interior and other Departments.

Remember, honourable gentlemen, I am not opposed to this Research Council if the Conservation Commission is to be abolished. I believe that it has done and will do good work, just as I believe the Conservation Commission has done good work, which could not and would not have been done by any department. But here is one of the things that this Research Council propose to take up: "the method of reforestation most suitable to conditions in Canada." That is one of the things which my honourable friend the leader of the Government objected to the Conservation Commission doing, simply because a branch of the Department of the Interior is dealing with that. The Conservation Commission dealt with many other things. It devoted attention to the question of fox-breeding. I do not think my honourable friend objected to that, but here is this Research Council proposing to deal with that very thing. There are two or three other subjects mentioned in this publication. One is the briquetting of the low-grade lignites of southeastern Saskatchewan. That is a subject which, as the honourable leader of the Government pointed out the other day, the Department of Mines has been dealing with for years. I may say that I know something about the conditions, for the briquetting plant is located in the constituency that I represented in the House of Commons, and I want to say that the Research Council has done particularly good work in that respect, with the result that now, although the report is not public, they have absolutely proven that the common lignite coal in southeastern Saskatchewan can be so treated as to make a fuel equal to the ordinary anthracite, at a cost, delivered in Winnipeg of from $11 to $12 a ton. So they have done excellent work.

Hon. Mr. EDWARDS:: May I tell my honourable friend that that is as old as the hills. It has been done for years, long before that Research Council was ever thought of.

Hon. Mr. TURRIFF: All that I can say, honourable gentlemen, is that the Saskatchewan Government some years ago established a small plant in Estevan, right near where the Government has established one at Bienfait. They are only 11 miles apart. They showed that something could be done, but it was not proven definitely at all, so that private enterprise would care to engage in it. The work that has been done by the Research Council is undoubtedly a

great work. The Dominion Government and the Government of Saskatchewan have expended about $600,000, and there will be probably some further expenditure, but they have proven that private capital can make of that coal, which is rather low grade, a first-class fuel. So if they did nothing else they have done a good work.

But the honourable leader of the Government objected to the Commission of Conservation on the ground of expense. I do not know from where I got the sum which is in my mind, but I understand that this Research Council is to have a building put up at a cost of $600,000 or $500,000. Although my honourable friend objected to expenditures by the Conservation Commission, we are now running into exactly the same class of expenditure. We are establishing a similar commission or council, the difference being that the chairman of the Research Council gets $10,000 a year. The other members of the Council are to receive nothing, but the officials have to be paid. I take it for granted that this Research Council will cost very much more than the Commission of Conservation costs. Whether the value of its work will compensate for the extra cost or not nobody can say;; it remains to be seen. However, we are doing away with one organization because it was duplicating work done by the different departments, and we are now passing a Bill to establish another body, the Research Council, that will duplicate in exactly the same way and that is going to cost two or three times as much money.

Hon. Mr. EDWARDS: Honourable gentlemen, my honourable friend refers to the briquetting of lignites in Saskatchewan, regarding it as something new. It is just as new as all the items that my honourable friend here referred to this afternoon: it is as old as the hills. It is not new at all. Now, honourable gentlemen, there was just one value in the former research institution in Canada, and that was the salary paid to the chief. That is all there was in it for anybody.

Hon. Mr. WATSON: The chief engineer.

Hon. W. C. EDWARDS: It is absolute nonsense; that is all I have to say, honourable gentlemen.

The motion was agreed to, and the Bill was read the second time.

The Senate adjourned until to-morrow at 3 p.m.

Hon. Mr. TURRIFF.

THE SENATE

THURSDAY, May 19, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

FIRST, SECOND, AND THIRD READINGS

Bill N5, an Act for the relief of Addie Irene Gilbert.—Hon. Mr. Gordon.

Bill O5, an Act for the relief of Ethel Edna Denning.—Hon. G. V. White.

Bill P5, an Act for the relief of Audrey Cleeve Bennett Gibbons.—Hon. Mr. Turriff.

Bill Q5, an Act for the relief of Laura Newson.—Hon. Mr. Blain.

Bill R5, an Act for the relief of Thomas Eccles.—Hon. Mr. Blain.

Bill S5, an Act for the relief of John Chalk.—Hon. Mr. Blain.

PUBLIC HIGHWAYS

PAYMENTS BY FEDERAL GOVERNMENT

Hon. Mr. BLAIN inquired:

1. When was the first payment made by the Federal Government to the different provinces for the construction and improvement of public highways, showing amounts paid each year?
2. Have further amounts been guaranteed?

Hon. Sir JAMES LOUGHEED:

1. First payments were made by the Federal Government to the provinces, as follows: British Columbia, March 15, 1921, $53,770.32; Ontario, February 28, 1921, $203,437.11; Quebec, January 29, 1921, $56,374.19; Prince Edward Island, March 12, 1921, $36,372.39. The total payments to date, covering work performed on certain highways between July 8, 1919, and the period noted, are as follows: British Columbia, $86,446.52 (to March 31, 1920); Ontario, $295,100 (to January 31, 1920); Quebec, $113,189.66 (to December 31, 1920); Prince Edward Island, $40,-264.79 (to December 31, 1920).

2. Agreements have been entered into with the various provinces under which the Dominion undertakes to contribute 40 per cent of the reasonable and necessary cost of certain road projects, as approved. The Canada Highways Act, 9-10 George V, chapter 54, defines the extent of Federal aid to each province.

CORRECTION

On the Orders of the Day:

Hon. Mr. EDWARDS: Before the Orders of the Day are proceeded with,

may I be privileged to correct an inaccuracy in a short statement which I made in the House yesterday in regard to the briquetting of coal dust or screenings? I was under the misapprehension that there was no difference between the briquetting of screenings from hard coal, or anthracite, and lignite, or soft coal. I made that statement with a good deal of confidence; but I find that I was entirely wrong, and that, while the briquetting of the screenings of hard coal has been in vogue for many years, the briquetting of the other is very new. This shows how careful one should be in making statements.

LIQUOR LAWS IN QUEBEC

INQUIRY

On the Orders of the Day:

Hon. Mr. FOSTER: Honourable gentlemen, I desire to draw the attention of the Government and of the members of this House to an item which appears in this morning's Montreal Gazette, in which it is said that the Premier of that Province has asked the Government of Canada to suspend the Scott Act in the city of Quebec. In order that the members of this House may properly understand what the article is about, I will read it:

No Answer to Quebec's Request has been Received From Ottawa

Quebec, May 18.—In another interview to-day regarding the delay in putting into effect the new Quebec liquor law in the city of Quebec, owing to the non-repeal of the Scott Act, Premier Taschereau commented as follows:

"The delay in granting licenses for the sale of beer and wine in the city of Quebec is due to the continuance of the Scott Act, which is a federal law, and prevents the putting into effect of the provincial law. Before the latter measure can be administered, the Scott Act must first be suspended or repealed. We have applied to the Federal Government to suspend the Scott Act, pending a referendum, so as to allow the temporary administration of the provincial law, and, although we have been promised consideration of the request, we have not yet received any definite answer.

"It does appear that the Federal Government desires that the provincial Government should hold a referendum in the city of Quebec. The Quebec Government is inclined to meet this view as it is thought better to clear up this question forever. But in the interval the Quebec Government asks for the suspension of the Scott Act pending the holding of the referendum. The reason for asking the suspension is on account of the length of time it will take to have the referendum. 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. Considerable injury is being done to the hotel business and general trade in the city. The fact that the city of Quebec is dry has been spread broadcast and is deterring tourists and others from coming here. Only the other day thirty motoring parties were on their way to Quebec, and when they reached Three Rivers they were told that owing to the conflict of the Scott Act and the Quebec liquor law, the city of Quebec was absolutely dry. The result of this information was that the motoring parties returned to Montreal, where the new provincial law is in operation."

I desire to express to the leader of the House, and through him to the Government, the hope that while that interview comes from high authority the Government have not deprived and are not going to deprive the people of the province of Quebec, who are in favour of temperance principles, of the right of having the law govern them for which they have voted, and which they want. The Scott Act was passed in the province of Quebec, as it was in many other provinces. The Quebec License Act, as it is called, has not power to wipe out the Scott Act, and I may say to my honourable friend that, scattered throughout the counties of that province, notwithstanding this or any other Act, are men and women who have no intention of entering into the business of selling whisky. The Government of the province of Quebec have decided that they want to do it, and apparently in many counties the people are behind that idea. But I do not want the Government at Ottawa to understand for one moment that, because the Premier of Quebec is supposed to have given expression to the utterances contained in this supposed interview, it is the unanimous wish of the people of Quebec that the Scott Act should be suspended. That is not the case. I know of many counties in the province of Quebec where the Scott Act is in force to-day and where it will be in force to-morrow, and where the people have no intention of submitting to what they term an unfair and unreasonable Act passed by the Province of Quebec. If the leader of the Government in this House can tell me that the Government are not going to suspend the Scott Act, it will allay a great deal of feeling.

Hon. Mr. DANDURAND: The article which the honourable gentleman has just read seems to refer exclusively to the city of Quebec. Do I understand that the demand of the Premier of Quebec covers the Eastern Townships, from which my honourable friend hails, or simply the city of Quebec?

Hon. Mr. FOSTER: My honourable friend is too good a lawyer to be sincere in asking that question. He knows perfectly well that if at the demand of the

Premier of the Province of Quebec this Government renders assistance as to the city of Quebec, on the next day or the day following every other section of the Province will have a demand made on the Government and will cite the city of Quebec as a precedent.

Hon. Mr. DANDURAND: If I may be permitted again. We claim a fair measure of autonomy throughout the Province of Quebec. We have left the counties to speak for themselves, and I am quite sure that no one in the province wants the principles of the minority to be imposed on the majority in any county, so that if there is a majority in my honourable friend's district who are in favour of a bone-dry policy they will get it.

But I would like to cite one little incident which will throw some light on the administration of the Scott Act in the Eastern Townships. Hon. Mr. Duffy was appointed Provincial Treasurer in 1897. He had lived all his time within a stone's throw of my honourable friend's summer residence in Sweetsburg. The summer after he was made Provincial Treasurer he had occasion to go through the Province of Quebec and examine the public buildings, the court houses and the gaols. It was the first time that he had occasion to go to the rural parts of the province to examine those institutions. When he came back he expressed his surprise that in four large judicial districts in which there were some licenses he had found that there had not been a prisoner in the gaols for two or three or four years, whereas in Sweetsburg there had never been a day when there were not a few prisoners in the gaol for drunkenness.

Hon. Mr. LYNCH-STAUNTON: Is there any right vested in any Government to suspend the Canada Temperance Act?

Hon. Mr. DANDURAND: I am not discussing the merits of the question raised by my honourable friend, but the spirit of it.

Hon. Mr. LYNCH-STAUNTON: I am simply asking a legal question.

Hon. Mr. DANDURAND: I take it for granted that the Scott Act, once imposed, can only be withdrawn after a vote.

Hon. Mr. FOSTER: By the people.

Hon. Mr. DANDURAND: I have not the Act before me.

Hon. Mr. FOSTER: I have listened to the remarks made by my honourable friend with regard to the gaols of the province of Quebec; and, while I must apologize to this House for taking up its time in discussing this question, I want to tell him that the gaol in the district of Bedford is as free of prisoners for breaking the Scott Act as that in any other district in the province of Quebec. So far as I know, there may have been a time when the statement he has made was borne out by the facts; but, as a matter of fact, in the district of Bedford there is not and has not been for some time anything but the simple observance of the Scott Act as it exists.

Hon. Sir JAMES LOUGHEED: I am sure the Chamber will learn with sympathy and regret of the suffering and hardship to which the city of Quebec has been subjected by reason of the operation of the Scott Act. I am unaware—I stand subject to correction—of any power that is vested in the Government to suspend the operation of the Scott Act where it has once come into operation. My recollection of the provisions of the Act is that it can only be suspended or repealed by a vote of the people in the district in which it is in force. I have no knowledge whatever of the Government having come to any conclusion upon the subject.

PRIVATE BILLS

FIRST AND SECOND READINGS

Bill 43, an Act to incorporate the Ensign Insurance Company.—Hon. Mr. Proudfoot.

Bill 137, an Act to amend and consolidate the Acts respecting the Quebec Steamship Company.—Hon. Mr. Casgrain.

COURT OF INTERNATIONAL JUSTICE BILL

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of Bill 73, an Act to authorize the ratification and carrying into effect of the Protocol of the sixteenth day of December, 1920, accepting the Statute for the Permanent Court of International Justice of the thirteenth day of December, 1920.

Hon. R. DANDURAND: Honourable gentlemen, before this Bill is passed I would call the attention of this Chamber to the fact that I expressed some regret when the Bill was in Committee that the reference to the Permanent Court of International Justice had not been made compulsory. I thought that this was a great

weakness in the constitution of this court, and should be noted. I desire to draw the attention of this Chamber to article 36 of the statute which we are now about to ratify. It reads as follows:

The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specially provided for in Treaties and Conventions in force.

The Members of the League of Nations and the States mentioned in the Annex to the Covenant may, either when signing or ratifying the protocol to which the present Statute is adjoined, or at a later moment, declare that they recognize as compulsory ipso facto and without special agreement, in relation to any other Member or State accepting the same obligation, the jurisdiction of the Court in all or any of the classes of legal disputes concerning:

(a) The interpretation of a Treaty;

(b) Any question of International Law;

(c) The existence of any fact which, if established, would constitute a breach of an international obligation;

(d) The nature or extent of the reparation to be made for the breach of an international obligation.

The declaration referred to above may be made unconditionally or on condition of reciprocity on the part of several or certain Members or States, or for a certain time.

In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.

I am surprised that the Minister of Justice, who returned from Geneva last winter, has not deemed it proper to add to this Act which is now before us a statement that Canada accepted jurisdiction in all cases as a matter of reciprocity with other countries that would pass such a declaration. I submit that there is nothing which Canada is not disposed to arbitrate with other countries, and that we should follow the example of many other small states which have already gone on record as accepting compulsorily the jurisdiction of the International Court of Justice. The states that have already agreed to submit all issues under the four items which I have read are: Luxemburg, Costa Rica, Denmark, Portugal, Salvador, Switzerland and Uruguay. Denmark and Switzerland have limited their engagement to five years, but the other five have agreed to no limitation. Of course, Canada, as well as all other nations, after ratifying this statute, can at any time by official act declare that it joins with the other nations, under the reciprocity clause, in submitting all the matters that could arise under the sections of Article 36.

There is another matter of great importance which was discussed at the Assembly of the League of Nations on December 14, last, which adopted the resolution asking ratification of the convention signed at St. Germain on December 10, 1919, which creates an International Bureau of Control over the sale of firearms and munitions. That convention was signed by the following states: United States of America, Belgium, Bolivia, Great Britain, Canada and the other dominions in the Empire, China, Cuba, Ecuador, France, Greece, Denmark, Hayti, the Fiji Islands, Italy, Japan, and some other nations of which I have not a list. To my mind this is a most important move, on a par with the limitation of armaments, which we should all support. The absence of control in the manufacturing and sale of munitions of war suggests perpetual danger to the peace of the world. We all know that enormous capital is invested in the manufacture of munitions and arms in half-a-dozen large countries on the two continents. That capital has earned for its shareholders and owners considerable profits; and when you find the manufacturers in France, Great Britain, Japan, and the United States seeking for markets, you realize that there is nothing that will increase their profits and their wealth like a war somewhere. I do not know whether honourable gentlemen are aware of the incident which was made public a year or two before the war when the Krupps were caught red-handed subsidizing the French press, through their own channels and agencies, to raise a scare in that country on the increase of armaments in Germany, in order to provide the French Parliament to increase its own armaments, and thus give reason to the military party in Berlin to do likewise when the budget would be under discussion. The evidence was clear, and it was admitted from Berlin. There was considerable discussion and excitement over the discovery of that scheme. But all this shows that the creation of this International Bureau to control the manufacture and sale of munitions of war is now due to mature and to operate. I hope that as Canada was one of the signers of that convention of St. Germain in December, 1919, it will join hands with the other countries in establishing and putting into operation that convention and that International Bureau.

The motion was agreed to, and the Bill was read the third time, and passed.

PRIVATE BILLS

THIRD READINGS

Bill 16, an Act respecting "Les Révérends Pères Oblats de Marie Immaculée des Territories du Nord-Ouest."—Hon. Mr. Pope.

Bill I4, an Act respecting the Central Railway Company of Canada.—Hon. Mr. White (Inkerman).

Bill M4, an Act respecting The Great West Bank of Canada.—Hon. Mr. Ross (Moosejaw).

CONSERVATION ACT REPEAL BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill F4, an Act to repeal the Conservation Act and amendment. Hon. Mr. Daniel in the chair.

On section 1—repeal:

Hon. Mr. WILLOUGHBY: I received this telegram to-day, and I think it should be presented:

> Moosejaw Board of Trade desires to record its unanimous and emphatic protest against proposal abolish the Commission of Conservation. Appeals earnestly for your aid in speaking in behalf of the continuation of this protector of Canadian national resources.

Hon. W. C. EDWARDS: Honourable gentlemen, I may perhaps be permitted to make a few general remarks upon this action of the Government. In doing so, I by no means wish to censure the Government, for I am quite sure that while their information upon this question is incorrect they are acting in good faith; and the last thing I would desire would be to be placed in conflict in any manner whatever with my honourable friend the leader of this House. I am confident that if he were aware of the great injustice that is being done not only to the Commission but to Canada he would not for one moment participate in the adoption of this Bill.

The Commission went into operation, I think, in 1909. Its functions were of an advisory character—the investigating of the resources of Canada, the conservation thereof, and advising as to the best methods to be adopted for such conservation. Perhaps no other institution has ever been established in the Dominion of Canada that has rendered such service to this country as the Commission has done. Probably few people are fully aware of the ramifications and operations of the Commission, as it has never advertised itself in any manner. It was an independent body, headed by the Hon. Sir Clifford Sifton, with several prominent men from various parts of Canada acting as chairmen of the various committees. Those who know the Hon. Sir Clifford Sifton are aware that as an executive administrator he never had a superior, if indeed he ever had an equal, in the Dominion of Canada. He lent himself firmly and decidedly to the founding and inauguration of the Commission. He resigned as chairman over three years ago. The reasons for his so doing have never been made public, and while I know those reasons I do not think it would be proper for me to give them; that would be a matter for Sir Clifford Sifton himself to do if he felt so disposed. Since his retirement I have been acting as Chairman, and in any reference I make to the desirability of continuing the Commission there is not for one moment anything personal so far as I am concerned, because I would be only too glad to be relieved of the duties involved in the chairmanship, as I am not in a condition to engage in many activities, and this is one to which I certainly could not give the attention that it demands. I was desirous that a very strong man should be appointed to succeed Sir Clifford Sifton, and I had in view a Toronto gentleman who would have made an admirable successor, but for reasons known to the Government themselves they did not feel inclined to make that appointment.

The Commission was divided into several branches, perhaps the most important, in a way, being the conservation of our timber resources. While that was not Canada's leading enterprise, because we all admit that agriculture is our principal interest, at the same time the conservation of our forests is perhaps more important to Canada than any other one thing. A great misconception has existed with regard to the forest resources of Canada. The Canadian public generally believe that those resources are practically inexhaustible. Such is not the case, however, and but for the operations of this Commission the exhaustion of our forest resources would be several years nearer than it is. The provinces have co-operated fully with the Commission in this undertaking, and, of the various provinces which have engaged themselves in it, Quebec and British Columbia have made the greatest advances. Under Mr. Leavitt, a very experienced forester, a very great deal has been done in regard to forest conservation. If nothing else had been accomplished than the amendment of the Railway Act which was brought about at the instance of the Commission, the money that has been expended thereon would have been repayed many times over.

My honourable friend the leader of the Government, in dealing with this question

a few days ago, was somewhat in error, and I desire to correct him. He made the statement, I think, that the expenditure was in the neighbourhood of $250,000 a year, whereas the fact is that the expenditure for 1910 was $22,000, for 1910-11 it was $66,000—I will mention, not all, but only a few figures to show; for 1919-20 it was $140,000, and for 1920-21, $141,000. In the 13 years of the existence of the Commission the total expenditure has been $1,295,000. I say again that Canada is better off by twenty, thirty, or forty times that amount, because of the operations of the Commission.

On the subject of the conservation of our forests I may be pardoned for claiming to speak with some authority, because east of the Great Lakes my old firm has explored the forest resources more than all the other lumbermen together. That may seem to be a broad statement, but it is true. From the Albany River to the Straits of Belle Isle we have explored practically the whole country. We spent three winters in Labrador at very large expenditure. Therefore I think it ought to be admitted, honourable gentlemen, that on this question I have some comprehension of what I am talking about; and I say here and now that instead of our forests being inexhaustible the fact is that our production of sawn timber east of the Great Lakes will very soon be a thing of the past. The re-forestation and the preservation of the forests, so strongly advocated by this Commission, should have been put into effect many years ago. I do not say the same with regard to our pulp resources; but I give the warning that unless our pulp resources are better conserved than our timber resources have been, they too will comparatively soon be exhausted. I have devoted a great deal of time and energy to this question, not only in Parliament, but also at various meetings on conservation and forest preservation. I need not dwell longer on that subject.

Another department, which dealt with a matter that is necessarily of very great importance to Canada, was that of agriculture. The chairman of that section was Dr. J. W. Robertson, so well known to the Canadian people that I need not say one word regarding him. The Chief under him was Mr. Nunnick. In that department a great deal has been done for Canada—a very great deal indeed. I spoke at greater length on the timber branch than I will on that of agriculture or on any other; but I may say that the inauguration of the system of illustrative farms throughout a large portion of Canada has done an immense good for agriculture. In that department, next to that of forestry, perhaps the most has been done.

The water-power branch was headed by Mr. Arthur P. White, a consulting engineer, a capable man of great prominence. In that department, again, a great deal indeed has been done for Canada.

The work of town planning was under the administration of Mr. Thomas Adams, who has had a great deal of experience in England. With this question I am not so familiar, and I cannot speak with the same freedom, but I undestand that very good work has been done in this respect.

Mr. James White was the deputy to the Hon. Sir Clifford Sifton. Mr. White is now in England on sick leave. Whether the closing of this Commission has had anything to do with his illness or not I am not prepared to say. I have had a great deal of experience with him, and I consider him to be a most capable and efficient officer.

I will not trouble the House much longer on this matter. The chairman of the department of health was Sir Edmund Osler, of Toronto. The various branches, which I will not enumerate here, were headed by equally eminent men from various parts of Canada.

This statement I am very sorry to make, but it is my duty to do so. My own conviction is that the mind of the present Prime Minister was poisoned by two officers of the Department of the Interior during the time that he occupied the position of Minister of that Department; and I am afraid, my honourable friend the present Minister of that Department (Hon. Sir James Lougheed) has been very seriously misled by the same two men. Considerable jealousy has existed. Whether it was due to the magnificent operations of this Commission or not I do not know, nor do I know whether there was any indiscretion on the part of Mr. White, the Deputy. At any rate, I am strongly convinced that but for the actions of those two gentlemen the present condition would never have been brought about. All that is required is to place at the head of that Commission as capable a man for the position as can be found.

Now, as to the organization of the Commission, I have been for forty years, or perhaps more nearly fifty years, dealing with Governments, and ought to have some

comprehension of departments, having lived in or near Ottawa practically all my life, and I here make the statement without fear of successful contradiction that no department of any Government in Canada ever was as well organized or so effective in the best interests of Canada as the Conservation Commission.

There may be on either side of the House honourable gentlemen who know something about the operations of the Commission, and I should be very glad if they would speak freely on the subject. The only member of the House who asked me for particulars was the honourable member from Kamloops (Hon. Mr. Bostock), and I had him furnished with such particulars as he desired. This is not a party question and should not be made a contentious one. I for one do not wish to make it such.

May I say, in conclusion, that I have great confidence in the honourable gentleman who is the leader of the Government in this House. I have great respect for his opinions and his judgment. There is in the Commission a staff that is, I think, unequalled by any staff in any department of the governmental system of Canada, and I would urge upon him most earnestly that no injustice be done that staff, and that where positions can be obtained they should not suffer as a consequence of losing their positions in the Commission.

It is well known to the House that I am not in a condition to make long speeches, even if I were disposed to do so. My short statement has been absolutely frank and unbiased. I shall be very glad to hear the opinions of honourable gentlemen on either side of the House who may feel disposed to express their views. Of course, I consider that this matter is ended and that there is no help for it. As to the possible replacement of the Commission of Conservation by the Research Council, I do not like to say what I think. I used rather strong language yesterday, but it expressed my honest opinion. I am engaged personally in the three leading natural resource industries of Canada. Let us take first the lumber industry: if there is anything that the Research Council can do to assist lumbering operations, I have failed to see where it can be done. The same applies to the pulp and paper industry, in which I am also engaged. It applies likewise to the hydro-electric undertakings. I look upon it as a most regrettable thing that Canada is losing one of the best institutions it has ever had, and is introducing possibly another organization which will never do the slightest good for Canada. I said yesterday and I say now again that the only one who ever profited by the operations of the late Industrial Research Commission was the Chairman, who drew a salary. I will not detain you longer, honourable gentlemen. There may arise in the course of the proceedings on this Bill some point on which I may have something to say, but it is not at all likely. In concluding this short statement, may I again express the hope that my honourable friend the leader of the Government in this House will not reproach me for having stated my views.

Hon. W. PROUDFOOT: May I be permitted to ask the honourable gentleman a question? It has been reported that the Commission gave valuable information to the Imperial authorities in reference to certain timber used for the construction of flying machines, and that a large amount of money was saved thereby. I would like to know if that report is correct and to learn the particulars.

Hon. Mr. EDWARDS: That is quite correct. I have all those items, but did not want to trouble the House with them. When in the course of the war the aeroplane situation became serious, an inquiry was made in the United States and in Canada for lumber suitable for the making of aeroplanes. It was a curious fact that in all Eastern Canada, where spruce predominates, as it does in the Eastern Townships and other parts of Quebec and in parts of Ontario, there was practically none of that material that could be supplied; but this Commission was enabled, because of its knowledge of conditions, to point at once to a district in British Columbia, the Queen Charlotte Islands, where that material could be obtained. In that respect alone a service was done to Canada and the Empire that was worth the cost of the Commission many times over. That is only one instance of the many things the Commission has done for Canada.

Hon. FREDERIC NICHOLLS: Honourable gentlemen, you are all familiar with the old saying, "It is useless to save at the spigot if one wastes at the bunghole." It seems to me a most curious coincidence that we have on the Order Paper at the same time a Bill for the purpose of economizing by withdrawing the charter of a Commission and another Bill for the purpose of organizing a new commission at a great, a very much larger, expenditure of money. In

these days of super-taxation we examine all proposals to see if economy is effected, and we approve of them if they are in the interest of true economy; but I cannot understand, though I may on obtaining further information from other members, in what way the Research Council on which we are asked to spend several hundred thousand dollars at once for the building and equipment of laboratories, can do more effective work than the Commission of Conservation has done in the past. It is charged that there has been a great deal of duplication in the work of the Conservation Commission and that of certain departments, but, so far as I have knowledge, the publications of the Conservation Commission are standard—they are in libraries throughout the world, and are consulted by Government officials and others in every country. Business men like myself refer to them, because we find in those publications, ready to hand, the essence of the information that we want. I would not know where else to get such information. I do not know the publications of the various departments, and it would be a work of considerable research for me to obtain otherwise the information which is readily available in the publications of the Conservation Commission. Yesterday I asked the librarian to let me have, if possible, a list of those publications, and I now have it in my hand. I will not read it, because any honourable member can get the list from the librarian and can form his own judgment of the inestimable value of the work they have been doing.

Early in the year I was asked to write an article for the Annual Financial Review of the Montreal Gazette, and I was forced at that time to pay this deserved tribute to the Commission of Conservaion. This part of the article is very short, and I read it only to show you the practical result that has been accomplished by their efforts in various departments. I said:

> The Commission of Conservation has accomplished a great work in investigating and surveying our available water powers and compiling and publishing statistics concerning their development and distribution. This work of the commission has attracted much attention in other countries, which are now commencing to appreciate Canada's wealth of natural resources. As evidence, I may submit that one of the United States great financial corporations, the Bankers Trust Company, has recently published and widely circulated a book entitled, "The Dominion of Canada," which it calls "The Land of Achievement," and gives us full measure of credit for what this country has accomplished. The chapter devoted to our water powers is a model of compilation and concludes with the following paragraph:
>
> "The bearing of these great resources upon the future manufacturing power of the country is significant, especially when the fact is held in mind that the electric power companies are adopting a policy of maintaining industrial departments whose duty it is to locate industries in the territory served by such companies. The combination of cheap power, favorable living conditions for labor and good labor markets, is rapidly transforming Canada from a country which was a few years ago almost wholly agricultural to one in which the manufacturing interests are of great and growing importance."

That article published by the Bankers Trust Company is just a prelude. Now let me tell you that Mr. G. H. Ashley, State Geologist of Pennsylvania, says. He claims:

> that the industrial East has maintained its supremacy because of cheap fuel and nearness to markets. As cheap coal or wood fuel can no longer be obtained, industrial supremacy must be diverted to where cheap electric power is available, and as Canada, particularly Eastern Canada, has this great advantage, one need not be considered unduly optimistic when he cherishes the belief tht in the near future the present movement of great United States industries to locate branch establishments in Canada will be greatly accelerated.

Another eminent scientist, Sir Charles A. Parsons, inventor of the steam turbine, also bears witness to the same effect. At the last meeting of the British Association for the Advancement of Science, he stated:

> At some time more or less remote—long before the exhaustion of our coal—the population will gradually migrate to those countries where the natural sources of energy are most abundant.

There is a great deal more to the same effect, but I will not weary the House with that. The point I want to make is that the publications of the Conservation Commission are looked upon as standards when they are dealing with the natural resources of the country. They have created favourable comment, and to my own knowledge have brought many millions of invested capital to this country because the people having money to invest, after consulting those documents, have felt that there were certain resources here which they could use to their advantage.

Why should this Act be brought forward to abolish the Commission? The Commission is the creature of the Government. They can let it spend $50,000 a year or $500,000 a year; they have absolute control over it. Section 2 of the Act says:

> In addition to ex officio members, the Commission shall consist of twenty members appointed by the Governor in Council, and who shall hold office during pleasure.

It is altogether in the hands of the Government. If there is any one there who is not satisfactory to them, or who is spending

too much money, or who the Government feels is too aggressive in exploiting interests that should be looked after by one of the departments, the situation can be remedied immediately.

The third section of the Act says:

> The Minister of Agriculture, the Minister of the Interior, the Minister of Mines, and the member of each provincial Government in Canada who is charged with the administration of the natural resources of such province shall be ex-officio members of the Commission.

Now we come to the de facto members of the Commission. Section 9 says:

> No fees or emoluments of any kind whatever shall be received by the Chairman or other member of the Commission, but they shall be repaid their actual reasonable disbursements incurred in travelling to, returning from, and remaining at meetings of the Commission.

Therefore I claim, honourable gentlemen, that the Government has the most perfect and absolute control, not only of the personnel of this Commission, but of the expenditure of the Commission, and if the members of the Commission are exceeding their prerogatives they can be brought up with as short a turn as the Government likes to administer.

Here we are abolishing a Commission whose utility has been proved, on account of what is claimed to be their unreasonable expenditures. We are rushing from Scylla to Charybdis. On the same Order Paper we have a Bill to establish a National Research Institute, which, I understand from the speeches in this Chamber, is going to cost at least $400,000 or $500,000 for a building and equipment before it will be ready to act, and we do not know whether it is going to overstep its prerogatives. Surely we had better put up with the ill that we have than fly to that which we wot not of. In war time we might expend a few hundred thousand dollars in experiment. A research council might be a splendid thing to develop the resources of Canada at a time when we can better afford it; but I consider the expenditure is unnecessary at the present time, and—I think I am in order in referring to another item on the Order Paper—it seems to me the most inconsistent legislation to bring in one Bill to abolish a Research Commission, and at the same time to bring in another Bill to establish a Research Institute at a large expense.

Personally, I am not going to oppose any measures of the Government that tend towards economy; on the other hand, I do feel inclined to oppose a new measure that tends to extravagant expenditure at a time when we can very well defer action until a later date.

Hon. HEWITT BOSTOCK: Honourable gentlemen, there were some remarks made by my honourable friend the leader of the Government the other day, when he spoke on the second reading of the Bill, to which I think attention should be called. On reading over the speech of my honourable friend, I noticed that he read from the report of the Commission of 1920 a passage which was as follows:

> "We have secured a building which we will move over for a kind of club house. . . . . Last week a little farce, 'Love in all corners,' was put on which brought down the house. Next week there will be a charter members' open fireside 'at home,' and then a splendid play with which it is hoped to do a little touring." (Extract from notes by a member of the Community Association).

My honourable friend led me to believe, and I think he led others to believe, that that was something that was done by the members of the Commission themselves—that they were arranging to put on this play. But I am informed that that is an extract from a letter written to the Commission.

Hon. Sir JAMES LOUGHEED: It is taken from a report of the Commission.

Hon. Mr. BOSTOCK: The letter appears in the report of the Commission, but it was written by a farmer or a member of a farming community in which the Commission had been trying to carry out a certain line of work, in encouraging the farming community to establish and carry on some kind of amusement for the people. I think that honourable gentlemen will agree with me that that is a good work, and that it will help to make life on the farm happier than a great many people think it is at the present time.

Further, in regard to the question of overlapping, my honourable friend referred to the report of Dr. Shutt, of the Department of Agriculture, as having also been printed in the report of the Commission. I do not think there was any very great harm in that, because we all know that Dr. Shutt's work is valuable, and that it should be read by people from one end of the country to the other. The effect of the publication of that particular statement in the report of the Commission was that it would be more widely read, and that some people who perhaps do not read the reports of the Agricultural Department would get information which

they would not otherwise have. In regard to agriculture, the Commission have tried as far as possible to deal with points that they considered were in the interests of the country, and have endeavoured to lead the way in certain instances and to show the people and possibly the Department the value of work done along certain lines. Once they have got work of this kind under way, they have dropped it and left it to the Department of Agriculture or to some other department to take hold of and carry on. In that way I think the Commission have done a very valuable work for the country, and, although it may appear that for the time being there was overlapping, the fact that they have discontinued their activities in certain directions shows that they have tried not to interfere with the work of the departments.

There is another point referred to by my honourable friend which affects the province of British Columbia particularly. I refer to the Water Powers Branch. My honourable friend stated, I think, that 133 pages of the report of the Commission were a duplication of the work of the Water Powers Branch of the Department of the Interior. I am informed that that particular work was the subject of arrangement between the Department of the Interior and the Department of Lands of British Columbia. Perhaps I had better explain for the benefit of the members of the House that in 1908 it was decided that the water in the railway belt of British Columbia belonged to the Federal Government, not to the provincial Government. I think it was in 1911 that it was decided that the Federal Government should hand over the administration of the waters in the railway belt to the British Columbia Government. Previous to that time the Interior Department had taken in hand the question of the measurement of the streams, which was a most important one, and also the question of looking into the water powers of the province of British Columbia. The understanding between the Water Powers Branch and the province of British Columbia was that information in regard to the gauging of the streams should be supplied to the British Columbia Department of Lands when it was collected by the Interior Department. This arrangement was accordingly carried out. The Commission also received this information before it was published by the Water Powers Branch of the Department of the Interior. There was a clear and distinct understanding that there was no objection to the Commission making use of this information; and, further, when the Commission were bringing out their report they consulted with the director of the Dominion Water Powers Branch, and received from him a letter in which he said that he had been informed that his name was to be included as joint author of the report of the Conservation Commission on water powers. He added:

> This was an absolute surprise to me, and I assure you that I very much appreciate the courtesy to me personally and the consideration to the Branch over which I have the honour to preside which prompted your decision to have this appear under our joint authorship.

From what my honourable friend said the other day, it appeared to me that the Water Powers Branch of the Interior Department did not approve of the use of the name of the director in the report of the Conservation Commission. The letter from which I have just quoted is on file in the records of the Conservation Commission, and I thought it only right to draw it to the attention of the House, because there seems to be a conflict between what is set forth in the letter and what I understood the other day.

When this report of the Water Powers Branch of the Conservation Commission was brought out it received the endorsation of many of the newspapers of British Columbia. The Daily Colonist, of Victoria, said:

> It 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.

The Victoria Daily Times said:

> A magnificent report . . . . an exceedingly valuable document and in its preparation the Commission of Conservation has performed a valuable service to British Columbia.

This report of the Commission of Conservation is, I think, a most valuable one in the interest of the development of the water powers of this country. The 133 pages referred to by my honourable friend will stand as a record of the measurements of the streams, and will show that the Commission have not duplicated the work. I am informed that they would take measurements on a stream on which no measurement had been taken, and that those measurements would give them useful information in the work they were doing, but that there has been no attempt on the part of the Conservation Commission to

duplicate the work carried on by the Water Powers Branch of the Department of the Interior. The measurement of streams is a work that has to go on from year to year over a number of years, because it is only after the streams have been measured for a considerable time that really reliable data can be obtained as to the amount of water available. Therefore the information published, while it may soon become out of date on account of changing conditions, is always valuable as a record; and even if it has been duplicated by the Conservation Commission, it is very proper that it should have been contained in the report.

There are other matters in connection with this question that make it a great pity that my honourable friend has decided to do away with the Commission. A great deal of valuable work has been done by the Commission, and it is going to be difficult to supply its place. The association of the departments of the provinces with those of the Dominion in certain work was certainly brought about by the Commission, and that valuable work, under proper direction, would have tended to prevent overlapping, and the union of effort would have resulted in a large amount of very valuable information being supplied to the country.

Hon. Mr. DAVID: I have followed the monthly reports of the Conservation Commission, and I think they contain more useful information than can be found in any other publication in the country. I regret, and I am sure all those who have read the reports of the Commission must regret that their publication will be discontinued.

Section 1 was agreed to.

On section 2—provision for carrying on Commission's work; officers, clerks, etc.:

Hon. Mr. BOSTOCK: My honourable friend has not given us any reply to my question as to what arrangement has been made for the carrying on of the work of the Commission.

Hon. Sir JAMES LOUGHEED: I will say to my honourable friend, as I said the other day, that the work which the Conservation Commission has been attempting to do is being actively carried on by at least half-a-dozen departments which are doing very much more thorough, very much more conclusive, and very much more intelligent work than the Commission did. The Commission is not an administrative body. At the most it could only have a couple of experts who would advise as to what should be done; but they are not doing this work, and at the same time the Government of Canada is paying out no less than $150,000 a year for the maintenance of an organization that is simply an advisory department to half-a-dozen departments that are charged with the actual and practical work of covering the field, as I pointed out the other day.

I regret that some honourable gentlemen who have spoken on this subject were not present on May 13, when I went most conclusively into this subject, and I think fully informed the House not only as to the overlapping of the Conservation Commission with those various departments—the Department of the Interior, the Department of Marine and Fisheries, the Department of Mines, the Department of Health, the Department of Agriculture—and duplicating the work of those departments, but as to practically publishing their reports as its own. We have spent $280,000 in publishing the reports of the Conservation Commission—reports which had already been published. It seems to me, honourable gentlemen, that when the Government of the day attempts to introduce a measure that will result in economical methods in the public service of Canada, it is met very frequently with an amount of censure which should not be visited upon the Government

Hon. Mr. DAVID: Will those reports and that monthly publication to which I referred be replaced by something of the same nature?

Hon. Sir JAMES LOUGHEED: I will say this to my honourable friend: it may entail a little more research on his part and a little more time, but all the reports that have been published by the Conservation Commission will be found in the departmental reports issued from time to time. Those reports will continue to be published, and while they may not present the same artistic appearance, and involve the same cost as the Conservation reports, I will venture to say to my honourable friend, who is an excellent judge both of literature and the contents of reports, that he will find them very much more reliable and more authoritative than those of the Conservation Commissioner, while equally interesting.

Hon. Mr. FOWLER: Might I ask the Minister what department has supervision over the Conservation Commission?

Hon. Sir JAMES LOUGHEED: No department. As I pointed out to the House the other day, the difficulty lay in this: that in 1909, when the Commission was created by statute, it was intended to cover a very modest field. The Minister of Agriculture of that day stated that the staff of the Commission would cost about $10,000 a year. It was not controlled by any Minister of the Crown: it reported to Parliament. The consequence was that there was no restraint upon it, and the Commission grew, and grew, and grew, being composed of a personnel of ability, to whom I paid a tribute the other day when I spoke on this subject, pointing out that the staff was composed of extremely able men. But having once called into existence an organization of that kind, not having made it responsible to any Minister of the Crown, and having provided by statute that it should report only to Parliament, it was of course unrestrained, and it had to have a field, and a more extended field every year.

Hon. Mr. FOWLER: Who would have the money control over it?

Hon. Sir JAMES LOUGHEED: Parliament voted the money. No department had the right to pass upon its expenditures; parliament passed upon them. The consequence was that to warrant its existence it naturally went into almost every field of departmental activity.

Hon. Mr. FOWLER: How could parliament vote the money unless it was put in the Estimates?

Hon. Sir JAMES LOUGHEED: It was done in this way. The Conservation Commission made its reports through the Minister of Agriculture. At the same time, the Minister of Agriculture had no control whatsoever over the Commission. That was the advice given by the Department of Justice to the Minister of Agriculture; consequently he simply presented its reports and requirements to Parliament from time to time. Consequently, the Commission grew until, in the interests of the other Departments, the intensity of rivalry which obtained between the Commission and the Departments and the overlapping of the work of the Departments had to be terminated, and the Government has taken this method of doing it.

With regard to the question of my honourable friend as to the staff, every attention will be given towards seeing that no injustice shall be done, wherever the Government can possibly avoid it. That matter is already receiving the attention of the Government, and I might say to my honourable friend who brought this matter up that I am very sympathetic with the Conservation Commission staff, because it is not their fault, and in my judgment the Government should make every provision to meet the situation that will be created by the repeal of the Act.

Hon. G. W. FOWLER: Honourable gentlemen, I feel that the members of this House would perhaps have greater confidence in this new departure if the Department to whom it is being entrusted were a little more aggressive in their work. I think there is no Ministry more important to this country than that of Trade and Commerce; but I think I share the opinion with many others, that that Ministry, either in the late Government or in the present, has not shown itself as aggressive as so important a Ministry should be. The Conservation Commission did very excellent work; there is no doubt about that. It was not necessary for us to hear from the Chairman of that Commission the recital of what they had done, in order to realize that they had accomplished very valuable work for Canada. If there has been overlapping, as the Minister says—and I suppose there has been, or he would not say it—in the interest of economy perhaps it is better, they having done their work, that another line should be taken up. But I do hope that the Ministry of Trade and Commerce, under whose protecting wing this Research Council and Institute are to operate, will wake up a bit, and see that this new institution has an opportunity of doing real, active work for Canada. As we all know, we have a country of vast resources, and these should be developed, and it should be the part of the Ministry of Trade and Commerce to see that those industries are extended.

Hon. J. G. TURRIFF: Honourable gentlemen, I hardly think that on the question of expense my honourable friend the leader of the Government is justified in taking the position that the expense of this Commission is growing practically out of bounds, and is liable to swallow up the Government—the lean kine swallowing up the fat kine. Let us see what the facts are. In 1914-1915 the expenditure was $136,000 in round numbers; the next year, $132,000; in 1917, $116,000; in 1918, $121,000; in 1919, $124,000; in 1920, $140,000; in 1920-1921, $141,000. During the last seven years

there had been an increase of $15,000 per annum. I will venture the assertion, without having looked it up, that there is not another department under the Government in which the increase has been so little in the last seven years as in the Conservation Commission. That is something to think about—an increase of $15,000 in seven years. That is not very much when you come to consider Government departments, as every one of us knows.

Another point is that there has been duplication. I think it is impossible that there should not be duplication. That work involves duplication. See what the Act says as to what the duties were, or are. Section 10 of the Act says:

> It shall be the duty of the Commission to take into consideration all questions which may be brought to its notice relating to the conservation and better utilization of the natural resources of Canada; to make such inventories, collect and disseminate such information, conduct such investigation inside and outside of Canada, and frame such recommendations as seem condusive to the accomplishment of that end.

Now, I maintain that if the Commission carried out the very work that the Government stipulated they were to do, under the Act, they could not help but deal with the same matters that had been dealt with by many of the departments of Government. That was the object of incorporating this Commission.

Hon. Mr. GORDON: I would like to ask the honourable gentleman if he means that the Commission of Conservation should ascertain the quantity of water powers in Canada, when at the same time another department was doing the same thing?

Hon. Mr. TURRIFF: No.

The Hon. the CHAIRMAN: I would like to remind honourable gentlemen that the principle of the Bill has been already adopted, and that we have to debate now section 2, which refers to provisions for carrying on the Commission's work, and what should be done with the officers and clerks. That is all that is left to us now to debate.

Hon. Mr. TURRIFF: I happened to be called out for a little while when my honourable friend the Senator for Kamloops (Hon. Mr. Bostock) was speaking, so I may have missed a little of it; but I think it is quite within the scope of the section that you are dealing with, Mr. Chairman, to have this discussion. What I am particularly anxious to do is this. In the speech made by my honourable friend the leader the other day, it seemed to me that he cast unnecessary reflections on the Conservation Commission, accusing them of doing all sorts of things which they were appointed to do by the Act; and therefore I want to clear the matter up a little, and show that they were not so much to blame. Further, I claim that they did good work, and I only hope, if the Commission is done away with, that we shall have some other power outside of the Government that will see to it that our great heritage of water-power on the St. Lawrence River is not allowed to get into the hands of American private interests. The Conservation Commission set its face against that, and was instrumental in keeping that power as the heritage of Canada, for us and all who may come after us. Desperate efforts will be made by private American interests to get control of that power. There is not a man in this assembly who does not know that when that power is fully developed we shall not have the capacity in Canada for utilizing our full share of it, and if it is running idle it will go to the United States; and if ever it goes there, no power on this earth will be able to bring it back and make it available for the citizens of Canada. That was one of the things for which I admired the Commission—the stand they took on that particular question—and even if the Commission is done away with, I think the Government would be wise to leave this matter alone until another year. There is no chairman of that Commission at the present time. You have a chairman of this Research Council. If the chairman of the Research Council is a good man, worth $10,000 a year, as I suppose he is, why could he not be put into the vacant position of chairman of the Commission of Conservation and why not let the work go on?

There are two or three items that have been brought to my attention and on which I would like to say a few words. I will not be long. These are replies by some officer of the Commission of Conservation to the statements which had been made concerning the Commission. On page 4 of the memorandum, for instance, under the heading of "Alleged Duplication and Interference re External Affairs," here is what the Commission officer says:

> It may, however, be stated that as matters of international moment have arisen, the Commission, from time to time, has received formal notice of such through the Department of External Affairs, the International Joint Commission, etc. Consequent upon such notice, the Commission has taken appropriate action in accordance with what it believed to be its right.

By way of illustration, the Commission has publicly opposed the illegal diversion by the City of Chicago of water from the Great Lakes System to the Mississipi river. It has opposed the granting of water power rights in the St. Lawrence river to private interests as in the case of the Application for the Long Sault Water power. It has publicly contended for the preservation of Canadian rights in the St. Croix, St. Lawrence, Lake of the Woods and other international waters. The records of the International Joint Commission, and of other organizations, clearly demonstrate that the stand taken by the Commission of Conservation upon all such issues has been in the best interests of Canada and, also, in accord with the contentions of other organizations which have striven to preserve the integrity of Canada's interest in international waters.

We all know perfectly well that a company in Chicago tapped a lake without leave or license. After a while an arrangement was made by which they got 10,000 cubic feet per second and we received a compensation in Niagara river of 10,000 feet per second. But at the present time this same drainage company in Chicago are establishing a water power and are trying to take an additional 10,000 cubic feet per second, making 20,000 cubic feet per second. The Conservation Commission have set their face against that and have been working all the time against it, and have done very good work.

Another item that is referred to is the alleged duplication in regard to forestry:

The forestry work of the Commission is also cited as an instance of duplication. This again is incorrect. The work carried out by the Commission has been very largely in fields where there has been no contact whatsoever with the jurisdiction of the Forestry Branch of the Department of the Interior. Wherever there has been such contact the Commission has given, and until recently has received hearty co-operation. The wrong impression of duplication in this case is due to lack of knowledge of the work done by the Commission.

Senator Lougheed referred to the investigation, by the Commission, of cut-over lands, and leaves the impression that these studies were either of an overlapping or of a wasteful character. In reality they have been of the utmost importance. Cut-over areas, under proper protection and management, can and should be made perpetually productive. The Commission has endeavoured to secure the facts and figures necessary to demonstrate their value and to ensure their management as important sources of future timber supplies.

Pulp and paper interests, representing one of Canada's foremost industrial assets, have paid a unique testimony to the value of the Commission's investigations by voluntarily defraying a very substantial portion of their cost. It is doubtful whether any other governmental activity has received such signal proof of appreciation by commercial interests. Instead of duplication, the Commission is guilty only of a keen perception of the need for scientific studies of practical utility in advancing the industrial development of the Dominion.

And in their act of incorporation that was one of the very subjects with which they were instructed to deal.

Under the heading of "Alleged Duplication of Wild Life Conservation" the memorandum sets forth that the Commission have been doing just the work that they were called upon to do. Then, on the "Alleged Duplication re Natural Resources Inventory and Information" the memorandum states:

The duplication under this heading is equally fictitious. When the Commission was created there was a lamentable lack of reliable data concerning the extent, character, etc., of certain natural resources. The Commission undertook to remedy this want only in regard to such resources as were not already the subject of systematic study. The need was especially urgent with respect to forest resources. The most extravagant idea prevailed concerning the extent of Canada's supplies of standing timber, and no systematic effort was being made to obtain definite information. Consequently, the Commission initiated a national stock-taking of forest resources. In every instance it worked in closest co-operation with the federal and provincial forestry branches.

This huge task is now well-advanced, and it is worthy of note that, thanks to the Commission's efforts, Canada is years ahead of the United States in this respect. The latter country has only recently become seized of the importance of taking an early and thorough inventory of its remaining supplies of standing timber.

It should be emphasized that the Commission has engaged in such work only where adequate investigatory machinery had not already been put into operation. No service performed by it has been of greater value to Canada than this work of making known, with the least possible delay, the real extent and nature of her resources. If any proof of its utility or disproof of duplication is required, it is furnished by the constant call made upon the Commission for the results of its studies.

It should further be clearly understood that the status of the Commission, as a non-departmental body.

Hon. W. B. ROSS: Mr. Chairman, I would like to ask a question. Is this the second reading of the Bill, or what is it?

The Hon. the CHAIRMAN: It is quite true the honourable gentleman (Hon. Mr. Turriff) is out of order. I have already informed him of that fact.

Hon. Sir JAMES LOUGHEED: I think we had better press the point.

The Hon. the CHAIRMAN: In discussing the principle of this Bill he stated that he would be only a minute or two longer; but, instead of discussing it for a minute or two, he has continued in the same way; so I must call him to order. The honourable gentleman must either discontinue his remarks or confine them to clause 2 of the Bill.

Hon. Mr. TURRIFF: Mr. Chairman, I bow to your ruling and will refrain from placing on Hansard what I think should go there. I was not under the impression that the Senate was so pressed with work or that the rules of the House have been applied as closely as they are being applied now on the suggestion of my honourable friend from Middleton (Hon. W. B. Ross), who has transgressed the rules more often in the past than I have. However, I respect your ruling, Mr. Chairman.

I just want to say to my honourable friend the leader (Hon. Sir James Lougheed) that it seems to me it would be advisable at this late day to allow this Bill to stand; not to insist on its passage at the present time, but to think over the question whether the two organizations, the Conservation Commission and the Research Council, could not be amalgamated with great advantage to Canada.

Section 2 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

Hon. Mr. TURRIFF: Honourable gentlemen, perhaps I am in order in finishing the remarks that I intended making a few minutes ago. I had practically concluded the extract that I was reading. I will finish it now, and I am much pleased to be within the four corners of the rules of the House in doing so. This refers to the alleged duplication in connection with "Natural Resources Inventory and Information." The last clause that I wish to read is this:

> It should further be clearly understood that the status of the Commission, as a non-departmental body, has enabled it to obtain essential information that would not have been disclosed with equal freedom, if at all, to a departmental body.

That is what I was intending to read when I was called to order. I will not take up any further time of the Senate.

The motion was agreed to, and the Bill was read the third time and passed.

The Hon. the CHAIRMAN.

BANKRUPTCY BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 118, an Act to amend the Bankruptcy Act. Hon. Mr. Blain in the Chair.

Sections 1 and 2 were agreed to.

On section 3—"Available Act of Bankruptcy":

Hon. Mr. PROUDFOOT: What is the change in section 3? What is the difference between the clause in the present Act and section 3 of this Bill?

Hon. Sir JAMES LOUGHEED: It is in the definition. The definition of "Available Act of Bankruptcy" is very much clearer and more complete in this than in the Act.

Hon. Mr. PROUDFOOT: The objection I see to it is that "available act of bankruptcy" means "an act of bankruptcy committed within six months before the date," etc. The period of six months strikes me as being too long. I think the period should be limited to thirty or at the most sixty days; otherwise in the case of a man who has committed an act of bankruptcy nearly six months before, although he has recovered from it, a petition might be presented against him and he might be declared a bankrupt under this very section. It seems to me that sixty days at any rate would be quite sufficient and would serve all necessary purposes. I move that "sixty days" be inserted instead of "six months" in line 2 of paragraph h, section 3.

Hon. Sir JAMES LOUGHEED: Will the Committee permit me to bring Mr. O'Connor within the Bar? I would say to my honourable friend from Goderich (Hon. Mr. Proudfoot) that not only is this the period that has been in the Act since it was passed, but it is the same as in the English Act, after which our statute has been largely modelled.

Hon. Mr. PROUDFOOT: Even so, I think the period is too long and that it should be shortened. We are not bound to accept the period fixed in England, and the mere fact that it has been in force in our statute for a couple of years should not be a governing factor.

Hon. Sir JAMES LOUGHEED: But this refers to an act of bankruptcy committed "within six months."

Hon. Mr. PROUDFOOT: Quite true.

Hon. Sir JAMES LOUGHEED: Consequently, if the act has been committed within sixty days, as mentioned by my honourable friend, this clause covers it.

Hon. Mr. PROUDFOOT: Quite true, but why go back six months? That is the point I am trying to make—that six months is too far to go back, and that the act of bankruptcy should be an act which has been committed within sixty days and not within six months.

Hon. Sir JAMES LOUGHEED: No; because the effect of an act may not have been felt until nearly six months have gone by, or the act may not have been discovered. Take, for instance, the transfer of property or the contraction of an obligation which manifestly would render the man bankrupt: it might not be disclosed within sixty days; it might take six months for some one to ascertain that it had been done or committed.

Hon. Mr. PROUDFOOT: That is just the point: there should be some finality about it, and persons who are dealing with property should not be subject to the liability of a petition being presented that refers back beyond sixty days, which is the period fixed in the Assignments and Preferences Act of the Province of Ontario, and this is considered in that province to be quite sufficient. The section which deals with the transfer of property, if I remember correctly, is section 30; and section 31 deals with the assignment or conveyance of book debts. Why should a person who has taken a conveyance which might be attacked under section 30 be subject to that liability beyond say thirty or sixty days back? I submit that that should be changed.

Hon. Sir JAMES LOUGHEED: If my honourable friend will look up the statute under section 3, he will find the Act that constitutes bankruptcy.

Hon. Mr. PROUDFOOT: I know the section.

Hon. Sir JAMES LOUGHEED: They are practically fraudulent cases. It must be manifest to every honourable gentleman that the disclosure might not take place within two months. The very person in whose favour it would be made would conceal the fact of its having been made until the two months went by.

Hon. Mr. BEIQUE: I think six months is too short. I think it should be a year or two years.

Hon. Mr. PROUDFOOT: In my view it is too long. A man takes a conveyance of property, and if it is going to be attacked the attack should be made within a reasonable time. If it is attacked within sixty days the party attacking it could prove what is required to be proved; it would be prima facie evidence that the conveyance was fraudulent.

Hon. Mr. BEIQUE: What would the honourable gentleman say to this? A creditor may be in England, and may not know of the act for three or four months or more, and then the time would have expired.

Hon. Mr. PROUDFOOT: The principal objection I have is that this extends the time beyond sixty days, which is the period that we have had for years under the Assignments and Preferences Act in the Province of Ontario, and is found to work very satisfactorily.

Hon. Mr. BEIQUE: Does it not bear on the date of conveyances which are supposed to be registered and made public? Here we are dealing with any act of bankruptcy, which may not be made known.

Hon. Mr. PROUDFOOT: A purely fraudulent transfer might be attacked at any time; but the object of fixing six months or sixty days is to deal with a case in which no fraudulent transfer takes place. This makes it prima facie fraudulent, and a man has really no defence; while, if you could establish the fact that it was clearly a fraudulent transaction, you could set it aside, no matter what the limits of time might be. In my opinion, when an Act operates in this way, the time limit should not be longer than I have stated.

The proposed amendment of Hon. Mr Proudfoot was negatived, and section 3 wa agreed to.

Section 4 was agreed to.

On section 5—person:

Hon. Sir JAMES LOUGHEED: The change in the definition is made so as to include within the Act the definition appearing in the Interpretation Act. It has been contended that the definition in the Interpretation Act did not apply to the Bankruptcy Act.

Section 5 was agreed to.

Hon. Mr. BOSTOCK: I have an amendment to propose, as section 5-A of the Bill. It is to add to section 3 of the Act, as

paragraph i, a further statement of an Act of bankruptcy. It reads as follows: "who being a trader, ceases to meet his liabilities generally as they become due." I understand that this point was raised before, but that it was not confined to traders. I understand this provision was included in the Act of 1874.

Hon. Sir. JAMES LOUGHEED: If my honourable friend will hand that in after we go through the other sections, we will return to it.

On section 6—dismissal of petition:

Hon. Mr. PROUDFOOT: Why is that change considered desirable?

Hon. Sir JAMES LOUGHEED: It is to make it compulsory on the court to dismiss a bankrupt's petition when the court is not satisfied that the estate can be best administered under the assignment. Why should it not be made compulsory?

Hon. Mr. PROUDFOOT: It should still be left in the discretion of the court.

Section 6 was agreed to.

Sections 7 and 8 were agreed to.

On section 9—fyling of assignments in court by authorized trustee:

Hon. Sir JAMES LOUGHEED: There is a further amendment that we wish to make to section 9. It is proposed to add at the end of the provisions thereof the following:

This section, substituting "forthwith" for "within four days of such assignment," and for "within four days of his appointment," shall apply to all authorised assignments made and to all authorized trustees substituted since the coming into force of this Act.

It is simply to bring all the cases up to date.

The proposed amendment was agreed to, and section 9 as amended was agreed to.

Sections 10, 11, and 12 were agreed to.

On section 13—proposal of composition or arrangement before receiving order or assignment has been made:

Hon. Mr. PROUDFOOT: I should like to call attention to paragraph 3d, at the top of page 5, which strikes me as not being very satisfactory. I think that would probably give rise to a great deal of difficulty. It might give votes to people who were not entitled to them. When notices are sent out, there is no reason why a claim should not be proved in the ordinary way. According to this section:

If at any meeting of creditors to consider the proposal the chairman shall decide that any creditor has not had sufficient time to prove his claim in manner by this Act required, the chairman may accept cable or telegraphic communication as sufficient proof of the debt due to such creditor.

It would be better to adjourn the meeting than to allow claims to be proved in that way.

Hon. Sir JAMES LOUGHEED: In the meantime the estate might be dissipated. This is simply to meet the case of creditors living at a distance, particularly overseas creditors, who would have to cable under those conditions. They would be communicated with by the chairman of the meeting, who must exercise proper discretion.

Hon. Mr. PROUDFOOT: As the estate would be in the hands of the authorized trustee, I do not see how it could be dissipated.

Section 13 was agreed to.

Sections 14 and 15 were agreed to.

On section 16—new trustee may be substituted:

Hon. Mr. WILLOUGHBY: I do not see that there is any difference between the old section and the new one except in phraseology, and I take exception to either. The section provides that:

A majority in number of those who have proved debts of $25 or upwards and holding half or more of the amount of the proved debts of $25 or upwards may, at their discretion, at any meeting of creditors, substitute any other authorized trustee acting for or within the same bankruptcy district or division for the trustee named in the receiving order or to whom an authorized assignment has been made.

In practice, I am told that has been working out in a certain place in this way. Companies acting as authorized trustees have been empowered to act in more than one province. They have acted in several of the western provinces and perhaps in the eastern provinces as well. The debtor makes an assignment to an approved trustee in the first instance. Immediately a certain body—I do not want to name it here—gets busy with the creditors and gets the assignment transferred to it. It is within the right of the creditors to consent to the transfer of the assignment to some one other than the original assignee, but the Act empowers the authorized trustee to be appointed for a district. In the West a district is a province. A company such as I speak of may have offices in more than one province: it may have

offices in Saskatchewan, Manitoba, and Alberta. The debtor makes an assignment, say in the province of Saskatchewan. Immediately this company gets busy and says, "We want to change that assignment," and frequently they interview the creditors, who give the requisite consent, although under the Act there are authorized trustees for that district. The work of the assignment is carried on in a province outside of that in which it was made. Say the assignment is made in Saskatoon. As a result of this, operations are carried on in the city of Winnipeg, which was never contemplated by the Act at all. What I think was contemplated by the Act originally is that all the operations of clerical and office work and the convening of the meetings should be carried on in the province. Some of the companies say they have the power to carry on the work in Calgary, or Winnipeg, or Vancouver, or anywhere else, even though the assignment is made in Saskatoon.

Hon. Sir JAMES LOUGHEED: The clerical work.

Hon. Mr. WILLOUGHBY: All the work —the meeting of the creditors.

Hon. Mr. BOSTOCK: What would my honourable friend propose?

Hon. Mr. WILLOUGHBY: That all the work in connection with the winding-up of the estate should be carried on in the district in which the authorized assignment is made.

Hon. W. B. ROSS: The district or the province?

Hon. Mr. WILLOUGHBY: In the West the province is the district.

Hon. Sir JAMES LOUGHEED: What is the objection to the creditors determining that? It is entirely in the hands of the creditors. If it can be more economically carried on at some point distant from where the bankrupt lives, and where the business is, why shouldn't it?

Hon. Mr. WILLOUGHBY: The creditors in the first instance seek to do business with a trader at a certain point. He, as well as the creditor, is interested in the bankruptcy proceedings. He may be interested in getting a discharge afterwards, and there may be a lot of local creditors. I think it is very important that the man who gives him credit in a certain district should go into that district for the purpose of liquidating the estate.

Hon. Sir JAMES LOUGHEED: May I point out this case? Take a merchant carrying on business in one of the smaller towns of the West. His creditors are chiefly in the large wholesale centres such as Montreal, Toronto, and Winnipeg. There would be very few of the creditors in the small town in which he is carrying on business. My honourable friend surely does not propose that the creditors should be called to that particular distant hamlet.

Hon. Mr. WILLOUGHBY: The proceedings should be conducted in that district.

Hon. Mr. PROUDFOOT: I always understood the Act to mean that you had to make an assignment to an authorized assignee in the province, and that the work would be carried on in that province. I understand, from what my honourable friend from Moosejaw (Hon. Mr. Willoughby) says, that some of the companies which are authorized assignees in Saskatchewan have offices in Winnipeg also, and that they would carry on the business in Winnipeg. I do not think they are authorized to do that. I think they must have a place of business in the province. I do not see how we could remedy that very well; but the objection I see to the subsection is this:

> Creditors constituting a majority in number of those who have proved debts of $25 or upwards.

I think that should be $100. In all Acts, in Ontario at any rate, we have never had creditors appear at those meetings unless they had claims amounting to $100 or upwards. That was the way under the old Insolvent Act in Ontario, what we called the Act of 1875, and we operated under that Act for many years until it was repealed. It is very objectionable to have a large number of creditors with claims of only $25 attending meetings of creditors.

Hon. Sir JAMES LOUGHEED: I would point out that the amendment which is under consideration does not touch the point we are discussing. It is simply to prevent an interpretation being placed on the word "majority," as it is contended that it is a majority of the majority that gives the trustee authority.

Hon. Mr. WILLOUGHBY: My objection to it goes to the original section.

Hon. Sir JAMES LOUGHEED: Yes, you are not discussing the amendment which we have made, because the change which has been made in section 16 is in the first two lines.

Hon. Mr. PROUDFOOT: My remarks as to the $25 are quite in order.

Hon. Sir JAMES LOUGHEED: That runs all through the Act, I am informed.

Hon. Mr. BEIQUE: It seems to me that the point mentioned by the honourable member for Moosejaw (Hon. Mr. Willoughby) is governed by section 9 of the Act. There it is stated where and to whom the assignment may be made. Then if you turn to section 14 you find that the Governor in Council may appoint trustees in bankruptcy for the different districts or divisions. I do not take it that there is any assignee or trustee appointed to cover more than one province. I am familiar with the Orders in Council that have been passed, but I take it for granted that each district has a trustee or assignee, who is limited, and does not extend to more than one province, and has authority in only a very small part of that province.

Hon. Mr. BARNARD: Would the honourable gentleman look at subsection 2 of section 14 of the Act, and he will see that the trustee has power to act anywhere.

Hon. Mr. BEIQUE: He has, as far as concerns the enforcing of the interest with which he has been vested, but his authority to receive an assignment is limited to the district to which he was appointed.

Hon. Mr. WILLOUGHBY: The district to which he is appointed—this may change to another one under the Act.

Hon. Mr. BEIQUE: No; if you refer to section 16 of the Bill it says:

> Any other authorized trustee acting for or within the same bankruptcy district or division for the trustee named in the receiving order or to whom an authorized assignment has been made.

So it is the trustee named, acting for or within the same bankruptcy district. So it strikes me that this does not allow the taking of the affairs of the debtor away outside of the district.

Hon. Mr. PROUDFOOT: I move that $25 be changed to $100 wherever it occurs.

Hon. Sir JAMES LOUGHEED: I suppose my honourable friend proposes moving the same amendment throughout the Act?

Hon. Mr. PROUDFOOT: Yes.

Hon. Sir JAMES LOUGHEED: That will give us considerable trouble, will it not?

Hon. Mr. PROUDFOOT: I find in the working out of the Act that where you send a notice to a creditor who has a claim of $25 or $30, you have more trouble, nine times out of ten, with him than with the people who come forward with claims amounting to thousands of dollars.

Hon. Sir JAMES LOUGHEED: What will you do with it?

Hon. Mr. PROUDFOOT: They may file their claims, but they have no voting power, and they do not come to the meeting, and do not bother you when they have no voting power. We have always limited claims to $100. Under the Ontario Assignments and Preferences Act a creditor had no right at a meeting unless he had proven a claim up to $100. That was found to work very well.

Hon. Mr. FOWLER: It is the same in our province.

Hon. Mr. PROUDFOOT: I notice that when you send out notices you bring in a number of people with small claims, and you have more trouble with them than with the man having a claim of $200. I think we should make that change in the interest of the working out of the Act.

Hon. Mr. FOWLER: I think so too. I agree with the honourable gentleman.

Hon. Sir JAMES LOUGHEED: We will let section 16 stand.

Section 16 stands.

Sections 17, 18 and 19 were agreed to.

On section 20—permission limited to particular thing or class:

Hon. Mr. PROUDFOOT: I do not quite understand the object of that change.

Hon. Sir JAMES LOUGHEED: The object is, that the trustees have found it awkward to receive written instructions from the inspectors of the individual thing that requires to be done. It is now proposed to secure the authorization of the doing of classes of things, instead of every itemized thing being authorized.

Hon. Mr. PROUDFOOT: I have acted as inspector under this Act where it was impossible for the inspector to attend, and we always had it entered in writing and signed, so that it would be filed in the form of a minute of the particular proceeding that we were taking. I think this proposal will give rise to looseness in carrying out the business.

Hon. Sir JAMES LOUGHEED: It is not a general permission. As my honourable friend will see, that is negative:

The permission given for the purposes of this section shall not be a general permission to do all or any of the above mentioned things but shall only be a permission to do the particular thing or things or class of thing or things which the written permission specifies.

Hon. Mr. PROUDFOOT: I see; it is not very important.

Hon. Mr. BEIQUE: The words "class of thing" would be very wide; it would make it general. I do not believe it wise to make it general.

Hon. Mr. PROUDFOOT: I believe it is better as it was.

Section 20 was agreed to.

Progress was reported.

DIVORCE BILLS

SECOND AND THIRD READINGS

Bill Z4, an Act for the relief of Frederick Orford.—Hon. Mr. Proudfoot.

Bill A5, an Act for the relief of John Deluce.—Hon. Mr. Nicholls.

Bill B5, an Act for the relief of John Samuel Bain.—Hon. Mr. De Veber.

PRIVATE BILL

SECOND READING

Bill 38, an Act to incorporate La Compagnie de Téléphone Québec Union Eléctrique (The Quebec Union Electric Telephone Company).—Hon. Mr. Chapais.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

FRIDAY, May 20, 1921.

The Senate met at 4 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE BILLS

FIRST, SECOND AND THIRD READINGS

Bill T5, an Act for the relief of Agnes Robertson.—Hon. Mr. McCall.

Bill U5, an Act for the Relief of Hilda May Freeman.—Hon. Mr. McMeans.

Bill V5, an Act for the Relief of Sarah Ann King.—Hon. Mr. Ratz.

Bill X5, an Act for the Relief of Herbert Morton Davies.—Hon. Mr. Ratz.

Bill Y5, an Act for the Relief of Richard John Whitley.—Hon. Mr. Proudfoot.

Bill Z5, an Act for the Relief of James Charles Allward.—Hon. Mr. Gordon.

PRIVATE BILL

FIRST AND SECOND READING

Bill W5, an Act respecting the Calgary and Fernie Railway Company.—Hon. Mr. Watson.

SITTINGS OF THE SENATE

MOTION

Hon. Sir JAMES LOUGHEED moved:

That, commencing on May 21, instant, unless differently ordered, there shall be two distinct sittings of the Senate every day, the first sitting to commence at eleven o'clock, a.m., until one o'clock, p.m., and the second sitting to commence at three o'clock, p.m., and that all Standing and Select Committees of the Senate be permitted to sit while the Senate is in Session, notwithstanding anything contrary in Rule 86.

Hon. Mr. BOSTOCK: What necessity is there for sitting to-morrow?

Hon. Sir JAMES LOUGHEED: Well, there is not only every possibility but every probability of prorogation being reached next week. The fact that the Commons is sitting on Saturday is another reason why this Chamber should sit. But there is the further reason, which will possibly appeal to many honourable gentlemen, that, owing to the rather rigid interpretation of the Indemnity Act, some of our members unfortunately will not be able to make the grade, if I may use the expression; but, if we should sit to-morrow and also next week, they will succeed in reaching the terminal, and it is very desirable to assist them.

Hon. Mr. DANDURAND: Do I understand that the honourable gentleman intends to hold two sittings on Monday?

Hon. Sir JAMES LOUGHEED: If we sit to-morrow we will then adjourn until Monday night. I see no necessity at present for two sittings a day, but I desire the motion to go through in this way in case of necessity.

Hon. Mr. DANDURAND: It does not mean that we will sit at 11 to-morrow.

Hon. Sir JAMES LOUGHEED: I would leave that to the House.

Hon. Mr. WATSON: Sit at 10 o'clock.

Hon. Sir JAMES LOUGHEED: I would be willing to do that.

Hon. Mr. TESSIER: Sit at 10 o'clock to-morrow morning, and then adjourn until Monday night?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. TESSIER: I was going to object—

Hon. Sir JAMES LOUGHEED: I know my honourable friend is always willing to help a fellow Senator in distress.

Hon. Mr. HARMER: I have not the Act before me, but my recollection of it is that it mentions the number of days three-quarters of which members must be present: it is not the number of sittings. Would this cover that point?

Hon. Sir JAMES LOUGHEED: Yes, I understand this would cover the point, if we meet to-morrow morning at 10 o'clock.

Hon. Mr. MURPHY: To-morrow morning would count as a day. I do not want to be at cross purposes; but I think that honourable members have been very remiss in this regard and they require to be, even by statute, "jacked up," to use the vernacular; especially some of our friends from the central parts of Canada. I do not wish to be personal. Honourable members from the East and from the West have sat here every day the House has been in session. We have come here at the beginning of the Session, as the statute demands of us. The Western members have to leave home a week in advance. Then, after three or four days of perfunctory work in dealing with the Address, the House adjourns for a fortnight and Western and Eastern members are left to tramp the streets of Ottawa with nothing to do. I think the Act should be amended. The present condition of affairs is an anomaly. I have no sympathy at all with my honourable friends from Quebec and Eastern Ontario. We adjourn at certain hours in order to permit them to go home. We are all paid for doing a certain amount of work, but the members from the West and from the extreme East have to stay here continuously, while other honourable members may go to their homes. I think it is an outrage that the Act should be so framed as to serve only what I may call the middle of the country—Quebec and Eastern Ontario.

Hon. Mr. LAVERGNE: We do not want your sympathy at all.

Hon. Mr. MURPHY: I think the honourable leader of the Government is taking a very wise course. I do not want to see any honourable member deprived of anything if by accident or otherwise he is not able to be present here. I know that some of my honourable friends might be deprived through an improper interpretation of the law. I might have been in a similar position myself. I think the utmost leniency should be exercised in order that honourable members may have the opportunity of getting their stipend for this year, but after this year all should be expected to do their duty.

The motion was agreed to.

HALIFAX GRAVING DOCK EXPROPRIATION

MOTION FOR PAPERS

Hon. WM. ROCHE moved:

That an humble address be presented to His Excellency the Governor General praying His Excellency to cause to be laid before the Senate;

Copies of all letters, Orders in Council Memorials, Decisions, Judgments and Appeals arising out of or connected with the action of the Federal Government in expropriating the property of the Halifax Graving Dock Company, Limited, and in afterwards transferring the said property to the Halifax Shipyards, Limited.

He said: Honourable gentlemen, I will briefly state the facts on which this motion is founded. The Halifax drydock was built some 40 years ago. It was supported by subsidies from the Dominion Government, the Provincial Government, and the city of Halifax. For 10 years those subsidies were passed. The dock and the works accompanying it cost about $2,000,000. The dock was in a good state of repair. The company and management appropriated yearly a sufficient sum to maintain it in its original condition. The excavations being made out of the solid rock, it did not cost much for repairs to the lower portion; it was only the upper portion that had to be maintained as I have described. The earnings of the drydock were $264,000 a year. It had accommodated the ships of the navy before and during the war, and other vessels also found accommodation in the dock. It was in good order, with the exception of some damage to the buildings by the explosion which took place in the neighbourhood. The dock, in the condition that I have described, was expropriated by the Federal Government and handed over to the Halifax Shipyards, Limited.

We all recognize that for the purposes of railway extension or of a public work of the Government's ownership it is necessary for the private individual to give way; but for the Government to expropri-

ate private property and hand it over to another private individual or company, unless the very strongest and most pressing reasons exist for that transfer, is regarded as an outrage and an exercise of arbitrary power.

If this had been done to an opponent of the Government a great many people might say that it served him right; but the gentleman who was the manager of the dock in which part of his private fortune was engaged and upon which he depended for his business living, was always a firm supporter of the present Government. I believe that he went so far on one or two occasions as to vote against myself, and for that reason I think he was one of the most obdurate supporters of the present Government.

There was a judicial inquiry held after this expropriation was made, and after a prolonged trial the proprietors of the docks, most of whom were English capitalists, were handed $1,250,000, against the $2,000,000 which they had embarked in the enterprise; and also deductions were made on account of the sum that was to be handed over by the Relief Commission. The proprietors of the dock considered that the award given was totally inadequate to the value of the property. The point of my motion now is to elicit from the Government what overmastering reasons they had for taking a property of this description, so valuable, so useful, and so much endeared to the people of Halifax, and handing it over to another company, who will do a similar business. That is the summary of what I have to say, and I now move the motion, seconded by Hon. Mr. Power.

Hon. JOHN STANFIELD: Before the honourable gentleman takes his seat, may I ask why did the dock owners not appeal to the Supreme Court against the judgment of the Exchequer Court?

Hon. Mr. ROCHE: I cannot say what reasons constrained them to make first an appeal to the sense of justice of the Government.

Hon. L. G. POWER: Honourable gentlemen, I am very glad that my honourable colleague from Halifax (Hon. Mr. Roche) has brought this matter before the House. Just what the practical result of his action may be I do not know; but there is a very important principle involved in this case, and I think that the Senate, which is supposed to be a conservative body, should hesitate before endorsing the action of the Government with respect to this Halifax drydock.

Briefly, the Halifax drydock was started more than thirty years ago. The company received a very moderate help from the Admiralty, from the city of Halifax, and from the Government of Canada, the assistance in the whole amounting, I think, to $600,000. The company began in a comparatively modest way, and they worked along quietly year after year, and in the end had succeeded in building up a really good and profitable business. The Halifax drydock did a vast amount of good work before the war and during the early part of the war. It was not the largest dock in the world, but it was large enough to accommodate every ship that put in to the port for repairs.

Everything was going on satisfactorily. Then the Government, apparently representing another company, proposed to take this very valuable property, worth over a million dollars, away from the company that had built up the business. The Halifax Drydock Company were not willing to sell at the figure that was mentioned. Then the Government exercised a right which I think should be very carefully watched: they expropriated this valuable property—took it by force of law; so that the Halifax Drydock Company lost their property for what they looked upon as too small a compensation. If the Government intended carrying on a drydock at Halifax themselves, they might possibly have been pardoned for expropriating the property. But they did not: they took the property over and transferred it to another company. That, I think, must strike every honourable gentleman as being a great abuse of power.

If you go back to the days of King John, you find that he undertook in the Great Charter not only not to interfere with the personal liberty of his subjects, but not to interfere with their property except by due course of law.

Hon. Mr. DANDURAND: Does the honourable gentleman declare that the drydock was expropriated by the Federal Government for the purpose of handing it over to another company?

Hon. Mr. POWER: That is just it.

Hon. Mr. DANDURAND: And not for the purpose of nationalizing it—using it as a national drydock?

Hon. Mr. POWER: That is just it. When they started to expropriate they did

not publish the fact that they were going to hand the property over to another company; but that was their intention, and every one who was in the know was aware of that fact. Honourable gentlemen must feel that, as I say, that is a great violation of the fundamental principles of British law and of our constitution. I think that the Senate should certainly not approve of the action of the Government—that they should distinctly disapprove of it. It is really taking the property of one set of men and handing it over to another set of men, not to the public.

Hon. W. B. ROSS: Honourable gentlemen, I do not know how you can thrash out this question thoroughly until you get the return. The motion for the return does not affirm or deny anything in particular. As I understand the case with regard to the Halifax Drydock Company, they complain of two things: first, that the Government, under the War Measures Act, took the fee simple of the dry dock instead of taking it for the period of the war; and, secondly, that even if they took the fee simple they should have taken it only for the purpose of the Government and not for the purpose of selling it to a private company.

Hon. Mr. BOSTOCK: Or turning it over.

Hon. W. B. ROSS: That is the complaint. I presume this matter can be discussed when the papers are brought down. You cannot very well discuss it now. If what the Halifax Graving Dock Company say is correct—that the property was taken under the War Measures Act in fee simple, —of course there is no doubt that that was illegal; but that point would come up, I should think, in the courts of law when the case was contested there. You want to see the judgment, you want to see all the facts, before you arrive at a conclusion with regard to that. You also want to know whether it is a fact or not that the Government expropriated, not for themselves, but for the Halifax Shipyards, Limited. But I do not see how we are going to discuss it now, or until we get these papers.

Hon. Mr. DANDURAND: Of course, the motion for the papers can be passed, but the affirmation will go out to the public that this private property was expropriated for private ends by the Government. That is the accusation, and it is one of the most serious accusations that I have heard against any Government; and because the accusation has been launched I would ask my honourable friend (Hon. Sir James Lougheed) that if he is not familiar with the facts he will inform himself before prorogation. I can quite understand that the Government would expropriate private property, whether a graving dock or anything else, for public ends; but a totally different complexion is given to the transaction by the assertion that it was not brought about by the Government for the purposes of the State, but that quite apparently there was a private motive behind the transaction, and certain private interests were urging the Government to make the expropriation in order that the property might pass into their hands. I really cannot believe that such a thing is possible, and I would like the honourable leader of the Government to enlighten the House, or, if he has not the information at present, to supply it in the course of next week.

Hon. Sir JAMES LOUGHEED: I may say in answer to my honourable friend that I regret having no information upon the subject. These charges against the Government of the day are of course so frequently made and are so frequently couched in somewhat uncharitable language to say the least, that one does not take them as seriously as the public may. I am unaware of the facts touching this particular subject. I shall endeavour to have the papers brought down at an early day, so that before prorogation, as my honourable friend from De Lorimier (Hon. Mr. Dandurand) has suggested, we may be able to discuss the matter with some intelligence.

The motion was agreed to.

Hon. W. B. ROSS: Excuse me a moment. This motion, to be of value, ought to be a little wider than it is. It calls for: "Copies of all letters, Orders in Council, Memorials, Decisions, Judgments and Appeals." What you really want is the record of the trial before the Exchequer Court judge, if that can be got, because that would give the facts.

Hon. Mr. BOSTOCK: Was there a trial of the case?

Hon. Mr. ROSS: There was a trial. That is just where we are handicapped in discussing this thing.

Hon. Sir JAMES LOUGHEED: Has a judgment been given?

Hon. Mr. ROSS: Yes, but the trouble is that we have not a copy of it. Of course, one of the answers may be: "Why were not these points raised at the trial?"

Hon. Mr. DANDURAND: Was it a trial to fix the amount of the expropriation?

Hon. Mr. ROSS: Yes; by Judge Cassels.

Hon. Mr. BELCOURT: Is it under consideration now?

Hon. Mr. ROSS: No. He gave judgment and the Company got their money, as I understand.

Hon. Mr. DANDURAND: Of course, that would answer one part of the question as to the expropriation and the fixing of the amount; but there is coupled with that the allegation that this expropriation was made for the purpose of transferring the drydock to another private firm. That is the surprising part of the charge.

Hon. Mr. ROSS: Yes, but do you not see, with regard to that, that it would be open to the Exchequer Court judge to say that the whole expropriation was bad, because it was not taken for the purposes of the Expropriation Act, but was an act of spoliation. You see, you want to get the record before you, in order to be sure of your ground.

Hon. Mr. BELCOURT: Was that issue raised?

Hon. Mr. ROSS: That is what we want to know.

Hon. Mr. BELCOURT: We do not know.

Hon. Mr. ROSS: We want the record.

Hon. Mr. BELCOURT: I thought my honourable friend knew.

Hon. Sir JAMES LOUGHEED: If it was not raised, the assumption would be that all parties were willing parties to the transaction.

Hon. Mr. DANDURAND: Not necessarily the expropriated party.

Hon. W. B. ROSS: The two complaints I mentioned you can get only from the record: that is, that the Government took the fee simple instead of taking the property for a term of years, and then, that they made the expropriation for the purposes, not of the Government, but of a private company.

Hon. Mr. BELCOURT: On page 426 of the Journals of 1920 I see that a motion was made in respect to this matter.

Hon. Mr. DANDURAND: Were the papers brought down?

Hon. W. B. ROSS: I do not think that at that time the cause was tried.

Hon. Mr. BELCOURT: We have not the proceedings before the court, and I should have thought they would be very necessary.

Hon. Mr. BOSTOCK: Do I understand that this motion now covers those proceedings? We want to be quite clear about that.

Hon. W. B. ROSS: I think we need another word in there—the word "record."

Hon. Mr. BELCOURT: Record of all proceedings.

Hon. W. B. ROSS: Perhaps the honourable member for Halifax would agree to enlarging the motion by adding the words "and the records of the Exchequer Court."

Hon. Mr. ROCHE: I would be very glad to agree to any amendment made to include any judgment of the Exchequer Court, or whatever might be acceptable to the House.

Hon. W. B. ROSS: I would move to add, after the word "decisions," the words "and the record of the Exchequer Court."

The Hon. the SPEAKER: The motion has been declared carried, and has been entered, and cannot be altered now.

Hon. Sir JAMES LOUGHEED: I will bring that down.

BANKRUPTCY BILL

FURTHER CONSIDERED IN COMMITTEE

The Senate again went into committee on Bill 118, an Act to amend the Bankruptcy Act.—Hon. Sir James Lougheed. Hon. Mr. Blain in the chair.

Hon. Sir JAMES LOUGHEED: Section 16 stood over, that we might consider the motion made by the honourable member for Toronto (Hon. Mr. Proudfoot) to substitute $100 for $25 as the amount of claim that would entitle a creditor to be present at a meeting.

Hon. Mr. PROUDFOOT: I asked the committee to let that section stand; but, in view of the circumstances which happened at the time the Act was passed, and the arrangement made with certain dealers at that time, I will withdraw my objection in the meantime and let it go as it is.

Section 16 was agreed to.

On section 23—removal of goods; bank deposits:

Hon. Sir JAMES LOUGHEED: The change consists in substituting the word "permission" for the word "consent" in a

case where the permission of inspectors is required to the removal of property out of the jurisdiction. The word "consent" may have an ex post facto operation: the word "permission" has not. The result is to make the provision more stringent.

Section 23 was agreed to.

On section 24—trustee carrying on business of debtor may apply to court for sale of property by tender if creditors refuse or neglect to repay advances:

Hon. Sir JAMES LOUGHEED: The object of adding section c is to protect trustees, especially in connection with estates of some magnitude. If the property of the estate is being offered for sale and no bidders appear, the court re-offers it, and on the re-offering the trustee may bid for his own protection. The section is new.

Hon. Mr. PROUDFOOT: One would suppose that a trustee, with the consent of the inspectors, would be sufficiently protected. I am afraid this clause is brought forward by trustees more in their own interest than anything else.

Section 24 was agreed to.

On section 25—avoidance of general assignment of book debts:

Hon. Sir JAMES LOUGHEED: This section is exactly the same as the one in the present Act except that the words "to any other person" have been dropped after the word "thereof" in the third line. The words dropped were in all probability innocuous, and it is immaterial whether they remain as in the original Act, or are dropped as in this amendment. I do not know that it makes any serious change.

Hon. Mr. PROUDFOOT: The preceding section is certainly a very serious one, giving the trustee very wide powers. However, I suppose the court will protect the creditors.

Hon. Sir JAMES LOUGHEED: The court can always intervene.

Hon. Mr. PROUDFOOT: It is all done with the sanction of the court, but these orders are usually obtained from the court by the trustee, and of course they are presented in such a way as only to show the reason why the trustee wants such and such things done.

Hon. Sir JAMES LOUGHEED: The inspectors have perfect liberty to express their views on it.

Hon. Mr. PROUDFOOT: But it does not seem to incorporate any action on the part of the inspectors.

Hon. Sir JAMES LOUGHEED: Look under the first three lines of paragraph c:

> If the creditors, within ten days after demand by the trustee (made to the inspectors or at any meeting of creditors called by the trustee for the purpose of making any such demand) refuse, etc.

You cannot blame the trustee for protecting himself.

Hon. Mr. PROUDFOOT: Oh, no.

Hon. Sir JAMES LOUGHEED: Because he is usually the target.

Hon. Mr. PROUDFOOT: They take pretty good care of themselves.

Section 25 was agreed to.

On section 26—payments, etc., without notice of bankruptcy:

Hon. Sir JAMES LOUGHEED: Owing to the amendment, by this Bill, of the definition of "available act of bankruptcy," which we discussed and passed yesterday, the three words "before that time" which appear at the end of subsection 1 of section 32 have become superfluous. The amendment strikes them out.

Hon. Mr. BELCOURT: I cannot follow that. That seems to be a mistake in the numbering of the section.

Section 26 was agreed to.

On section 27—when misrepresentation or fraud a defence for contributory to insolvent corporation:

Hon. Mr. WILLOUGHBY: This is a very drastic, and I think a most undesirable piece of legislation. Under the subsection as it is now proposed to be amended, any contributory who is called on must have brought an action to set aside any purchase by him before the Act of Bankruptcy. Prowling all over the prairie provinces before the war and since then, I presume, were fellows selling shares in all kinds of companies. They sold them to everybody who was willing to buy. The bulk of the sotcks turn out to be absolutely worthless. Under this proposed amendment, assuming that a company makes an assignment for the benefit of creditors, or appoints an authorized trustee, the subscriber for shares is excluded from the list for contributories unless, prior to that assignment, he had brought an action against the company for misrepresentation or fraud in con-

nection with the purchase of the shares. Big business men do not need protection, perhaps, but the average small purchaser does. There are many people all over the West, particularly in villages and towns, who buy shares in companies on the representations of agents working on commission. Those purchasers often live remote from large centres, and are not informed as to the standing of the company, and they accept the representations of the agent who sells the stock. It is a long time before those buyers know anything about the financial condition of the company, and it is only when bankruptcy or something like that is committed that they learn that they should be on the list of contributors; and by that time they are too late. I think this is a singularly unfortunate section. It would cut out the right of redress that crowds of people many of them within my own knowledge would have against shares sold on a fraudulent misrepresentation. It may be that it is desirable, in winding up an estate, to put some limit of time within which the contributor must put in the notice of cancellation of his subscription, but this subsection is going to deprive him of every right he now possesses. The first notice the small investor has of the bankruptcy is the notice that he is to be put on the list of contributories; and if he has not done something before that he is out of court. I think some reasonable time should be put in—one year, two years, or something of that kind. That would not unduly prolong the liquidation of the estate. I am not making a formal motion, but I suggest to the leader the propriety of putting some limitation on the drastic nature of that provision.

Hon. Mr. PROUDFOOT: I think that clause should come out altogether, because it is highly unfair to the person who has purchased stock. The law as it stands at present gives a person who has bought stock under misrepresentation of the facts leave to bring an action to have his contract cancelled. Under this subsection he is going to be deprived of that right unless he brings the action to have his subscription cancelled at a time when possibly he does not know that there is anything at all wrong with it. It looks to me as though some assignee or trustee were trying to put something into the Act whereby he would be able to place people on the list of contributories who should not be there. In Ontario we have had a great many actions brought under the Winding-up Act, and portions of that Act are very unfair to people who have subscribed for stock. I am satisfied that the latter portion of this clause has been put in for the purpose of meeting certain actions which have been brought in the province of Ontario, and which are not satisfactory to certain trustees there. If we get at the root of this I believe we will find that some person in the position of a trustee has inspired just such a clause as this.

Hon. Sir JAMES LOUGHEED: Before my honourable friend indulges too much in suspicions as to how this subsection has come to be here, we had better consider the origin of it. The fact is that this clause is practically taken from the Winding-up Act—

Hon. Mr. PROUDFOOT: Yes, that is where it comes from.

Hon. Sir JAMES LOUGHEED:—and the object of introducing the clause here is to harmonize the two Acts. That is to say, under the Winding-up Act, where a company is being wound up, you invoke precisely this same principle of law.

Hon. Mr. PROUDFOOT: But my recollection of our Winding-up Act is that the contributory is not bound to take proceedings within a certain time before the order for winding-up is made, and I think the words in the latter portion of this section are intended to overcome certain decisions of our courts under the Winding-up Act dealing exactly with the question at issue.

Hon. Sir JAMES LOUGHEED: I do not understand that to be the case. Should it be so, I would suggest to my honourable friend to introduce into this Bill the same clause as the Winding-up Act contains, and I will let this stand, because there is no reason why the two should be different—the contributor being precluded in one and allowed in the other—both having to do with practically bankrupt estates.

Hon. Mr. PROUDFOOT: Why should a person be placed in a different position simply because of a winding-up order or because the man has made an assignment under this Act? Is he to be placed in a different position to that which he would occupy if the company brought action against him? Supposing the company brought action against him, he would be in a position to succeed; but in this case he cannot succeed unless he has taken proceedings before the order is made.

Hon. Mr. WILLOUGHBY: I know that some of the provinces have their own Winding-up Acts, and they are resorted to.

Hon. Mr. BARNARD: They are all voluntary.

Hon. Sir JAMES LOUGHEED: Of course, we could not give effect to those.

Hon. Mr. PROUDFOOT: The Dominion Act supersedes all the local Acts.

Hon. Mr. BELCOURT: Has my honourable friend the section of the Winding-up Act that deals with this matter?

Hon. Sir JAMES LOUGHEED: No, I have not. We will allow this section to stand and will look into it, because honourable gentlemen will recall that provision is made in the Bankruptcy Act by which a winding-up under the Winding-up Act may be transferred to this Act; consequently you are confronted with a similar provision to this in the Winding-up Act, and if we omit it in this Bill we have that inconsistency.

Hon. Mr. BELCOURT: Probably it would be well to amend the provisions in the Winding-up Act.

Hon. Sir JAMES LOUGHEED: Yes, or to strike it out. I would be quite prepared to strike it out of both.

Hon. Mr. PROUDFOOT: This very question was raised in the courts in Toronto the other day. Where a man had made an assignment, and application was then made to have it transferred under the Winding-up Act, it was held that this Act was quite sufficient, and the court declined to make the order asked for.

Section 27 stands.

On section 28—adjustments of rights of contributories:

Hon. Sir JAMES LOUGHEED: The Act as it at present stands enables the court to adjust claims of contributories between themselves, but it does not provide machinery for doing it.

Hon. Mr. BELCOURT: Why is the word "may" substituted for the word "shall"?

Hon. Mr. PROUDFOOT: I do not think the clause bears the interpretation which you put upon it. It says:

The court may, on the application of any contributory,—

I think it should be on the application of the trustee.

Hon. Mr. PROUDFOOT.

Hon. Sir JAMES LOUGHEED: And it continues:

and for the purpose of facilitating such adjustment may direct the trustees to intervene.

Consequently the trustee intervenes.

Hon. Mr. PROUDFOOT: Why not have him intervene in the first instance?

Hon. Mr. BELCOURT: Because the application may be on the part of the contributory.

Hon. Sir JAMES LOUGHEED: It is the adjustment of the differences between the contributories.

Hon. Mr. BELCOURT: That seems to me quite proper. But why is the word "may" substituted for the word "shall?"

Hon. Sir JAMES LOUGHEED: It leaves it discretionary with the court. The court, on hearing the application, may consider it not well grounded. Why not leave the discretion with the court?

Hon. Mr. BELCOURT: The duties delegated to it are very wide. It says, "adjust the rates." I think the word "shall" is better than the word "may," and I suggest that you make the substitution.

Hon. Sir JAMES LOUGHEED: All right.

The proposed amendment of Hon. Mr. Belcourt was agreed to, and section 28, as amended, was agreed to.

Sections 29 and 30 were agreed to.

On section 31—notice that if claim not proved within thirty days, dividend or final dividend will be made:

Hon. Mr. PROUDFOOT: I think that when a person has notice of a claim it would be only fair and right that there should be some judicial steps taken to compel him to bring in his claim, and that if the claim were not brought in within a certain time it should be disallowed. Many persons who have claims and receive a notice of that kind might be cut out; and it would be better for the trustee and better for the creditor if the clause provided for some judicial disposition of the claim.

Hon. Mr. BELCOURT: Oh, I do not know. I should think thirty days were ample time for any person to prove his claim. Expedition is what you want.

Hon. Sir JAMES LOUGHEED: I have an amendment to move to section 31. It is as follows:

To insert between the words "within" and "thirty days", in the 8th line of the section, the words, "a period limited by the notice, and expiring not sooner than"—

The proposed amendment of Hon. Sir James Lougheed was agreed to, and the section as amended was agreed to.

On section 32—final dividend and division of estate:

Hon. Sir JAMES LOUGHEED: Sections 32 and 33 really make no change except to better the phraseology of the provisions of the Act.

Section 32 was agreed to.

Section 33 was agreed to.

On section 34—no action for dividend unless improperly refused:

Hon. Sir JAMES LOUGHEED: This section is in the same terms as the present one, with the addition of the word "improperly" which appears in the second line.

Hon. Mr. BARNARD: What is the idea of the change? What does it mean? Does it mean some misconduct on the part of the trustee? Because, if the trustee refuses and the creditor is put to the expense of obtaining an order of the court, he ought to pay, and ought also to pay the interest.

Hon. Sir JAMES LOUGHEED: Is it not only declaratory of the law?

Hon. Mr. BARNARD: You are putting the word "improperly" in. It should be as it was.

Hon. Sir JAMES LOUGHEED: Then it would read:

No action for a dividend shall lie against the trustee, but if the trustee refuses to pay any dividend the court may order him to pay it.

Hon. Mr. BARNARD: You prohibit an action against the trustee. You are throwing the onus on the creditor.

Hon. Sir JAMES LOUGHEED: It seems to me that it is a proper rendering of the liability which the trustee has assumed.

Hon. Mr. PROUDFOOT: I do not quite understand why the section is there at all.

Hon. Mr. DANDURAND: There seems to be a contradiction in the clause. It says:

No action for a dividend shall lie against the trustee,—

That is clear. Then it proceeds:

—but if the trustee improperly refuses to pay any dividend the court may order him to pay it.

It can only be done on an action or a petition, and that action or petition is prohibited or precluded by the first phrase.

Hon. Mr. FOWLER: No. Is not the first phrase qualified by the following one?

Hon. Mr. DANDURAND: I might put it this way: if you have a proper action, you can take it; if you succeed you are justified in having taken it.

Hon. Mr. PROUDFOOT: The object is to prevent actions being brought against a trustee, so that all these proceedings shall be disposed of by the court without actions being brought against the parties. I think that is all right. But why is the word "improperly" in there?

Hon. Mr. DANDURAND: Does that mean that no action shall lie against the trustee personally?

Hon. Mr. PROUDFOOT: Why cast the onus of showing that the trustee has acted improperly on the other party? All it should be necessary to show is that he has simply refused to pay.

Hon. Mr. FOWLER: He might have refused properly.

Hon. Mr. PROUDFOOOT: Then he could show that.

Hon. Mr. BELCOURT: There might be circumstances which would justify the trustee in delaying the payment. He might receive a notice of a conflicting claim. There might be one or two or three or four parties claiming the same dividends, and that would be a justification for delay. That is always subject to the direction of the court. For that reason, I think it is quite proper to use the word "improperly." It seems to me the Bill is quite all right in that respect. I would suggest, however, that possibly the section might be improved so as to enable any one of the creditors to apply to the court on petition or otherwise to have an order of that kind made.

Hon. Sir JAMES LOUGHEED: They have the right in the bankruptcy proceedings to make an application to the court.

Hon. Mr. BELCOURT: I do not know that that follows. You simply say: "No action for a dividend shall lie against the trustee."

Hon. Sir JAMES LOUGHEED: I think that means that no action shall lie because it is not intended to be an action against the trustee, but you may make the application in the proceedings.

Hon. Mr. BELCOURT: Yes, I quite understand that, but this section does not indicate any proceeding in order to bring the matter before the court.

Hon. Sir JAMES LOUGHEED: It is by way of application. The rules make provision for that.

Hon. Mr. BELCOURT: I do not know. You are creating a right there; you are not merely indicating a remedy. That is not a matter for rules or regulations. It is a substantive right that you are creating by that provision. I think it would be better to say at whose instance or upon whose action this substantive right could be set up.

Hon. Mr. DANDURAND: But if the trustee "improperly refuses refuses to pay" a dividend, he can be sued.

Hon. Mr. PROUDFOOT: No.

Hon. Mr. DANDURAND: But how will the court be apprised of this matter? Perhaps he cannot be sued, but if he improperly refuses to pay any dividend, the court may order him to pay it. The court will not order him to pay it unless by petition or action the demand has been made.

Hon. Mr. BARNARD: No; by an application in the bankruptcy proceedings, not by an independent action outside of the bankruptcy proceedings, which is prohibited.

Hon. Mr. DANDURAND: Then it means that no action lies against the trustee personally because he does not pay a dividend; but a petition may be made to the court? Is that what the clause means?

Hon. Mr. BELCOURT: That is why I am suggesting that there should be some indication of a person or persons who may exercise that right by petition.

Hon. Sir JAMES LOUGHEED: In the first place, the action is precluded because it is made by way of application in the proceedings. In the next place, this application should not be made unless there is evidence that the trustee withholds improperly a dividend which is sought to be paid. Is there anything wrong about that?

Hon. Mr. BARNARD: What is meant by "improperly"?

Hon. Sir JAMES LOUGHEED: It is for the court to decide that. This is simply declaratory of what the law is. Unless the trustee improperly withholds the dividend, the application should not be made.

Hon. Mr. BARNARD: If he withholds it bona fide.

Hon. Mr. FOWLER: You would have an action against even if it were not provided for there. You could make an application to the Bankruptcy Court to make him pay if he was withholding. It is not necessary to declare it in the Act at all.

Hon. Sir JAMES LOUGHEED: No. This is simply declaratory. I do not think it is necessary myself, because the court could very well say that he improperly withholds it.

Hon. Mr. DANDURAND: But is not the clause which is sought to be replaced better than the amendment?

Hon. Mr. PROUDFOOT: I think so.

Hon. Mr. DANDURAND (reading):

No action for a dividend shall lie against the trustee, but if the trustee refuses to pay any divident the court may order him to pay it.

Hon. Sir JAMES LOUGHEED: This section is precisely in the same terms as that of the present Act, except that we have inserted the word "improperly."

Hon. Mr. BARNARD: What is the object of putting the word "improperly" in?

Hon. Sir JAMES LOUGHEED: Well, strike it out. It is acknowledged on all sides that the dividend must be improperly withheld. Consequently I see no reason why it should not be there.

Hon. Mr. BELCOURT: I agree with my honourable friend: I see no reason why it should not be there. But I think the remedy ought to be entrusted to somebody. The clause ought to indicate in what way, whether by petition or otherwise, the remedy is to be applied.

Hon. Sir JAMES LOUGHEED: I suggest that after the word "court," in the third line of the subsection, we might insert the words, "on the application of any interested person." Then it would read: "The court, on the application of any interested person, may order him to pay it."

Hon. Mr. BELCOURT: Yes.

Hon. Mr. FOWLER: Yes, that is better.

Hon. Mr. PROUDFOOT: I do not think that is necessary at all.

Hon. Mr. THORNE: I do not see any objection to it.

Hon. Mr. PROUDFOOT: It is all right except that it puts the onus on the interested person.

Hon. Sir JAMES LOUGHEED: Perhaps the old clause, like the ark of the covenant, should not have been touched.

The Hon. the CHAIRMAN: What is the amendment?

Hon. Sir JAMES LOUGHEED: I move that the words, "On the application of any interested party," be inserted. Or, if the opinion is that we had better leave out those words, we will leave the subsection as it was.

Hon. Mr. BELCOURT: I do not think so.

Hon. Mr. DANDURAND: My impression is that the honourable gentleman's amendment improves the clause. The clause starts with the statement, "No action for a dividend shall lie against the trustee." So there seems to be no right vested in anyone to move against the trustee.

Hon. Sir JAMES LOUGHEED: Of course, the whole Act presupposes the right of the parties to set the court in motion.

Hon. Mr. PROUDFOOT: Of course, the court must really find out, before it makes an order to compel him to pay the dividend, interest, etc., that he has improperly refused to pay.

Hon. Mr. DANDURAND: On representations made by some person.

Hon. Sir JAMES LOUGHEED: Leave the word "improperly" out. We will strike out that amendment and fall back on the present Act.

The Hon. the CHAIRMAN: Strike out the word "improperly"?

Hon. Sir JAMES LOUGHEED: No, strike out the whole section 34.

Hon. Mr. BOSTOCK: I would draw attention to one thing: the old clause contains the word 'interest," and in this new clause the words "legal interest" are used. I do not know whether there is any important point in that or not.

Hon. Sir JAMES LOUGHEED: The Interpretation Act defines what "interest" is. Just strike out section 34.

The amendment of Hon. Sir James Lougheed was agreed to.

Sections 35 to 40, inclusive, were agreed to.

On section 41—priority of claims:

Hon. Sir JAMES LOUGHEED: I move that the proposed amendment to section 51 be struck out and be replaced by the following:

And all indebtedness of the bankrupt or authorized assignor under any Workmen's Compensation Act.

Hon. Mr. PROUDFOOT: The idea is to give a preference to such indebtedness, is it?

Hon. Mr. WILLOUGHBY: What difference does that make?

Hon. Sir JAMES LOUGHEED: The object is to give a priority to payments due under Workmen's Compensation Acts. When the Bill was in the House of Commons an amendment from the floor was accepted. The result was to produce a cumbersome section which requires amendment. The drafting of this is better than that of the amendment that was inserted in the House of Commons.

Hon. Mr. WILLOUGHBY: You attain the same result?

Hon. Sir JAMES LOUGHEED: Yes, the same result.

Hon. Mr. PROUDFOOT: The effect of this amendment is that if the debtor has not paid the fees that he should pay to the Workmen's Compensation Board of, say, the province of Ontario, that would be a preferential lien on the estate?

Hon. Sir JAMES LOUGHEED: Yes, it takes priority.

Hon. Mr. PROUDFOOT: Why should it? Why should it be placed in a position different from that of ordinary indebtedness?

Hon. Sir JAMES LOUGHEED: I suppose it is on a parity with wages and other compensations paid to working people.

Hon. Mr. PROUDFOOT: But a very large sum may be allowed to accumulate against the manufacturer, and it might be a very great hardship.

Hon. Mr. THORNE: The funds under the Compensation Act do not come from the labour organizations; they come from outsiders.

Hon. Mr. PROUDFOOT: They come from the manufacturers, as a rule.

Hon. Mr. THORNE: Manufacturers and business men. So it does not affect the wage-earners.

Hon. Mr. WILLOUGHBY: It is liable to work a very great hardship. I do not

know about the province of Ontario, but I know that in several of the provinces one can get up to $2,000.

Hon. Mr. PROUDFOOT: That is not as I understand it. This is intended to cover the fees which are used to pay workmen's compensation. The manufacturer has a certain assessment to pay.

Hon. Mr. BARNARD: Under the Act.

The amendment of Hon. Sir James Lougheed was agreed to.

Sections 42 to 46, inclusive, were agreed to.

On section 47—jurisdiction of courts of bankruptcy:

Hon. Mr. BARNARD: What does that mean?

Hon. Mr. PROUDFOOT: It does not make any real change.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. PROUDFOOT: It is only explanatory.

Section 47 was agreed to.

Sections 48 to 51, inclusive, were agreed to.

On section 52—penalty for removing, attempting or counselling removal of debtor's goods without notice:

Hon. Mr. BOSTOCK: What is the object of the amendment there?

Hon. Sir JAMES LOUGHEED: This is a penalty section providing the sanction for the provisions of section 21 of the Bill. The penalty has quite a high limit. The idea is that the property involved in the seizure might be very expensive—for instance, a factory entirely outfitted with shoe machinery, subject to lien. The penalty should be made high; but, it being a permissive penalty, the penalty will be graded by consideration of the offence involved. It simply makes the punishment fit the crime.

Section 52 was agreed to.

On section 53—liability of officer, director or agent of company:

Hon. Mr. PROUDFOOT: What is the change in that?

Hon. Sir JAMES LOUGHEED: That is new. It is to take in the actual perpetrators of an offence when the offence is technically that of an incorporated company.

Hon. Mr. PROUDFOOT: That section is very broad in its terms.

Hon. Sir JAMES LOUGHEED: It is about the only way you can get at them.

Hon. Mr. FOWLER: I do not think it is too broad. If a man is guilty he ought to be punished.

Hon. Sir JAMES LOUGHEED: I do not think it is too broad.

Hon. Mr. PROUDFOOT: Here you get at the directors.

Hon. Sir JAMES LOUGHEED: That is the idea.

Hon. Mr. PROUDFOOT: A director may not be aware of the offence.

Hon. Mr. FOWLER: He should be aware.

Hon. Mr. PROUDFOOT: He is not always aware.

Hon. Mr. WILLOUGHBY: If an illegal act is done by an incorporated company when one of the directors is not present, does he condone it because he does not do something afterwards?

Hon. Sir JAMES LOUGHEED: The court would have to decide that.

Hon. Mr. WILLOUGHBY: He has a duty as a director.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. WILLOUGHBY: I do not like the word "condones."

Hon. Mr. BOSTOCK: How do you prove the condonation?

Hon. Mr. PROUDFOOT: What reason is given for substituting that clause?

Hon. Mr. FOWLER: This does not apply to a director who does not know anything about the offence. This applies only to the man who has knowledge of a fraud —"who directs, authorizes, condones, or participates in the commission of the offence."

Hon. Sir JAMES LOUGHEED: Yes; he is an active—

Hon. Mr. FOWLER: He is an active agent, an active participant in the offence. I think he ought to be punished.

Hon. Sir JAMES LOUGHEED: I think the section is generous enough.

Section 53 was agreed to.

Section 54 was agreed to.

On section 55—section 11 of French version amended:

Hon. Sir JAMES LOUGHEED: This is to correct errors in the French translation. Instead of the amendment which we have in the Bill, we propose a new amendment, to read as follows:

55. Section eleven of the French version of the Act, as amended by sections six and seven of chapter thirty-four of the Statutes of 1920, is further amended by striking out the word "meubles" wherever in such section as so amended such word occurs, and substituting in each case the word "réels".

The amendment of Hon. Sir James Lougheed was agreed to.

Hon. Sir JAMES LOUGHEED: I move to add, as new section 56, the following:

56. Subsection eight of section four of the Act is repealed and the following substituted therefor:

(8) Where proceedings have been stayed or have not been prosecuted with effect the Court may, if by reason of the delay or for any other cause it is deemed just so to do, make a receiving order on the petition of another creditor, and shall thereupon dismiss on such terms as it may deem just the petition in the stayed or non-prosecuted proceedings.

The amendment of Hon. Sir James Lougheed was agreed to.

Hon. Sir JAMES LOUGHEED: I move to add new section 57 to the Bill, this being done at the instance of the several provincial authorities:

57. Section eleven of the Act is amended by adding as subsection seventeen the following:

(17) The law of the province in which real, or immovable, property is situate as to registration and the effect of non-registration of documents affecting title to or liens upon real, or immovable, property, shall, notwithstanding anything in this Act, apply in favour of purchasers for value without notice, to any lot of real, or immovable, property which has not been identified in manner required by subsection eleven of this section within three months after the making of the receiving order or authorized assignment whereunder any title to or interest in such lot has vested in an authorized trustee, and in cases in which the foregoing provision shall come into operation the trustee's title to or interest in such lot shall be and be deemed divested to the extent necessary to permit such provision to so come into operation.

That gives recognition to the provincial registration of real property after the registration has been omitted three months. It gives a party three months to fix up his title, that is to say, if he has not completed his title within three months the provincial law becomes applicable.

The amendment of Hon. Sir James Lougheed was agreed to.

Hon. Sir JAMES LOUGHEED: I move to add new section 58, as follows:

58. Subsection two of section thirty-four of the Act is amended by inserting between the words "bankrupt" and "then" in the second line the words "or has made an authorized assignment," and by inserting between the words "bankruptcy" and "of" in the fifth line the words "or authorized assignment proceedings."

The object is to supply an omission in section 34 of the main Act. By the Act as it stands a banker who holds funds of an undischarged bankrupt is compelled to inform the trustee of the fact. The amendment compels the banker to inform the trustee under an authorized assignment as well.

The amendment of Hon. Sir James Lougheed was agreed to.

Hon. Sir JAMES LOUGHEED: It is proposed to add a new section, 59, to the Bill, as follows:

59. Subsection three of section thirty-six is amended by striking out of the fifth and sixth lines thereof the words "assignment for the general benefit of creditors" and substituting the words "authorized assignment."

That is the term used in the Act.

The amendment of Hon. Sir James Lougheed was agreed to.

Hon. Sir JAMES LOUGHEED: I move to add new section 60 to the Bill, in the following words:

60. Section thirty-seven of the Act is amended by adding thereto as subsection ten the following:

(10) Notwithstanding the declaration of a final dividend if any assets reserved for contingent claims, or assets subsequently received, become available for the payment of a further dividend and the necessary expenses of declaring the same the trustee shall declare and pay such further dividend.

The amendment of Hon. Sir James Lougheed was agreed to.

Hon. Sir JAMES LOUGHEED: We propose to add new section 61 to the Bill in the following words:

61. The Act is amended by adding thereto as section ninety-nine the following:

"99. This Act shall be administered by the Minister of Justice."

Hon. Mr. PROUDFOOT: What is the meaning of that?

Hon. Sir JAMES LOUGHEED: At present the Act is administered by the Secretary of State. This transfers the administration of the Act to the Department of Justice, which, it seems to me, should be the natural forum for the administration of the Act.

Hon. Mr. BOSTOCK: Can my honourable friend point out the provision that puts the administration now under the Secretary of State?

Hon. Sir JAMES LOUGHEED: The Secretary of State is charged with the administration of all duties not specifically apportioned or allocated to another department.

Hon. Mr. PROUDFOOT: I should think this would properly come under the Department of Justice, anyway.

Hon. Mr. BOSTOCK: Certainly.

The amendment of Hon. Sir James Lougheed was agreed to.

Hon. Mr. PROUDFOOT: I move that the following be added as section 62 of the Bill:

Section sixty-seven is amended by adding after the last word in the fourth line from the end, the following words: shall also fix the fees to be paid to the officers of the court, and

That is simply for the purpose of enabling the court to fix the fees under that section. Those words were left out.

Hon. Sir JAMES LOUGHEED: That is quite satisfactory.

The amendment of Hon. Mr. Proudfoot was agreed to.

Hon. Mr. BOSTOCK: There was an amendment which I gave you; how does that stand?

The Hon. the CHAIRMAN: It will come in as section 5A of the Bill.

Hon. Mr. PROUDFOOT: As I recollect, you wanted to have a trader declared an insolvent.

Hon. Mr. BOSTOCK: Yes, it comes in in this way. The Chairman has the amendment.

The Hon. the CHAIRMAN: Hon. Mr. Bostock moves that section 3 of the Act be amended by adding thereto, as paragraph i:

Who being a trader, ceases to meet his liabilities generally as they become due.

Hon. Mr. PROUDFOOT: That does not seem to me to be necessary. The mere fact that he is not able to meet his creditors' claims as they become due shows that the man is bankrupt and I think it is only stating really what the law is, and is therefore not necessary.

Hon. Mr. BOSTOCK: The point is this: it comes in clause 3 of the Act, the commencement of which reads:

A debtor commits an act of bankruptcy in each of the following cases.

As I understand the Act at the present time, without that paragraph, if a trader ceases to pay his liabilities as they become due, he does not commit an act of bankruptcy, and you have to prove it in the court. On the other hand, if you have that paragraph in, then, if he ceases to pay his liabilities as they become due, he commits an act of bankruptcy.

Hon. Mr. PROUDFOOT: Surely you are not going to declare a man a bankrupt simply because he is not able to pay the claims just as they come due? He may have plenty of assets, yet may not be able to meet the claims just at the time; but because he cannot meet them in that way you declare him a bankrupt under the terms of the Act and compel him, probably, to make an assignment, or permit an order to be made. It seems to me that is extending it too far.

Hon. Mr. FOWLER: That would stop us all from renewing notes.

Hon. Mr. BEIQUE: In every insolvent Act there was a clause of that kind. Of course, it is open to the debtor to prove that his inability to meet his liabilities is accidental, and that with a little time he may be able to go on, but it is one of the main signs of insolvency that a trader is unable to meet his liabilities.

Hon. Sir JAMES LOUGHEED: My honourable friend uses the two terms synonymously. There is a distinction between a man who is insolvent and a man who is bankrupt. This is a compulsory Act. Because a man for the moment may not be able to meet an obligation, that bare fact should not make him a bankrupt. There is a certain proceeding provided in this Act by which he can be made a bankrupt, but the mere fact of his not meeting an obligation at a particular time does not necessarily bring him within the Act.

Hon. Mr. FOWLER: Fifty per cent of the traders to-day are bankrupt.

Hon. Mr. BEIQUE: Possibly we may have been wrong in the past, but I repeat that in every Insolvency Act—in 1864, 1869, 1875—that provision was embodied in the Act. A man is not deemed insolvent because he does not meet one or two liabilities; but if he fails to meet his liabilities generally as they mature it has been taken everywhere as being the main sign of insolvency. I fail to see what objection there can be to it.

Hon. Mr. FOWLER: If a man were brought before a judge on failing to meet his liability the result would follow accord-

ing to the constitution and disposition of the judge before whom the matter is heard; and it seems to me it would be a very cruel law that would say that because a man was not able to meet a note when it became due, and he asked for a renewal of part, he would be declared a bankrupt. That is the way the Act would operate.

Hon. Mr. WILLOUGHBY: It would be very much more drastic than the Winding-up Act.

Hon. Mr. PROUDFOOT: There is nothing to prevent a creditor suing a debtor for his claim, and getting a judgment; and if the execution is not paid within a certain number of days, then that is declared to be an act of bankruptcy. I do not see what more is wanted.

Hon. Mr. FOWLER: That is sufficient.

Hon. Mr. WILLOUGHBY: Give a man time to breathe.

The proposed amendment of Hon. Mr. Bostock was negatived.

On section 27—when misrepresentation or fraud a defence for contributory to insolvent corporation (reconsidered):

Hon. Mr. PROUDFOOT: You had better let this provision drop.

Hon. Sir JAMES LOUGHEED: If we strike it out here, we ought to strike it out of the Winding-up Act.

Hon. Mr. WILLOUGHBY: I would certainly suggest that it should not be left in this Bill.

Hon. Sir JAMES LOUGHEED: Well, strike it out.

Section 27 was struck out.

The Bill, as amended, was reported.

PRIVATE BILL

THIRD READING

Bill 53, an Act to incorporate the Fort Smith Railway Company.—Hon. Mr. DeVeber.

The Senate adjourned until to-morrow at 10 a.m.

THE SENATE

SATURDAY, May 21, 1921.

The Senate met at 10 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

BANKRUPTCY BILL

THIRD READING

Bill 118, an Act to amend the Bankruptcy Act, as amended.—Hon. Sir James Lougheed.

ANIMAL CONTAGIOUS DISEASES BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 136, an Act to amend the Animal Contagious Diseases Act. Hon. Mr. Blain in the Chair.

On section 1—operation of provision for compensation for slaughtered animals extended for three years:

Hon. Mr. BOSTOCK: What is the purpose of this Bill?

Hon. Sir JAMES LOUGHEED: The object of the Bill is simply to continue the compensation provisions. The Act provides compensation for animals destroyed on account of a contagious disease, and this simply continues the operation of the statute for three years. That is to say, the Act when passed was to remain in operation for three years from the 24th of May, 1918, and the present measure simply renews its operation for three years longer.

Hon. Mr. BOSTOCK: There is no alteration made in the amount that will be paid for those animals, or anything like that?

Hon. Sir JAMES LOUGHEED: No. As you will see, the Bill simply provides for a bare extension of time.

Hon. Mr. DANDURAND: Has the Government published an annual statement of the operations of this Act and the amount yearly expended under this head?

Hon. Sir JAMES LOUGHEED: I presume the report of the Department of Agriculture would give that information, but I cannot state, even approximately, what has been the amount spent. If my honourable friend would make the inquiry, I should be very glad to obtain the information for him.

Hon. Mr. BOSTOCK: Will my honourable friend give us that information on the third reading?

Hon. Sir JAMES LOUGHEED: I think I could.

Section 1 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

PRISONS AND REFORMATORIES BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 35, an Act to amend the Prisons and Reformatories Act. Hon. Mr. Michener in the Chair.

On section 1—age limit of boys and girls raised from 16 to 18:

Hon. Mr. BOSTOCK: What is the object of the provision that this section shall only come into effect in such provinces as the Governor in Council may designate from time to time?

Hon. Sir JAMES LOUGHEED: The object is this. It is proposed to keep separate the two classes. As my honourable friend will observe, the principle of the Bill is to increase the age limit from 16 to 18, and it is thought that the presence of the older inmates of a reformatory might not prove advantageous to inmates of younger years; therefore it is provided that this shall not come into operation until the necessary arrangements are made to segregate the two classes, by constructive alterations in each reformatory. It is proposed that when those alterations are carried out, each province, upon whom will fall the necessity of doing this work, will bring into operation if they deem desirable the provisions of this section.

Hon. Mr. BOSTOCK: It means that the provinces may be put to some, possibly considerable, expense in this matter?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: My honourable friend at the present time, I presume, does not know whether the provinces are prepared to accept this responsibility or not?

Hon. Sir JAMES LOUGHEED: It is all in their own hands.

Hon. Mr. BOSTOCK: It is left open to them?

Hon. Sir JAMES LOUGHEED: It is left to them under subsection 2.

Section 1 was agreed to.

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

Hon. Mr. BOSTOCK: What is the object of section 2?

Hon. Sir JAMES LOUGHEED: The remainder of the legislation has been prepared, I understand, by the province of Nova Scotia, and we are simply incorporating into the Act all the provisions of the following sections at the instance of the Provincial Government of Nova Scotia. As to what their object may be, I do not profess to be at all intimate with it; but these provisions have been requested and we accordingly make them.

Hon. L. G. POWER: Honourable gentlemen, I must confess that I entertain very serious doubts as to the wisdom of the enactment which is now before us. In England, and also in this country up to the present time, the line between the juvenile and the grown-up has been drawn at the age of 16 years. As far as I can judge, the principal object of this measure is to substitute the age of 18 for 16. I think it must strike every honourable gentleman that this change is one of questionable wisdom.

The measure appears to deal chiefly with three or four institutions in the province of Nova Scotia. These institutions are doing their work satisfactorily. Boys are taken into the institutions in Halifax as early as at 10 years of age, and they are liable to remain for four or five years. You can understand, honourable gentlemen, that if young men of 17 years of age are allowed to associate with these children, the effect on the children is likely to be very bad; and I do not think that the effect on the grown-up offender is likely to be good. As far as I can gather, there has been no serious complaint of the existing condition of things, and I think that this legislation, to which a considerable number of our very respectable people are favourably disposed, is pernicious. I think this goody-goody legislation really goes too far: it falls over, as they say, on the other side: it does not hit the block. I think we had better allow the age to remain at 16 years, as it has been up to the present time.

Hon. W. B. ROSS: Perhaps the leader of the Government can tell us at whose instance this great change in the Act is being introduced. I would like to know.

Hon. Sir JAMES LOUGHEED: I really cannot answer my honourable friend from Middleton (Hon. W. B. Ross) as to the increase in the age from 16 to 18 years.

Hon. W. B. ROSS: I refer to section 2.

Hon. Sir JAMES LOUGHEED: I have looked up the statement made by the Minister of Justice, who is in charge of this Bill. This provision is being enacted at the instance of the Government of Nova Scotia. It is for the purpose of assimilating the legislation that we have on the statute book to the provincial enactments.

Hon. Mr. DANDURAND: Referring again to section 1. Does the Act as framed allow a boy below the age of 18 to be sentenced to or received into one of these reformatories; or does the age limit debar the reformatory from retaining the culprit after he has completed his 18th year?

Hon. Sir JAMES LOUGHEED: As I understand the present Act, any youth above the age of 16 cannot be sentenced to one of these reformatories. It is the intention now to increase the age limit to 18. There are many cases, I suppose the majority, in which it is desirable that youths under 18 should not be sent to penitentiaries, but rather that they should come under the more salutary influences of a reformatory. They should not be called upon by the law to mix with more mature criminals.

Hon. Mr. DANDURAND: But if a boy in his 18th year is sentenced to three years imprisonment, he would remain in the reformatory until he was past 20.

Hon. W. B. ROSS: Certainly; but the same thing would apply if he were sent to the penitentiary.

Hon. Mr. DANDURAND: I want to know to what the age limit applies? Does it apply to the age when he is sentenced or to the age above which the reformatory will not be able to retain him?

Hon. Sir JAMES LOUGHEED: To the date of the sentence.

Hon. W. B. ROSS: The point raised by the honourable gentleman from Halifax (Hon. Mr. Power), namely, the objection to boys between 18 and 21 being placed where they would have an influence on boys of 10 or 11, is a good one; but I think the Act is so constructed that this change in the age limit will not come into force until the Government of Nova Scotia provides for the segregation of the older boys from the younger ones.

Hon. Mr. BOSTOCK: Is there any obligation on the part of the Dominion Government to see that the segregation is properly carried out before this provision goes into effect? Who is responsible for it?

Hon. Sir JAMES LOUGHEED: As the institution is a provincial one, I presume the province will comply with the requirements of the Act, and will ask that it be brought into operation. The Federal Government will of course accept the representation of the province that the Act should be brought into force.

Section 2 was agreed to.

Section 3 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

DOMINION LANDS BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill X4, an Act to amend the Dominion Lands Act.

He said: Honourable gentlemen, this is a very short Bill. It is for the purpose of overcoming a conflict which has arisen between the Administration and the Auditor General as to the interpretation of the statutes. It was contended by the Auditor General, under the former legislation, that some 200 odd employees appointed by the Minister to the Outside Service, and who are in the Departments at Ottawa, were precluded from receiving their salaries under the Civil Service Act. This is simply to place a construction on the Act by which payments may be made to the officers or employees. The impression heretofore was that one might be appointed to the Outside Service and still be employed in Ottawa; but apparently the Civil Service Act has been differently interpreted.

Hon. Mr. BOSTOCK: I am not quite clear whether this Bill brings the officials under the Civil Service Act or not. Are they transferred from the Outside to the Inside Service by this Bill? Do they come under the Civil Service Commission?

Hon. Sir JAMES LOUGHEED: There is a provision now by which all outside servants who are recommended can be blanketted into the Inside Civil Service. This would permit of that blanketting, as it is called, being done.

Hon. Mr. BOSTOCK: And they are classified under the Classification?

Hon. Sir JAMES LOUGHEED: Yes.

The motion was agreed to, and the Bill was read the second time.

NORTHWEST TERRITORIES BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill Y4, an Act to amend the Northwest Territories Act.

He said: Honourable gentlemen, the unorganized portions of the Northwest Territories are adminstered by a Commissioner. The present Commissioner is the Deputy Minister of the Interior, Mr. Cory. Owing to the opening up of the Mackenzie river district, which was brought about by the discovery of oil, it is desirable that the administration of that enormous tract of country should be further strengthened by the appointment of additional members. It is therefore proposed that the Administration shall be increased; and subsection 2 of section 1 of the Bill provides what the offices shall be to which the officers shall be appointed. It is simply a formal matter.

Hon. Mr. BOSTOCK: I understand from this Act that the Council heretofore has consisted of four members; the Deputy Minister of the Interior in Ottawa being the Commissioner, and the other three members being in the Northwest.

Hon. Sir JAMES LOUGHEED: No. My recollection is that they are all officers of the Department of the Interior.

Hon. Mr. BOSTOCK: Located in Ottawa?

Hon. Sir JAMES LOUGHEED: Yes. I understand that a quorum consists of three, although the Council is constituted of four members.

Hon. Mr. BOSTOCK: Are there any organized municipalities in that section of the country.

Hon. Sir JAMES LOUGHEED: No. It consists of that portion of the Northwest lying north of the provinces of Saskatchewan and Alberta.

The motion was agreed to, and the Bill was read the second time.

ADJOURNMENT OF THE SENATE

Hon. Sir JAMES LOUGHEED moved:

That the Senate do now adjourn until Monday, May 23, at 8 p.m.

Hon. Mr. DANDURAND: Is it the intention that the Senate should sit on Tuesday?

Hon. Sir JAMES LOUGHEED: I do not know yet. I shall have to ascertain that on Monday.

Hon. Mr. DANDURAND: I understand that the House of Commons is not to sit on Tuesday. I am always of the same disposition—willing to allow our friends from the Northwest to take a week's holiday if they want to go home.

Hon. Sir JAMES LOUGHEED: They will appreciate your consideration.

The motion was agreed to.

The Senate adjourned until Monday, May 23, at 8 p.m.

THE SENATE

Monday, May 23, 1921.

The Senate met at 8 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

MOST FAVOURED NATION CLAUSE

INQUIRY

Hon. Mr. BEAUBIEN inquired of the Government:

1. What compensation in tariff concessions has Canada obtained from each country benefiting by the extension to it by Canada of the Most Favoured Nation Clause.

2. State for each country what these concessions are, what other nations benefit by the same, and to what extent.

Hon. Sir JAMES LOUGHEED: The following is a revised list of countries accorded most-favoured-nation treatment in tariff matters by Canada: Argentine Republic, Colombia, Denmark, France, Japan, Norway, Russia, Spain, Sweden, Switzerland, and Venezuela.

Argentine Republic: The tariff of Argentina contains only one schedule of duties. This schedule is called the minimum tariff. The rates of duty thus provided are applicable to Canada, and apparently to all countries, for Argentina is said to have a common tariff for the world. The Argentine law, nevertheless, provides for an increase of 50 per cent in the duties and a levy of 15 per cent on free goods in the case of imports from countries which "exceptionally reduce" their tariffs to countries other than Argentina. There is no information that these surtaxes have been made operative against any country.

Colombia: Colombia has only one schedule of customs duties. There is no provision in the Colombian tariff for discriminating duties. If any tariff concession were made to a third country, by treaty or otherwise, Canada would be entitled to the same terms reciprocally and unconditionally.

Denmark: The Denmark tariff consists of a single schedule of duties, which applies to Canada and other countries alike. Provision is made for levying a surtax of 40 per cent of the duties on dutiable goods and 10 per cent ad valorem on free goods in the case of imports from countries which discriminate against Danish goods. It is understood that these surtaxes have not been brought into effect against any country. The most-favoured-nation treaty with the United Kingdom, which is applicable to Canada, provides most-favoured-nation treatment with respect to all third countries except Sweden.

France: The most-favoured-nation clause is extended by Canada only in consequence of the Franco-Canadian Trade Agreement of 1921. The compensation obtained by Canada in that case was the French minimum tariff with a few modifications as was provided for in the Franco-Canadian treaty of 1907-09. In view if the fact that France extends its minimum tariff in its entirety to many countries and in part to many others, it does not appear that any third nations would benefit by the concessions made to Canada in the new treaty.

Japan: By virtue of the most-favoured-nation clause, Canada enjoys conventional rates of duty on several items of the Japanese tariff. Usually the conventional rates are one-quarter, one-third, or one-half lower than the rates under the general tariff. The conventional tariff of Japan applied to the following pre-war list of countries. Argentina, Austria-Hungary (since denounced), Belgium, Brazil, Chile, Colombia, Denmark including colonies, France, German Empire including the Grand Duchy of Luxemburg and the Austrian communes of Jungholz and Mittleberg (since denounced), Greece, Italy, Mexico, The Netherlands, including colonies, Norway, Peru, Russia, Siam, Spain including the Balearic and Canary Islands, Sweden, Switzerland, the United Kingdom of Great Britain and Ireland including India and Canada, the United States of America including outlying possessions.

Norway: (1) Norway has two schedules of duties, a minimum and a maximum. The minimum tariff is applicable to imports from Canada. The minimum is usually between 20 and 40 per cent lower than the maximum. The maximum is applicable to any country not having a treaty with Norway and where Norwegian goods are less favourably treated than goods of any other country. (2) The Norwegian tariff does not show the countries which have become entitled to the minimum rates of duty.

Russia: The pre-war tariff of Russia for the European trade was that authorized unuder Imperial Decree of 1906. In 1915 the rates of duty were increased by another decree. The tariff thus altered was intended to be a temporary measure pending a complete revision at the end of the war. Owing to the internal troubles in Russia, the tariff in 1919 underwent independent modifications for different sections of the country. There was, for example, a different tariff in North Russia, in South Russia, and in the republic of Georgia. All these tariffs, however, were based on the tariff of 1906. The 1906 tariff contains a general and a conventional schedule of duties. Canada enjoys all the benefits of the conventional tariff. The concessions under the conventional tariff came into existence through treaties between Russia and various other countries. Under the 1915 tariff revision, these conventional rates were withdrawn from Germany and Austria-Hungary, and in 1917 notice was given of termination of the most-favoured-nation treaties with Japan, Norway, Belgium, and the Netherlands. The concessions to France, Italy and Portugal were continued and no doubt most-favoured-nation treatment applies also to other countries, as well as to Canada and the United Kingdom. The Russian general tariff also discriminates against imports over the European land frontier on certain clases of goods as compared with imports by sea. The former rates are 20 per cent higher.

Spain: Spain has a maximum and a minimum tariff, a third or conventional tariff originating from various treaties, and also a fourth tariff giving special concessions to Portugal. The maximum tariff applies to countries not enumerated in one of the privileged groups. The minimum tariff applies to Colombia and Ecuador. The conventional tariff has some rates lower than the minimum. The most-favoured nations, which include Canada, are entitled to the conventional or the minimum tariff, giving them all the customs benefits extended to any country

except Portugal. The most-favoured nations under the tariff of 1912 (now being revised) were: Denmark, Norway, Netherlands and her colonies, Portugal, Switzerland, Sweden, Germany, Andorre, Annam, Austria-Hungary, Belgium, Bolivia, Bulgaria, Costa Rica, Egypt, the United States of North America and Porto Rico, Cuba, Chile, China, France and Algeria, Great Britain and her colonies, Greece, Guatemala, Japan, Luxemburg, Morocco, Mexico, Nicaragua, Paraguay, Persia, Peru, Argentine Republic, Roumania, Russia, Salvador, Serbia, Siam, Tunis, Turkey, Uruguay and Venezuela.

Sweden: Sweden has accorded conventional rates of duty to certain countries and these are also applicable to Canada. There is only one schedule of rates in the Swedish tariff. The effect of the treaties seems to have been the lowering of the ordinary tariff on certain items. The advantage, if any, of the favoured-nation clause to Canada is not specified in the tariff.

Switzerland: (1) The Swiss tariff is based to a large extent on treaties. The conventional rates thus granted are applicable to Canada. The Federal Council of Switzerland is empowered to increase the general tariff against countries treating Swiss goods less favourably than goods of other countries. (2) Commercial treaties providing for conventional rates of duty were principally with Germany, Austria-Hungary, France, Italy, Spain and Serbia. No doubt most-favoured-nation treatment is also extended to other countries.

Venezuela: Imports into Venezuela from Canada and other countries are subject to a common tariff. The Executive authorities, however, are authorized to increase up to 25 per cent the import duties on goods from foreign countries which do not provide under treaties with Venezuela for most-favoured-nation treatment. There is no indication of the extent to which this authority has been exercised.

Note: Since the end of the war, many European countries have given notice of termination of commercial treaties with a view to revising tariffs, which may, in some instances, modify the relations among some of the countries in the above list.

Hon. Mr. PROUDFOOT.

REMISSION OF PENITENTIARY SENTENCES

INQUIRY

On the Orders of the Day:

Hon. Mr. McMEANS: I should like to ask the leader of the Government if I may expect a return this Session to the motion that was passed in this regard by this House on the 22nd of April last.

Hon. Sir JAMES LOUGHEED: I shall be very glad to see what can be done about bringing it down before we prorogue. I hope to give an answer to-morrow.

OTTAWA IMPROVEMENT COMMISSION BILL

FIRST READING

Bill 135, an Act to amend the Ottawa Improvement Commission Act, 1919.

STATISTICS BILL

FIRST READING

Bill 141, an Act to amend the Statistics Act.—Hon. Sir James Lougheed.

CANADA EVIDENCE BILL

FIRST READING

Bill 156, an Act to amend the Canada Evidence Act.—Hon. Sir James Lougheed.

JUVENILE DELINQUENTS BILL

FIRST READING

Bill 157, an Act to amend the Juvenile Delinquents Act.—Hon. Sir James Lougheed.

HAY AND STRAW INSPECTION BILL

FIRST READING

Bill 159, an Act to amend the Inspection and Sale Act (Hay and Straw Inspection).—Hon. Sir James Lougheed.

ANIMAL CONTAGIOUS DISEASES BILL

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of Bill 136, an Act to amend the Animal Contagious Diseases Act.

He said: Honourable gentlemen, I promised my honourable friend opposite to give him certain information touching the amount of money expended in the administration of this Act. I have pleasure in doing so. For the fiscal years from 1917 to 1921 the total amount was $343,953.17.

Hon. Mr. BOSTOCK: That has been paid in compensation?

Hon. Sir JAMES LOUGHEED: Yes. Of this amount $40,830.97 was for horses, $80,908.32 was for hogs, and $222,213.88 was for cattle. If my honourable friend would like the amount expended in each year, I shall be glad to give him this statement.

The motion was agreed to, and the Bill was read the third time.

PRISONS AND REFORMATORIES BILL

THIRD READING

Bill 35, an Act to amend the Prisons and Reformatories Act.—Hon. Sir James Lougheed.

JUDGES BILL

CONSIDERATION OF DISAGREEMENT OF HOUSE OF COMMONS — MODIFIED AMENDMENT SUGGESTED

The Senate proceeded to consider the message from the House of Commons disagreeing to the second and third amendments made by the Senate to Bill 60, an Act to amend the Judges Act.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I am rather at a loss to know exactly what course to pursue in regard to the amendments which have been made by this Chamber to the Bill in question. As the House was very largely in favour of the amendments which have been carried and as there did not seem to be a disposition on the part of the House to comply with the message from the House of Commons, but, on the contrary, to insist upon the amendments which were made by this House, I took the liberty of anticipating what I might term a conference. It seemed to me that it was desirable to get the promotor of the Bill in the House of Commons, who was the Minister of Justice, to meet several legal gentlemen of this Chamber who were active, and very properly so, according to the opinions which they entertained, in regard to the amendments which were carried by this Chamber. We therefore had a conference of all parties interested with a view to approximating as closely as possible to some common consent as to the amendments which should be made, because I assumed it would be difficult to escape making some amendment to the Bill. The result was that a modified amendment was suggested at that informal conference. I cannot at the moment say whether the other Chamber will be prepared to accept that modified amendment, which would represent, I fancy, the minimum of the sympathy or of the opinion or of the judgment of those who favour the amendments passed by this House. The message that has come from the Commons will have to be dealt with, I presume, in this way: by my moving that the Senate doth not insist on the second and third amendments. I take the liberty of moving that motion, seconded by the honourable Minister of Labour (Hon. Mr. Robertson), and that will open up the question that I have already alluded to of the informal conference that took place.

Hon. Mr. BOSTOCK: I do not think the House is quite seized of the amendments that my honourable friend has moved that we should not insist upon.

Hon. Sir JAMES LOUGHEED: Perhaps I had better read the amendments to the Bill that were carried, instead of explaining them:

After clause 4 insert the following as clause 5:

The Judges Act, Chapter 138 of the Revised Statutes, 1906, is hereby amended by adding thereto the following section:

No judge mentioned in this Act shall act as Commissioner or Arbitrator on any Commission or Enquiry. 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.

That meant that neither the Federal nor the Provincial authorities should have the power to appoint a judge to act as a Commissioner or Arbitrator.

Hon. Mr. BOSTOCK: If my honourable friend moves that we do not insist on those amendments, I am unable to see at the present moment how we are going to put in any other amendment.

Hon. Sir JAMES LOUGHEED: If my honourable friend will be good enough to wait, he will see what is about to be done.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, I desire to move in amendment, seconded by Hon. Mr. Fowler:

That the Senate doth not insist upon their second and third amendments to the said Bill, to which the House of Commons have disagreed, but substitute the following amendments in lieu thereof;

The Judges Act, Chapter 138 of the Revised Statutes, 1906, is hereby amended by adding thereto the following sections:

4. Subsection 2 of section 3 of the Judges Act, chapter 138 of the Revised Statutes, 1906, as the said subsection is enacted by section 12 of chapter 56 of the Statutes of 1920, is hereby repealed and the following substituted:

35. Unless nominated by the Governor in Council, no judge mentioned in this Act shall act as commissioner or arbitrator on any commission or enquiry. 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 will allow the Governor General in Council to engage judges as arbitrators on commissions of enquiry.

Hon. Mr. CASGRAIN: That is what we do not want.

Hon. Mr. LYNCH-STAUNTON: And there is nothing said about the Provincial Legislatures, because it was stated—and it is appreciated by those who are in favour of this Bill—that it is not perhaps proper for the Parliament of Canada to pass any Act directly naming a local legislature; for, it is conceded, we have no power to direct legislation against the local legislatures. Therefore, if the House of Commons accept this amendment, the Act will allow the Governor in Council to employ judges on these commissions, but will prevent the judges from acting on any other commissions than those of the Dominion Government.

Hon. Mr. DAVID: If I understand the amendment correctly, the Provincial Governments would not be allowed to appoint judges as commissioners.

Hon. Mr. LYNCH-STAUNTON: This amendment does not directly refer to Provincial Governments at all.

Hon. Mr. DAVID: And then?

Hon. Mr. LYNCH-STAUNTON: Let the law, whatever it is, take its course. It is conceded to be improper for the Parliament of Canada to enact legislation which would prohibit the Provincial Governments.

Hon. L. G. POWER: Honourable gentlemen, I am not very profoundly interested—certainly I am not personally interested—in this measure, and generally I am in favour of allowing things to go as they are, unless they are going badly; but in the present instance I think that it is the duty of the Senate to assert itself.

The parliamentary rule, which has always been adhered to, is that where the Commons decline to accept a Senate amendment, then the Commons send to the Senate their reasons for not accepting the amendment. And, when you come to think of it, honourable gentlemen, we are supposed to be two bodies of men who are governed by reason, and there should always be a reason given for any action which is in the slightest degree out of the ordinary. While I am not a great advocate of the dignity of the Senate, I feel that there are cases, and this is one, in which it is really our duty, a duty that we owe to the House, to insist that, if the Commons do not agree to our amendments, they shall at least signify their non-concurrence in a proper and respectful way. So I feel, honourable gentlemen, that in undertaking to pass the amendment moved by the honourable Senator from Hamilton (Hon. Mr. Lynch-Staunton) we are doing the right thing by the House.

Again, with respect to this question of commissions, our judges in this country are paid, not quite as liberally as the judges in England are, but more liberally, as a rule, than the judges in the United States; and it is not very long since Parliament made a considerable increase in the sums paid to the judges of the higher courts. I feel, honourable gentlemen, that if you have a body of men like our judges, occupying responsible and important positions, and very often called upon to discharge very important functions, the salary which they get should be, and I think under present conditions is, sufficient to pay for all their time. I think that if a judge gets $6,000 or $8,000, and if, having leasure, he is called upon to devote part of it to the public service, that is no reason why he should be paid anything beyond his necessary travelling and living expenses.

Hon. Mr BOSTOCK: In view of the fact that many honourable members have not seen this amendment, I would ask the honourable leader to allow this matter to stand until to-morrow, so that we may give it better consideration.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: To-morrow is a holiday. Could we not defer the matter till Wednesday?

Hon. Sir JAMES LOUGHEED: I think we had better say to-morrow, because the Session is drawing to a close, and in any event this will necessitate a conference between the two Houses. Of course, if we cannot proceed with it to-morrow in such a way as to serve the public interest best we will further postpone it.

The Order stands.

OPIUM AND NARCOTIC DRUG BILL

MOTION FOR CONSIDERATION IN COMMITTEE

Hon. Sir JAMES LOUGHEED moved that the Senate go into Committee on Bill 81, an Act to amend the Opium and Narcotic Drug Act.

Hon. Mr. DANIEL: Honourable gentlemen, before the Senate goes into Committee of the whole, which I suppose means the adoption of the principle of the Bill, though I am not opposed to the principle, I wish to give notice that I intend to move an amendment to one of its clauses. The measure follows generally the line of some very drastic legislation which has been brought into force originally, I think, because of the enactment of various prohibition laws in the different provinces. It changes the old principle of legislation, in so far as I, who am not a lawyer, am acquainted with it. Formerly it was generally understood that a man was innocent until he was proven guilty; but, according to this legislation, the accused is considered guilty until he has proven himself innocent. That is an entire reversal of the ordinary principle of criminal legislation, so far as I have understood it.

However, I am not going to speak of that. Some of the methods for carrying this law into force are extremely drastic, and it is against one of them that I intend to move an amendment. The Act gives constables and peace officers very enormous and unusual powers. It allows a constable or a peace officer to enter forcibly any building of any kind, even the dwelling-house of any individual in the country, at any time, by day or by night, without a warrant—without anything at all except the mere idea of the constable himself. I hold, honourable gentlemen, that any measure authorizing any constable to enter, forcibly or otherwise, a man's home at any time, by night or by day, is legislation that this Parliament should not pass. The principle, to my mind, is a very bad one indeed. We cannot tell whether the peace officer who is authorized to enter has any cause for suspicion or not. Apart from that, I might remind honourable gentlemen that, in these days of highway robberies and burglaries and banditti, it would give an opportunity to an evilly-disposed person to go to a house in the middle of the night, wake up the occupants, force his way in and say: "I am an officer of the law; I have come to examine this house to see if I can find any paregoric or morphine or cocaine." Then he may walk in and go through the house. I object to that, and, in order to test the feeling of this Chamber with regard to it, I intend when we go into Committee of the Whole to move an amendment to section 7 to the following effect:

> That section 7 be amended by striking out the word "dwelling-house" in line 3 of the said section, and by adding the words, "and such constable or peace officer may enter any dwelling-house or procuring a search-warrant from a magistrate having jurisdiction in the matter."

Hon. Sir JAMES LOUGHEED: What will become of the drugs in the meantime?

Hon. Mr. DANIEL: I presume they will be there still, if they have been there at all. You do not allow in any other circumstances the entering of a private dwelling-house at any time, night or day, without a search-warrant. There is no dearth of magistrates in this country, if what I hear is correct. Down our way there are large numbers of them. They are always available. Why should not a constable be compelled to go and make his sworn statement before a magistrate and get a warrant? If he has to go at night to break into a house for the purpose of searching it, he has plenty of time to go to a magistrate and swear out such information as may be required in order that he may obtain a search-warrant. I therefore give notice that in Committee of the Whole I will move that amendment.

CONSIDERED IN COMMITTEE—PROGRESS REPORTED

The motion was agreed to, and the House went into Committee on the Bill. Hon. Mr. Blain in the Chair.

On section 1, paragraph a—prescriptions not to be filled more than once:

Hon. Mr. BOSTOCK: Would my honourable friend tell us what the change is?

Hon. Sir JAMES LOUGHEED: Yes. Certain words are stricken out of the section which is at present in the Act.

Hon. Mr. BOSTOCK: Is that the original Act of 1907?

Hon. Sir JAMES LOUGHEED: Yes, as amended by the Act of 1920.

We strike out of subsection 1 of section 5 the words, "without the authority of a prescribing physician, veterinary surgeon or dentist," in the 9th and 10th line thereof. This amendment has been found necessary

because of the great abuse that exists in the refilling of narcotic prescriptions, in most cases for drug habitues, on an understanding arrived at between the druggist and the physician. By the Harrison law in the United States and by the law of Great Britain, the refilling of all narcotic prescriptions is prohibited under any circumstances. This is simply bringing our law into line with that of Great Britain and that of the United States.

Hon. Mr. BOSTOCK: The effect of it is to prevent a prescription being filled a second time?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. FOWLER: That is going to work a hardship on people of slender means. To get a prescription they will have to go to a doctor each time. I think the hardship it will work will be greater than the evil that would otherwise result.

Hon. Mr. SCHAFFNER: You have not seen the effects of it.

Hon. Mr. FOWLER: It is all very well for the doctors: they issue the prescriptions.

Hon. Mr. THOMPSON: How far-reaching would that be? A doctor might issue a prescription that would contain one one-thousandth part of one of these drugs.

Hon. Sir JAMES LOUGHEED: The object is to prevent the refilling of a prescription for an opiate.

Hon. Mr. THOMPSON: Is it just purely an opiate? Must it be confined to the individual drug, or would it include prescriptions that contain one-thousandth part of the drug?

Hon. Mr. FOWLER: In many harmless prescriptions there is some opium or kindred drug. I think this is bad legislation.

Hon. Mr. CURRY: Why not state the percentage that may be allowed?

Paragraph a was agreed to.

On paragraph b of section 1—physician not to prescribe drugs, etc., except for medicinal purposes:

Hon. Sir JAMES LOUGHEED: Mr. Chairman, I am going to ask the Committee to rise and report progress. Legislation of this kind is sent down to this House entirely without any explanation and without anyone to represent it. It seems to be taken for granted by those having charge of the legislation that this Chamber inherently and intuitively should know what is desired. Unless we can get proper information, I do not feel that there is any justification for asking the House to consider such legislation.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. BELCOURT: May I just at this moment remind my honourable friend of a subject which I perennially bring up in the Senate, generally at the close of the Session? My honourable friend has on several occasions very kindly promised to take up my suggestion that the Bills should be printed in parallel columns, one showing the part of the Act that it is sought to amend, and the other the amendments proposed. I know my honourable friend has done a great deal, and I had hoped that this Session he would be able to tell us that he had succeeded in obtaining that very desirable and very much needed alteration in the method of printing our Bills. I wonder if he is in a position to tell us that the matter has progressed to some extent.

Hon. Sir JAMES LOUGHEED: No one would appreciate a practice of that kind more than I would. Inasmuch as my honourable friend has made this proposal on many occasions, I would suggest that he go further and take the necessary steps to make it a rule of this House. There is no reason why that should not be done. I have suggested from time to time that some change be made in the method of printing the Bills, but apparently my efforts have been abortive. Therefore I would suggest that my honourable friend take the matter in hand, and see that the House, either by rule or otherwise, should insist upon a change being made. I would be prepared to support him very warmly.

Hon. Mr. BELCOURT: It would have to be brought up as a substantive matter, I imagine. If my honourable friend gives me his kind co-operation, I shall be glad to proceed.

Hon. Sir JAMES LOUGHEED: I see no reason why this Chamber should not adopt a rule stating in what form Bills should be presented to this House.

Progress was reported.

DOMINION LANDS BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill X4, an Act to amend the Dominion Lands Act. Hon. Mr. Michener in the Chair.

On section 1—confirmation of appointments, etc.:

Hon. Sir JAMES LOUGHEED: As I explained to the House the other day, this is simply to overcome an interpretation of the statute by which a great number of public servants would be prevented from receiving their salaries.

Section 1 was agreed to.

Hon. Sir JAMES LOUGHEED: I beg to move that the following be added as section 2:

All the officers so appointed shall be deemed to be permanent or temporary officers of the Civil Service, according to the nature and intent of the appointment in each case.

Hon. Mr. BOSTOCK: Do I understand that these officers are now under the Civil Service Commission?

Hon. Sir JAMES LOUGHEED: No, they are not, because they have been appointed to the Outside Service. Two hundred and some odd of these servants have been appointed under the Dominion Lands Act, and are now stationed in Ottawa. It is contended that according to the Civil Service Act they cannot be located at Ottawa and draw their salaries.

Hon. Mr. FOWLER: Are you putting them under the Civil Service Act?

Hon. Sir JAMES LOUGHEED: Yes. They would come under the Civil Service Act anyway. They would be blanketed under the Civil Service Act by reason of certain Orders in Council which lately have been passed, and by which the Outside Service is being absorbed.

Hon. Mr. FOWLER: I thought we were changing all that, and getting back to first principles again.

Hon. Sir JAMES LOUGHEED: There is a Bill before the Commons which possibly will come down here. It would not affect this case. These are men who have been in the employ of the Government since 1908.

Hon. Mr. FOWLER: Why do you put them in and take others out? Why do you not leave them out when they are safely out?

Hon. Sir JAMES LOUGHEED: They have always been regarded as part and parcel of the Civil Service; but, owing to a conflict of interpretation between the two statutes, the Civil Service Act and the Dominion Lands Act, they have been regarded as outside men stationed in Ottawa and not entitled to any salary whatsoever. That is one of those mysterious things that will happen under Acts of this kind.

The amendment of Hon. Sir James Lougheed was agreed to.

The preamble and the title were agreed to.

The Bill as amended was reported.

NORTHWEST TERRITORIES BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill Y4, an Act to amend the Northwest Territories Act. Hon. Mr. Girroir in the Chair.

On section 1—Council increased to six members; Deputy Commissioner may be appointed:

Hon. Mr. BOSTOCK: My honourable friend told us the other day, on the second reading, that this Council is located in Ottawa. All these regulations, I suppose, are promulgated in Ottawa?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: Can he tell us what officers are on the ground, and at what points in the Northwest Territories, to administer these regulations?

Hon. Sir JAMES LOUGHEED: I could not enumerate them all, but, for instance, special staffs are being sent out to the Mackenzie River district while attention is being given to the development of the oil fields there. But this Bill has only to do with regulations and with the passing of ordinances. It does not deal with the administration on the ground, so to speak.

Hon. Mr. BOSTOCK: But I imagine that the Commissioner and this Council practically direct the policy of the administration of those Territories.

Hon. Sir JAMES LOUGHEED: Yes, the regulations will be promulgated by them. They will rely probably upon the Royal Canadian Mounted Police to carry out many of the regulations; other regulations will be administered by officers specially designated by the Department of the Interior, who may be engaged in carrying on special departmental work in the unorganized territories.

Hon. Mr. DANDURAND: Where is the seat of that administration?

Hon. Sir JAMES LOUGHEED: Ottawa.

Hon. Mr. DANDURAND: I see by section 5 that the seat "shall be fixed and may from time to time be changed by the Governor in Council."

Hon. Sir JAMES LOUGHEED: It is fixed by Order in Council. The time will probably come when, population having gone in to the unorganized territories, it will be necessary to have even some kind of representative council; but up to the present time no undertaking has been carried on to any extent in the unorganized sections of the Territories.

Hon. Mr. DANDURAND: Who is the Commissioner?

Hon. Sir JAMES LOUGHEED: The Deputy Minister of the Interior, Mr. Cory.

Hon. Mr. BOSTOCK: I understand that at present in all that Territory there is practically no settlement of any kind, outside probably this one that is now being built up at Fort Norman.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: The purpose of this legislation is probably to deal with that situation as it arises?

Hon. Sir JAMES LOUGHEED: The Provinces of Saskatchewan and Alberta were carved out of the Northwest Territories. Ever since the Territories were erected there has been a Commissioner, who has been stationed in Ottawa. The first Commissioner, I think, was the late Mr. Fred White, who was Comptroller of the Northwest Mounted Police. Upon his decease Mr. Cory was appointed as Commissioner. The Commissioner has authority to pass ordinances with all the force and effect of law. Of course, he is assisted by the Council, as indicated by the Bill. Force will be given to those ordinances just the same as to any other laws of the Dominion.

Hon. Mr. BOSTOCK: Would my honourable friend care to say what steps have been taken for the purpose of protecting the situation at Fort Norman by preventing persons from going in there unless they are properly equipped to take care of themselves? I understand that in that territory there is practically nothing raised; that there are no provisions except what people themselves take in, and there is great danger that if a large number of people are allowed to go in there, when the winter comes on, the Government may find a great many persons on their hands and may have great difficulty in taking care of them.

Hon. Sir JAMES LOUGHEED: For some months past, in fact since it became evident that there would be a considerable influx of people into the Mackenzie river district, the Mounted Police have been specially charged to make inquiry into every case. They are sufficiently organized and distributed, I understand, to make not merely a general inquiry, but a particular one, as to all persons coming in. The instructions of the police are not to permit any persons to go into that far north country unless they have sufficient means to carry them through a reasonable time. So the Government is fully alive to the necessities which my honourable friend has pointed out, and I have no doubt that that inquiry is being rigidly prosecuted.

Section 1 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

THE DRAFTING OF BILLS

APPOINTMENT OF SPECIAL COMMITTEE

Hon. Mr. BELCOURT: Honourable gentlemen, with the permission of the House I will now read the motion moved by myself and seconded by Hon. Mr. Lynch-Staunton:

That a Committee composed of Honourable Messieurs Lynch-Staunton, Willoughby, Ross (Middleton), Proudfoot, and the mover, be appointed to submit to the Senate an amendment to the rules of this House so as to provide that all Bills submitted to this House shall contain in full the section or sections of Acts which it is proposed to repeal or amend.

The motion was agreed to.

LAKE OF THE WOODS BILL

FIRST READING

Bill A6, an Act respecting the Lake of the Woods and other waters.—Hon. Sir James Lougheed.

Hon. Mr. BOSTOCK: Can my honourable friend give us an explanation as to what that Bill means?

Hon. Sir JAMES LOUGHEED: I will do so on the second reading to-morrow.

VICTORIA DAY SITTING

Hon. Sir JAMES LOUGHEED moved that the Senate adjourn until to-morrow at 11 a.m.

Hon. Mr. FOWLER: I would like to know if the pressure of public business is so very great that it is necessary for the Senate to sit upon a public holiday such as the 24th of May. The House of Commons, which is supposed to be the busy part of this Parliament, is observing the day. The 24th of May is a very important holiday: it is a day that is held in commemoration of the great Queen Victoria, and it seems to me that we as loyal subjects are paying very little respect to the memory of that illustrious woman and queen when we sit on that day. Of course, if the pressure of public business is such that it is absolutely necessary to sit, my objections would disappear; but if it is not absolutely necessary, it does seem to me that it is, to say the least, a very improper thing for us to sit on that particular day.

Hon. Sir JAMES LOUGHEED: I may say, honourable gentlemen, that the pressure of public business is thought to be sufficiently great to warrant our sitting to-morrow.

Hon. Mr. DANDURAND: My honourable friend does not disclose all his thought. I know that his mind is set on the necessity of the Divorce Committee meeting to-morrow morning.

The motion was agreed to.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

TUESDAY, May 24, 1921.

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE DRAFTING OF BILLS.

REPORT OF SPECIAL COMMITTEE

Hon. Mr. BELCOURT, from the Special Committee on the method of printing Senate Bills, presented its first report, as follows:

Your Committee recommends 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.

He moved concurrence in the said report.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, may I suggest what presents itself to my mind as an omission from the report. I had not the opportunity of seeing or hearing the report until I heard it read at the Table. It seems to me that there should have been a recommendation that the Committee take up this matter with the House of Commons, because that House must be apprised of it in some way. Unless they adopt a practice similar to that which we propose to adopt in this Chamber, it is manifest that when Bills come from the Commons there will arise a difficulty as to having them printed in accordance with our rules. It is undesirable that there should be two printings of the same Bill. My own opinion is that this matter should be taken up with the Commons. I believe the recommendation is to be made a rule of this House. We should prosecute the matter further and, if possible, induce the Commons to adopt the same practice. They would probably agree to do so, because it would be equally convenient for them.

Hon. Mr. DANDURAND: Could we not add an instruction to His Honour the Speaker to transmit this resolution of the Senate to the House of Commons for their information? We state what is our desire and our intention, and, as it is a rule which will certainly be welcomed in the House of Commons, they are very likely to pass a similar resolution.

Hon. Mr. BELCOURT: Honourable gentlemen, that matter was discussed by the Committee. I think there was a feeling that this resolution should be adopted by this House whether it is also adopted by the House of Commons or not. If it is adopted and put into practice by the House of Commons as well as by ourselves, so much the better; we shall be all the better pleased; but there is in the Committee a strong feeling that, whether the House of Commons adopts this resolution or not, we should adopt it. The idea was that we should report accordingly, recommending the adoption of the resolution by this House, and then, by some subsequent resolution or recommendation, have it submitted to the House of Commons. We did not wish to jeopardize the fate of this amendment by tying up with it any recommendation to the House of Commons. We felt that we should act independently for the time being, but that when the proposal is adopted as a rule of this House we might ask the co-operation of the House of Commons.

Hon. Sir JAMES LOUGHEED: May I make another suggestion while the matter is under consideration? That is, some provision should be made in the report for a suspension of the rule where there is a complete consolidation or revision of a very lengthy statute. If we make the proposal a rule of the House, the difficulty will be to suspend the rule. A rule cannot be suspended except by a somewhat elaborate process. I am not prepared to criticise the report except to say that, unless some provision is made of the character which I suggest, the rule would in some cases be impracticable.

Hon. Mr. BELCOURT: Does my honourable friend understand that all that the committee recommends is that only the section to be amended, and not the Act itself, be printed?

Hon. Mr. LYNCH-STAUNTON: The honourable gentleman (Hon. Mr. Belcourt) might explain that it is only a resolution and not a rule that we are bringing in.

Hon. Mr. BELCOURT: It is merely a recommendation. We cannot make a rule. It is a recommendation to the House that the resolution which has been read be adopted. What I desire to point out to my honourable friend (Hon. Sir James Lougheed) is this: he seems to be under the impression that the whole statute a portion of which is to be amended is going to be printed, but that is not the case.

Hon. Sir JAMES LOUGHEED: No. What I have reference to is this. My honourable friend will recall that on many occasions it is thought desirable, instead of amending a statute, to consolidate the statute. Hence, if we made say a dozen amendments, this rule would necessitate in regard to some very immaterial amendments, the printing of very lengthy sections in the existing statute and also the printing of the sections as proposed to be revised. However, if this is simply a resolution of the House and not one of the standing rules, we can easily obviate that difficulty.

Hon. Mr. DANDURAND: Of course, a standing rule can be altered only by the Senate being specially convened in Committee for the purpose.

Hon. Sir JAMES LOUGHEED: That is what I thought it was.

Hon. Mr. BELCOURT: As pointed out by the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton), it is not a rule: it is a resolution; so it can be changed at any time or can be suspended.

Hon. Sir JAMES LOUGHEED: Yes. All right.

The motion was agreed to.

The Hon. the SPEAKER: The idea has been expressed that this resolution ought to be sent to the House of Commons. I presume that it would be just as well to ask our officers to see the officers of the House of Commons and discuss the matter with them.

Hon. Mr. DANDURAND: I wonder if it would not be better, if it can be done under our rules, to transmit this resolution to the Commons for their information. I am convinced that if the Commons are apprised through their Speaker of our action, they will take the opportunity of acting likewise.

Hon. Sir JAMES LOUGHEED: Move accordingly.

Hon. Mr. BELCOURT: Let my honourable friend move that now.

Hon. Mr. DANDURAND: Then I move, seconded by Hon. Mr. Casgrain, that this resolution be transmitted through His Honour the Speaker of the House of Commons for their information.

Hon. Sir JAMES LOUGHEED: And to the law officers of both Houses, I would suggest.

Hon. Mr. DANDURAND: And to the law officers of both Houses, for their information.

The motion was agreed to.

GRAND TRUNK PACIFIC DEBENTURE STOCK

INQUIRY

Hon. Mr. BOSTOCK inquired of the Government:

Has any payment been made to the holders of Grand Trunk Pacific 4 per cent Debenture Stock since the 1st day of March, 1919; was the interest on the Grand Trunk Pacific 4 per cent Debenture Stock guaranteed by the Grand Trunk Company with the understanding that this interest should be paid in priority to the interest of the 4 per cent Preference Guaranteed Stock of the Grand Trunk Company?

Was a payment of interest made to the holders of the 4 per cent Preference Guaranteed Stock on the 1st January, 1921?

If so, what was the total amount paid?

What period of time was it for?

What rate per cent on the total issue of the stock would it represent?

Hon. Sir JAMES LOUGHEED: The inquiry made by my honourable friend has relation to a contract between the Grand Trunk Pacific and the Grand Trunk and the purchasers of the debenture stock referred to in the inquiry, and, this being a contract entirely outside of the Government, the Government does not feel at liberty to answer the question, more particularly as it may involve the assumption of obligations growing out of the arbitration proceedings now before an arbitration board as to the Grand Trunk and the possible taking over of the road, and likewise the possible assumption of the liabilities of the Grand Trunk hereafter. Pending the making of the award, the Government does not consider it desirable that this question should be answered explicitly as my honourable friend has asked it.

DOMINION LANDS BILL

THIRD READING

Bill X4, an Act to amend the Dominion Lands Act.—Hon. Sir James Lougheed.

JUDGES BILL

FURTHER CONSIDERATION OF HOUSE OF COMMONS DISAGREEMENT

The Senate proceeded further to consider the message from the House of Commons disagreeing to the second and third amendments made by the Senate to Bill 60, an Act to amend the Judges Act.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, no good purpose would be served by any discussion on my part of the amendment suggested. The matter has been fully discussed, it seems to me, in all its features, and probably the purpose which we have in view will be best served by submitting the amendment for the consideration of the House.

Hon. Mr. DANDURAND: As I understand, the question is upon the amendment of the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton)—

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: —the object of which is to prohibit the employment of judges on commissions by the Provincial authorities.

Hon. Sir JAMES LOUGHEED: No, not necessarily.

Hon. Mr. FOWLER: No, you are wrong.

Hon. Mr. DANDURAND: I took it for granted that the effect of that amendment was still to allow the Federal Government by Order in Council to appoint a judge as well as a Commission—

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND:—but that the power of appointing judges would of course be limited to the Dominion Government and not extended to the provincial Governments.

Hon. Mr. BELCOURT: Well, no, that is not it.

Hon. Mr. FOWLER: The amendment makes the Act silent with regard to the provincial authorities. It says nothing at all with regard to the provincial authorities employing judges.

Hon. Mr. MITCHELL: Does it not say that the matter shall be solely in the hands of the Governor in Council? Does not that take it out of the hands of the local authorities?

Hon. Mr. FOWLER: It simply maintains a tactful and unbroken silence.

Hon. Mr. DANDURAND: That may be, but I have had no time to look at the text, to compare the old Act with the amendment. However, taking the statement made by the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton), I understood it clearly to mean that the provincial authorities would in future be debarred, under the Act as amended, and that the power to appoint judges to commissions would be reserved exclusively to the Federal authorities.

Hon. Mr. LYNCH-STAUNTON: Unless the provincial authorities choose to make such a thing part of the judicial duties, I hope that will be the effect.

Hon. Mr. DANDURAND: My understanding was exactly what my honourable friend from Hamilton states to be his understanding of the legislation. When I questioned the honourable gentleman from Middleton (Hon. W. B. Ross) as to the reason why he had not covered all the governments of the county, he told me that such was his intention last year, but that the Minister of Labour had protested that under the Industrial Disputes Investigation Act the labour organizations were most desirous of reserving the right of appointing judges to Boards of Conciliation, and for that reason the honourable gentleman from Middleton preferred to take half a loaf if he could not have the whole loaf. The whole loaf was to prohibit all governments from employing judges on Commissions.

Hon. Sir JAMES LOUGHEED: That is good food regulation.

Hon. Mr. DANDURAND: It would be a fairly good food regulation, but, on the other hand, I think we should be logical. The reason which was alleged by the representatives of the labour element in this country through the honourable the Minister of Labour has disappeared. He told us very candidly that his objection had no longer any raison d'être, since the judges, having been debarred from the right to receive an extra fee for acting as members of Boards of Conciliation, have positively refused to act on those arbitrations. Consequently that objection, the only one that was raised, has fallen to the ground, and the way would now seem to be clear for affirming the principle generally. Now, instead of doing that, we are proceeding to cut away from the Provincial Governments the right to appoint judges on commissions, but we reserve that right to the Federal authorities. I say this is bad legislation, because any argument that can be set up against the provincial governments, as applying to judges on those commissions, should, to my mind, and will, I think, in the minds of the majority of this Chamber, be set up against the employment of judges on federal commissions. It seems to me that it is belittling the authority of our Provincial Governments to say that they shall not be able to use their own judgment with regard to calling upon a judge to preside over a commission, whereas the Federal authorities may exercise that discretion. I think that the Governments of this country are on an equal footing, and the principle that you now apply to the Provincial Governments should be applied as well to the Federal Government. I have yet to hear of any reason why a distinction should be made. If one is made which appeals to my judgment, I shall alter my opinion, but so far I see no reason why we should make that distinction.

Hon. W. B. ROSS: I would like to say to the honourable gentleman that I think there is a distinction. Of course, I am not going back upon the general principle for which I have contended for some years in this House, namely, that none of the Governments should have the right to appoint judges to Commissions; but there is a vast distinction between the position of the Provincial Governments, and that of the Dominion Government, because the constitution of the provincial courts, in both civil and criminal matters, is entirely in the hands of the Provincial Governments. The Provincial Governments, instead of appointing a judge as a commissioner, can assign any dispute they desire to a court—to the Supreme Court or to a County Court—and say that the matter shall be heard and determined there. Then, what happens is this. It goes in among a list of causes for trial in that court, and whatever judge is assigned to the particular court to try these causes deals with that matter in the regular way, just as he deals with the quarrels between A and B, or between E and D. In that way, the naming by the Government of a particular judge as a special commissioner to suit themselves is done away with. There is no objection at all to the Provincial Governments having the benefit of the judges' services, but they ought to obtain them through the medium of their courts.

Coming now to the Dominion Government, we find that it has not, as the Provincial Governments have, the power to constitute the courts. Therefore, the positions are not exactly the same. With regard to the appointment of judges as commissioners by the Dominion Government, I would like to see the law provide that, while judges might be appointed, in cases that are special or urgent, yet they should be appointed, not by the Minister of Justice or the Dominion Government naming them, but by the Chief Justice selecting and nominating the judge. There may be a very important matter, involving a constitutional question, or an international question, in which the national Government might want the services of one or more judges, say in the province of Ontario or in the province of Quebec. If they wanted judges from the province of Ontario, they would write to the Chief Justice saying that the services of say two judges were required. That would give the Chief Justice a chance to arrange the circuit and the courts with the minimum of disturbance. It is very undesirable that either the Provincial Governments or the Dominion Government should call away two judges without consulting the court. This provision would obviate that. It ought to remove the suspicion that exists in the minds of the public when the Dominion Government name a judge, that they are naming him to suit themselves.

This matter has got into a position that is somewhat complicated. I moved some time ago, I think, the first amendment. That simply dealt with the provincial judges, leaving the matter of the Dominion judges to stand over. I did that as a matter of policy, because I find that when a person

asks for a fully developed and final piece of legislation all at once, he is apt to fall down; but by taking up the legislation little by little and threshing out one part at a time, you eventually get what you want, and then you can have the Act consolidated. I thought that it would be better just to get the question of the Provincial Governments settled, and next year I was going to move another amendment with regard to the Dominion Government, on the lines that I have been speaking of, namely, to provide that the Dominion Government should not themselves have the right to name the judges, but should ask for them through the Chief Justice.

Now you have come to this difficulty that you have both those provisions in the amendments that were finally sent down to the other House; and, as I understand, they are not prepared to accede to them. They want time to consider the matter with regard to the Dominion judges, although—I do not think that I am betraying any confidence in saying it—I am inclined to think that the Minister of Justice takes the same view as I have expressed with regard to the appointment of judges by the Dominion Government. Though I do not think he is at all committed to it, he seems to think there is a good deal in that proposal. Now, I think that if we go forward with this amendment, this year, we shall get something, and there will be no bar to our going on and completing the amendment of the Judges Act next year.

Hon. Mr. DANDURAND: The honourable gentleman feels that if the Provincial Governments extended the authority of the courts so that certain classes of subjects could be submitted to them, there would be less harm done than in taking a judge from the court and appointing him a special commissioner to decide the question?

Hon. W. B. ROSS: There would be no harm at all in that case.

Hon. Mr. DANDURAND: Then, if there would be no harm, could not the Federal Government use its own machinery in the Exchequer Court and the Supreme Court, by delegating to those Federal courts authority similar to that which the honourable gentleman suggests the Provincial Courts should have?

Hon. Mr. FOWLER: No, they could not possibly do that. Honourable gentlemen, what is suggested is a compromise. We met the Minister of Justice, and he told us plainly that they on the other side could not consent to the proposed amendment. In order to prevent a deadlock between the two branches of the Legislature, this was agreed to as a sort of compromise. It does not meet the views of myself—not by any means; because I am strongly against the judges being used for these purposes in any case. But I recognize the fact that life is a compromise—that I cannot impose my views upon everybody, but must moderate them and try to meet the views of other persons, and if I cannot get a whole loaf I take half a loaf.

Hon. Mr. DANDURAND: Is not the compromise now proposed being laid on the shoulders of the third party, the Provincial Governments?

Hon. Mr. FOWLER: No. The Provincial Governments can take care of themselves in that respect. I could not follow what my honourable friend from Middleton (Hon. W. B. Ross) was saying, owing to the acoustic properties of this Chamber. Therefore, at the risk of repeating something which he has already said better than I could say it, I will give my reason for that. The Provincial Governments have control of the constitution of the Courts, and it is possible for a Provincial Government to submit these matters to the courts for adjudication. In that event the judge would try the matter in just the same way as if he were a commissioner appointed by special Commission and paid specially: it would be along the line of his duty, and the Provincial Government could submit a special case to the courts for its adjudication. They would get all the advantage there is in having a judge hear and determine the cause.

Hon. Mr. DANDURAND: Without leaving the atmosphere of the court?

Hon. Mr. FOWLER: Without leaving the atmosphere of the court?

Hon. Mr. DANDURAND: Could we not apply the same principle to the Dominion authorities by limiting them to the right of submitting those questions to their own Federal court—the Exchequer Court or the Supreme Court?

Hon. Mr. FOWLER: That would have been a good idea, but that did not seem to meet the view of the gentlemen from the other House with whom we were communicating, in an endeavour to find a common ground. The advantage in leaving the question to the adjudication of the court,

and not appointing a commission to deal with it, would be that it would be heard, not by a specially selected judge, but by the judge who happened to be sitting in that particular court at that particular time, and that would prevent interested people from saying that this judge was selected for the purpose and was merely the tool of the Government, the judiciary being in that way subjected, as I have said, to a certain degree of disrespect. That is the whole point. I recognize the fact that there are splendid men on the benches of the various supreme courts of this country. The great majority of them are men of high character and sterling integrity. But, in order that the public mind shall retain the opinion that it has of our judges to-day—or that it did have a few years ago, for it has been shaken to some extent by reason of the fact that judges are used in quasi-political matters—we should keep them out of this sort of thing, and restrict them to the work of the courts. That is my opinion, and that is the sole reason that induced me to support this amendment.

As I have said, this amendment does not suit me. It does not suit the honourable gentleman who moved it in the first place. But, in order that there might not be collision between the two Houses of Parliament, we were willing to consent to this change being made, and submitted to the House for its approval. I am prepared, if it is necessary, to fight the other Chamber at the drop of the hat; but I do not want to fight it at any time if we can get along smoothly.

Some Hon. SENATORS: Oh, oh.

Hon. Mr. FOWLER: I assure you, honourable gentlemen, that I am essentially a man of peace, but if I have to fight—well, I try to fight. Now, let us try to settle this matter, if we can, without quarrelling.

Hon. Mr. BELCOURT: My honourable friend says that if he has to fight he will fight; but I would prefer to see him in a fighting mood when the time for fighting has arrived rather than see him put it off. There is a great deal of confusion about this whole matter, and, if honourable gentlemen will allow me a few moments, I will try to elucidate the situation. What we did was this. We sent the Bill to the Commons with this clause:

> No judge mentioned in this Act shall act as commissioner or arbitrator on a 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.

There is the fighting ground. It is on that point that there is a disagreement between the Commons and ourselves, and my honourable friend who has just sat down made a very effective argument in favour of the amendment as I have read it and as it went from this House to the Commons. I understand my honourable friend to say that he is now prepared, for the sake of compromise, to adopt—what? This clause:

> Unless nominated by the Governor in Council, no judge mentioned in this Act shall act as 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.

For my part, I am not prepared to accept the compromise which has been suggested to this House, because it does not at all meet my view, nor does it meet the unanimous view of this House, as expressed in the amendment which we sent over to the Commons.

My honourable friend from De Lorimier (Hon. Mr. Dandurand) has to my mind made an absolutely conclusive case. While you take away from the provinces the right to have judges act as commissioners or arbitrators, you are permitting this Government to appoint them. If it is bad in one case, I should like to know by what principle it can be good in the other. Why, this is a complete abandonment of the position taken by this House: it is an absolute renunciation of the expressed desire of the Senate in passing its amendment before sending it to the Commons. This is not a compromise at all; it is a sacrifice of the principle.

Hon. Mr. CASGRAIN: Certainly.

Hon. Mr. BELCOURT: It allows the Dominion Government to go on appointing judges to act as arbitrators or commissioners in such an arbitration as that of the Grand Trunk which is now in progress. That is the very thing that this House wants to suppress. We do not want to prevent provincial judges from sitting on inquiries into merely provincial matters so much as we desire to prevent the larger things. It is the bigger offence that we must surely have in view first.

I am not prepared to accept a compromise of this kind. It is no compromise at all; it is a complete sacrifice of principle. We are absolutely stultifying ourselves if we adopt even the sub-amendment proposed. It seems to me extraordinary that in this House, or in Parliament generally, public

opinion should not receive the sanction which is demanded throughout this country. I think the people are almost unanimous in asking that judges should be prevented from sitting on commissions. There is a universal outcry against what has been going on in the last few years. Will Parliament be recreant to its duties in one of the most important matters? I look upon the administration of justice as of essential importance to the welfare of the community, and there is no doubt that the judiciary of Canada is suffering a great deal because judges are being discussed in the newspapers, villified, and accused, rightly or wrongly, of all sorts of things. If the present tendency continues, the respect in which the community holds the judiciary will in a few years be entirely gone. It is not because I have expressed myself in this way before that I insist upon the matter; but I say that it is the duty of Parliament to do what is required, not only by the demands of justice, but also by public opinion throughout this country. I repeat, I am not prepared to accept the compromise. I think that this House, in order to preserve its dignity and honour, and to uphold the principle for which it fought, ought to insist upon the amendments to the Judges Act that we adopted, and if we cannot get them accepted, let us accept our defeat gracefully, but let us not make a compromise which would make matters worse.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, I most heartily agree with the sentiments expressed by the honourable member for Queen's and Albert (Hon. Mr. Fowler) and the honourable member for Ottawa (Hon. Mr. Belcourt). I have not personally acceded to this compromise from any regard for the desire of the Dominion Government; for, in my judgment, the Dominion Government, like the Provincial Governments, should recognize the transcendant importance of keeping free from all public disrespect the men from whom justice to the people of Canada flows. I agree with them that it is of the very greatest importance that our judges should be held in the very highest esteem throughout Canada, and that neither the Government nor the citizens should request or require them to take part in any proceedings which would in any degree tend to tarnish the mirror of their righteousness. But I believe that even if we cannot succeed in extricating them from embarrassment in all cases it is worthy of the effort of the Senate to rescue them from positions of embarrassment. We were assured by the other House that they would drop the Bill rather than accede to our amendment. Believing that it was of some advantage to the public interest that we should gain at least one step, I felt that by this amendmen we were advancing along the road we wished to tread, and I trust and hope that those who are in favour of eliminating from the duties of the judges these Commissions that reflect so discreditably on them will not for a moment, merely for form's sake, hesitate to vote for this amendment, as otherwise I fear we shall gain nothing.

It must be remembered, honourable gentlemen, as the old Act has been construed, and I think improperly construed, that the judges of the East considered themselves free to enter upon arbitrations between private individuals, notwithstanding the most stringent provisions laid down in the Revised Statutes; and we should teach them by this measure that they are not entitled to give their services for any corporation or individual or for any interest other than those which they are permitted by the statute to serve. It is with a feeling of great dissatisfaction that I find that the House of Commons have sent back this Bill to us; but I trust, honourable gentlemen, that those members of this House who are not lawyers will agree with those who are lawyers, and will agree not only from the public point of view but from that of the administration of justice, to take as much as we can get instead of refusing it from a feeling of pique or annoyance.

Hon. Mr. CASGRAIN: I am not a lawyer, but we who are not lawyers might be allowed our opinions also. The amendment of the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton), stripped of legal verbiage, means that the Governor in Council will go on, as he has always done, appointing arbitrators and commissioners on inquiries. Therefore it is much better that the Senate should do as we have done on many other occasions. The House of Commons sometimes choose to say that they will not accept what we suggest, but afterwards they come around all right. All that is needed is a little backbone in this House. Years ago this House made 149 amendments to the Railway Act, and the House of Commons concurred in 145 of them.

Hon. Mr. DAVID: When this question first came before the House I raised the objection that it was an infringment upon

provincial rights, and that the effect of the legislation would be to limit the jurisdiction of the courts. I said that we had in the province of Quebec legislation under which judges were appointed arbitrators, and that this amendment would have the effect of doing away with that legislation and limiting the powers of the provincial governments and the courts of justice. The first part of clause 5940 of the Revised Statutes of the Province of Quebec reads as follows:

> The council of any city or other municipality, by resolution thereof, or fifty electors of any city or other municipality, may by petition to a judge of the Superior Court, in the district in which such city or other municipality is situated, in term or in vacation, require such judge to investigate any matter to be mentioned in the resolution or petition, and relating to a malfeasance, breach of trust or other misconduct on the part of one or more members of the council or officers of the municipality.

If the amendment is adopted, the provincial Government cannot appoint judges for the purpose mentioned in that statute. Where is the judge who would accept if the amendment were adopted? There is no exception made in the amendment. It says:

> Unless nominated by the Governor in Council, no judge mentioned in this Act shall act as a commissioner or arbitrator on any commission or enquiry.

What does that mean? It means that any judge appointed by a provincial Government under this or any other statute could not act without the permission and approbation of the Governor in Council. So I say that our courts of justice would be subject to the will and consent of the Governor in Council. I contend that this is a limitation of provincial rights and of the powers of our courts of justice.

Hon. Mr. GIRROIR: Honourable gentlemen, a peculiar situation has developed in connection with this matter. Everyone seems desirous of doing away with this ancient and well established privilege which has been possessed by Dominion, provincial, and municipal Governments.

Hon. Mr. LYNCH-STAUNTON: The honourable gentleman should call it a license.

Hon. Mr. GIRROIR: They have had the privilege of appointing judges upon their commissions. Honourable gentlemen are all ready to execute the victim, but they have not quite agreed upon the point of attack: one says, "Stab the victim in the back;" another says, "Hit him on the head." They cannot agree, because Dominion Governments, provincial Governments, municipal Governments, and, above all, militant labour, protest against doing away with this privilege.

An amendment was prepared and sent down to the Commons. A conference was held, as a result of which some honourable gentlemen here are agitating for the abolition of that privilege. Then it further developed that the provincial Governments were not mentioned, because, no doubt, there was a protest from certain quarters against doing away with the privilege in regard to provincial Governments. And lastly, and to my mind even more important than all the other protests, is the protest of labour. The Minister of Labour protested last year, and no doubt again this year.

Some Hon. SENATORS: No, no.

Hon. Mr. MURPHY: He disavowed that this year.

Hon. Mr. CASGRAIN: He agreed.

Hon. Mr. GIRROIR: So much the worse. At any rate, labour for a long time has made a protest against doing away with this privilege. It seems to me that the real point is this: the judges, because they are not being paid for sitting on commissions, do not wish to sit further upon commissions.

Hon. Mr. CASGRAIN: They will be paid now if they are appointed.

Hon. W. B. ROSS: No.

Hon. Mr. GIRROIR: This is giving them more work, and I think they do not wish to take on any more work unless they are given extra pay for it. Notwithstanding what has been said on the floor of this House, I believe the general feeling throughout the country is in favour of the appointment of judges to commissions. When a decision is given by a commission on which judges are acting, either with or without others, there is a general feeling throughout the country that fair consideration has been given to all the points involved in the question submitted, and that the decision is a fair one. Those against whom the decision is given will protest; they will cry aloud and say the decision was wrong; they will ascribe all sorts of improper motives to the commission, and generally, through the press or the platform, they will make it as uncomfortable as they can for the gentlemen who sat upon the commission. But I still believe, and I think the public believes, that, after all is said and done, national questions, whether pol-

itical or quasi-political in their nature, have to be decided, and I believe the public still thinks the best men to appoint to those commissions are judges, not laymen; men who by virtue of their experience have a knowledge of procedure and of public questions which is of great value; and who, by virtue of the fact that they are absolutely independent in their positions and cannot be removed from them, are likely to be the very men most impartial under the circumstances. There are no other men who can be appointed to a commission who will not be open to all the objections which are urged against the judges, and to a very much greater extent than the judges, because they may be aspirants for positions, as the judges are not, because of their independent and secure positions; and it might be alleged against those men, as I believe it could and would be, that they were more liable to be actuated by the motives which have been attributed to the judges than would the judges themselves. A judge in sitting upon a commission is absolutely independent, and, because of his high judicial position and his experience and judgment, his decision is entitled to very much more weight than would be the judgment of a layman. It is true that mixed commissions are very desirable when questions requiring expert knowledge have to be decided, but it is a very easy matter to associate with the judges men who have expert knowledge of the question at issue. In that way you can overcome any objection that may be raised as to a judge not having special knowledge of the subject with which he is dealing. But the further you go in this movement to deprive the country of the privilege of having judges sit upon commissions, the greater are the difficulties that will confront you; and when a body of men such as we have here, men of high intelligence and great experience, are unable to agree upon the method of dealing the death blow to this sacred and cherished institution, it seems to me that it would be a long time before the country at large would decide upon any special manner of doing away with this institution. I think that, instead of devising further ways and means of doing away with this privilege, which has existed for so long, it would be far better for us to support the resolution which has been introduced by the leader of the House and to agree not to insist upon our amendment.

Hon. Mr. BEIQUE: Honourable gentlemen, I desire to reassure the honourable gentleman from Mille Iles (Hon. Mr. David) as to the danger which he thinks is to be found in the Bill in question. It will be easy for the Legislature of Quebec, by a stroke of the pen, to invest the courts of that province with the power necessary to give effect to section 5940 of the Revised Statutes, to which he has called attention. We are, I believe, almost unanimous in the opinion that it is inadvisable for either the Governor in Council or the Lieutenant Governor in Council of any province to call upon any judge and entrust him with the duties connected with a commission of inquiry or an arbitration, for the reason that it tends to damage his reputation as a judge; but I do not think we are opposed to the principle of the Federal judges or the provincial judges dealing with matters of that kind, provided they do it as courts, or as members of the courts. If we are all united in that view, it will be easy for the local Parliament and the Federal Parliament to change the law in such a way as to give the necessary power to the courts to render the service in question; but it will be rendered by the courts, and not by individual judges.

My trouble is that, whereas we are of the opinion that I have mentioned, yet, as was very properly stated by the honourable gentleman from De Lorimier (Hon. Mr. Dandurand), we are not logical in denying to the Lieutenant Governor of a Province the exercise of a power which we concede to the Governor General in Council. There are, as was very properly said, the same objections in the one case as in the other. By this amendment we would countenance the doing by the Governor General in Council of what is denied to the Lieutenant-Governors. I do not see that we can at all justify that position. I think that if that amendment were to go to the House of Commons, the Commons would be entitled to say that we are not logical; but if we concede the right to the Governor in Council, we should concede it also to the Lieutenant-Governors in Council, because the same reason exists in the one case as in the other. For my part, I think it would be much better to insist upon our amendment as it was originally adopted, and, if we cannot carry the amendment, then we should at the next Session try to have a law passed which would amend the jurisdiction of the Federal court in such a way that it could deal with these matters.

Hon. Mr. BOSTOCK: Honourable gentlemen, I think that some reply should be

made to the honourable gentleman from Antigonish (Hon. Mr. Girroir). The impression I got from the remarks that he made was that he thought some desire had been expressed by the judges that they should not be employed on Commissions, because of the legislation that we passed last Session. I do not think it is fair to the judges that any expression of that kind should go out from the Senate. We should object to the statement made by the honourable gentleman that such a desire on the part of the members of the Bench is possible—that because last Session we passed legislation preventing them from accepting remuneration for sitting on Commissions, they now wish to be relieved altogether of such work. The whole question has been thrashed out so much in this House that I think honourable gentlemen are fully seized of the importance of not appointing judges to sit on Commissions. I think the general opinion of the House is against allowing the judges to do so; but unfortunately, when our amendment reached the House of Commons, there was hardly any discussion of that. It is unfortunate that amendments which, I think, are favoured by a large number of the members of the other Chamber were not discussed. I had the honour the other day, with one or two other honourable members of attending a meeting at which the question was discussed. As a result of that meeting, I think, my honourable friend from Hamilton has brought in his amendment to-day; but the amendment he is proposing is not a satisfactory one so far as I am concerned. I share the view of my honourable friend from de Salaberry (Hon. Mr. Béique) that we are not getting any farther when we have an amendment such as that which my honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) has brought down. I think the question has reached a stage at which we should insist upon its being considered, and if the Bill does not become law this year, there will be no great harm done to the country. My honourable friend (Hon. Sir James Lougheed) on one occasion mentioned that the Bill deals with the appointment of a judge in Saskatchewan; but probably the people of Saskatchewan would not be very much disturbed if they did not have this addition to the Bench made for another seven or eight months. I therefore think that the matter should now be brought to an issue, and we should impress firmly upon the country that this is an important question and one which should be dealt with.

Hon. Mr. BEAUBIEN: Honourable gentlemen, I do not quite understand how any charge of inconsistency could be made against any honourable member of this House who, being absolutely convinced that the judges should not sit on Commissions, would accept the amendment now proposed. The situation to my mind is simply this. There are now ten Governments that can appoint judges to Commissions. When this amendment is passed there will be only one left. Is not that exactly the case?

Hon. Mr. DANDURAND: But it covers the whole Dominion.

Hon. Mr. BEAUBIEN: Very well. There will be nine sources of disorder, so to speak, which will be closed. I will put it at the worst. There will be one still open. Is not that making some progress? My honourable friends opposite are not logical. They can now, if they wish, improve the situation to the extent of nine-tenths; yet they are not doing it—why?

With regard to the provinces, the honourable member for Mille Iles (Hon. Mr. David), said that the legislation might interfere with the practical working of the courts; that is to say, that it might prevent the reference, already provided for by our law, of disputes in certain cases to our courts. I must say that I have absolutely no anxiety on that score. The law which the honourable gentleman has cited states clearly that a member of our bench can receive, consider and determine an application made by a certain number of municipal electors, in certain cases, asking for an investigation. Should it be thought necessary in any province to extend the law so as to give similar authority to judges in cases akin to those, why should not that be done? I must, of course, admit that there are exceptional cases requiring immediate solution, making it inconvenient to await another Session and the enactment of a special law. I understand that. But there is no law in this world that is perfect; there is no law that does not work a hardship now and then; and we must be satisfied if, after all, the result as a whole is satisfactory. To my mind, this law, although it does not attain the goal which we have in view, makes a great deal of progress in that direction and comes very close to that goal. If I understand the intention of my honourable friend here (Hon. W. B. Ross), he will next year make a sprint for it.

Hon. Mr. MURPHY: He will go over the top.

Hon. Mr. BEAUBIEN: And I am sure that we shall be very glad indeed to encourage him and to follow him.

Hon. Mr. MURPHY: He is making the grade now.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, when I introduced the question a week or ten days ago, I had no idea that it would be susceptible to so much diversity of opinion and so many suggestions by way of amendment. Owing to the different motions which have been moved the situation has become somewhat involved, and it may not be amiss for me simply to review the situation, so that we may understand what we are about to vote upon. May I, before doing that, trace the development of the principle which is enunciated in those resolutions and which has been asserted from 1906 down to the present time. In the Revised Statutes of 1906, honourable gentlemen will recall, there is to be found legislation precluding the judges of Canada from sitting on Boards and accepting remuneration for work outside of their judicial duties, but not including the duties which they would perform as commissioners or arbitrators. The law remained pretty much in that condition until 1920. In that year legislation amending the Judges Act was placed upon the statute book, and two principles, as I think we may call them, were introduced into the Act. One provided that the judge appointed as an arbitrator or a commissioner should not receive a remuneration for the services which he rendered; and the second was that the judge should not act as a commissioner or arbitrator unless he was appointed by the Governor in Council or by the Lieutenant-Governor. Previous to that time a judge, of his own motion, could accept a commission to act as either an arbitrator or a commissioner. In my judgment, sufficient time has not been given for us to realize whether or not the amendments which were made in the statutes of 1920 will work out satisfactorily. There is, so far as I know, no case in which there has been an abuse, in a judge's acceptance of a commission to act, since that time. The very fact of a judge not being able to receive remuneration in an outside capacity has really shut the road to the abuse which has been pointed out.

Hon. Mr. FOWLER: What about the Toronto case?

Hon. Sir JAMES LOUGHEED: The judges in the Toronto case were appointed before the Act was passed, and they are, I understand, receiving remuneration. The commission to those judges was issued prior to the statute coming into operation.

Hon. Mr. FOWLER: As I understand it, if they had not grafted off that two thousand dollars, they would have been within the scope of the statute.

Hon. Sir JAMES LOUGHEED: It was in anticipation of that. But I venture to say that the two judges in question would not have accepted the very important duties assigned to them under that Commission had they not had some expectation of receiving remuneration.

Hon. Mr. BELCOURT: Would my honourable friend allow me to ask him a question at this point? Are we to understand that in his opinion the fact that those judges were appointed before the law came into force entitled them to be paid, and that the law of 1920 does not affect them or deprive them of remuneration?

Hon. Sir JAMES LOUGHEED: That is a legal question. It is a vexed question whether they are entitled to any remuneration or not. However, I think the Ontario Government has assisted them in overcoming that difficulty by making provision for their remuneration. However, although I stand subject to correction, I believe that the commission was issued before this Act came into operation.

Hon. Mr. BELCOURT: But, assuming that, they would not be entitled to any remuneration even though they were appointed before the statute came into force.

Hon. Sir JAMES LOUGHEED: Yes, they would be.

Hon. Mr. BELCOURT: I do not think so.

Hon. Sir JAMES LOUGHEED: Before the Act of 1920 came into force those two judges would have been entitled to accept remuneration as commissioners.

Hon. Mr. BELCOURT: Up to the time of the passing of the Act, but not afterwards.

Hon. Mr. CASGRAIN: You cannot go against the law.

Hon. Sir JAMES LOUGHEED: The Act of 1906 prevented judges from sitting as Directors.

Hon. Mr. DANDURAND: That is not the point the honourable gentleman from Ottawa (Hon. Mr. Belcourt) makes. He believes that from the date of the proclamation of the Act, although the Commission had issued previously, the judges would be debarred from receiving remuneration.

Hon. Mr. CASGRAIN: Their pay would be docked.

Hon. Sir JAMES LOUGHEED: It depends on the Interpretation Act and upon the legislation itself; but if the act had been entered upon before the statute was passed, then, I think, under the Interpretation Act, they would be entitled afterwards to receive any remuneration to which they had hitherto been entitled.

Hon. Mr. BELCOURT: I do not agree with that.

Hon. Sir JAMES LOUGHEED: However, that is a controversial subject. Outside of that particular case, I am unaware of any case in Canada in which a judge has been subjected to adverse criticism by reason of accepting a commission; for the simple reason that the evidence of the judge having accepted the commission without being able to receive remuneration has to a very large extent overcome the prejudice and the abuse to which the appointment of judges had previously been subjected.

Now may I point out, honourable gentlemen, where in my judgment this amendment is unwise—is impolitic. It has been pointed out that, notwithstanding the adoption of certain amendments, the provinces will not be affected. You only strike a blow at the Federal Government by passing this amendment. Under the law as it stands, it is intended, and is, I think, admitted by all the legal gentlemen in this Chamber, that inherently the provinces would have the power, by assigning the duty to the court, to appoint judges as commissioners.

Some Hon. SENATORS: No, no.

Hon. Sir JAMES LOUGHEED: Let me follow this up, honorable gentlemen. That is admitted. The question arises whether the Governor General or the Federal Government is placed upon a parity with the provinces. The Dominion Government would not have power to do the same thing in the provinces. I quite admit the argument advanced by my honourable friends opposite, that the Federal Government would have the right to do the same thing in respect to Federal judges of the Supreme Court and judges of the Exchequer court. But no honourable gentleman in this Chamber will contend that it would be possible to take judges from the Supreme Court or the Exchequer Court and assign them to other duties throughout the Dominion. Why, we would have no Supreme Court; we would have no Exchequer Court. The judges are too few to permit of their attention being diverted by other duties at this time. Consequently, it would become necessary to establish another judicial tribunal of some kind, composed of judges who would perform this particular kind of work. Therefore you would give the Provincial Governments an advantage which you do not give to the Dominion Government. First of all, honourable gentlemen, I am unaware of the power having been at any time abused by the Federal Government, either that of the present day or any other. I cannot recall that any charge has been made by any Provincial Government of an abuse of this privilege on the part of the Federal Government of designating a provincial judge to make an inquiry into any particular subject. I stand corrected if any adverse comments of that character have been made.

Hon. Mr. DANDURAND: The honourable gentleman will remember the ten million dollar inquiry on the Canadian Northern, as to which Sir William Meredith has failed to justify himself before the public for having declared that there was any equity in the common shares.

Hon Sir JAMES LOUGHEED: Parliament impliedly fixed the same value as the commissioners, and I do not think it lies in the mouth of Parliament to criticize the findings of the judge on that occasion.

Hon. Mr. BEIQUE: Does the honourable gentleman suppose that any of the Provincial Governments would refuse to assent to the suggestion of the Federal Government if they were asked to change the powers of the courts in order to provide for the exercise of the duties in question, in so far as the requirements of the Federal Government are concerned?

Hon. Sir JAMES LOUGHEED: It would depend entirely upon the political interest of the Province. The Province would repeat the same thing in regard to the appointment of one of its judges to investigate a matter for the Federal Government as it would do with regard to a

matter within its own jurisdiction. My honourable friend from De Salaberry (Hon. Mr. Béique) can scarcely argue seriously that the Dominion Government should be thrown back upon the provinces, and that we should become suppliants of the provinces in regard to the appointment of a provincial judge to inquire into a Federal matter. I do not think that would be in harmony with the dignity which should be maintained by the Federal Government in the investigation of Federal subjects. However, the fact remains that if the first amendment is passed, by which the Dominion Government would be precluded from appointing a provincial judge to investigate a subject, it will be handicapped as against the provinces. I simply submit that point for your consideration, honourable gentlemen, and I desire to say this: that an opportunity was not given to the Commons to discuss this matter fully. I know some honourable gentlemen have taken umbrage at the paucity, so to speak, of the reasons advanced by the House of Commons for not concurring in the amendment. The reasons are as follows:

Because the said amendments (a) deal with matters entirely unconnected with the Bill.

The Minister of Justice, in advancing that argument, does not suggest that this Chamber had not authority to deal with the subject; but it remains to be said of the subject which has commanded so much attention in this Chamber that it is entirely extraneous to the subject of the Bill before us. A second reason is:

Because the said amendments (b) bring the question therein treated before the House in a manner which does not afford proper discussion.

I must say, honourable gentlemen, that at the period of the Session when this amendment went down there was a limitation of time placed upon the Commons which did not permit of proper discussion of so important a subject. This subject has commanded the attention of this House for a week or ten days; it has commanded the attention of this House to a greater extent than any other subject dealt with on the floor during this Session. Had the Commons been alive to the importance of the question, or had they felt as intensely about it as this Chamber does, when this Bill was introduced in the House of Commons, they would have had an opportunity of dealing with it. It is evident that they did not regard it with the same interest and intensity as this Chamber. Had the question been raised when the Bill was introduced in the Commons, an opportunity would have been given to discuss the subject. But these amendments went down at a time when the Budget was being dealt with and when the time of that Chamber was occupied with matters of very much greater importance. Therefore, we cannot take very grave exception to the reasons advanced by the House of Commons when they say that sufficient time was not given them to afford a proper discussion of the subject.

The other reason advanced is that it:

(c) should form the subject-matter of a separate measure.

Really, honourable gentlemen, I know of no reason why this matter should not be made the subject of a separate measure; I know of nothing to prevent any honourable gentleman in this Chamber introducing a Bill to amend the Judges Act and embodying in proper language the principle enunciated during the discussion of the measure. If that were done and the Bill were passed as an amendment to the Judges Act, and went to the House of Commons, it would give an ample opportunity to the members of that House to voice their opinions upon the subject, and possibly to agree with this House.

Hon. Mr. FOWLER: Does the honourable leader of the Government think it would have very much chance? We have had our experience.

Hon. Sir JAMES LOUGHEED: I would give the House of Commons an opportunity. Furthermore, in regard to the suspicion expressed by the honourable gentleman from King's and Albert (Hon. Mr. Fowler), if the House of Commons would not give serious consideration to such a subject, it scarcely devolves upon this Chamber to say that they will force upon Parliament a piece of legislation with which the Commons is not in sympathy.

Hon. Mr. LYNCH-STAUNTON: They do not even consider it.

Hon. Sir JAMES LOUGHEED: So much the greater reason for this House not insisting upon its amendments. How do we hope, honourable gentlemen, to promote legislation of this character if they do not even consider it.

Hon. Mr. BELCOURT: Would my honourable friend tell us what his views are as to the principle involved in the amendments passed by the Senate, as to the propriety or impropriety of continuing to allow judges to sit as arbitrators or commissioners?

Hon. Sir JAMES LOUGHEED: I am like my honourable friend from King's and Albert (Hon. Mr. Fowler): I am a moderate man, a believer in compromises, one who does not insist on his opinions, who lives for peace. But I do want to point out that we have not given a proper test to the legislation placed upon the statute book, and that no abuse of that legislation has yet been pointed out. I may say, as is said in those well-known lines of Tennyson, that this is

> A land of settled government,
> A land of just and old renown,
> Where freedom slowly broadens down
> From precedent to precedent.

I ask honourable gentlemen to give the present legislation an opportunity of being tested; and when it is shown that there are any abuses growing out of the legislation which we placed on the statute book last year, that will be sufficient time to strike a blow at that legislation.

Let me say this. The Commons have sent to this Chamber a message stating that they do not see their way to concur in the amendments. There is a motion before the House that we do not insist upon our amendments. The honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton) has moved an amendment to the message along the lines that have been discussed. Consequently, there are two matters before the House: first, the motion that we do not insist on the amendments, and, secondly, the motion of my honourable friend from Hamilton, by way of amendment to the motion, that we do not insist upon the original amendments but suggest another. Under these circumstances, and considering the improbability of our being able to agree, it does not seem to me that we shall be promoting the object which we have in view if we come into conflict with the House of Commons upon this subject, particularly as we legislated last Session upon it, and an opportunity has not yet been given to test the wisdom of that legislation. When another Session comes we can resort to the plan I have suggested, of either introducing a Bill or of amending the Judges Act when it comes before us as it does almost every Session.

Hon. Mr. DANDURAND: Do I understand that the honourable gentleman opposes the amendment of the honourable gentleman from Hamilton?

Hon. Sir JAMES LOUGHEED: I do not oppose it, but I have submitted the other motion.

Hon. Mr. BELCOURT.

Hon. Mr. MURPHY: Would any essential interest be materially affected if the whole thing went by the board?

Hon. Sir JAMES LOUGHEED: Yes. It would be unfortunate if the Bill should not go through, inasmuch as it corrects a very grave abuse which has been the subject of a great deal of criticism for years past as to the travelling expenses of certain judges. The Bill is calculated to remedy that abuse, which is a very desirable provision, and it also provides for the appointment of a judge in Saskatchewan, where the business has been very much congested, owing not only to the illness of certain judges but to the lack of judges for the transaction of business. Under these circumstances I think the House would be justified in supporting the motion which I have had the honour to move.

Hon. Mr. LYNCH-STAUNTON: Did I not understand the honourable gentleman to say that he would withdraw his motion and substitute mine?

Hon. Sir JAMES LOUGHEED: Yes, but the House will not agree.

Hon. Mr. McHUGH: I should like to get a little information before being asked to vote on this question. Does an Act passed by the Federal Parliament override an Act of a Provincial Parliament? I should like to hear from some of the legal talent in this House as to whether such an Act would interfere with statutory appointments of arbitrators made by the provinces?

Hon. Mr. LYNCH-STAUNTON: No, it does not.

Hon. Mr. McHUGH: Take the case of cemetery or school sites. In such cases the Board of Trustees want to purchase a certain piece of property, and the owner of it refuses the price which they offer. Each side appoints an arbitrator, and those two arbitrators appoint a third arbitrator. If they cannot agree upon who is to be the third arbitrator, there is something in the Ontario statutes that says the judge of the county shall, after some thirty days' notice, be the third arbitrator. In such a case would you not be interfering with the statutes of the province of Ontario?

Hon. Mr. PROUDFOOT: This amendment would not interfere.

Some Hon. SENATORS: Question.

The amendment of Hon. Mr. Lynch-Staunton was negatived on the following division:

CONTENTS

Honourable Messieurs

Barnard,	Fowler,
Chapais,	Lougheed (Sir James),
Curry,	Donnelly,
Daniel,	Foster,
Lynch-Staunton,	Stanfield,
McCall,	Tanner,
Milne,	Taylor,
Mulholland,	Thorne,
Pope,	White (Inkerman),
Proudfoot,	White (Pembroke),
Ross (Middleton),	Willoughby—22.

NON-CONTENTS

Honourable Messieurs

Beith,	L'Espérance,
Belcourt,	McHugh,
Bennett,	McLean,
Bostock,	McMeans,
Bourque,	Michener,
Casgrain,	Mitchell,
Dandurand,	Montplaisir,
David,	Murphy,
Dessaulles,	Planta,
Farrell,	Ratz,
Fisher,	Ross (Moosejaw),
Forget,	Sharpe,
Girroir,	Smith,
Godbout,	Thibaudeau,
King,	Watson,
Lavergne,	Webster
Legris,	(Brockville)—33.

The motion of Hon. Sir James Lougheed was negatived on the following division:

CONTENTS

Honourable Messieurs

Barnard,	David,
Bennett,	Donnelly,
Blain,	Farrell,
Bourque,	Fisher,
Chapais,	Foster,
Curry,	Girroir,
Daniel,	L'Espérance,
Lougheed (Sir James),	Smith,
McDonald,	Taylor,
McLean,	Thibaudeau,
McMeans,	Thompson,
Michener,	Thorne,
Murphy,	Webster (Brockville),
Planta,	Willoughby—29.
Sharpe,	

NON-CONTENTS

Honourable Messieurs

Beith,	Mitchell,
Belcourt,	Montplaisir,
Bostock,	Mulholland,
Casgrain,	Pope,
Dandurand,	Proudfoot,
Dessaulles,	Ratz,
Forget,	Roche,
Fowler,	Ross (Middleton),
Godbout,	Ross (Moosejaw),
King,	Stanfield,
Lavergne,	Tanner,
Legris,	Watson,
Lynch-Staunton,	White (Inkerman),
McHugh,	White (Pembroke),
Milne,	Yeo—30.

Hon. Mr. CASGRAIN: Is the Government going to resign?

Hon. Sir JAMES LOUGHEED: We shall let you know next week.

The Senate adjourned until 3 p.m. this day.

SECOND SITTING

The Senate met at 3 p.m., the Speaker in the Chair.

CANADIAN NATIONAL RAILWAYS

COAL SEIZED—INQUIRY FOR RETURN

On the Orders of the Day:

Hon. Mr. BOSTOCK: May I ask my honourable friend with regard to an order that was passed by the Senate on the 29th of March last? I have asked him once or twice about it, and he undertook very kindly to bring down the return. But I understand from the Clerk that it has not yet been brought down. The order is to be found at page 78 of the Minutes. It deals with the amount of coal appropriated or confiscated by the Canadian National railways during 1920 and January and February of this year.

Hon. Sir JAMES LOUGHEED: I may inform my honourable friend that I did make inquiries, but have not yet had an answer. The difficulty is that those inquiries have to go through Toronto to the head office of the Company, and the officers there do not seem to be impressed with them to the same extent that we are.

Hon. Mr. BOSTOCK: Will my honourable friend try to bring down the information?

Hon. Sir JAMES LOUGHEED: Yes, I will make inquiry about it again?

NATIONAL RESEARCH BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Casgrain, the Senate went into Committee on Bill 116, an Act to amend the Research Council Act, and to establish a National Research Institute. Hon. Mr. Beaubien in the Chair.

On section 1—short title:

Hon. Mr. PROUDFOOT: I move that the Chairman do now leave the Chair.

Hon. Mr. MURPHY: What for?

Hon. Mr. PROUDFOOT: To get rid of the Bill.

Hon. Sir JAMES LOUGHEED: You had better give some reason.

Hon. Mr. PROUDFOOT: If honourable gentlemen will possess their souls in patience, I will give a reason or two.

The Hon. the CHAIRMAN: I beg to call the honourable gentleman to order. If he moves that the Committee rise, he cannot debate the motion.

Hon. Mr. PROUDFOOT: I understand that under the rule I have a right to make the motion that the Chairman do now leave the Chair.

The Hon. the CHAIRMAN: That is, that the Committee rise. I understand that motion is not debatable.

Hon. Mr. PROUDFOOT: It is, if I understand the rules correctly.

Hon. Mr. CASGRAIN: Not in this House.

Hon. Mr. PROUDFOOT: My motion is in accordance with rule 145, I think.

Hon. Mr. BOSTOCK: Rule 73.

Hon. Mr. PROUDFOOT: For what I want to do this is the proper course to take.

Hon. Mr. FOWLER: This is a public Bill passed in the House of Commons?

Hon. Mr. PROUDFOOT: Yes, it is a public Bill.

The Hon. the CHAIRMAN: Will my honourable friend move that the Committee rise and sit again?

Hon. Mr. PROUDFOOT: No, I move that you do now leave the Chair. That is the proper motion to make.

The CHAIRMAN: That motion is not debatable.

Hon. Mr. PROUDFOOT: I submit that it is debatable. Is it your ruling that it is not?

The Hon. the CHAIRMAN: Yes.

Hon. Mr. PROUDFOOT: Then I appeal from your ruling to the Committee.

The Committee rose and reported.

The Hon. the SPEAKER: Honourable gentlemen, the Chairman of the Committee of the Whole, to whom was referred Bill 116, an Act to amend the Research Council Act and to establish a National Research Institute, reports that he has given a decision that the motion to rise is not debatable, and that Hon. Mr. Proudfoot has appealed from that decision. Those who are against the ruling of the Chairman will please rise.

Hon. Mr. PROUDFOOT: Before that motion is put—

Some Hon. SENATORS: Order.

Hon. Mr. PROUDFOOT: I know it is not debatable, but I want to point out that the procedure, if I understand the rule, is incorrect, and that the Chairman of the Committee should take a vote. He should ask whether or not the Chair is sustained. As I understand the rules, you, Mr. Speaker, have really nothing to do with the question, and the Senate should not go back into session.

The Hon. the SPEAKER: After the question has been dealt with you may have a right to make another appeal from the decision.

Hon. Mr. PROUDFOOT: I have a right to have that disposed of.

Some Hon. SENATORS: Order.

The Hon. the SPEAKER: Those in favour of the decision of the Chairman will please rise.

The decision of the Chairman was sustained: yeas, 28; nays, 16.

Hon. Mr. PROUDFOOT: I desire to have it recorded that in my view the whole procedure from the time the Committee rose until now is out of order.

The Senate again went into Committee. Hon. Mr. Beaubien in the Chair.

On section 1—short title:

Hon. Mr. FOWLER: Honourable gentlemen, I do not quite understand this whole procedure. I thought that this was a Government Bill coming from the House of Commons. I want to know how it comes that the honourable gentleman from De Lanaudière (Hon. Mr. Casgrain) has charge of it.

Hon. Mr. CASGRAIN: I have not charge of the Bill. It was simply through an error in the Orders of the Day that my name appeared, as I had previously adjourned the debate. The leader of the House has charge of the Bill.

Hon. Mr. FOWLER: I still cannot understand why the honourable gentleman from De Lanaudière assumes to take charge of the Bill because there is an error.

Hon. Mr. CASGRAIN: It is going by the book.

Hon. Mr. FOWLER: I like to see everything done decently and in order, and it does not seem to me quite in order for the honourable gentleman to take charge and say who shall be Chairman of the Committee.

Hon. Mr. CASGRAIN: The motion was seconded by the leader of the House.

Hon. Mr. FOWLER: I object to the leader of the House delegating his duties to the honourable gentleman from De Lanaudière. However, if he is satisfied, I suppose I should be.

Hon. Sir JAMES LOUGHEED: There is a sense of humour abroad to-day.

Hon. Mr. FOWLER: Then I can understand the honourable gentleman taking charge of the Bill.

Section 1 was agreed to.

On section 2—advisory council:

Hon. Mr. BOSTOCK: Honourable gentlemen, the Research Council was originally established, I think, by Order in Council, and later on in 1917 by a statute. I should like to learn from my honourable friend who are the members of this Research Council at the present time. I understand that in forming this Council no consideration was given to the fact that certain departments of the Government were already carrying on certain research. The Mines Department does certain research work; the Interior Department, over which my honourable friend presides, does certain research work, and the Agricultural Department does research work along agricultural lines. My honourable friend the other day gave us a very strong statement about the danger and foolishness, I think I may say, of overlapping in these departments; and if this Research Council is to be allowed to carry on its work, I think we should see to it that no overlapping is permitted. It seems to me that in order to prevent overlapping the Deputy Ministers of the departments interested in research work should have some standing on the Council, so that they could recommend or suggest the lines of work to be carried on by the Council, and thus prevent overlapping.

Hon. Sir JAMES LOUGHEED: The Bill which passed this House the other day, having to do with the repeal of the Acts affecting the Conservation Commission, was based upon an entirely different principle to the present Bill. The Act of Conservation had to do with the conservation of our natural resources, not with their development. Unfortunately, in their eager desire to cover a larger field of usefulness than that, there was a disposition on the part of the Conservation Commission to give advice and to go into questions of science and development. The object of this Bill is quite the contrary; it is to begin where the other left off. This has to do with the development of our natural resources, particularly so far as research and science can be applied to them, and with the application of modern scientific methods not only to natural resources but to manufactures. It is proposed that this body, in contradistinction to the Conservation Commission, shall be peculiarly a scientific body. As I pointed out in discussing the Bill the other day, at the time that Commission was brought into being it was very desirable that public attention should be directed to the necessity of giving the closest attention to the conservation of the many natural resources possessed by Canada. At the time that Commission had its birth, there was a disposition throughout this continent to dissipate the many valuable resources with which nature had endowed the different countries of this continent. That condition impressed itself upon the late President Roosevelt, and he called together in Washington a conference of the different nations of this continent, and the question of the conservation of resources was discussed. Considerable attention having been given to their value and to the necessity of conserving them, the logical sequence was that public attention became directed to the necessity of developing those resources, and I need not point out to honourable gentlemen present that there is no more practical way of developing our resources than by the application of the most modern scientific methods towards that end.

Hon. Mr. FOWLER: Would it not appear to be correct to have conservation and development go along side by side? There could be no true development—that is, proper development, economical development—without conservation.

Hon. Sir JAMES LOUGHEED: The two terms are in a sense the very antitheses of each other—at least, they are opposed to each other. If you conserve any of our national resources, you cannot develop them.

Hon. Mr. FOWLER: Oh, I think so.

Hon. Sir JAMES LOUGHEED: Of course, common sense has to be exercised with regard to these matters. But the Conservation Commission, in its very machinery, was not fitted for this particular work. This Bill contemplates the organization of a body of scientists in which the different scientific institutions, particularly the universities of Canada, will be represented.

It will be observed by honourable gentlemen from a perusal of the Bill that provision is made for the appointment of an Honorary Council. That Council will be made up, as the present Advisory Council on Industrial Research is made up, of representatives of the universities of Canada and of our different scientific institutions, and will be a body that will peculiarly apply scientific methods to all developments of industry.

I would point out to honourable gentlemen that this system has been evolved very largely in the United States, in Great Britain and throughout Europe. Nearly all the large manufacturing institutions of Great Britain have their own scientific industrial research organizations attached to the enterprises which they are carrying on. The rapid development which took place in Germany prior to the war was almost entirely due to the adoption and application of scientific methods. Need I point out to honourable gentlemen, because we all appreciate it, the value of the great natural resources of which we on this continent are the possessors. If some attention is given to this subject, if a broad and comprehensive policy is laid down and the methods to which I have alluded are applied, Canada should be in the very front ranks of the great progressive nations of the present century.

Hon. Mr. FOWLER: My honourable friend says that conservation and development are opposed to each other. I take exception to that statement. True development should go side by side with conservation. We see a great deal of the farming in our western country, because it is not conducted along the lines of true conservation, destroying in many cases the fertility of the soil. Weeds have been allowed to grow and flourish, and the land in many cases has become exhausted and practically worthless, because proper conservation methods of farming were not pursued. Land could be farmed for a thousand years and would be as good at the end of that period as it was at the beginning if true methods of farming were followed, such as are practised in Europe, particularly in Belgium, England, and France; but if the same methods were pursued as are pursued in a great deal of our western country, the land would be a desert.

Hon. Mr. WATSON: Why the Western country? Why not take New Brunswick?

Hon. Mr. FOWLER: Take any country. I mentioned the West because that is a farming country.

Hon. Mr. WATSON: You do not know anything about it.

Hon. Mr. FOWLER: I mentioned the West, not because I wished to take it as an example, for there are some good farmers in the West, but because there are in that area many who are not good farmers, but are really agricultural miners; and a great deal of harm has been done to that great heritage of ours in Western Canada because conservation methods have not been adopted. There is no question about that, as any man who is not prejudiced and who knows the West, will admit. I know the West. I have travelled a great deal in that section of Canada, and I have a great admiration for it, but I cannot shut my eyes to the evil results of bad farming there. A good many people have gone into farming there who know nothing about farming—who were not farmers, who have no education along farming lines; therefore, the methods they pursued have not been the best. There is no doubt about that. So I say that conservation is a very important feature in the true development of our resources.

Take lumbering as well as farming. In lumbering you can destroy forests in two or three seasons, so that they will not be productive for very many years, perhaps for a century. On the other hand, you can so cut the timber that the annual growth will keep the forest up to its original condition. That is done by good lumbermen, men who have the future of the country at heart, here in the East, where there are timber lands that have been lumbered for a century and on which the timber is as good to-day as it was a century ago, because the lumbering operations have been conducted on right principles. Even in my own province—which may generally be held up as a model to the other provinces—there are some people who have so far departed from the principles of conservation that

they have destroyed the future productivity of the land from which their fortunes have been made. So it is not true that conservation and development are opposed to each other.

I would like to see in this country the true development of our resources, and at the same time I am old-fashioned enough to want to see true conservation, and I hope that will be kept in view.

Hon. Mr. MITCHELL: Take the development of water-powers.

Hon. Mr. FOWLER: When you conserve your forests you are conserving your water-powers, and let me tell you that the usefulness of your water-powers depends very much upon your forests. There is no question about that. I believe in conserving the water-powers, but I believe in using them, because water-power is something that comes every year and you cannot destroy it unless you destroy the forests, for it is upon the preserve of the forests that the water-powers very largely depend.

I am not opposing this Bill. I believe in a Research Council, and I think the Government should have a body of men who are fitted for this purpose, and should pay them good, respectable salaries, so that the future of themselves and their families will be assured, and they may be able to devote themselves absolutely and solely to research work along different lines. I have always been greatly in favour of that. Had I the fortune of a Carnegie, I would not waste it on silly libraries, but would devote it to research purposes.

Hon. Mr. BOSTOCK: I did not gather from the statement of the honourable leader of the Government that he has any decided view as to how he is going to prevent overlapping as between his Department and the Research Department. I do think that we ought to have some understanding before proceeding further with this Bill as to how that is to be done. I might read from a report of the Committee for the year ending March 31, 1919. At page 31 of that report they state:

> The following brief statement of the work of the Associate Committee to date may prove of interest.
>
> 1. Research Council.—At each meeting a report on the work of the Council was submitted by the Chairman and discussed at length with a view to giving the Council the benefit of the views of the mining and metallurgical interests as represented by the Associate Committee.
>
> 2. Lignite.—The work of the Lignite Utilization Board was also laid before the Committee in the form of a report personally submitted by the Secretary, Mr. Leslie Thompson, and was similarly discussed.
>
> 3. Peat.—It has been recommended that the excellent work done by the Dominion Department of Mines on peat and peat products be extended, and a special committee has been formed to take up this matter. The report of this Committee has been received and is being prepared for distribution.

There are four or five more of those. Take the item of peat alone. The honourable leader of the Government in this House (Hon. Sir James Lougheed) knows that in his Mines Branch the peat industry has been investigated and very valuable work has been done in the past. Why this Research Council should take up that question, taking it out of the hands of the Mines Branch, I am unable to see. Further, I think there is going to be a considerable amount of overlapping if that sort of thing is allowed to go on. I would like the honourable leader of the Government to explain to the House how he proposes to control that in the future.

Hon. Sir JAMES LOUGHEED: If my honourable friend will observe the Bill, he will see that provision is made in clauses 9, 10, 11, and 12, and in fact throughout most of the Bill, that the purposes of ths organization shall be carried out under the Minister of Trade and Commerce. It will therefore be subject to the Government. It is as much under the Minister as any other branch of his Department. Consequently not only the Minister, but also the Government of which that Minister is a member, will assume all responsibility. If there be any overlapping or duplication of work the responsibility rests upon the Government. This control of the organization by the Government will permit of the co-ordination of the work which is now being done by the different Departments. I am not prepared to pass an opinion or judgment at the present moment, as to whether it is advisable or not that scientific work should be carried on by several Departments. It seems to me that better service could be rendered by the co-ordination of that work by some central body, and that such a body has been well defined and is well calculated to carry out the purpose which we have in view.

Hon. Mr. BOSTOCK: I might point out, in reply to my honourable friend, that this Bill certainly puts the matter under the Minister of Trade and Commerce; but the Minister of Trade and Commerce has been one of the three members of the Council responsible for the work of the Research

Council up to the present time. Under the Act of 1917, according to the report which I have here, there was a Committee of Council which consisted of the Right Hon. Sir George Foster, Minister of Trade and Commerce; the Hon. Arthur Meighen, Minister of the Interior; the Hon. T. A. Crerar, Minister of Agriculture; Hon. Martin Burrell, Secretary of State; Hon. G. D. Robertson, Minister of Labour; and Hon. L. A. Sifton, Minister of Customs and Inland Revenue. That was a sub-committee of Council, appointed as I understand, as a sort of committee to direct the work of dealing with the Research Council; but, in place of that; this overlapping, as I think it may fairly be termed, has already occurred, and the question is: the Minister of Trade and Commerce having been one of the members of that sub-committee of Council, whether in the future he will pay a little closer attention and see that this overlapping is not allowed to go on.

Hon. Sir JAMES LOUGHEED: I am not prepared to say that there was overlapping in regard to the particular activities referred to by my honourable friend. I understand that the research work was done by this Council, and the administrative work was carried on by the Department. I am unaware of the research work having been done by the Departments to which my honourable friend refers. A clear distinction can be drawn. It is not intended that this body should be an administrative body. They do the research work, and the administrative work is carried on by the machinery of the Departments.

Hon. Mr. BOSTOCK: But in the case of the peat investigation that was commenced some years before the war, the industry had been brought up to the point at which it was practically demonstrated that peat could be satisfactorily used in place of coal. The Department of Mines had known that long before this Research Council was appointed. Why the Research Council was allowed to take up the question of the peat industry I am at a loss to understand.

Hon. Sir JAMES LOUGHEED: They have not satisfied themselves yet.

Hon. Mr. CASGRAIN: Perhaps I might explain that. Honourable gentlemen travelling between Montreal and Ottawa can see the peat industry in operation. At Alfred yesterday we saw a carload of briquettes.

Unfortunately up to the present time private capital has never been successful in carrying on the peat industry—why? Because coal could be had at the seashore for three dollars a ton. At Goderich, where I was interested in a salt mine, we had coal to put into the furnaces selling at seventy cents a ton. But that is all changed: the price of coal has gone up. That gives a chance for peat to be manufactured and sold in the market.

It is the same with lignite. At Bienfait, on south-eastern Saskatchewan, lignite is being manufactured now and will be sold in Winnipeg at $12 or $13 a ton. It will have just the same calorific value as the very best anthracite. I am told that in Winnipeg to-day anthracite is selling at $25 a ton and that in Regina it is selling at $30 a ton. So there will certainly be an opportunity for lignite. Formerly private capital was not available, and the lignite was not carbonized and briquetted. The Government, owing to the high cost of fuel, which is a menace to industry in this country, had to take some steps, and now the possibilities for the manufacture of lignite will be demonstrated at Bienfait. The price of lignite has already increased. Formerly, the price was $1 a ton; now, at Bienfait they are paying $2 a ton for the lignite. And remember, it takes two tons of lignite, carbonized, to make one ton of good anthracite, for over nine-tenths of it is coal and the other one-tenth is tar. I have the figures regarding the price of that tar at Sault Ste. Marie, where it is manufactured and from which it is shipped to Bienfait to be mixed with lignite. The mixture of nine-tenths of carbonized lignite with one-tenth of tar makes a very superior quality of coal.

We have heard of the peat industry all our lives, but on account of the cheapness of coal when it could be bought at $3 a ton, it was impossible to sell peat. Now that coal is so dear you can sell peat, and sell it commercially.

Hon. Mr. TURRIFF: Honourable gentlemen, I do not think that the discourse we have just had from my honourable friend justifies in any way the Research Council for meddling with the peat business, if my honourable friend does not desire to have two departments working on the same thing and does not want to have a duplication of work. I know that twelve or thirteen years ago, under the Department of the Interior, very good peat was produced from some bogs in the vicinity of

Ottawa, because I bought some and burned it in my house in this city. The Department of the Interior has been working on that question of production ever since, and here we have this Industrial Research Council working away on the same line, doing the very same thing as that for which my honourable friends put through the Act establishing the Conservation Commission, that is, duplicating the work that other departments were doing. So my honourable friend is apparently not going to be able to avoid the duplication. In a report published by this Industrial Council, of which I have a copy, they deal with several matters with which my honourable friend's department is already dealing, and, unless very strong measures are taken I imagine that this will continue.

I would point out also that the Council is to consist of one paid member, and the others are to work for nothing. They are to meet at least four times a year. It does not seem to me that you can get work from a Council that does not receive any payment, or only one member of which receives a salary. The Council will, say, meet every three months, and will report. They will report on the work that the officials of the Branch are doing. It will be practically the report of the officials of the Branch. So it seems to me it would be a good deal better either if there were one man alone in charge of the work, or if there were a staff also, and all the members were paid for the work they did.

Section 1 was agreed to.

Hon. Mr. PROUDFOOT: Before you adopt that clause, I want to say a word or two with reference to it; and, to show you that I was absolutely correct in the motion I made before, I move that you do now leave the Chair. I make that motion under the rules of the Senate.

The Hon. the CHAIRMAN: Do I understand the honourable gentleman to be moving the motion that he made before the House went into Committee?

Hon. Mr. PROUDFOOT: No. I have a right to move this motion at any time, under rule 73.

Hon. Sir JAMES LOUGHEED: Will the honourable gentleman read the rule?

Hon. Mr. PROUDFOOT (reading):

Rule 73. The rules of the Senate are observed in a Committee of the Whole, except the rules limiting the number of times of speaking; and no motion for the previous question, or for an adjournment, can be received;

Now, here is the point:

But a Senator may at any time move that the Chairman leave the Chair.

That is the motion which I desire to make.

Hon. Sir JAMES LOUGHEED: May I point out that my honourable friend's motion is entirely out of order. He has already moved that; and, the motion having been passed upon, he is out of order in moving it again. If he could do that, my honourable friend could move in a circle until the House prorogued.

Hon. Mr. PROUDFOOT: That is exactly what I can do, and that is what the rule states.

Hon. Sir JAMES LOUGHEED: There is another rule which prevents your doing that.

Hon. Mr. PROUDFOOT: I have not seen the other rule, but this is plain enough. Not only that, but the parliamentary work says that the motion may be made at any time.

Hon. Sir JAMES LOUGHEED: Oh, yes, it may be made.

The Hon. the CHAIRMAN: I must call the honourable gentleman (Hon. Mr. Proudfoot) to order. He has already made that motion: he cannot make it again. We have now before us for consideration clause 2 of this Bill.

Hon. Mr. PROUDFOOT: I have the right, Mr. Chairman, to move that motion, and I move it now; and, if that is your ruling, I again appeal to the Committee from your ruling.

Hon. Mr. DANDURAND: I would draw the attention of the Chairman to the fact that we might remain here in perpetuum if there were not a motion to rise at a certain time. Of course, we may rise and report progress, or we may simply rise. My submission is that my honourable friend would find himself in a rather difficult position if he could never rise; and he may do so only on a motion.

The Hon. the CHAIRMAN: I decide that the question before the Committee at the present time is clause 2, and nothing else.

Hon. Mr. PROUDFOOT: Then, I must insist, Mr. Chairman, on your taking the sense of the Committee on the appeal which I made to the Committee from your ruling.

The Hon. the CHAIRMAN: The decision of the Chair being appealed from, I put to the Committee the question: Shall the decision of the Chair be sustained?

The decision of the Chair was sustained.

On section 2—Advisory Council:

Hon. Mr. PROUDFOOT: Now I have a few remarks to make with reference to this section. I moved that motion a few moments ago only for the purpose of showing that I was strictly correct in making the motion before; but you, Mr. Chairman, took the proper course to dispose of it, which was not taken on the previous occasion, and I may move the same motion again, later on, under some other clause.

The objection I have to section 2 is that by appointing an Honorary Advisory Council you are simply going to duplicate the work that was done under the Commission of Conservation. The Conservation Commission is still in existence and will be until the Act is repealed. The objection I make is this. If you refer to this particular section, you will find that there is to be appointed an Honorary Advisory Council, in effect the same as the Advisory Council which was appointed by the Commission of Conservation. The expense in connection with the Advisory Council will be very considerable, and we are going to find ourselves with another Commission on our hands, somewhat similar in organization to the Conservation Commission.

Hon. Mr. BELCOURT: Will not the Bill abolishing the Conservation Commission and this Bill, if it passes, be sanctioned and become law at precisely the same moment?

Hon. Mr. PROUDFOOT: I presume so.

Hon. Mr. BELCOURT: Then the honourable gentleman's argument is all wrong.

Hon. Mr. PROUDFOOT: No, I do not think so. I might point out that we are doing away with a Commission solely on the ground of the expense incurred in connection with it, and because it overlapped, and my contention is that you are going to repeat, under these particular clauses, exactly the very thing you are doing away with by the other Bill.

Hon. Mr. BELCOURT: That was not my honourable friend's argument. He is arguing that now, but he was arguing something else a moment ago.

Hon. Mr. PROUDFOOT: I cannot follow the vagaries of my honourable friend's mind. I know the statement I made; I know the argument I am presenting to the House on this particular question. My submission to the House is that we are going to repeat exactly what the honourable leader of this House pointed out to us a short time ago as a source of very considerable expense. The expense arises largely out of your appointing an Honorary Advisory Council, and if on the ground of economy we could not afford to carry on the Conservation Commission, then how can we, applying the same argument, establish an Honorary Advisory Council under this particular Bill? The position is so wholly inconsistent that on the ground of economy alone I fail to see why we should proceed with this particular clause. I think that all the work which can be done by the Honorary Advisory Council referred to in clause 2 may be carried through by the various departments. We heard a few days ago about the splendid work which has been carried on by many of the departments, dealing, as they do, with the Federal rights of this country, and various other matters. It was also stated that the Conservation Commission overlapped. If that work is being carried on and the Conservation Commission could very well be abolished, then it seems to me that by appointing some individual to carry on the research work and attaching him to one of the Departments, we could have the work carried on without proceeding with an extensive organization, which, as I understand it, is going to spend in its initiation something like half a million dollars for buildings. I would ask honourable gentlemen in dealing with this clause to consider fully the argument which persuaded them a few days ago that the other Commission should be abolished.

The Act that we are going to repeal was passed in 1917, and is known as Chapter 20. Under clause 3 of this Bill—I have to refer, Mr. Chairman, to a clause which is slightly ahead of the clause I am dealing with—the work is to be under the control of the Minister of Trade and Commerce. Well, if the Minister of Trade and Commerce is competent to deal with what is required under this measure, then I cannot understand the position taken by the Government in connection with the Conservation Commission—that the Government had no control over it. It was a very easy thing for the Government to place it under that Minister. You are now going to place the Research Council under the wing of the Minister of Trade and Commerce. I do not know of any department where it

would be less likely to be properly looked after. I think that the Department of Agriculture or some other department dealing with the resources of this Dominion would be a very much better wing to place it under. I would again ask honourable gentlemen to consider carefully the inadvisability of passing clause 2, and thereby creating this Honorary Advisory Council; and I move that it be struck out.

Hon. W. B. ROSS: I am not in favour of this motion. If you look at the situation in Canada, I think you will find that there is more or less scientific work going on in all the public departments—in some more than in others.

Hon. Mr. PROUDFOOT: I have no desire to prevent research and scientific work being gone on with. I say, however, it should be taken up by the various departments, and this new expenditure should not be incurred.

Hon. Mr. ROSS: I understand that quite well. Research work is being carried on in some of the departments; it is going on at the experimental farm here, and at stations scattered all over the country. There is scientific work being carried on in the schools of the provincial Governments; there is scientific work being carried on in the universities. I think it is desirable that there should be some institution to sort of buckle these all together, so that if a farmer or a manufacturer had some problem to meet he could write to a certain place and know that the person in charge of that place would be possessed of practically all the knowledge up to date in regard to the matter, and, if he could not give him the information, could refer him to the proper place to get it.

As I understand this Scientific Council, it can do two things: there is scientific research—and if you appoint a man who is capable of carrying on scientific research, I suppose there will be no objection to his carrying it on purely in the interest of science; then there is what is very important now, namely, the application of science. I would suppose that the man in charge would direct his attention to this and would get all these institutions to work together. We have a great deal of wood in this country, and it would be quite interesting to know what process could be devised for preserving it. Many attempts have been made along this line, some of them fairly successful, and some of them not successful. This Scientific Council could easily ascertain what institutions are dealing with the question, or it might refer the question to one or more of the universities or other institutions and ask them to conduct experiments. Another question that the Council might easily arrange to deal with is whether or not the transportation of coal is not in many cases a great mistake, and whether it would not be better to save the money expended in sorting the coal when it comes from the mines and distribute it by generating electric current.

I do not think that there is the slightest necessity for overlapping because of the creation of this Scientific Council. There is only one man, and he cannot overlap very much. His great function would be to unify the work that is going on in the country and to prevent overlapping; and if that were not to result, then the Minister of Trade and Commerce would be accountable to Parliament.

Hon. Mr. CASGRAIN: As to the overlapping, I may say that the first President of the Conservation Commission, the Hon. Clifford Sifton, was a sort of Napoleon who wanted to conquer the earth, and the Government had no control over him, and he spread out and made a large expenditure which was never contemplated, and everyone was afraid to say, "Hold on, Clifford." That Commission was abolished, and the mater was put into the hands of the Minister, and nothing was done without sanction. This provision simply means that the Advisory Board will get no pay, but that they will come here four times a year and will say, "We have discovered this, and we advise you to look into that." Some agricultural college will find that a certain seed is better than another. There is no duplication in that. It is to prevent duplication that this matter is put into the hands of the Minister of Trade and Commerce; also that these scientists will not be making all sorts of research for their own glory. Representatives of the Bureau of Standards in Washington were up here last winter, with regard to a lignite proposition, to find out what we were doing. Washington is not very far from here, and if they can come here, we could go there to inquire what they are doing. I do not think there is any harm in that.

Hon. Mr. TURRIFF: I object to the statement of the honourable gentleman who has just taken his seat (Hon. Mr. Casgrain), that the Conservation Commis-

sion went into increased expenditures one after another. As I pointed out the other day, there is no department in the Government whose expenditure has increased as little in the last seven years as that of the Conservation Commission. My honourable friend gets up and states that these vast expenditures were on account of the Commission branching out into this and into that; but that is not true, and it is not fair to say that they did so. The Conservation Commission was not extravagant in that respect, and to my mind, in doing away with the Conservation Commission and putting this Research Council into power, you are just beginning an extravagant expenditure. In the case of the Conservation Commission every dollar expended was expended with the knowledge and consent of the Government, for the money had to be voted every year.

A few sections further on in this Bill you will find that there is to be a great institute; and the first thing you know there will be $1,000,000 expended on that institute. This is not a Bill for the conservation of the funds of the country; it is a Bill that will result in all sorts of extravagance.

Hon. Mr. BOSTOCK: My honourable friend from Huron (Hon. Mr. Proudfoot), in moving to strike out clause 2, has overlooked the fact that in 1917 an Act was put on the statute book establishing this Research Council. If his amendment were to carry, we would be thrown back on that Act. The first part of the Bill before us practically re-enacts that Act of 1917, putting the Minister in the place of the subcommittee of the Council, and I do not see that we can get very much further in dealing with the first part of the Bill, because there are very few other changes made in it.

I do think, however, that if we could amend clause 3 so that the Deputy Ministers of the Departments that I mentioned a short time ago would become ex officio members of this Council, it would have a great effect in preventing overlapping, because they would be informed of what was going on in the Council, and the Council would be informed of what was going on in the various Departments. I think we should do everything we possibly can to prevent any overlapping of any kind occurring; therefore I propose, when we come to clause 3, to move an amendment along these lines.

Hon. Mr. TURRIFF.

Hon. Mr. PROUDFOOT: Have we any estimate as to what the initial expenditure will be in connection with this Council under the proposed Act?

Hon. Mr. CASGRAIN: Two hundred thousand dollars has been put in the Estimates.

Hon. Sir JAMES LOUGHEED: Any estimate that has been made as to the cost would be purely speculative, because the organization has to be built up. The expenditure cannot be very large in the beginning; of course, it may become necessary to enter into considerable expenditure in the carrying out of a constructive policy in the way of buildings and so on; but we are not doing anything of that kind at the moment.

Hon. Mr. BELCOURT: It was in my mind to suggest something very similar to that suggested by the leader of the Opposition, namely, that the Deputy Ministers or some other officers from each of the Departments should have access to or should even form part of this Council. I am not one of those who are looking for a total absence of duplication in research work. I do not think it is possible completely to eliminate what has been termed overlapping. Unnecessary overlapping will be because of the faulty manner in which the Act may be carried out. Let me give one instance. Take, for instance, the case of the Air Board. It is quite evident to me that the Research Council will not be able to carry on all the research work which will be required in regard to air transportation. It is quite evident that the Air Board itself will of necessity have to do a good deal of that work which the Council could not do. But if the director of the Air Board has access to the Council or is an ex-officio member of the Council, then the work will not be duplicated. The director of the Air Board will give an account of the work which has been carried on under his direction. I do not think it is possible to frame any Act absolutely to eliminate overlapping.

There is one reason, it seems to me, in justification of this Bill which did not exist a few weeks ago. Parliament has decided to do away with the Conservation Commission. The Conservation Commission was doing a great deal of work which would not be done by any one unless someone were vested with the power to do a great many things that the Conservation Commission was doing. Now that the Conservation Commission is going out of

existence, it seems to me that the provisions of this Bill are not only justified but necessary. Research work is a very important thing in these days, and it is being carried on in nearly every country all over the world, and great results will flow from it. In a country like ours we cannot afford to neglect any means of becoming better acquainted with our resources and the possibilities which they afford. I am afraid that some honourable gentlemen are now indulging in more or less unnecessary criticism in advance of what this Council is going to do. I am strongly in favour of the Council. At the same time, I think we ought to see that every effort is made to make the work efficient.

Hon. Mr. TURRIFF: Could the leader of the Government give the Committee an idea of how much this Research Council has cost since it was inaugurated in 1917?

Hon. Sir JAMES LOUGHEED: No, I cannot.

Hon. Mr. TURRIFF: Would my honourable friend get that information before we finally pass the Bill.

Hon. Sir JAMES LOUGHEED: I shall be very glad to make the inquiry.

Hon. Mr. DANDURAND: I have a statement that goes to show that the cost in 1917-18 was $50,111.74; that in 1918-19 it was $51,151.52; that in 1919-20 it was $99,872.42, and that for 1920-21 there is an approximate sum of $110,000 to cover their activities. This information was secured from the Secretary of the Research Council.

Hon. Sir JAMES LOUGHEED: I think I omitted to mention to the House that this Bill was the subject of a special Committee of the House of Commons. That Committee made a very extended inquiry into the whole situation, with the result that they reported in favour of the Bill.

Hon. Mr. PROUDFOOT: Has the report been distributed? I have not seen it.

Hon. Sir JAMES LOUGHEED: I have not seen the report myself; but I understand that to be the case.

Hon. Mr. PROUDFOOT: The question of expense referred to shows that the expense of this Council jumps up year by year by even greater leaps and bounds than did that of the Conservation Commission; and I suppose it will continue to do so. Although I have made certain remarks in reference to some sections of the Bill I do not want it to be understood that I am opposed to research work. I think we require research work; but I am strongly of opinion that it can be better carried on by the various departments than by the appointment of a separate institution such as this, which must necessarily incur a considerable expense. When I moved that clause 2 should be stricken out, I had before me the Act, chapter 20, of 1917, and it appears to me that the first eleven or twelve sections of that Act are practically the same as the Bill with which we are dealing. My object in moving to strike out the clause is this: that we strike out the clause and then go on and repeal the Act.

Hon. Mr. BELCOURT: Has my honourable friend considered the possibility of making some provision in the Bill which would prevent a Department from carrying on research work unless the work was previously approved or requested or directed by the Council itself? If we could devise some means whereby the work in the departments would be subject to the direction of the Council, then probably we might be able to do away with all overlapping, and unnecessary or useless expenditure.

Hon. Sir JAMES LOUGHEED: I would commend my honourable friend's attention to section 10, which says:

> From the money annually appropriated by Parliament for the work of the Council, or which the Council may receive through request, donation, or otherwise, the Council shall, subject to the approval of the Minister, expend all such sums as the Council deems necessary for carrying on its work.

The minister must necessarily keep in touch with the entire program in all its parts that is being carried on by the Research Council.

Hon. Mr. BELCOURT: The minister could exercise his influence in order to prevent a duplication of work in the departments, or unnecessary expenditure.

Hon. Sir JAMES LOUGHEED: Some such clause as that suggested by my honourable friend opposite (Hon. Mr. Bostock) might be adopted. I am not prepared to say what practical suggestion may be crystallized into the Act; but I can realize that it would be an advantage for the Council to keep in touch with the permanent heads, that is, the Deputy Ministers, in such departments as have to deal with subjects involved in scientific research.

The proposed amendment of Hon. Mr. Proudfoot was negatived.

Section 2 was agreed to.

On section 3—appointment of Council:

Hon. Mr. BOSTOCK: I would move that in the 4th line of section 3, after the word "minister", the following words should be added:

and the Deputy Ministers of the Departments of Mines, Interior, Agriculture, Marine and Fisheries, and Naval Service, shall be ex officio members of the Council.

I think that covers all the departments interested in it.

Hon. Mr. BELCOURT: What about the Air Force?

Hon. Mr. BOSTOCK: I think the Air Force comes under the Naval Service.

Hon. Sir JAMES LOUGHEED: That is under Militia at the present time; but it is rather peripatetic—it goes from one department to another.

Hon. Mr. BELCOURT: I should think that the work of the Air Force is work which the Research Council would have to deal with.

Hon. Mr. DANDURAND: I would object to the Air Board being included, because I hope that before another Session it will be decided to abolish the Air Board.

Hon. Mr. CASGRAIN: If the Air Board is going to be abolished, it will do no harm to include it in the meantime.

Hon. Mr. DANDURAND: I would not like to see it given such prominence by including it with the departments mentioned.

Hon. Mr. BELCOURT: If we could locate the Air Board in one of the departments, we need not worry. My honourable friend would know what department it was in.

Hon. Sir JAMES LOUGHEED: It is largely in the air and it is difficult to locate it.

Hon. Mr. DANDURAND: But we shall find that it is largely in the estimates, when it comes to the question of expenditure.

Hon. Sir JAMES LOUGHEED: As it is only one branch of a very large department, I doubt the wisdom of giving such significance to it as to provide that it should have a representative.

Hon. Mr. BELCOURT: I agree with my honourable friend. We ought to make sure that the amendment includes all the departments interested.

Hon. Sir JAMES LOUGHEED: No, only the departments that are specifically mentioned; but I have no doubt that it will be an easy matter for the Government to direct the attention of the Council to any subject, and the Council will of course at once give attention to it.

Hon. Mr. BELCOURT: We are leaving out the Militia and putting in Naval Service. I do not quite see the logic of that.

Hon. Mr. BOSTOCK: I put in Naval Service because I thought that covered the Air Board.

Hon. Mr. CASGRAIN: It does.

Hon. Mr. BELCOURT: I do not think it does.

Hon. Mr. WATSON: Why not include Inland Revenue?

Hon. Sir JAMES LOUGHEED: That would make it top heavy.

Hon. Mr. WATSON: The Department of Inland Revenue is omitted; but I would point out that that is a department with which the Research Council might have a great deal to do.

Hon. Mr. DANDURAND: Is not that department being merged into the Customs?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: I have no objection to having other departments added.

Hon. Sir JAMES LOUGHEED: You might insert the words, "and any other departments," enumerating the others, and in that way give authority to the Governor in Council to include that.

Hon. Mr. BOSTOCK: Would it not be better to amend the motion to say: "the Deputy Ministers of the Departments interested in research"?

Hon. Mr. CASGRAIN: All the departments whose work is germane to the objects of the Bill.

Hon. W. B. ROSS: We ought to include the Deputy Minister of Finance, because he is the man who makes up the new taxes.

Hon. Mr. DANDURAND: I suggest, Mr. Chairman, that we stop at the departments mentioned. When the Bill goes back to the other Chamber, if the minister decides to add other departments, he can do so.

Hon. Mr. BELCOURT: If you put in the Naval Service Department, you surely ought to include the Militia Department. They ought both to be included or both left out.

Hon. Mr. DANDURAND: I would strike out both. I would move that we sink our navy in the middle of Lake Superior.

Hon. Sir JAMES LOUGHEED: Why not take it down to Nova Scotia?

Hon. Mr. BELCOURT: I suggest that we make the amendment include the Deputy Heads of the various Departments of the Crown. It is only those who are interested, only those who have business there, that will attend.

Hon. W. B. ROSS: Others may go and cause trouble.

Hon. Sir JAMES LOUGHEED: Would not my honourable friend word it in this way: "The deputy heads of such departments as may be designated by the Minister of Trade and Commerce"?

Hon. Mr. BOSTOCK: Then we are getting no farther, are we? The clause reads:

The Council shall consist of not more than fifteen members who shall be appointed by the Governor in Council on the recommendation of the Minister of Trade and Commerce.

Hon. Sir JAMES LOUGHEED: But this is a particular class whom you specify and it will be an instruction to the Minister of Trade and Commerce to appoint such deputies as should be appointed upon that Council.

Hon. Mr. PROUDFOOT: Why leave it entirely to the recommendation of the Minister of Trade and Commerce? One individual should not be able to deal with it. I could quite understand, from the Government's standpoint, having the recommendation made by the Cabinet.

Hon. Mr. BELCOURT: That is what it is.

Hon. Mr. PROUDFOOT: But why one Minister should make the recommendation, apparently without consulting the others or consulting anyone but himself I fail to see.

Hon. Mr. BELCOURT: The Governor in Council is going to appoint the Council.

Hon. Sir JAMES LOUGHEED: The appointments will be made by Council on the recommendation of the Minister.

Hon. Mr. PROUDFOOT: Certainly the appointment will be made by Council, but the recommendation comes from the Minister of Trade and Commerce alone.

The Hon. the CHAIRMAN: It has been moved in amendment to section 3, by the Hon. Mr. Bostock:

That the following words be added in line 12 after the word "Minister":

"The Deputy Ministers of the Departments of Mines, Interior, Agriculture, Marine and Fisheries, and Militia and Defence, shall be ex officio members of the Council."

Hon. Mr. BELCOURT: Would my honourable friend (Hon. Mr. Bostock) allow me to make one amendment, as suggested by the honourable leader of the Government, to provide that the Deputy Heads shall be designated by the Minister of Trade and Commerce?

Hon. Mr. DANDURAND: Why does not my honourable friend leave it as it is? If the Minister of Trade and Commerce wants to suggest an alteration, he will do so in the House of Commons. There is in this amendment a clear indication of our view that the interested Deputies should be included.

Hon. Mr. BELCOURT: The Commons will do what they like with the amendment when they get it, but that does not relieve us of the obligation of dealing with it intelligently. I intend to move a second amendment, unless my honourable leader will include in his motion the amendment which I propose: "That the Deputy Ministers selected by the Minister of Trade and Commerce shall also form a part of the Council."

Hon. Sir JAMES LOUGHEED: I think that would be the better way: "Such of the Deputy Ministers as may be designated from time to time by the Minister of Trade and Commerce."

Hon. Mr. BELCOURT: This is what I propose: that after the word "Minister" the following words shall be added:

And in addition the Deputy Ministers of such Departments as may be selected by the Minister of Trade and Commerce.

Hon. Sir JAMES LOUGHEED: That is, in addition to those mentioned?

Hon. Mr. BELCOURT: That is, in addition to the five members.

Hon. Sir JAMES LOUGHEED: That is all right.

Hon. Mr. DAVID: Will not that amendment conflict with subsection 2 of section 3,

which provides that the members of the Council shall hold office for a period of three years and five members shall retire each year?

Hon. Mr. BELCOURT: The Deputy Ministers will hold office, not as individuals, but ex officio.

Hon. Mr. WATSON: I am inclined to think we ought to decide on the different Departments to be represented by the Deputy Ministers. If I have any objection to this Bill, it is that the Minister of Trade and Commerce has control of the whole matter. I was in favour of the Conservation Commission because of its independence of Parliament and of the Government, and I think it has done excellent work. If we know the Departments that ought to be interested, we ought, in my opinion, to mention the Deputy Ministers of those Departments. I am not in favour of inserting in the Bill a clause that would extend the power of the Minister of Trade and Commerce, as there are at the present time a number of Deputies who are very efficient, and I think we ought to name them as members of the Council. I am inclined to think that the Deputy Minister of Inland Revenue ought to be included, because in connection with the Inspection and Sale Act and other statutes his Department has a great deal of scientific work to do. I would suggest that the name of the Deputy Minister of Inland Revenue be added to the names suggested by my honourable leader (Hon. Mr. Bostock).

Hon. Sir JAMES LOUGHEED: Inland Revenue is now combined with Customs.

Hon. Mr. DANDURAND: Is the Inland Revenue to be merged this Session with the Customs Department?

Hon. Sir JAMES LOUGHEED: Yes; there is a Bill for that purpose now before Parliament.

Hon. Mr. BELCOURT: In order to meet certain objections, I will word the amendment in this way:

The Council shall consist of not more than fifteen members, who shall be appointed by the Governor in Council on the recommendation of the Minister of Trade and Commerce, and in addition the Deputy Ministers of such Departments as the Governor in Council, on the recommendation of the Minister of Trade and Commerce, may designate.

The amendment of Hon. Mr. Belcourt was agreed to.

Hon. Mr. DAVID: With regard to subsection 2, there is no exception made in the case of the Deputy Ministers. That subsection refers to all the members of the Council without exception.

Hon. Mr. CASGRAIN: We can make an exception.

Hon. Sir JAMES LOUGHEED: That subsection is all right as it is.

Hon. Mr. DAVID: I think something should be said as to the time Deputy Ministers shall remain members of the Council.

Hon. Mr. BELCOURT: My honourable friend does not distinguish between the Deputy Minister ex officio and the person who happens to be occupying that office. There will always be Deputy Ministers.

Section 3 as amended was agreed to.

Sections 4 to 7 inclusive were agreed to.

On section 8—remuneration:

Hon. Mr. BOSTOCK: What remuneration does the Chairman of the Council receive at the present time?

Hon. Sir JAMES LOUGHEED: The old remuneration was $10,000 a year.

Hon. Mr. BOSTOCK: Is it the intention to carry that on?

Hon. Sir JAMES LOUGHEED: I am not prepared to say. In my judgment it would not exceed that.

Hon. M. FOWLER: Will he be a technical man?

Hon. Sir JAMES LOUGHEED: Presumably he will be.

Section 8 was agreed to.

On section 9—Council incorporated:

Hon. Mr. PROUDFOOT: I want to say a word or two about clause 9. That clause is not in the Act of 1917 as it appears in this Bill. You will observe that this section gives very large powers to the Council.

The Council is hereby constituted a body corporate, capable of suing and being sued, of holding lands, tenements, etc.

Then it may receive gifts of money, and may agree to the conditions upon which such gifts are made.

The Council shall have power, with the approval of the Minister, to appoint such scientific and technical officers as may be necessary for the conduct of its business.

That is to say, they may appoint such officers as they see fit. The only curb the Government has on them is this provision:

and, subject to the approval of the Governor in Council, to prescribe the remuneration to be paid the same.

You will observe that the powers given to this Council are very extraordinary. Under the authority of this section they may, at any time they feel so disposed, close down any work now being carried on by the Government, without notice, and without the case being given full consideration. We know that there is a branch of surveys in which a considerable amount of money has been expended by the Government in thermometers and other scientific instruments. The Government has expended something like $50,000 in the buildings and equipment for that work. The matter was pointed out to the Research Council, and they paid no attention to it There are a set of officers who have devoted a great deal of time and attention to laboratory work. They have an organization that is equal to any for this particular work. The Research Council, however—I do not know for what reason—declined to have anything to do with it; and, unless we now make a stand and say that they must take over that particular work, the $50,000 which has been expended by the Government in connection with it will simply be scrapped. I do not know exactly what provision we can make in the Bill; but I think we should make it clear to the Council that, where money has been expended in experimental work and in the purchase of instruments and other equipment, it will be their duty to take the apparatus over and save this money to the country. But, as section 9 is drawn, the Council will be a corporate body and can do practically as it pleases; the only control exercised over it is in the amount of money that is to be paid by way of salaries.

Hon. Mr. CASGRAIN: That $50,000—where is it? Who paid it? Is it spent?

Hon. Mr. PROUDFOOT: Of course it is.

Hon. Mr. CASGRAIN: Spent by the Government?

Hon. Mr. PROUDFOOT: Yes.

Hon. Mr. CASGRAIN: Then the Government owns the instruments?

Hon. Mr. PROUDFOOT: Yes.

Hon. Mr. CASGRAIN: Then they would not buy new ones.

Hon. Mr. WATSON: How do you know that?

Section 9 was agreed to.

Sections 10 and 11 were agreed to.

On section 12—reports:

Hon. Mr. BELCOURT: Is it the intention of the Government to let the public have free access to all the publications of this Council? It seems to me that they should be available to the public.

Hon. Mr. CASGRAIN: Does that not come under clause 14?

Hon. Sir JAMES LOUGHEED: Immediately a report is laid on the Table of Parliament it is within the authority of Parliament to distribute it. That is the way bluebooks are dealt with.

Hon. Mr. BELCOURT: Are these not intended for common use—for anyone who may have an interest in the subjects dealt with? The method mentioned by my honourable friend is a rather roundabout one, and if you have to work until the report is laid on the Table of the House or until someone who has access to it gets it, it takes a long time. If these publications were issued as early as possible and as freely as possible, their value would be greater.

Hon. Sir JAMES LOUGHEED: That matter, I understand, is invariably controlled by the King's Printer. A publication is laid on the Table of Parliament and it goes to the Joint Printing Committee of both Houses, and they order the printing of the report and it then becomes accessible to all. The King's Printer sells or distributes the report as Parliament may determine. I think the machinery is ample for that.

Hon. Mr. FOWLER: Should not the Council have power to issue bulletins?

Hon. Sir JAMES LOUGHEED: I presume that they have.

Hon. Mr. FOWLER: I do not see anything in the Bill giving them that power.

Hon. Sir JAMES LOUGHEED: I am quite willing that my honourable friend should offer an amendment specifically mentioning that matter.

Hon. Mr. FOWLER: I would say that the Council should have power to issue bulletins relative to their work from time to time as considered necessary.

Hon. Mr. BELCOURT: If my honourable friend will look at the end of section 12, I think he will find that bulletins are covered. It says:—

> Such further reports and statements shall also be made to the Minister by the Council as the said Minister may require.

Hon. Mr. TURRIFF: The old Geological Survey and the Department of the Interior issued bulletins and reports as a matter of course. In the Mines Branch they have a library where you can get any of the reports that are still in print. On the payment of a very small fee you can get the reports of the department twenty years back. It would not be necessary to put anything into the Act.

Hon. Sir JAMES LOUGHEED: All public printing is regulated now by the Editorial Committee and the King's Printer.

Hon. Mr. BELCOURT: I think there is probably sufficient machinery for the purpose.

Hon. Mr. WATSON: The Natural Resources Committee used to issue reports from time to time, and I think the reports of this Research Committee would be more valuable if we did not have to wait for them to be laid on the Table of Parliament.

Hon. Mr. BOSTOCK: I notice that a statement of receipts and expenditures of the Council is to be laid before Parliament within fifteen days after the opening; but when it comes to the reports, the Bill simply states that they are to be laid before both Houses of Parliament.

Hon. Sir JAMES LOUGHEED: "Shall be made by the Council to the Minister after the close of each fiscal year."

Hon. Mr. BOSTOOCK: That does not fix any time.

Hon. Sir JAMES LOUGHEED: The parliamentary practice of placing the reports on the Table is very closely observed.

Hon. Mr. BOSTOCK: I thought it was usual to state that they should be laid before Parliament within so many days of the opening of the next Session.

Hon. Mr. FOWLER: I have my amendment ready. It is that there shall be added to section 12 the following:

> The said Council shall have power to issue bulletins from time to time relative to its work, when, in its opinion, such are necessary in the public interest.

Hon. Mr. BOSTOCK: The Minister is given complete control of this matter. I do not know whether it should be left in the hands of the Minister.

Hon. Sir JAMES LOUGHEED: He can give a hint to the Council.

Hon. Mr. BELCOURT: I do not think the proposed amendment improves the section at all. I think if my honourable friend reads section 12 again he will find that there is sufficient authority as it stands.

The proposed amendment of Hon. Mr. Fowler was agreed to.

Hon. Mr. BOSTOCK: I think we should insist that the words "at the next Session" should be added after the words "Houses of Parliament."

Hon. Sir JAMES LOUGHEED: All right.

Hon. Mr. CASGRAIN: Make it the same as section 11, "within fifteen days from its opening."

Section 12, amended as proposed by Hon. Mr. Fowler, was agreed to.

On section 13, subsection 1—institute created:

Hon. Mr. TURRIFF: Can the leader of the Government say whether or not it is the intention to put up a building? I have heard it stated that it is the intention to build an institute that would cost about $600,000. Has my honourable friend any information on that subject?

Hon. Sir JAMES LOUGHEED: I do not understand that the Government is committed at the present time to the building of such an institute. I have no doubt that in the interest of the work which is about to be carried on it will become necessary to erect a laboratory or some kind of building to afford every opportunity for the carrying on of the work.

Hon. Mr. TURRIFF: Considering the fact that a large number of officials of the Militia Department and also of some of the other branches have been dismissed and that the Government has many buildings rented in the city, it seems to me that the Government would not be justified at the present time in expending a large amount of money to put up this building. When the Government starts out to put up a building for $600,000 you can bank that it is going to cost $1,000,000 before it is completed. Conditions are not so bright at present that we should run into that expense. I do not say that it is unnecessary, but it does seem to me that we could get along very well until we are in better financial condition.

Hon. Mr. BELCOURT: I think the Government ought to consider housing the Commission in the Museum. There is plenty of room there, and it is a beautiful building, and I think it would be a quite suitable place for them.

Hon. Mr. DANDURAND: The difficulty is that if half a million dollars or more is to be expended on a building to house this institute, the items will reach this Chamber in the annual Budget, and, unless we send it to our Finance Committee, we may be faced with the obligation of upsetting the Government and the Budget at the same time, and we would not like to do that.

Hon. Sir JAMES LOUGHEED: You will not have to do it this Session.

Hon. Mr. DANDURAND: I see that clause 9 allows the Council certain powers, among others the following:

To appoint such scientific and technical officers as may be necessary for the conduct of its business, and, subject to the approval of the Governor in Council, to prescribe the remuneration to be paid the same.

Clause 13 says:

The staff of the Institute shall consist of a Director and such scientific and technical and other officers, clerks and employees as may be necessary for carrying on the work of the Institute.

So the Council can appoint scientific and technical officers, and the National Institute can also appoint a staff upon which there will be employed scientific and technical officers.

Hon. Sir JAMES LOUGHEED: Section 13 makes no provision for the appointment of the officers. It simply states what shall constitute the Institute. The officers will be appointed presumably under section 9.

Hon. Mr. CASGRAIN: It is just repeating, I take it.

Hon. Sir JAMES LOUGHEED: Yes, it is simply declaratory of what shall constitute the staff.

Hon. Mr. CASGRAIN: The Director will be the same Director as under the other clause.

Hon. Mr. BELCOURT: No, he will not; that is the difference.

Hon. Mr. DANDURAND: Clause 9 says:

The Council is hereby constituted a body corporate capable of suing and being sued, of holding lands, tenements, hereditaments, goods, chattels, and any other property, movable or immovable, for the purpose of and subject to this Act. It shall have power to acquire by gift, grant, bequest, donation, or otherwise any such real estate, property—

and so on, and:

the said Council shall have power, with the approval of the Minister, to appoint such scientific and technical officers as may be necessary for the conduct of its business.

That is, the Council. Then section 13 says:

There shall be established at or in the vicinity of the city of Ottawa a National Research Institute, hereinafter called the "Institute." The staff of the institute shall consist of a Director and such scientific and technical and other officers, clerks, and employees as may be necessary for carrying on the work of the Institute.

If my honourable friend felt that the Conservation Commission had expanded to such an extent that it became dangerous to the equilibrium of our finances, I am afraid he will find that he has created a child with as large an appetite as the Conservation Commission. I have already given figures to show that the expenditure of the Research Council had gone up in four years from $50,000 to more than $100,000. I would not be so critical if it were not for the present state of our finances, and I would gladly vote for the elimination at present of Part II of the Bill. I suggest that we stop at the end of Part I and allow this Council to organize and prepare to function, and that we await whatever report the Council may make as to its further activities. That would give us a year in which to make the other step, the creation of the Institute, by which we are committing ourselves to a very large expenditure. If we can gain a year, during which the Council will have an opportunity to examine its sphere of action, we ourselves shall be able to see whether or not the country can afford to enter upon the large expenditures on capital and current accounts. For that reason I would move that we strike out Part II of the Bill, so as to allow full time to the Council to organize and make its recommendations to Parliament regarding its further activities.

Hon. Mr. CASGRAIN: It could not possibly do that, because section 14 and section 15 prescribe what the Council shall do.

Hon. Mr. DANDURAND: The Institute.

Hon. Mr. CASGRAIN: I may be wrong, but I take it that the Council is to administer the work. It is created a body corporate. It will receive funds, which will be subject to certain conditions. Therefore it must be a distinct branch. The Council will administer any funds that may be left to it by wealthy persons, and the Government cannot be bound by the conditions upon which such bequests may have been made, but the Institute is to be a Government Department that will do the business.

Hon. Sir JAMES LOUGHEED: That is precisely what it is. If my honourable

friend (Hon. Mr. Dandurand) will look more closely, he will find that Part I deals with the creation of an organization.

Hon. Mr. DANDURAND: And of a corporate body.

Hon. Sir JAMES LOUGHEED: Yes, of a corporate body. But it would surely be unwise, and it would not appeal to the judgment of my honourable friend upon second thought, if he will be good enough to entertain it, for the Government to create this organization and pay it, and have it do nothing. Part I seems to provide for the staff of workmen, and Part II to provide the workshop in which they shall be engaged. It is precisely the same organization, but Part II makes provision for the actual work to be done.

Hon. Mr. CASGRAIN: It might be made clear that the Chairman, who is to receive a salary of $10,000, shall also be the Director.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. CASGRAIN: That is not clear in the Bill. There are doubts as to that point.

Hon. Mr. DANDURAND: In answer to the statement of my honourable friend that the workshop is provided for in Part II, and that if we stopped at Part I the Council would be without duties or instructions, I would draw his attention to section 11 of the Bill.

Hon. W. B. ROSS: Read sections 5 and 10.

Hon. Mr. DANDURAND: The Council, once appointed, may decide that it does not need a special workshop under its control, as the workshops of the various universities are available to it; and if it should so decide, so much the better for the finances of the country. It seems to me that we ought to adhere to the idea of forming this corporate body called the Council and awaiting their action and their recommendations before launching upon that considerable expenditure which we would be called upon to make under Part II. For this reason I move that Part II be struck out of the Bill.

Hon. W. B. ROSS: Would not the honourable gentleman move rather that it be deferred?

Hon. Mr. DANDURAND: Let it be deferred. It can be deferred only by being struck out. It is only a question of three months or six months.

Hon. W. B. ROSS: If you move to strike it out, that means that the thing is absolutely bad. If you move to defer it, that means that, while it may be a good thing, it is not quite opportune.

Hon. Mr. DANDURAND: Then I will move that the consideration of Part II be deferred.

Hon. Mr. BELCOURT: My honourable friend has not seriously considered the matter or he would not make such a proposition. Whatever may be said as to the propriety or advisability of striking out or deferring section 13, that cannot be applied at all to sections 14, 15, 16, 17, 18, 19 and 20, which are absolutely essential incidents of the provisions contained in Part I; and Part I is not capable of being carried out properly unless all those sections are adopted.

Hon. Mr. DANDURAND: No. Section 5 confers such general powers as would suffice for the Council.

Hon. Mr. BELCOURT: No. Part II provides for "coordination and supervision of scientific work," "control of discoveries and inventions," etc.

Hon. Mr. DANDURAND: Those are details.

Hon Mr. BELCOURT: Yes, but they are details necessary to the operation of the machinery under Part I. I do not think my honourable friend can be very serious about this. But what I want to draw my honourable friend's attention to is this, that under section 13 there is to be a director responsible for the carrying on of the work. It is provided that he shall have a salary, the amount of which is not stated. Going back to Part I, you find that section 4 provides for another officer, who shall be the Chairman.

Hon. Mr. CASGRAIN: The same one.

Hon. Mr. BELCOURT: Why is it necessary to have a Chairman and a Director, both of them paid? If you consult section 8 you will see it provided that "no member of the Council, with the exception of the Chairman, shall receive any payment or emolument for his services." So you are going to have a highly paid Chairman, who will do nothing but preside at meetings, and, on the other hand, a highly paid officer, the Director, who will do the work. I suggest that we amend section 4 by providing

that the Chairman of the Council shall be the Director appointed under the provisions of Part II.

Hon. Mr. FOWLER: Then you would have to change section 13, because it evidently was not contemplated that the Chairman and the Director should be the same person. Subsection 3 of section 13 says:

He shall have the right to be present and to take part in the discussions, but without the right to vote, at all meetings of the Council.

That shows it is not contemplated that he shall be Chairman.

Hon. Mr. BELCOURT: Of course, the change in section 4 might entail other changes in the Bill, but if my honourable friend is prepared to adopt the suggestion, we could go on and make such changes as are necessary.

Hon. Sir JAMES LOUGHEED: There is this to be said about it, and I would ask honourable gentlemen to consider it. The Director must be a person familiar with the carrying out of scientific experiments and that kind of thing, and might be totally unfitted to act as a Chairman. There is that point to be considered. That is to say, he might not be a business man at all. He is the Director of a technical or scientific institute. The Chairman presides over this body known as the Council, and might not have the peculiar qualifications necessary for a large industrial establishment, such as this must necessarily be.

Hon. Mr. BELCOURT: I certainly hope that the gentleman that is to be appointed Director will be able to preside at a meeting. If he is not able to do that, I do not think much of the Director.

Hon. Sir JAMES LOUGHEED: Well, combine the two positions.

Hon. Mr. FOWLER: Are you going to pay the Chairman?

Hon. Sir JAMES LOUGHEED: There is only one paid officer at the present time —I mean the Director.

Hon. Mr. BELCOURT: No, no.

Hon. Sir JAMES LOUGHEED: I do not refer to this Bill; I refer to the Research Council as we have it now.

Hon. Mr. FOWLER: But you are going to pay the Chairman $10,000, are you not?

Hon. Sir JAMES LOUGHEED: Not necessarily.

Hon. Mr. CASGRAIN: Section 8 provides that " no member of the Council, with the exception of the Chairman, shall receive any payment or emolument." The Director is to devote the whole of his time to his duties as Director of the Institute. It must be the same man.

Hon. Mr. DANDURAND: No.

Hon. Mr. CASGRAIN: We can provide that it shall be the same man.

Hon. Mr. PROUDFOOT: I have been considering section 13 and section 9, and it seems to me that under section 13 you are creating an entirely different body from that created under Part I of the Bill. Why should that be? We are going to have two bodies instead of one.

Hon. Mr. FOWLER: A spiritual body and a natural body.

Hon. Mr. PROUDFOOT: It is the natural body that we want to deal with just at present. Under section 9 you constitute a body corporate, that is, the Research Council. Then, under section 13:

There shall be established at or in the vicinity of the city of Ottawa a National Research Institute, hereinafter called the "Institute."

I take it that the Institute is to be entirely different from the Research Council. I may be mistaken, but I have followed the section through, and it seems to me that we are really going to have two institutions on our hands.

Hon. Mr. DANDURAND: With scientific and technical officers in the Council and the Institute respectively.

Hon. Mr. PROUDFOOT: The Council has its own constitution, and the National Research Institute has its own. I do not know that it is intended that both shall be worked out under the one head. I do not so read sections 13 and 9. Then section 4 provides that one of the members of the Council shall be Chairman, and I understand that the Chairman is to give his whole time and will be paid a certain salary. Under section 13 we have a Director. The Director's duties seem to be somewhat different from those of the Chairman. This brings me back to what I said a moment ago, that, as I read the Bill, we have the two distinct bodies— why? Is there any occasion for establishing, under the first portion of section 13, an institute at or near the city of Ottawa? Why not leave it to the Council, which is made a body corporate, to deal with the whole situation, if you are bound to have it?

I do not intend to take up any more time in discussing this question, further than to say this, that I want to make it as clear as I can that, considering the present financial position of this country, it is unwise and unfair to the public, particularly to the soldiers and the widows and orphans we have to deal with, to spend anything like a million dollars, or half a million dollars, in creating an institute of this nature.

Hon. Mr. DANDURAND: I do not know whether the honourable gentleman has heard my motion or not, but I have moved that Part II be deferred. We shall have created the Council, and the Council will organize and study the situation and see to what extent Part II is needed. Under Part II the country would be involved in a very large expenditure on capital account and a large expenditure in the organization of a staff. There is no particular hurry. I am quite sure that the Council will need a few months to organize, and we shall have the advantage of their suggestions after they have organized and have looked about to see to what extent they need Part II under which a special workshop would be established for them in Ottawa. I will repeat what I said a few moments ago: they may find that, because of the research departments in our various universities, they can defer the organization of such an Institute. That is the reason why I have moved that Part II be deferred.

Hon. Sir JAMES LOUGHEED: Deferred until when? That does not mean anything. You might as well move to strike it all out as move to defer it.

Hon W. B. ROSS: I was going to make this suggestion to my honourable friend (Hon. Mr. Dandurand). I think myself that the honourable gentleman's motion has some merit. The financial condition of this country is none too good. I do not know that it is wise to rush into a large expenditure now. At any rate, whether you do authorize it or not, it is wise to have your plans well laid. I would suggest to my honourable friend that he move that Part II should not come into operation until it is proclaimed by the Governor in Council. Such an amendment would not mangle the Act, but would leave it entire; and at a later date, a year or two years hence, after the work has been done by the Council that is created by Part I, if it is deemed advisable, Part II could be brought into operation, with all the advantages that would be derived from the advice of the Council established under Part I; and if financial or other reasons make it inadvisable to bring Part II into force, it need not be brought into force at all. But it will be there a year from now, whatever Government may be in power.

Hon. Mr. CASGRAIN: May I inform honourable gentlemen that several new and important things are now being awaited. It would take too long to enumerate them. I have been so informed by gentlemen who are now engaged in research, and whose names I could mention. They are anxious to get this matter settled. The old Research Committee is abolished and has no longer any power, and until you create something in its stead, or provide some new machinery, or designate some department to carry on, nothing further can be done. It appears that those gentlemen are anxious to have this legislation passed, in order to permit of certain things being done that will be of benefit to the public of this country.

Hon Mr. BOSTOCK: I would point out to my honourable friend that the Act of 1917 is still on the statute book, and until this Bill goes through the Research Council established under the Act of 1917 remains in existence. The difference between the honourable member from Middleton (Hon. W. B. Ross) and the honourable gentleman from De Lorimier (Hon. Mr. Dandurand), as I see it, is that the honourable member from De Lorimier would, by his motion, leave it in the hands of Parliament to amend the legislation later on.

Hon. Mr. DANDURAND: Or add to it.

Hon. Mr. BOSTOCK: Or add to it, if addition were shown to be necessary; but my honourable friend from Middleton would leave it to the Governor in Council to determine whether this Institute should be established or not.

I do not think that any hourable gentleman in this House wants to prevent proper scientific research being carried on, if it is an advantage to the country. At the same time, as has already been said more than once, the finances of this country are in such a state that we do not feel justified in agreeing to such an expenditure as this Bill may entail to the country at the present time. We do not feel that such a large expenditure should be incurred until the finances and general conditions of the country are in much better condition than at present.

Hon. W. B. ROSS: The honourable gentleman from De Lanaudière (Hon. Mr. Casgrain) has suggested that there would be no body to act if Part II were suspended. He takes the view that Part I is not by any means an effective instrument. Section 5 states what the Council may do:

The Council shall have charge of all matters affecting scientific and industrial research in Canada which may be assigned to it by the Minister, and shall also have the duty of advising the Minister on questions of scientific and technological methods affecting the expansion of Canadian industries by the utilization of the natural resources of Canada.

Hon. Mr. CASGRAIN: The Institute will put that in motion.

Hon. Mr. ROSS: But take section 10:

From the money annually appropriated by Parliament for the work of the Council, or which the Council may receive through bequest, donation, or otherwise, the Council shall, subject to the approval of the Minister, expend all such sums as the Council deems necessary for carrying on its work.

Part I contemplates that this Honorary Advisory Council shall be an effective instrument in the hands of the Minister and that there shall be funds available. Why could you not refer, for instance, to the University of McGill, or of Toronto, and say: "Here is a question we want you to investigate"?

Hon. Mr. CASGRAIN: There are two professors of McGill right in Ottawa now —Dr. Ruttan and Dr. Herdt. They cannot be running between Ottawa and Montreal. McGill is closed in the summer time anyway.

Hon. Mr. ROSS: But the institution is there, and the apparatus is there. They do not need to come to Ottawa. Suppose they are investigating the question of peat. They would not investigate it here.

Hon. Mr. CASGRAIN: They could investigate it right at the Experimental Farm.

Hon. Mr. ROSS: It is not necessary to investigate it here. They would investigate it where the laboratory was located.

Hon. Mr. DANDURAND: My honourable friend is perfectly right when he says that under Part I there can be provided the whole organization necessary for effective work. Not only can the Council organize, but—

The said Council shall have power, with the approval of the Minister, to appoint such scientific and technical officers as may be necessary for the conduct of its business, and, subject to the approval of the Governor in Council, to prescribe the remuneration to be paid the same.

If a question should arise affecting agriculture, which is a large domain, we have got a staff of scientific men at the Experimental Farm. That staff might perhaps have to be strengthened by one or two men; as to that, I cannot say. But why adopt the second part creating an institute, a workshop, in which to gather under one roof scientific people from everywhere and duplicate the work carried on at the Experimental Farm, or draw from the Experimental Farm men who are already giving satisfaction? Why draw experts into the Institute from the Mines Department? Why not allow this Council to refer questions relating to agriculture to our experts at the Experimental Farm? Any question that is brought to them could be referred to experts in different parts of the country. If there is a special savant in the University of McGill who has made research along a certain line, and when questions along that line arise they can be referred to him. The same with other questions; they can be referred to Halifax or Toronto, or to the Laval University in Quebec. The conditions in the country are such to-day that we should be slow in adopting the second part of this Bill and allowing the expenditure of a few hundred thousand dollars for a site or a building and the calling together of this organization. If that is done and my honourable friends are here, I think that in a few years we shall be able to repeat the speech of the leader of the Government in which he spoke of the activities of the Conservation Commission, and I think that we shall be able to show that the activities which have taken place under Part 2 of the Bill are three times greater than those of the Conservation Commission.

Hon. Sir JAMES LOUGHEED: This is a fair illustration of the uncertainty of debate. My honourable friend from Middleton (Hon. W. B. Ross) pointed out a few moments ago the necessity of centralization. He spoke of the difficulty of experiments being carried on at distant points and the necessity of centering at one place for the purpose of determining questions of this kind and thus saving the expense of duplication. Now, my honourable friend from De Lorimier (Hon. Mr. Dandurand) suggests that we should distribute our efforts over the whole Dominion —that we should make use of all our

universities and scientific institutions and should not think for a moment of centralization.

Hon. Mr. DANDURAND: Only for the moment, in view of our financial situation.

Hon. Sir JAMES LOUGHEED: Why are we proposing to repeal the Act of 1917? If we are not going to give effect to the second part of this legislation, we had better abandon the whole Bill, and fall back on the Act of 1917. That Act makes provision for the organization of an Advisory Council for scientific and industrial research, and permits of making all the inquiries that Part I of this Bill does. There is this further consideration. If honourable gentlemen look into Part I of this Bill they will find that it only makes provision for an organization, and not for the organization doing anything except to report. It does not mean that any work will be done. The object of this Bill and the entire policy of the Bill is that we should centralize in the city of Ottawa the whole of the scientific and research work, and that we should abandon the distribution of effort that is to-day rendering abortive the work that is being done along these lines in numerous institutions. There is no co-ordination; there is duplication, and nothing is being done effectively; and until Canada has a central institution such at that outlined in Part II of the Bill, it is hopeless to expect that we can accomplish anything.

Hon. Mr. CASGRAIN: We have no control over the universities anyway.

Hon. Sir JAMES LOUGHEED: The universities are independent institutions, and anything done by them must be paid for by the Government of Canada. Furthermore, it seems to me that this Chamber should not be carried away by extreme anxiety as to the expenditure of public money in building up an institution of this kind. The responsibility primarily devolves upon the other Chamber to pronounce upon that question, and, until that Chamber exercises its judgment in voting a sum in the Estimates for building an institution such as is contemplated in the second part of the Bill, it seems to me that we need not prostrate ourselves with anxiety over the expenditure of money for that purpose. If we adopt the amendment of the honourable gentleman from De-Lorimier (Hon. Mr. Dandurand) we call into being a skeleton, so to speak, and that is going to necessitate the expenditure of a considerable sum of money. We make ourselves ridiculous, for this reason: we make provision for a very elaborate organization consisting of fifteen members selected from the different universities and scientific and educational institutions of Canada, and the deputy ministers, as suggested by my honourable friend opposite, and we appoint a chairman and make provision for all the paraphernalia of this Council for Scientific Research, and we stop there. We pay the bills, but we provide no machinery, no housing—nothing.

Hon. Mr. BELCOURT: All my honourable friend would have to do to accomplish his purpose would be to move to strike out section 13. I am not prepared to say that I would support him in that, but if the amendment is left as it is, I am going to vote against it because it proposes to strike out the sections down to the end of the Bill which are necessary in order to make Part I properly effective. Why my honourable friend should want to strike out those sections as well as section 13 I cannot understand. It seems to me that the situation is this. In 1917 we had an Act under which little or nothing has been accomplished. The leader of the Government said a moment ago that it was merely a skeleton. I think that is all it was. It has given hardly any more evidence of life than an ordinary skeleton. The idea of Part II is to make Part I effective, and it would be better to do away with the legislation altogether unless we are going to improve on what we have had in the past.

I find fault with section 13 in that it provides for the payment of a large salary to a Director, whereas under sections 4 and 8 of Part I there is provision for a Chairman. I cannot see the necessity of these two officers. It seems to me the Director could very well be the Chairman of the Council. Not only that, but it would be better that the direction of the work should be left in the hands of one man, and that there should be one head, and not a double-headed body. If there are two heads, there are bound to be division and friction, altogether outside of the question of expenditure. If my honourable friend would allow me to make a suggestion as to the course which might be pursued in regard to this Bill, it would be that the Committee rise and report progress, and that before the Bill is taken up again provision should be made for one head, that is that the Chairman and the Director should be the same person, which would do away with part of this expenditure.

Hon. Sir JAMES LOUGHEED: While I would not commit myself by saying what we should do, I should be very glad to have the Committee rise and report progress and ask leave to sit again, when, after having discussed the matter as fully as we have, we will doubtless have a more clarified view.

Hon. W. B. ROSS: I should like to get some information from McGill University or Toronto University or one of the big colleges as to the expenditure that has been made on science buildings and apparatus. My view is that the Government has not estimated what it is going to cost them to start an institution here that will have a building completely equipped in which to deal with chemistry in all its branches, in physical science, and in electrical science.

Hon. Mr. BELCOURT: And biology.

Hon. Mr. ROSS: If the Government is going to carry out the idea that I see behind the Bill, it is going to cost them $20,000,000 or $25,000,000 for building and apparatus. I have just a little knowledge of the subject, and, although I am not going to venture to name a figure, I know that the sum of money spent on buildings and apparatus at McGill is enormous.

Hon. Mr. DANDURAND: Millions.

Hon. Mr. ROSS: Yes, it actually runs into the millions; and one of the difficulties they have there is to find men who can really use the apparatus. I think we ought to be very careful about this expenditure.

I do not take back one word that I said earlier in the debate about unifying the work, because this advisory council can do a great work here by simply having an office to which any person in Canada can write for information or to whom they can suggest experiments.

Hon. Mr. DANDURAND: A clearing house.

Hon. Mr. ROSS: Yes. Then they can ask the McGill University, which has wonderful apparatus, to carry on the experiments. I am not so well acquainted with the other colleges in Montreal; they may have apparatus for doing good work, too; and I know that they have apparatus in Toronto. They are all desirous of having post graduates. Harvard and Columbia and Johns Hopkins have very few post graduate students. In doing this you would not be scattering anything at all; you would simply be tying all these things together and using them. I should be sorry to see these other institutions all wiped out of existence.

Hon. Mr. DANDURAND: The leader of the Government has suggested that we ponder over this situation over night, and that the Committee rise and report progress.

My honourable friend's voice carried to this side of the House, but does not reach every corner of the Chamber. He has drawn attention to the fact that if we gather these gentlemen here they will say, "We want a building." All right; a building will go up. Then they will say, "We want instruments." If honourable gentlemen do not know the cost of the instruments in the mechanical and physical and chemistry departments of a well-equipped university, such as McGill or Toronto, I suggest that they will be simply stunned when they learn of the millions that would be required to establish such an institution as that proposed. And how can you think of gathering savants, experts, men of science, without giving them tools? The first thing they will want is something with which to work. We have those things already. They have been provided for out of private gifts from wealthy people throughout the country, and it seems to me that if the scientific gentlemen were left under the first part of this Bill to organize as a Council, and then saw the fields they had to cover, and pondered over the financial situation, they could not come to any other conclusion than the conclusion that we have come to in this Chamber, that we cannot afford to go blindly into such tremendous expenditure, and would say: "We will work with whatever tools there are in this country, and will use the Experimental Farm for the agricultural part of our work, and McGill and the other universities for other branches of it, and will send our experts there. Most of these experts will come from those universities. We will simply leave them there, and, good citizens as they are, they will do the work. It is with this thought in mind that I say I can heartily agree to the adjournment of the debate by having the Committee rise.

Progress was reported.

LAKE OF THE WOODS BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill A6, an Act respecting the Lake of the Woods and other Waters.

He said: Honourable gentlemen, this is a Bill growing out of certain legislation already brought down this Session, but which, owing to an understanding with the Ontario Government, did not become effective.

Hon. Mr. BELCOURT: Did the other Bill pass?

Hon. Sir JAMES LOUGHEED: The other Bill passed, but it did not become law because of an understanding with the Ontario Government that they were to pass similar legislation. They did not pass that legislation; consequently the other Bill fell to the ground.

Hon. Mr. BOSTOCK: It was not assented to?

Hon. Sir JAMES LOUGHEED: No. The object of this Bill, honourable gentlemen, is to give effect to practically the same legislation that was embodied in the Bill to which I have referred. It may go to some further extent.

As I pointed out on the introduction of that legislation, it was the outcome of a recommendation made by the International Joint Commission that Canada should appoint a commission to exercise powers of regulation over the flowage of the Lake of the Woods. There has been a Board, in fact, it is still in existence, which represents the Government of Ontario as well as the Federal Government. That Board exercises certain powers by virtue of Orders in Council which have been passed by both of those Governments. But it is desirable that greater powers than those contained in the Orders in Council should be exercised—powers which must necessarily flow from Parliament itself.

This Bill makes provision for the regulation by the Board of the flowage of those waters to which I have referred. That is to say, it is proposed under the Bill to give certain authority to the Board contemplated under the Act as a Board representative of the province of Ontario, and representative of this Government.

Hon. Mr. BELCOURT: Is that the same Board that was appointed before?

Hon. Sir JAMES LOUGHEED: It is a Board that has been acting and that was appointed previous to the legislation to which I refer.

Probably the first important provision in the Bill is one declaring that certain works are for the general advantage of Canada. Honourable gentlemen will doubtless recall the fact that certain works have been established in those waters, the control of which will be necessary for the protection of the interests which are involved.

Hon. Mr. BELCOURT: I see that the other Bill was assented to and sanctioned on the 3rd of May.

Hon. Sir JAMES LOUGHEED: If it was assented to, it would be abortive on account of the legislation, as recited in the Bill, not having been passed by the Legislature of Ontario.

Hon. Mr. BELCOURT: Was there a provision which made the Bill dependent on concurrent legislation?

Hon. Sir JAMES LOUGHEED: Yes. It contemplated and made provision for a joint Board, two of the members of which were to be selected by the Ontario Government, and two by this Government. The Ontario Government, owing to its peculiar situation and because of there being two opposing parties in the legislature, was not able to pass the legislation.

Hon. Mr. BELCOURT: What is to prevent the Ontario Legislature from passing that legislation at the next Session?

Hon. Sir JAMES LOUGHEED: That is anticipated in this Bill. There is provision in this Bill that, upon the passing of that or similar legislation by the Ontario Legislature, this Bill shall be repealed or suspended as the Governor in Council may determine.

I was about to say that there are certain works that have been established in the waters that I have mentioned—such works as dams and other structures of that description, which will come within clause 2 of the Bill. Upon their being declared to be works for the general advantage of Canada, the Board will be authorized to regulate those works. When my honourable friend from Ottawa (Hon. Mr. Belcourt) rose in his place, I think I was about to say that very important power interests have been created on the Winnipeg river in the province of Manitoba. The city of Winnipeg and other points in Manitoba derive their power which supplies the great industrial plants of that province from the waters of the Winnipeg river. It is ncessary for the purpose of protecting the waters of that river, as well as other waters on that watershed, that the Government should exercise this power; and it is with that in view that this legislation is being introduced.

I may say that the Government of the province of Ontario has expressed its entire sympathy with the object which the previous Bill had in view, but, owing to the peculiar situation of the political parties in the Ontario Legislature, it has not been possible apparently to give effect to the legislation which had been agreed upon between the two Governments.

Hon. Mr. DAVID: Does the Ontario Government deny the jurisdiction of the Federal Parliament?

Hon. Sir JAMES LOUGHEED: Oh, no, there is no denial of power. I think the respective rights of both Governments are very clearly defined by the British North America Act, and there is no conflict as between the Governments. This Government is clearly entitled to legislate as to navigation upon those streams. The Ontario Government claims, and the claim has not been contested so far as I know, that it has the right to legislate as to power. But, as my honourable friend will see, the construction of dams and other works in those waters at once interferes with the right of the Federal Government to control navigation; consequently this Government is only exercising the right which is admittedly vested in it when it declares these works to be works for the general advantage of Canada, and undertakes the control of works established in those waters which impede navigation. We ask that those works be declared to be for the general advantage of Canada, so that the Government of Canada may properly protect its rights in maintaining navigation in those waters.

Hon. Mr. BELCOURT: Are there any provincial rights involved in regard to fishing?

Hon. Sir JAMES LOUGHEED: No such question arose. Under the Navigable Waters Protection Act power is vested in the Government to deal, by removal or otherwise, with structures which have been erected in navigable waters and which may impede navigation. But under the British North America Act any declaration of this kind will bring such works within the jurisdiction of this Government. Honourable gentlemen might refer to section 92 of the British North America Act.

Hon. Mr. DAVID: I do not admit that.

Hon. Sir JAMES LOUGHEED: My honourable friend will admit the British North America Act, I suppose.

Hon. Mr. DAVID: Oh, yes.

Hon. Sir JAMES LOUGHEED: Even from my honourable friend that is a favourable admission, and it gives one a certain amount of confidence in proceeding with the argument. Under subsection 10 of section 92 of the British North America Act, the following works are excluded from the authority of the provincial Government—a and b deal with steamship and steam railways and so on, and c says:

> Such works as, although wholly situate within the province, are before or after their execution declared by the Parliament of Canada to be for the general advantage of Canada or for the advantage of two or more of the provinces.

Hon. Mr. DAVID: Some years ago I moved a resolution in this House, which was carried with only one dissenting voice, stating that to declare a work to be to the general advantage of Canada would not be sufficient to give jurisdiction to the Federal Parliament, but that it was necessary also to prove that the statement was true, because otherwise it would be very easy to make such a declaration.

Hon. Mr. BELCOURT: What was the necessity for concurrent legislation? As I understand it, the section of the British North America Act upon which this legislation is founded gives the exclusive right to the Federal authorities to deal with questions of navigation.

Hon. Sir JAMES LOUGHEED: It was very advisable that the two Governments should cooperate in carrying out regulations affecting the flowage of water in the Lake of the Woods. The Ontario Government was interested in the powers; this Government was interested in navigation. The question of where the one began and the other ended might possibly create a conflict. There were certain works constructed in these waters which by joint regulation would be advantageous to both Governments; and it was anticipated that by joint legislation we might avoid any thing like a conflict between them. No conflict has arisen up to the present time. In fact, the waters in question are being regulated to-day by the Board which represents both Governments, and which was appointed under an Order in Council passed by both Governments. But it is desirable that the matter should be placed upon a firmer footing than Orders in Council or the sufferance of either Government, and therefore it has been reduced to legislation so that we may deal with questions that may shortly become acute.

Hon. Mr. BELCOURT: Has this Bill received the approval of the Premier of Ontario?

Hon Sir JAMES LOUGHEED: Not this Bill.

Hon. Mr. BELCOURT: Then how can we be quite sure that we are not going to infringe on some of the rights of the province?

Hon. Sir JAMES LOUGHEED: We must take our chances as to that. I may say that we have had conferences between representatives of the Government of Manitoba, of the Ontario Government, and of the Federal Government, touching this Bill; the three Governments being united in the carrying out of the common purpose which they all have in view.

Hon. Mr. BOSTOCK: Inasmuch as this Bill deals with waters which have their source in Ontario and find their way into lake Winnipeg, I presume that the works referred to affect the waters to a certain extent; and I suppose that to that extent both provinces are interested in it. As far as I understood my honourable friend, he did not give that as a reason why we should assume this power under section 92 of the British North America Act. But it would rather appear to me that that is one reason why we are entitled to deal with this question in this way. It does seem rather curious that we should be dealing with this legislation in this form at the present time inasmuch as we put through a Bill at the beginning of the Session dealing with practically the same legislation. But inasmuch as the province of Ontario did not follow up our legislation in the way that we expected, we are now asked to deal with this Bill.

I am not going to oppose the principle of the Bill, but I want to draw my honourable friend's attention to one particular item. In clause 3 of the Bill the following words are used:

> and so that the obligations, relating to the level of the Lake of the Woods, of Canada, or of any of the provinces of Canada, as part of the British Empire, towards the United States, arising out of treaty made or to be made between the Empire and the United States, may be duly performed.

This is the first time, as far as I know, that the words "British Empire" have been used in an official way in this manner. We have been in the habit of talking of the British Empire in a general way, and honourable gentlemen have been left to put their own interpretation on the words. But in this case apparently we are going to use the words in legislation, and it is quite a new departure. I think that if we can find some other term that will express the same idea, we should do so.

Hon. Sir JAMES LOUGHEED: It is a very good term.

Hon. Mr. DANDURAND: My honourable friend says it is a very good term, but it will need to be defined, because one construction put upon the word "Empire" in a very good encyclopædia is that it comprises perforce dominant power and anterior power. I thought yesterday when I saw my honourable friend regulating the northern unorganized portions of Canada that we were working towards the creation of colonies under the Empire of Canada, and that we were ourselves moving towards becoming a dominant power with satellites around us.

Hon. Mr. FOWLER: We moved towards the dominant power in 1914.

Hon. Mr. DANDURAND: I had occasion in this Chamber some time ago to state that we have been moving towards self-government more and more; and my honourable friend the leader of the Government saw the day when we would arise as a power by ourselves, imposing our laws upon colonies in the North. But I did not rise to discuss that portion of the Bill, but simply to ask my honourable friend if this Bill, which I have not had time to peruse, is in the form of an amendment to the Act which was passed and sanctioned lately.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. DANDURAND: To what extent does it differ from the other Act?

Hon. Sir JAMES LOUGHEED: It practically repeats the provisions of the Act, but it introduces the necessary machinery by which the Federal Government may carry out the regulations in question without the action of the Ontario Government, and providing at the same time that as soon as the Ontario Government shall give effect to the legislation which we discussed, but which proved abortive, we may repeal or suspend this Act.

Hon Mr. DANDURAND: By Order in Council?

Hon. Sir JAMES LOUGHEED: By proclamation.

Hon. Mr. DANDURAND: Because my honourable friend was asked if the previous Act had been sanctioned.

Hon. Sir JAMES LOUGHEED: I was unaware of it.

Hon. Mr. DANDURAND: I think it is fortunate that it was sanctioned, because we are allowed to amend it, whereas, if it had not been sanctioned, I think we would have been precluded from bringing before Parliament a Bill along similar lines.

The motion was agreed to, and the Bill was read the second time.

DIVORCE BILLS

FIRST, SECOND AND THIRD READINGS

Bill B6, an Act for the relief of Ernest Joseph Wismer.—Hon. Mr. Pope.

Bill C6, an Act for the relief of Carman Adams.—Hon. Mr. Gordon.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

WEDNESDAY, May 25, 1921.

The Senate met at 11 o'clock, the Speaker in the Chair.

Prayers and routine proceedings.

LAKE OF THE WOODS BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill A6, an Act respecting the Lake of the Woods and other Waters. Hon. Mr. Daniel in the Chair.

Section 1 was agreed to.

On section 2—declaration that certain works are for the general advantage of Canada:

Hon. Mr. BOSTOCK: Are the works that it is proposed to deal with already constructed?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: The idea is that the Government will take charge of them to control the waters.

Hon. Sir JAMES LOUGHEED: Yes, so far as they may affect navigation.

Section 2 was agreed to.

On section 3, subsection 1—regulations:

Hon. Mr. BOSTOCK: I think there is a printer's error in the second line there. The word "made" should be "make."

Hon. Sir JAMES LOUGHEED: Yes.

Paragraph a of subsection 1 was agreed to.

On paragraph b—Lake of the Woods outflow and level:

Hon. Mr. BOSTOCK: I would like my honourable friend to explain the wording of that clause. As I stated yesterday, I do not think we can use the words "as part of the British Empire," commencing in the 8th line. I presume the proper designation would be "of the British Dominions, beyond the seas."

Hon. Sir JAMES LOUGHEED: That term is not constitutionally known; the term "British Empire" is. This has relation to what is practically an Imperial treaty; a treaty between the Empire and the United States relating to certain waters in Canada. That is the reason the words "British Empire" are used to establish the connection between the treaty and Canada.

Hon. Mr. BOSTOCK: I am afraid I do not quite agree with my honourable friend in that interpretation, because we can only go back to the title the King bears at the present time. It is, "His Most Excellent Majesty George the Fifth, by the Grace of God, King of the United Kingdom of Great Britain and Ireland, and of the British Dominions beyond the Seas, Defender of the Faith, Emperor of India." If we talk of the British Empire, the King would have to be the Emperor.

Hon. Sir JAMES LOUGHEED: Well, we will accept a suggestion.

Hon. Mr. BOSTOCK: I would suggest the words "as part of the British Dominions beyond the Seas."

Hon. Mr. BELCOURT: Perhaps it would be more accurate to say, "of the United Kingdom and."

Hon. Mr. BOSTOCK: I will write out an amendment and submit it.

Paragraph b stands.

Paragraph c was agreed to.

Subsections 2 and 3 of section 1 were agreed to.

Sections 4 to 7, inclusive, were agreed to.

On section 8—expense of administration:

Hon. Sir JAMES LOUGHEED: It is not the intention to pass that clause. That can be inserted in the Commons. That has to do with the money provision.

Section 9 was agreed to.

On section 10—provision for repeal by Governor in Council if Ontario passes legislation referred to in the previous Act of this Session:

Hon. Mr. DANDURAND: In the Act which we passed, and which was sanctioned was there a declaration that these works were for the general advantage of Canada?

Hon. Sir JAMES LOUGHEED: No; because the Ontario Government could not assent to that.

Hon. Mr. BELCOURT: I notice that there is no time limit for the legislation by Ontario. Is that intended?

Hon. Sir JAMES LOUGHEED: Yes, it is intended, because Ontario at any time may pass the Bill which was agreed upon, and immediately that Bill is passed we undertake to repeal or suspend the operation of this Act.

Hon. Mr. BELCOURT: It does not matter how late it may be—whether in ten, fifteen, or twenty-five years?

Hon. Sir JAMES LOUGHEED: We have not anticipated a delay of that kind; and of course any Government is at liberty hereafter to repeal the Act if it is found to be oppressive.

Section 10 was agreed to.

On section 3, subsection 1, paragraph b —Lake of the Woods outflow and level:

The Hon. the CHAIRMAN: I will read paragraph b as amended:

To regulate and control the outflow of the waters of the Lake of the Woods so as to maintain the level of the said lake between the elevations recommended by the report of the International Joint Commission of 12th June, 1917, or between such elevations as may be agreed upon by the United States and Canada, and so that the obligations relating to the level of the Lake of the Woods, of Canada, or of any of the provinces of Canada, as part of the British Dominions beyond the Seas, towards the United States, arising out of treaty made or to be made between His Majesty the King of the United Kingdom of Great Britain and Ireland, and of the British Dominions beyond the Seas, Emperor of India, and the United States, may be duly performed.

Hon. Mr. BOSTOCK.

Hon. W. B. ROSS: I would like to know why you have those two words, "of Canada" after the words, "Lake of the Woods," in line 7.

Hon. Mr. BELCOURT: The words "of Canada" are connected with the word "obligations." It is the obligations relating to the level of the Lake of the Woods.

Paragraph b of subsection 1 of section 3, as amended, was agreed to.

The preamble and the title were agreed to.

The Bill, as amended, was reported.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

NATIONAL RESEARCH BILL

FURTHER CONSIDERED IN COMMITTEE

The Senate again went into Committee on Bill 116, an Act to amend the Research Council Act, and to establish a National Research Institute.—Hon. Sir James Lougheed. Hon. Mr. Michener in the Chair.

On section 13—Institute created:

Hon. Mr. BOSTOCK: My honourable friend from De Lorimier (Hon. Mr. Dandurand) had a motion to present.

Hon. Mr. DANDURAND: Honourable gentlemen, when the Committee rose and reported progress last evening we had reached Part II of the Bill which is now under discussion. I will repeat in a few words how the matter stood, for the information of those honourable members of the House who were not present yesterday afternoon. When the House adjourned we had passed Part I. That first part creates a National Council of Research, to replace the Conservation Commission, which has been abolished. I have claimed that this first part is complete in itself, and that the powers given to that Council would enable them to function. Clause 5 of Part I says:

The Council shall have charge of all matters affecting scientific and industrial research in Canada which may be assigned to it by the Minister, and shall also have the duty of advising the Minister on questions of scientific and technological methods affecting the expansion of Canadian industries or the utilization of the natural resources of Canada.

If honourable gentlemen will look at section 9, they will see that the Council, according to the latter part of the clause, "shall have power, with the approval of the Minister, to appoint such scientific and

technical officers as may be necessary for the conduct of its business, and, subject to the approval of the Governor in Council, to prescribe the remuneration to be paid the same."

This Council will be composed of fifteen members, who shall be appointed by the Governor in Council on the recommendation of the Minister of Trade and Commerce, and we have amended the clause by adding that the Minister of Trade and Commerce may also select and appoint a certain number of Deputy Ministers, the intention of this Chamber being that these Deputy Ministers shall be selected from among the Departments that have been carrying on research work and are interested in it.

We are now coming to Part II, which has for its purpose the creation of a Research Institute. Section 13 reads as follows:

> There shall be established at or in the vicinity of the city of Ottawa a National Research Institute, hereinafter called the "Institute". The staff of the Institute shall consist of a Director and such scientific and technical and other officers, clerks and employees as may be necessary for carrying on the work of the Institute. Subject to the approval of the Governor in Council, the Director and other scientific and technical officers shall be appointed by the Council, which subject to the same approval shall also prescribe their several duties, remuneration and tenure of office.

The duties of the Institute are defined in section 14.

I have moved, and I repeat my motion, that Part II be deferred; that for the present Session we limit this Bill to Part I, in order that the Council may organize and map out a programme to be laid before Parliament, before we take the further step of allowing them to create an Institute; because if we do so without having a well-defined programme before us, this Council may decide—of course, always with the approbation of the Governor in Council and of Parliament, at whose door they will knock for supply—to organize a staff, purchase land in the vicinity of Ottawa, and proceed with plans to erect a large building; but when they have done that, they will still be only at the beginning of the expenditure. One of my honourable colleagues said: "We ought not to defer Part II, as there are already in Ottawa professors from McGill University awaiting the passage of this Bill." If they are already here, if there are technical experts, engineers, and scientific men awaiting the passage of this Bill, how far advanced will they be when we have spent hundreds of thousands of dollars on a building, and the building is empty? The next step will be for those gentlemen to ask for tools with which to work. And what are those tools? They are the laboratories. There are already costly laboratories, already equipped—though, it is said, laboratories are never complete—to be found in the large universities of Canada. I will simply mention at the moment those of Toronto and Montreal. If the scientific men are already here, ready to accept a mandate from the Council to undertake research work, how long will they have to wait before we have equipped the building so that it will be on a par with those of the universities I have mentioned? Will not these gentlemen, who will be engaged here as experts, return to the large universities and utilize in their laboratories, for a number of years to come, until we have spent millions of dollars equipping this Institute, the instruments with which to pursue their work?

My suggestion is that we suspend Part II until the Council formed under Part I has prepared a programme and laid it before us. You will, I am sure, recognize that our Department of Agriculture, at the Experimental Farm, is already equipped for considerable research work, and that many other Departments have already their research laboratories and instruments with which to carry on research work. We shall be able to take stock of what we now have. We may decide not to proceed with the equipment of laboratories such as those of Toronto and McGill Universities, which have cost millions of dollars. I know something about the matter, because I happen to be connected with a university which is now organizing its laboratory, and I know how little a few hundred thousand dollars will bring in the establishment and equipment of a laboratory. So it seems to me that in the present condition of our finances we should pause before taking that second step of establishing what my honourable friend (Sir James Lougheed) has described as the workshop of this Institute. I am quite sure that those men will find that they may get along without providing for the Institute equipment such as that which is to be found within the walls of our universities. Therefore, feeling that in the present condition of our finances we must be prudent in opening up new avenues of large expenditure, I move that Part II be deferred and left out of the Bill.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, I am always in favour of anything which will help towards dis-

covering the secrets of nature; but I entirely agree with the last speaker that this is not a time for us to plunge into limitless expenditure. We know that the cost of building material, and of all other material and labour, is now more than double what it was a few years ago. For instance, I see by an answer given in the House of Commons the other night that a piece of road between Hamilton and Dundas has cost about $87,000 a mile. Yet, in my belief, it is the cheapest and easiest piece of construction that we could have on any road in Canada; and there is not a bridge or a culvert on it.

Now, when one sees what staggering proportions public expenditures can reach, I do submit that we should not at this time go into this matter without knowing in detail what the expenditure may amount to. It seems to me that if this Advisory Council is of any use it can take advantage of the investigations which have been made by the country to the south of us, and by other countries in the world; it can ascertain what their work has resulted in, and bring us the results. American Institutes of a similar nature can find out anything that we might discover in the next few years, and we will always be able to take advantage of their work. I do not think there is such a terribly pressing necessity for this proposed Institute that we should gaily walk into a new avenue of expenditure, of which not a man in this House knows the limit, at a time of staggering taxes, and when the Minister of Finance is at his wits' end to find money enough to make both ends meet. I submit it would be a most wise thing for us to stop at Part II, and allow that part to be brought out when conditions are more normal, and when we have before us some knowledge of what this Institute involves. We know no more what this expenditure may amount to than we knew what the Great War would cost when we went into it; and as a matter of ordinary business prudence I think we should hesitate before giving carte blanche for the establishment of an Institute of this kind.

Hon. Mr. MILNE: I was on the first royal commission which Sir James Whitney formed to secure information on Hydro-power matters for the Ontario Government. It took us two years to get that information. Mr. Cecil B. Smith, a brother of one of our Senators, was our engineer, and Messrs. Beck, Patterson, and myself were the commissioners. We had no remuneration whatever for our services, and were paid only our expenses when we travelled; it was a matter of benefiting the country at large. We procured all this information for the Government, which was published in five pamphlets, but we were as careful as posible in our outlay. We rented an office in Toronto where we had a small staff. We met every week, and took as much care of financial matters as possible, not going into any expense unless we were sure it was necessary. We went thoroughly into all questions. When we visited Hamilton the Cataract Power Company would not give us the information that we desired, and on our return to the hotel I suggested that we should send our accountant over to their office and see what he could do. The result was that we procured the information that we needed. If that company had persisted in refusing it we would have taken their officials to court and exposed the whole matter, as it was well known that they were getting a big price for all the electrical energy they were supplying.

In regard to the subject before us, I do not think that at this particular time, when we are taxed up to the handle, one tax being piled upon another, we should undertake to expend this enormous amount of money without getting some returns, especially when we do not know anything about this matter. I feel justified in saying that we should not spend the large amount required by the Research Council to put up buildings, purchase equipment, and all that sort of thing. Let the Council rent buildings and keep expenses down. They ought to be able to get men enough to do that work without paying them any salaries. I would like to support this Government, but I think we are setting up too many commissions of different kinds, with big salaries for the commissioners. I think it is time we stopped all that, and became a little more careful of what we were doing, because we are the people who have to pay the shot.

Hon. Mr. FOSTER: I should be very sorry if, because I vote in any particular way in this matter, it were understood that I did not have the deepest sympathy with the patriotic desire that this country should acquire all the first-hand information possible with regard to research and matters connected with the undeveloped resources of our country. I understand, as this legislation stands now, that the first part of the Bill provides all the machinery

necessary to make prudent, reasonable research during the coming year, and that the second part involves the expenditure of money in elaboration before we can be put in a position to judge what research really means for Canada. I do not quite understand how my honourable friend who proposes to abolish the second part altogether, could get on if he included section 20, which repeals the Act of 1917.

Hon. W. B. ROSS: Section 20 will have to be saved in some way.

Hon. Mr. LYNCH-STAUNTON: That will have to stand.

Hon. W. B. ROSS: It would be best to strike out sections 13 to 19 inclusive.

Hon. Mr. DANDURAND: And retain section 20? I have no objection to that; I think it is a commendable suggestion.

Hon. Mr. BELCOURT: From the expressions of opinion which have just been given, and to which no contradiction has been offered, the House seems to be in a mood not to go into very much expenditure; and those who have spoken think that by abolishing Part II they have done away with the possibility of too much expenditure. I do not agree with that at all. I think if the Government were so inclined they could spend just as much money under Part I as they could with Parts I and II together. Look at section 9:

> The Council is hereby constituted a body corporate capable of suing and being sued, of holding lands, tenements, hereditaments, goods, chattels and any other property, moveable or immoveable, for the purpose of and subject to this Act, etc.

Under that section, with 10 and 11, the Government can spend all the money they could even if Part II remained.

Hon. W. B. ROSS: Then we do not want Part II.

Hon. Mr. BELCOURT: You do not want Part II, and you do not want Part I. If you wish to prevent the possibility of a large expenditure of money you have to do away with section 9. If honourable gentlemen will leave out Part II for the moment, and compare Part I with the old Act of 1917, they will at once see that section 9 is the section which makes the old Act and the present Bill entirely different. In 1917 there was no provision by which the Council could acquire and hold lands, tenements, hereditaments, goods, chattels and other property. That condition did not exist in 1917, and that is the essential difference between the Act of 1917 and this Bill, even if you leave out Part II. Therefore my honourable friends who want to prevent large expenditures cannot attain their object by limiting themselves to striking out Part II.

Hon. Mr. LYNCH-STAUNTON: Has the honourable gentleman analysed the present Act to see where this new Bill widens the power of expenditure or the duties of the Research Council?

Hon. Mr. BELCOURT: I have before me the Act of 1917, chapter 20, in which there is no provision whatever enabling the Research Council to acquire or hold any property of any kind.

Hon. Mr. LYNCH-STAUNTON: That does not make any difference.

Hon. Mr. BELCOURT: It is merely a Council with authority to advise. It is what one honourable gentleman this morning called an advisory committee, or advisory commission, without any power to expend money. That is why this Bill is framed, and why section 9 has been put in the present Bill; and if you wish to prevent expenditure you must absolutely eliminate that, otherwise you leave the Council free to expend large sums of money. I agree with my honourable friend that it is undesirable for the Government at this time to go in for the large expenditure that may be made under this Bill; but the point I want to make is that if you leave Part I in you are authorizing the Government to make the very expenditure to which you are now objecting.

Hon. Mr. PROUDFOOT: I think the honourable member from Ottawa has not clearly apprehended, or else I have not, the full scope of section 9 in the Act of 1917. That section reads as follows:

> From the money annually appropriated by Parliament for the work of the Council, or which the Council may receive through bequest, donation, or otherwise, the Administrative Chairman shall under the direction of the Council and subject to the approval of the Sub-Committee, expend all such sums as the Council deems necessary for carrying on its work.

Now we refer to section 9 of the present Bill, which my honourable friend has read, by which the Council is constituted a body corporate, capable of suing and being sued, and able to hold property. But unless Parliament appropriates the money, where is the Council going to get the funds, assuming that there are no donations made to them. That, it seems to me, brings us to the same point that although section 9 of the present Bill makes the

Council a body corporate, it does not give them any power to expend money unless the Government sees fit to grant funds, and there is no other source from which they can get money.

Hon. Mr. BELCOURT: That is the whole question.

Hon. Mr. PROUDFOOT: The Government had the power, uner the Act of 1917, to expend funds from the money annually appropriated by Parliament for the work of the Council. Parliament could appropriate as much money as it saw fit under the Act of 1917; and no additional power is given under section 9 of the present Bill beyond the fact that the Council is made a body corporate, with power to receive money and handle it in a certain way. It seems to me, therefore, that while section 9 gives them additional power, it will not increase the expenditure unless the Government will appropriate a sum of money this year, and beyond that appropriation they cannot go on with building operations, whereas under section 13, if we provided for the erection of an expensive building, they could go on with that work.

I want also to make it clear that while I am taking a certain stand in connection with the second part of this Bill, I am entirely in sympathy with research work being carried on. I think it is in the interest of Canada that we should have research work. The work that has been done in Pittsburg and other places in the United States, and in other parts of the world, shows that, in view of the possibilities of this country, we should have research work carried on. In the meantime, until our financial position becomes normal, we should not expend the money involved in this Bill. Possibly some people may claim that the expenditure of money at the present time would be a good thing for the country. That might be so, and possibly the money might be well spent; but we must look at matters as we find them at present, and it cannot do any particular harm under existing circumstances to defer the second part of this Bill.

Hon. Mr. BELCOURT: Might I be permitted to say one word more in regard to what my honourable friend has just stated? The old Act did not authorize the Government to expend money in such a general way, whereas by section 9 of this Bill you are authorizing the Government to spend money for certain specific purposes which are therein mentioned. That is the difference between the old Act and the present Bill. Under section 9 the Government, if Parliament authorized it to do so, could expend any amount of money it chose for the purposes mentioned in that section. The whole question is not what the Government is going to spend but rather what we are going to authorize the Government to spend. Are we going to give the Government unlimited power to spend money as may be recommended by the Minister of Trade and Commerce, or are we going to limit the Government in the expenditure of money? Under section 9 of the Bill I think there is no limit.

Hon. W. B. ROSS: I think the honourable member for Ottawa is not giving us quite the correct interpretation of section 9 of this Bill. Section 9 constitutes the Council a body corporate, and says what things they may hold and receive, but it does not authorize the Government to give any money to put up buildings or anything else. When we want to find out what the Government does for that, we must go to section 10, which says:

> From the money annually appropriated by Parliament for the work of the Council, or which the Council may receive through bequest, donation, or otherwise, the Council shall, subject to the approval of the minister, expend all such sums as the Council deems necessary for carrying on its work.

But the Council gets no new power under section 9 beyond being constituted a body politic, and having defined what they can hold; and if they get money they must get it under section 10.

Hon. Mr. BELCOURT: If it does not mean what I say, what was the object of putting it in there? Because you had a section in the old Act which is repeated here word for word. Why add section 9 if it was not for the purpose of giving additional power?

Hon. Mr. DANDURAND: If my honourable friend will allow me, we are now on the motion to strike out Part II, which gives a positive direction in regard to establishing in the city of Ottawa a National Research Institute. That is an instruction to spend money. My honourable friend from Ottawa is disposed, with me, to view this as a dangerous proposition at this time, and to vote for the elimination of Part II. We are attending now to that part. Let us dispose of that, and if my honourable friend wants to revert to section 9, on which we have voted, we may do so on a motion for reconsideration. It has been

suggested by my honourable friend from Alma (Hon. Mr. Foster) that my motion was somewhat sweeping when it proposed to eliminate Part II altogether, and that I should retain the repealing section, 20. Therefore my motion is:

That sections 13 to 19 inclusive be eliminated.

Hon. Mr. DANIEL: It would appear to me that if you do away with Part II, you might as well do away with Part I. If my memory serves me correctly, and I think it does, I have noticed in the press of this country for a great many years appeals to the Federal Government for the establishment of Research Councils and laboratories, so that we in this country might have the opportunity of making original research on our own account. Germany owes perhaps more to its scientific research in industry in its various ramifications than to any other source for the great strides which it has been making for the last twenty or more years in carrying on and enlarging its business and developing its natural resources in every respect. The great success which, as everyone must acknowledge, has attended all the business operations of Germany in late years is, I think, due to the great extent to which the Government of the country have encouraged technical education from the lower grades up to the most advanced scientific research. They have made a great country of Germany, which is really, as I understand, not an inventive country, but one that takes advantage in every way of the inventions which have been made in other countries, and makes better use of them, especially for its own people.

Under these circumstances I should be very sorry to find that Part II of this Bill was to be taken out, because I believe that a Research Council, with laboratories and that sort of thing, is what is very much needed in this country, so that Canada may have an opportunity of making original researches, which, in my opinion, are necessary for the wellbeing and improvement of this country. It is true, we have certain laboratories in connection with some of the universities; but they have their own courses to pursue. I am not personally acquainted with them and do not know to what extent research is carried on in those institutions. However, I am absolutely in unison with the idea of establishing a Research Council for Canada, under which we can have a bureau of original research that will help us in developing our resources as they need be developed. I hope that the motion to strike out Part II will not be carried.

Hon. Mr. BOSTOCK: The honourable gentleman has addressed the House as if we were doing away with the Research Council. We are not doing away with the Council. It can carry on its work after we have cut out clauses 13 to 19, inclusive, just as the Council has done in the last three years. Any honourable gentlemen who have read the report of the Research Council will realize that they are doing considerable work, and good work, in the country. At the same time, as I have pointed out here before, a great deal of overlapping has taken place between the work they are doing and the work of the other Departments. As was pointed out yesterday, certain Departments are carrying on research. By reason of the amendment which we have made to Part I of this Bill, the Research Council will be in a better position to co-ordinate this work and prevent overlapping.

I do not think that honourable members would have expressed their antagonism to Part II of this measure had the finances of Canada been in a better condition than they are to-day; but many honourable gentlemen in this House feel that, in view of the enormous expenditures that we are asked to provide for at the present time, and the fact that we shall have to find some means to borrow money to meet the expenditure in connection with the railways and other expenditures, and owing to the present uncertainty of what the railway expenditure will amount to, no great harm will be done the country by our striking out Part II of this Bill and to that extent preventing for the present what may involve a very large outlay. Later on, when the finances of the country are in better condition, we shall be well able to reconsider this matter, and in the meantime the Research Council will, I think, have been able to look over the ground much more thoroughly and arrange more satisfactorily to prevent overlapping between the work of the Research Council and that of the Departments.

Hon. Mr. POWER: Honourable gentlemen, as a rule I am pleased to agree with the honourable leader of the House; but I regret to say that on the present occasion I do not feel able to do that with a clear conscience. We in this House are supposed to have consciences, and we should be governed by them. The honourable leader of the House made it perfectly clear a few days ago, when we were repealing the Act with respect to the Conservation Commission, that that Commis-

sion was no longer necessary—that it was a sort of fifth wheel to the parliamentary coach. He pointed out that it was not necessary now because, for one thing, the work done by the Conservation Commission could be taken over by the various Departments of the Government—that there were quite enough departments to take over that work. I think the honourable leader of the Government was correct in that contention. Even though we all felt that the Conservation Commission had done a great deal of valuable work, still when the Government pleaded poverty and the necessity for economy, we gave way.

What do I find to-day? This same Government, which the other day repealed the law respecting the Conservation Commission because it involved the continuance of expenditure for staff, etc., are now proposing what is in my humble opinion simply the Conservation Commission in another form. The old Conservation Commission is admitted by all parties to have done its work well. The question is whether the body which is supposed to be substituted for that Commission will do the work nearly as well.

Clause 13 starts out to establish a National Research Institute. This clause does no state that the staff, or certain members of the staff, of the Commission of Conservation shall be taken over into this National Research Institute. It says:

> The staff of the Institute shall consist of a director and such scientific and technical and other officers, clerks, and employees as may be necessary for carrying on the work of the Institute.

Is not that simply duplicating substantially the language used when the Conservation Commission was created? We abolish the Commission to-day, and to-morrow we start it up again. Then:

> Subject to the approval of the Governor in Council, the Director and other scientific and technical officers shal be appointed by the Council—

Not absorbed, as we were told they would be. They are to be independent appointments—

> —which, subject to the same approval, shall also prescribe their several duties, remuneration, and tenure of office.
>
> (2) The control and direction of the work of the Institute shall be exercised by the Council through the Director.

The Director of this new Institute, I assume, will take substantially the same position as was taken by the director in the Conservation Commission, Mr. White, a most capable and thoroughly reliable officer.

What I object to is that we should one day abolish an institution and the next day provide for the establishment of the same institution under another name. We know that the institution as we have had it has done its work in a very satisfactory way. We cannot say the same about this new institution. The probabilities are that it will not do its work at all as well as the old one. For that reason, while, as I say, I would like to follow the honourable leader of the House as far as my conscience will allow, in the present instance conscience swings me to the honourable gentleman from De Lorimier (Hon. Mr. Dandurand).

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I regret very much that owing to the sensitive nature of my honourable friend's conscience he cannot see his way on this occasion to support the measure which I have the honour of sponsoring in this House.

It seems to me that this Bill is riding on an adverse current. The wave that swept the Judges Bill from its moorings seems to be washing over this Bill, threatening it in the same way that the other was threatened;—or it is possible that I made too good a case for the wiping out of the Conservation Commission. The reasons still linger for the destruction of this measure.

I am not going to weary the House by advancing further reasons for the passage of the Bill, because I went into that question rather lengthily yesterday; but I would point out to honourable gentlemen that in my humble judgment they are largely dealing with an illusion in thinking that the elimination of Part II would result in the withholding of authority on the part of the Government to go ahead with Part I. In the first place, Part II gives no authority to the Council to proceed with the expenditure of money. The appropriation of any money has to be voted in the House of Commons, and I fancy that no honourable gentleman would take the position that the Government would be prevented from introducing a resolution or placing an item in the Estimates for the purpose of carrying out the objects say of Part I. Consequently Part II is in a sense superfluous, so far as concerns the authorizing of Parliament to vote money for this particular purpose. The object of Part II is, more than anything else, to outline an institution which will define to some extent the purposes in view in the enactment of this legislation.

Hon. Mr. DANDURAND: But my honourable friend will see in the first line of section 13 a very direct mandate.

Hon. Sir JAMES LOUGHEED: "There shall be established"; but it does not say "at once." That mandate would not necessarily impel the Government to place an amount in the Estimates at the present Session for the purpose of proceeding with this work; although, I am bound to say, the Government has had in view proceeding with this undertaking, and I think provision is being made in the Estimates for a beginning of the Institute.

Hon. Mr. BOSTOCK: The Director's salary.

Hon. Sir JAMES LOUGHEED: The elimination of Part II would not prevent effect being given to that intention, so far as I can see. I am simply discussing the matter now from what I might term the constitutional standpoint. Thus the Government would not be prevented from making the expenditure.

Hon. Mr. BELCOURT: Assuming that we pass no Act at all, and that the Act of 1917 remains in force, could not the Government do what my honourable friend has just now described?

Hon. Sir JAMES LOUGHEED: Precisely. I am about to come to that. In the first place, dealing with Part II, it seems to be the sense of the House that this part should be eliminated. That would leave Part I. Then, it seems to me, there would be no particular object in the Government accepting Part I, because that really does not substantially differ from the legislation of 1917.

Hon. Mr. BOSTOCK: It gives the Minister more direct control.

Hon. Sir JAMES LOUGHEED: It is simply a little more elaborate in the details which will be involved in the organization, and a little more elaborate as to the constitution of the Council. But there would certainly be nothing to prevent the Government under the Act of 1917 proceeding with the scheme which is outlined in the entire Bill. I therefore see no particular object in retaining Part I if we eliminate Part II, because we already have on the statute book a statute—which does not seem, at the time it was passed, in 1917, to have evoked very much adverse comment—under which Parliament would have authority from time to time to appropriate moneys for the purpose of carrying out the policy which is so clearly outlined in that legislation. There would be nothing to prevent Parliament from voting an appropriation for the purpose of building an Institute in order to give effect to the particular purposes which are enumerated in the Act of 1917.

Hon. Mr. PROUDFOOT: Such being the case, why was the present Bill brought in?

Hon. Sir JAMES LOUGHEED: I think it is owing to that peculiar disease which characterizes all parliamentary bodies at the present time: we seem to have an incurable desire for placing upon the statute book legislation almost without limit. It seems to me that we should have a close season for legislation, and I have no doubt that, outside of the Supply Bill, this country for the next five years would, get along very well without any legislation.

I appreciate that there is a very strong feeling in the House that it would not be wise at present for this Chamber to give a mandate, as my honourable friend from De Lorimier (Hon. Mr. Dandurand) has termed it. It may not be desirable to press this matter to a vote. I would suggest that the Committee should rise and report progress, and I shall take the opportunity of expressing to the Government the sense of this House, so far as I can determine it, as being against the passage of the Bill at the present time.

Hon. W. B. ROSS: Honourable gentlemen, I do not want to speak again, but I would call the attention of the honourable member from Ottawa (Hon. Mr. Belcourt), as well as the attention of the honourable leader of the Government, to the fact that Part I is essentially different from the Act of 1917.

Hon. Mr. BELCOURT: That is what I said.

Hon. Mr. ROSS: But there is no good saying that if you repeal Part II you might just as well repeal the whole Bill because the Act of 1917 would take the place of Part I. It would not do anything of the kind. This Part I has a clause, number 9, which is not in the Act of 1917. It makes the Council a body corporate, and empowers it to receive grants, bequests, and donations, and makes it a much more effective institution than does the Act of 1917.

Hon. Mr. BELCOURT: My honourable friend misunderstood me. That was the basis of my whole argument—the difference between the old Act and this one.

Hon. Sir JAMES LOUGHEED: I move that the Committee rise and report progress, and ask leave to sit again.

The Hon. the CHAIRMAN: Will the honourable gentleman who moved the amendment withdraw it?

Hon. Mr. DANDURAND: No; the matter stands where it is.

Progress was reported.

OTTAWA IMPROVEMENT COMMISSION BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 135, an Act to amend the Ottawa Improvement Commission Act, 1919.

He said: The object of this Bill is to permit the Governor in Council to appoint a person to be Secretary of the Ottawa Improvement Commission. It seems that the President of this Commission has really appointed his own Secretary. It is an honorary position: the Secretary does not receive any stipend; but under the Act as it is at present the Civil Service Commission apparently has absorbed this very important power of appointing this particular Secretary. We therefore think it should be left to the Governor in Council, who in turn will leave it to the President of the Commission, whose Secretary he is.

Hon. Mr. BELCOURT: Why would you not leave the appointment of the Secretary to the Commission itself?

Hon. Sir JAMES LOUGHEED: The President of the Commission, who I understand is Mr. Matthews, has his own Secretary, and that gentleman acts as Secretary of the Commission, and this Bill is simply to regularize the appointment. It seems to me that the Ottawa Improvement Commission would not receive a very great shock even in the absence of legislation of this kind.

Hon Mr. BOSTOCK: I do not quite understand my honourable friend's explanation, because in the Act of 1919, chapter 62, section 6 says:

> The Governor in Council shall designate one of the Commissioners appointed by the Governor in Council to be Chairman of the Commission, and he shall hold office as Chairman during pleasure; and the Governor in Council shall appoint a member of the public service of Canada to be Secretary of the Commission, and the person so appointed shall discharge his duties as Secretary of the Commission in addition to his official duties as a member of the Public Service of Canada.

So that, apparently, at the present time the Governor in Council has the power.

Hon. Sir JAMES LOUGHEED: The gentleman who is acting as Secretary, and who is secretary to the Chairman of the Commission, is not a member of the Public Service of Canada, and he wishes him to act as Secretary.

Hon. Mr. BOSTOCK: It is a change of Secretary?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BELCOURT: I would like my honourable friend to say why the Commission is not given the choice of Secretary? Why is it not left to the Commission? Why must this be done by Order in Council?

Hon. Sir JAMES LOUGHEED: This is another way of allowing the Commission to appoint its own Secretary. This will permit of it being done that is to say, the Governor in Council appoints the Commission, and the Governor in Council will appoint whatever Secretary to the Commission may be desired by the Commission.

Hon. Mr. CASGRAIN: I have been a member of that Commission since its foundation, a good many years ago, and I think it has beautified Ottawa and done very well generally. It did work which a well-known member of this House, the late Senator Gibson, himself a contractor, admitted had cost by day work only about half the price that he would have asked for it by contract. I always understood that this Commission employed its own Secretary, and I do not know why the Government wants to butt in now by appointing the Secretary. That Commission was run by Sir Henry Bate for 8 or 10 years, and he looked after it just as he would attend to his own business. The Commissioners had very little to say, because the Chairman and the Vice-Chairman, Mr. Cunningham, did most of the work, and did it very well and economically. It would be well if the Government would take pattern by the prices that the Commission paid. I believe the Commission should appoint its own Secretary, and not have him appointed by the Governor in Council. We have a Manager who is also

a landscape gardener, and who has all the work of the Commission done by day labour, and this man is appointed by the Commission, as I think all the officials should be.

Hon. Mr. DANDURAND: I would like to know what work is entrusted to the Secretary?

Hon. Sir JAMES LOUGHEED: Whatever may be assigned to him by the Commission.

Hon. Mr. DANDURAND: I know, but the Secretary's work was light at the inception of the Commission. The intention, as I judge by this Act, was that the work was to be done by a member of the Civil Service. My honourable friend now tells us that the present Secretary is not a member of the Civil Service.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. DANDURAND: And that the reason for this Act is to regularize the situation?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: By having the Governor in Council appoint?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: I do not know whether the work entrusted to that Commission is heavier than it was at its inception. If it is not, we should perhaps think twice before creating a new position. If it could be done at a certain time by a member of the Civil Service who did the work within his hours of service to the country, could it not be continued in that manner? I am under the impression that there are members of the Civil Service whose work is not so heavy that they could not afford to give an hour of their time per day out of the time that belongs to the country, to perform that work. It is a small thing, if you will.

Hon. Mr. FOWLER: Do you mean with extra pay?

Hon. Mr. DANDURAND: No, but a member of the Civil Service gives to his duties from 9 o'clock until 4, and if the Deputy Minister can allow him an hour of that time for this work, it would perhaps be sufficient. Of course it is a small item when we are dealing in our Budget in these days with millions, but I am wondering whether we should not begin to use the pruning knife in all directions because of the present condition of our finances.

Hon. Mr. CASGRAIN: With the leave of the House I might explain that when we had a Secretary who was a member of the Civil Service he had other employment in the Department of Public Works. He kept the minutes, for which he received an additional fee—I do not remember how much, but a very small amount. The Commission, however, had to keep another Secretary there all the time, so that they were paying two. Now, the idea is to have a permanent Secretary, and pay only one.

Hon. Mr. FOWLER: Is the honourable gentleman still a member of that Commission?

Hon. Mr. CASGRAIN: Yes.

Hon. Mr. FOWLER: If he cannot tell us how much the Secretary formerly received, I think we had better change him at once.

Hon. Mr. CASGRAIN: I will resign with pleasure, and give the salary to the honourable gentleman.

Hon. Mr. FOWLER: I don't want the salary.

Hon. Mr. CASGRAIN: I will give you the salary.

Hon. Sir JAMES LOUGHEED: It seems to me I could not have made myself very clear in explaining this. I pointed out that the Chairman of the Commission, upon whom the greater part of the duty falls, has a secretary who has been acting gratuitously, and who wishes to act gratuitously; but under the Act as it is at present it is obligatory upon the Government to appoint a member of the Civil Service as Secretary. That means that the appointment is within the Civil Service Act; and, while the Civil Service Commission would originally appoint the officer, the Governor in Council would appoint him to this particular office. It simply means to regularize the appointment of this particular secretary, who happens to be the Secretary of the Commission, and who is discharging the duties gratuitously.

The motion was agreed to, and the Bill was read the second time.

STATISTICS BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 141, an Act to amend the Statistics Act.

He said: This is simply to permit of franking schedules or forms which are

being exchanged between the Provincial Governments and the Federal Government, coming within the Statistics Act.

The motion was agreed to, and the Bill was read the second time.

CANADA EVIDENCE BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 156, an Act to amend the Canada Evidence Act.

He said: Under the Evidence Act as it is at the present time, notice of production of a book or document at a criminal trial has to be given within a period of not less than ten days before the trial. It is now proposed to shorten that to seven days, in order to harmonize with the other practices of the court, because an adjournment cannot be made for longer than 8 days, and a notice of 10 days involves a double adjournment being made of a case. That is to say, the 8 days have to go by, then at the expiration of that time another application has to be made. This Bill brings the period within the term of the first adjournment that may be secured.

Hon. Mr. DANDURAND: Has the honourable gentleman the section that is to be amended?

Hon. Sir JAMES LOUGHEED: Yes, the Act reads as follows:

28. No copy of any book or other document shall be received in evidence under the authority of any of the last five preceding sections, upon any trial, unless the party intending to produce the same has before the trial given to the party against whom it is intented to be produced reasonable notice of such intention.

2. The reasonableness of the notice shall be determined by the court or judge, but the notice shall not in any case be less than ten days.

We propose to make that seven days.

The motion was agreed to, and the Bill was read the second time.

JUVENILE DELINQUENTS BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 157, an Act to amend the Juvenile Delinquents Act.

He said: We passed some legislation in this Chamber the other day dealing with the Prisons and Reformatories Act. The first section of this Bill is to bring the Juvenile Delinquents Act into harmony with that Bill. That is, the age of a child who may be dealt with under the Juvenile Delinquents Act is increased from 16 to 18 years. Sections 2 and 3 deal with matters of procedure. Section 4 deals with penalties. I move the second reading of the Bill.

Hon. Mr. BELCOURT: This is not the Bill which deals with penalties for carrying offensive weapons?

Hon. Sir JAMES LOUGHEED: No; this has nothing to do with that.

Hon. Mr. POWER: I am not going to detain the House except to say that I do not approve of the change which is proposed to be made in the law. The rule in England —and it has been the rule with us up to the present time—is that the line between childhood and young manhood is to be drawn at the age of 16. Now we propose to draw it at the age of 18. Take the first clause of this Bill:

"Child" means a boy or girl apparently or actually under the age of 18 years.

Now, honourable gentlemen, as things go to-day, any one who would call a young man 17½ years old a child must be wanting in a sense of humour, and I think that the change proposed is highly objectionable. The raising of the limit to 18 years is going to lead to injury to existing institutions, and to do no good.

The motion was agreed to, and the Bill was read the second time.

HAY AND STRAW INSPECTION BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 159, an Act to amend the Inspection and Sale Act (Hay and Straw inspection).

He said: Under the Inspection Act as it appears in the Revised Statutes of 1906, and afterwards amended by chapter 30 of the statutes of 1918, the word "seller" has been used instead of the word "presser" of baled hay. The original draft of the Act provided that the presser of baled hay should attach a tag showing the weight, etc., of the bale. That was changed to seller. Consequently the one originally responsible for the condition of the bale of hay is granted immunity and the seller, who knows nothing about it, is compelled to attach a tag stating its weight and contents. It is therefore intended to substitute the word "presser" for that of "seller." I move the second reading of the Bill.

Hon. Mr. DANDURAND: Although I am not from the farm, I heartily agree with the move, proposed by this Bill, to

throw the responsibility upon the person who has a knowledge of the hay that he is selling. A few years ago the reputation of Canada in foreign markets was injured, because of the fact that our hay which was sold abroad did not come up to the standard bargained for. Under the law at that time the trader was made responsible, even though he had not seen the inside of the bale. Under this Bill the presser, who has opportunity to see the inside of the bale, is made responsible. I think this is a move in the right direction.

I am told that some further amendments which would make the Act more applicable to present conditions could very well be made. Before entering the Chamber I was offered a memorandum of desirable amendments to the Act. I asked the gentleman who offered them if he concurred in the present Bill, and he said that all the hay dealers concur in it, but that they believe some other improvements should be made. I think this is a move which, pro tanto, is to be commended.

The motion was agreed to, and the Bill was read the second time.

On motion of Hon. Sir James Lougheed, the Senate adjourned until to-morrow at 3 p.m.

THE SENATE

THURSDAY, May 26, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PRIVATE BILLS

THIRD READINGS

Bill 43, an Act to incorporate the Ensign Insurance Company.—Hon. Mr. Proudfoot.

Bill 137, an Act to amend and consolidate the Acts respecting the Quebec Steamship Company.—Hon. Mr. Casgrain.

FIRST READING

Bill W5, an Act respecting the Calgary and Fernie Railway Company.—Hon. Mr. Watson.

THE SESSIONAL INDEMNITY

NEWSPAPER REFLECTIONS ON THE SENATE

On the Orders of the Day:

Hon. Mr. BOSTOCK: I want to draw the attention of the Senate to an article that appeared in the Toronto Globe of the 24th of May instant. It is from the staff correspondent of that paper in Ottawa, and reads as follows:

> It is a race between the Senators and the end of the session to see whether each Senator who has been punctual in attendance gets $1,225 for his services or $4,000.
>
> The law passed last year stated that the $4,000 was to be paid for any session exceeding 50 days in length, and it has been interpreted that this clause refers to 50 days of actual sitting.
>
> The House of Commons made the grade easily, to-day being its sixty-ninth day of meeting, but the Senate on Saturday met for only the forty-fourth time this session, leaving six days on which it has to meet in order to make the 50 days necessary to reach the $4,000 mark.
>
> The Senate, being a smaller body and not having any general election to trouble its tranquility, can get through the business that comes before it in much quicker time than the Commons. The new law forces it to spend more days in discussion on something or other, and sometimes on anything, than otherwise would be done.
>
> It met Saturday, perhaps, for the purpose of getting in an extra day for fear Parliament should close on Friday next. The House of Commons will not meet to-morrow (Victoria Day), but the Senate will meet in order to count an extra day.
>
> Even at that the Senate will probably insist on Saturday, because only by so doing can it get in its fiftieth day. If the worst comes to the worst there will be two sittings on a single day, and each sitting will be called a day under the act. At least that is how a resolution passed by the Senate last Friday is being interpreted. It proposed that, starting on Saturday last, unless differently ordered, there should be "two distinct sittings of the Senate every day," one in the morning and one in the afternoon.
>
> In the debate that followed it was stated that the two sittings a day would not be held except "in case of necessity". That "case of necessity" would be if Sir James Lougheed's pronouncement last Friday is realized, that "there is not only every possibility, but every probability of prorogation being reached next week."

Then there are some particulars which I do not think it necessary to read, and at the end the article says:

> If they meet only 49 days, they would get a total of $106,575. Therefore one day will net the Senate the difference, a total of $241,425.

Honourable gentlemen, I do not think that members of this House, as a rule, pay much attention to what is said, derogatory of the Senate, in the newspapers—so accustomed are we to newspaper articles saying things about the Senate which Senators know are not true. In this particular case, however, the correspondent is so wide of the mark, and has so little understanding of the Act that was put

through the House last Session, that I thought it wise to draw the attention of the Senate to the matter.

I will read the clause which deals with this question. Section 32 of the Act, chapter 69 of the statutes of 1920, says:

For every Session of Parliament which extends beyond fifty days there shall be payable to each member of the Senate and House of Commons attending at such session a sessional allowance of four thousand dollars and no more.

To-day, the 26th of May, Parliament is in its 102nd day, so that it has extended beyond the fifty days, with fifty-one days more than are required under the Act for Parliament to be in session and for the full indemnity to be drawn. That is one point that I want to make.

Another point is that the motion that was moved by my honourable friend the leader of the Government the other day has been made by the leader of the Government every Session since I have had the honour of sitting in this Chamber. That motion read as follows:

That, commencing to-morrow, unless differently ordered, there shall be two distinct sittings of the Senate every day, the first sitting to commence at eleven o'clock a.m. until one o'clock p.m., and the second sitting to commence at three o'clock p.m., and that all Standing and Select Committees of the Senate be permitted to sit while the Senate is in session, notwithstanding anything contrary in Rule 86.

I would like to read from the Journals of the Senate a similar motion that has been made in years gone by. From the Minutes of Proceedings of the Senate for 1894 I read as follows:

On motion of the Honourable Mr. Bowell, seconded by the Honourable Mr. Angers, it was

Ordered, That when the Senate adjourns to-day, at the second sitting thereof, it do stand adjourned until to-morrow at eleven o'clock in the morning, such sitting to continue until one o'clock in the afternoon, unless the Senate be sooner adjourned, when the Senate shall stand adjourned until three o'clock in the afternoon, such sittings to continue until six o'clock in the afternoon, unless the Senate be sooner adjourned, when the Senate shall stand adjourned until eight o'clock in the evening; and that each of such sittings be considered a distinct sitting.

In the Session of 1897 the motion was as follows:

The Honourable Sir Oliver Mowat moved, seconded by the Honourable Mr. Scott:

That on to-morrow and for the remainder of the Session there be two distinct sittings of the Senate upon each day of the Session, the first of such sittings to begin at eleven o'clock in the morning and to continue until one o'clock in the afternoon, unless the Senate be sooner adjourned, the second of such sittings to begin at three o'clock in the afternoon and to continue until such time as the Senate adjourns, and that each such sitting be considered a separate session.

I have taken the trouble to read these motions to the House in order that it may be impressed on the newspaper that that motion is one that is regularly made every Session for the purpose of facilitating public business, and it has nothing whatever to do with the question of the indemnity paid to Senators.

The other point made in this newspaper article—that the Senate has been discussing questions that were not necessary to be discussed in order that the Senate might sit—is also an unfair statement of the situation. Any member of the Press Gallery who attends the meetings of this Chamber must know that the discussions carried on here are short and to the point, and that honourable gentlemen are not in the habit of wasting the time of this Chamber by talking about matters which are unnecessary, or which have no bearing upon the question under discussion. I think it may be said that in the Senate honourable gentlemen speak to the point, make short speeches, and attend to the business before them with the object of bringing out the necessary facts and arguments, and thus making legislation as accurate and as useful to the country as possible.

The last statement made in this article, about our being so anxious to bring in the difference of $241,425 is quite disposed of, I think, by the statement that I have made; but I hope that in future this correspondent of the Globe will be more careful in anything that he writes to his paper about the Senate.

Some Hon. SENATORS: Hear, hear.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I fully concur in everything that has been said by my honourable friend. When it becomes necessary at any time to correct or to criticize the Toronto Globe, nothing will give me greater pleasure than to make way for my honourable friend.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: I do not know whether I am in order, but with the acquiescence of the House I would like to add a few words, not on this incident, but on the fact that in another Chamber the usefulness of the Senate has often been questioned. Last year a member asked for a return as to the cost to the country of

the Senate, and the return stated that for the preceding year an expenditure had been incurred of some $300,000. It is to this query that I want to address myself. I would like to refer honourable gentlemen to a statement prepared by Sir Mackenzie Bowell, the esteemed leader of this House for a number of years, who was cherished by all the members on both sides.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. DANDURAND: That statement was that during a certain number of years, while the Conservatives had held the majority of the seats in this Chamber, a large amount, five or six times as much as had been expended for this branch of Parliament, had been saved by this Chamber in amendments made to House of Commons Bills. I would like to add one fact to that statement made by Sir Mackenzie Bowell, namely, that if this Chamber had cost, since its inception in 1867, $10,000,000—which is a very generous figure—yet it should be noted that in 1913 we rejected the construction of three dreadnoughts, and saved the country $35,000,000 by that single act.

Some Hon. SENATORS: Hear, hear.

OPIUM AND NARCOTIC DRUG BILL

CONSIDERED IN COMMITTEE

The Senate again went into Committee on Bill 81, an Act to amend the Opium and Narcotic Drug Act.—Hon. Sir James Lougheed. Hon. Mr. Blain in the Chair.

On paragraph a of section 1—prescriptions not to be filled more than once:

Hon. Mr. ROCHE: I rise to commend the observations that were made by my friend from St. John (Hon. Mr. Daniel) as to the inviolability of the home—that the citizen should not be subject to domiciliary disturbance at night. We have not reached such a position in this country. Why should a peaceful citizen, who has overcome all the difficulties of the day, who has staved off the most of his importunate creditors, and escaped from other worries, when calmly reposing in his bed, be awakened by the smashing of glass and the bursting of cannon? He does not know whether the disturbers are policemen or tavern bums, or persons with evil design off the street, who have entered his premises. What would he do? What would anyone do? Why, get out his revolver and shoot them. There should be some protection to the householder as well as to the general public, to put down any illicit performance or anything of that kind. The remedy is worse than the disease; and therefore I support the opinion expressed by my friend from St. John—that this measure is ill-timed and ill-conceived, and that ample protection should always be given to the householder in order that he may defend his family, his property, and himself from an attack by any one. Surely the day is long enough to serve a writ upon a man. Surely there are enough worries in life without this additional one. Therefore, Sir, I am against this clause.

Hon. Sir JAMES LOUGHEED: We are striking out the words, "without the authority of the prescribing physician, veterinary surgeon or dentist," and are inserting in lieu thereof: "except where the preparation covered by the prescription might have lawfully been sold in the first instance without a written order or prescription."

Hon. Mr. FOWLER: Does that allow them to fill the prescription twice? That is the point.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. MURPHY: That prevents filling it twice.

Hon. Sir JAMES LOUGHEED: The explanation given is this. Under subsection 4 (a) of section 5A of chapter 31, 1920, in order to meet the need of having certain non-patent preparations that may be sold by druggists without a physician's prescription, exception has been granted for such preparations as do not contain more than 2 grains of opium, or more than 1-4 grain of morphine, or more than 1-8 grain of heroin, or more than 1 grain of codeine, or any salt or derivative of them, in one ounce, provided the preparations are medicated otherwise sufficiently to prevent their being used as narcotics only.

Hon. Mr. FOWLER: The prescription can be refilled?

Hon. Mr. MURPHY: The explanation of that is that there is a habit of having prescriptions refilled. A patient gets from a physician a prescription and gives it to a drug store, and druggists are in the habit under ordinary circumstances of repeating that prescription if the patients find that it does them good. Under the Narcotic Drug Act as we passed it last year they are prevented from filling any prescription that contains more than a certain amount of the derivatives of opium or other narcotic drugs which are deleterious in effect;

and this is only accentuating the law which we passed last year, and which was perfectly right and just.

Hon. Mr. FOWLER: They can use two grains?

Hon. Mr. MURPHY: Yes; because the ordinary patent medicines which people are in the habit of buying contain that much.

Paragraph a was agreed to.

On paragraph b—physician not to prescribe drugs, etc., except for medicinal purposes:

Hon. Mr. BOSTOCK: What is the effect of that?

Hon. Sir JAMES LOUGHEED: After the words "any physician," in the first line, these words are added: "who prescribes, administers or gives to any person any drug, or." In the administration of the Act it has been found impossible under the law as it stands to prosecute a physician who has not signed an order or prescription for narcotics, and a number of physicians who are commercializing in these drugs, solely for the large profits derived from illicit transactions, have in some manner found that, if they obtain supplies of narcotics from a wholesale druggist and in turn furnish these drugs direct to their patients, they cannot be prosecuted under the Act, owing to the fact that they have not signed any order or prescription for the drug, as provided in this section. It might be explained that there are a number of physicians throughout the country who resort to this practice. For this reason it is desirable to make it an offence for a physician to prescribe or administer narcotic drugs to persons for other than medicinal purposes, as intended by the statute.

Hon. Mr. FOWLER: That is all right.

Paragraph b was agreed to.

On paragraph c—any person may be required to keep record of any drug mentioned in schedule of Act:

Hon. Mr. BOSTOCK: Is there anything particular about that amendment?

Hon. Sir JAMES LOUGHEED: No; it is very largely a formality.

Paragraph c was agreed to.

On paragraph d—persons occupying premises where drug is found and charged with unlawful possession deemed to be in possession of drug unless he proves drug there without his knowledge, etc.:

Hon. Sir JAMES LOUGHEED: This is the result of certain cases that have been tried. In the enforcement of the Act it has been found that magistrates in various provinces have interpreted in many different ways the word "possession" mentioned in this section. For instance, one magistrate in the Province of British Columbia gave as his opinion that the word "possession" meant that a person must be the absolute owner and be able to dispose of the property to the exclusion of all other persons; while, as a matter of fact, in most cases persons found in possession of these drugs are only the agents or intermediaries for the real owner. The persons found in actual possession of these drugs are, however, the ones who are of course responsible for the illegal carrying and distribution of the same.

It might be further explained that in many cases where the police search the premises and find in a room occupied by a Chinaman or other person quantities of opium, etc., and where the accused is charged with having a drug in his possession, the defense offered is that the drug is not the property of the accused, having been left there by some unknown person. It is important, therefore, that the meaning of the word "possession," in so far as it pertains to this section, should be defined as clearly as possible for the guidance of the magistrates who have to deal with those cases.

Hon. Mr. LYNCH-STAUNTON: What is the meaning? Is it sought to make it prima facie evidence?

Hon. Sir JAMES LOUGHEED: This defines what constitutes "possession."

Hon. Mr. LYNCH-STAUNTON: If the drug is found in a man's house, that is evidence that he is the owner of it?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. LYNCH-STAUNTON: They are not going to put the onus on a man to prove that he is not the owner? It is simply prima facie evidence.

Hon. Sir JAMES LOUGHEED: He may shift the onus. It is provided in the last three lines of the paragraph:

—unless he prove that the drug was there without his authority, knowledge or consent, or that he was lawfully entitled to the possession thereof.

Hon. Mr. FOWLER: That is fair enough.

Paragraph d was agreed to.

On paragraph e—imprisonment added to penalty of fine:

Hon. Sir JAMES LOUGHEED: That changes the penalties.

Paragraph e was agreed to.

Paragraph f was agreed to.

Hon. W. B. ROSS: Before we come to section 7 I would like to point out that there is a difficulty that has arisen in connection with the administration of this Act, and that I would like to see something done to rectify. The actual case I have in mind is this. A man gets a prescription from a doctor, and goes to a druggist with it. It may not be for any of these drugs at all, but he gets knowledge of the doctor's signature. He then forges another order for a drug, and he does it so cleverly that the ordinary man cannot tell the difference between the forged order and the genuine. In the particular case that I have in view, when the doctor himself saw the signature first, he did not know that it was not his. He was sure only when he referred back to his books in which he kept a check of all prescriptions. By referring to his books he found that he had not given the prescription. The man was fined something like $1,000. What strikes me is that there ought to be some provision that the trial judge, in a case of that kind, should try the question whether or not the druggist was guilty of carelessness; because, as I see it now, if you leave the law as it stands, the only safe thing for the druggist to do is to go out of that business altogether. That, I think, would be inconvenient. I do not know what is the opinion of the House on this question.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, honourable members in this section of the Chamber cannot hear very well, and I did not realize that paragraph f was passing. I would like to have that reconsidered.

On paragraph f—onus of proof on charge of manufacturing, selling etc., without license (reconsidered):

Hon. Mr. LYNCH-STAUNTON: It is, in my judgment, absolutely contrary to fairness to place the onus upon the man who is charged with any crime. I think that the Crown should be bound to prove their case. Under paragraph d, possession is prima facie evidence that a man is guilty unless he proves the contrary. That is perfectly fair. But the draftsman has here added another clause which deprives a man of any protection at all. It says:

> Where a charge is laid under either paragraph (d) or (e) hereof the onus shall be upon the accused to establish that he had lawful authority to commit the act complained of or that he had a license from the Minister authorizing such act.

That is a class of legislation which in my opinion is eminently vicious. If a man is charged with a crime, those who charge him should be bound to prove his guilt. They should not say: "You have to prove a negative in order to escape punishment." Personally I am very very strongly opposed to legislation of this kind. In this country, and I believe in England, there is such legislation included in the Customs Act and some other statutes, from long habit. But this is a clear departure from all our ideas of criminal law.

Hon. Mr. PROUDFOOT: It is copied from the Ontario Temperance Act.

Hon. Mr. LYNCH-STAUNTON: And that legislation has caused widespread discontent. The judges have expressed themselves against it; the public is against it. It simply gives officials a very improper and unfair advantage over a prisoner. A man who is put into the position of being charged with a crime, and whose life or liberty or honour is in danger, should get British justice. That means that those who charge him should be bound to prove by fair evidence that he is guilty. Under this measure a man may be indicted and may be found guilty unless he can prove himself innocent. Why do we not adopt that kind of legislation for everything, and say that if a man is charged with murder he should be presumed to be guilty until he proves himself innocent? It is often impossible for a man to prove a negative. I think we should not allow this to pass. Up to the present time it has not been considered necessary; but now some person comes along who is always trying to make the law stricter, or to make it more unfair by turning it into an engine of persecution rather than prosecution.

Hon. Mr. FOWLER: Do not say "more unfair"—trying to make the law unfair. If you say "more unfair," it insinuates that the law is unfair now.

Hon. Mr. LYNCH-STAUNTON: I beg to move that paragraph f be struck out.

Hon. W. B. ROSS: Not the whole of it, but just the first part.

Hon. Mr. LNYCH-STAUNTON: Quite right. That is what I wish to do.

Hon. Mr. FOWLER: From "where" to "act."

Hon. Mr. MURPHY: I would point out to the houourable gentleman that every person who has a right to supply those narcotized drugs must have a license under the authority of the law. If a person has in his possession drugs such as morphine or opium or its derivatives, and has not a license, he has no right to have them in his possession. He must be a legally qualified druggist or a legally qualified physician, and must make application to the proper Department at Ottawa for a license to enable him to keep drugs. If he has any of those drugs in his possession and has not that license, that fact is prima facie evidence that he has them for unlawful purposes. Therefore he should be required to prove by some means or other that he has them by some right.

Hon. Mr. LYNCH-STAUNTON: My honourable friend might be right if that were the only thing covered by this clause, but there is in it this definite provision, that he must establish either that he is innocent or that he has a license. Now, if he has a license, it is issued by the Government and there is a record kept of it, and it is quite easy for the informant or the prosecutor to show to the tribunal that there has been no license issued to the accused. To save him that trouble it is sought to put in this clause. It is unnecessary, and, I submit, a clear infringement of the right of the citizens of this country. When they are put upon trial, their right is to be presumed innocent until they are proven guilty.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, that has to be taken in a very general sense. It has long been the policy of the law in regard to a certain class of offences that the onus should be upon the person charged. That applies under most liquor Acts; it applies under the Customs Act; I think it applies under the Inland Revenue Act.

Hon. Mr. LYNCH-STAUNTON: It never applied under the Liquor Act before.

Hon. Sir JAMES LOUGHEED: The reason of it is this. If honourable gentlemen look at paragraph d, which is the one dealt with, they will find these words:

> Without first obtaining a license therefor from the said Minister, imports into or exports from Canada, or manufactures in Canada, any prepared opium, that is to say, any product of raw opium obtained by any series of special operations, especially by dissolving, boiling, roasting and fermenting, designed to transform it into an extract suitable for consumption, and including dross and all other residues remaining when opium is smoked;

The person charged is probably the only person who would know that this was done; and he is caught in the act. It seems to me absurd to say that the Crown must prove that he has committed an act or that he has done something which he has been caught in the act of doing. It is an easy matter for him to establish his innocence if he is not guilty. If he says, "Here is my license," the case against him is dismissed. If he is found in possession, why should not the onus be upon him? If he is caught red-handed in the act, which is a most heinous one, it is practically necessary for the protection of life and property that he should be charged with the onus of establishing his own innocence. Why should he not do so? It is not as if he were charged with doing something the evidence of which is not in his own possession. This is a case in which the evidence is clearly in his possession, and in which he has been caught in the very act.

Hon. Mr. FOWLER: Would not the evidence be in the possession of the accused in the case of murder?

Hon. Sir JAMES LOUGHEED: That would be an entirely different thing. In this case the man has been caught in the act, and the evidence is in his own possession. As a matter of fair play, of British justice—my honourable friend from Hamilton is very glad to cite the fairness of British justice—if a man is caught red-handed in openly violating a law of this kind, the lives of individuals being involved, is it a very serious matter to say to him: "We have caught you red-handed and you must prove that you have not done this act?" I submit, honourable gentlemen, that in an important statute of this kind, which deals not only with matters of morality, but also with the questions of life and death, we must safeguard the interest of the public—the lives and the habits of the public—against the incursions which are being made daily and hourly by the illegal handling of drugs. Is it unreasonable to say that those men who traffic in the lives of their fellows, as they are doing to-day, should establish their innocence before a court, when they have been caught red-handed in the violation of the law?

Then coming to e:

has in his possession without lawful authority, or manufactures, sells, gives away or distributes any drug without first obtaining a license from the Minister.

If he is found in possession of the drug, surely it is not a hardship to ask him how he came into possession of it. Immediately he gives a proper explanation the Crown has to establish that it is illegally in his possession. It seems to me a most reasonable thing, and I fail to see how otherwise you are going to enforce an Act of this kind against this class of outlaws, the very worst criminals in the community. I venture to say that there is no class of criminals so heinous as the men who deal in the illegal traffic in drugs, and I think this provision is highly in the public interest.

Hon. Mr. LYNCH-STAUNTON: The trouble is that we have not got the Act before us. We have to patch up these matters piece by piece. It seems to me from the little consideration I have been able to give to this matter, that the only authority a man can have for these acts is a license. If it is intended to make him produce his license, why not leave just the last half of the section? I agree with the leader of the Government that it is not imposing a hardship on a man to make him produce his license; but this section putting the onus upon a man—who may be sent to prison for seven years—of proving his innocence, unless the proof of his innocence may consist in producing his license, is un-British, unfair, and unnecessary.

Hon. Sir JAMES LOUGHEED: I do not wish to interrupt my honourable friend; but will he look at lines 24 and 25? The onus is something that he can easily satisfy, because the onus is to establish "that he had lawful authority to commit the act complained of, or that he had a license." He has to do one of two things.

Hon. Mr. LYNCH-STAUNTON: What lawful authority can he have under the Act unless he has a license?

Hon. Sir JAMES LOUGHEED: He may have come into possession of it innocently.

Hon. Mr. LYNCH-STAUNTON: That is not a lawful authority; that is simply an excuse.

Hon. Sir JAMES LOUGHEED: It would show that there was no criminal intent.

Hon. Mr. LYNCH-STAUNTON: With all due respect, I do not think that is what this is meant to cover.

Hon. W. B. ROSS: Subsection d contains the words which the leader of the Government seems to be solicitous of having in the Act.

Hon. Mr. LYNCH-STAUNTON: That section is all right.

Hon. Mr. MURPHY: Then the other one is all right in connection with that.

Hon. Mr. LYNCH-STAUNTON: Paragraph e repeats that without making it necessary to show that the drug is in his possession. That is what I object to. If the Crown shows that it is in his possession, then the onus might very well be on him; but it seems to me that paragraph f goes further than that. I quite agree that he should be bound to produce a license; but what are you aiming at in the rest of the paragraph? In the criminal law we should know what we are aiming at.

Hon. Mr. MURPHY: In many cases these men are narcotised degenerates—cocaine or morphine fiends—and they will resort to any means to defeat the law, and the morphine fiend is the trickiest man you can have to deal with. You cannot hedge this measure around with too many safeguards. To prove what I say, all you have to do is to read the newspapers to see how these persons cheat the authorities and get around the statutes, in order to get morphine for themselves or for some one else. I submit that this is an extraordinary statute. It may to a certain extent infringe upon the liberty of the subject, but sometimes that is necessary in order to do justice to the general public. As an eminent member of the Bar my honourable friend knows that better than I do. This law is to meet extraordinary conditions, and it must be an extraordinary law.

Hon. Mr. LYNCH-STAUNTON: I am not discussing the morality of it. I want to understand why, when we already have the provision that a man found in possession of these drugs must vindicate his possession, it is necessary to put in those words:

Where a charge is laid under either paragraph d or e hereof the onus shall be upon the accused to establish that he had lawful authority to commit the act complained of, or that he had a license from the Minister.

If he proves that he has a license, that ends the case; if he cannot do that, I do not see how he can get out of it in any way.

Hon. Mr. DANDURAND: I do not see that the section violates any principle. The act is described as being one which is reached by the criminal law. When the Crown establishes that that act has been committed, the evidence of the Crown is complete, and the accused is thrown upon his defence.

Hon. Mr. LYNCH-STAUNTON: It says that where a charge is laid the onus shall be on the defendant.

Hon. Sir JAMES LOUGHEED: He has been caught in the very act.

Hon. Mr. DANDURAND: The Crown must establish a case. When it has established its case, it does not have to hunt the record to find whether John Jones has a license. He may have given a name which cannot be found on the list. It will be for him to justify himself—

Hon. Mr. LYNCH-STAUNTON: That is not the case here.

Hon. Mr. DANDURAND: —and if his justification is that he has a license, he will produce his license. He will find a way of establishing his defence. If his defence is the production of a license or any other lawful authority he will be able to establish his defence.

Hon. Mr. LYNCH-STAUNTON: I do not agree at all. The leader of the Government spoke of this as provision dealing with a man who is caught red-handed. If you will look at it, you will see that that is not the case at all. It says that when a charge is laid, he shall be bound to prove himself innocent.

Hon. Sir JAMES LOUGHEED: No, it does not say that. The onus has reference to two things; he shall establish either that he has lawful authority to commit the act, or that he has a license.

Hon. Mr. LYNCH-STAUNTON: It says, "where a charge is laid." What will happen is this. Anybody can go before a magistrate and lay a charge. The man accused will say: "I didn't use it; I don't know anything about it." Anybody can lay a charge. He can say: "That fellow has been roaming up and down here; let us bring him up and ask him if he did this." There is no necessity of proving anything; all that has to be done is to lay a charge, and the accused has to prove that he did not import opium.

Hon. Sir JAMES LOUGHEED: It does not extend to importation at all.

Hon. Mr. LYNCH-STAUNTON: A charge might be laid in Ottawa against any member of this House, and he would have to go to the police court and prove that he did not bring in opium here, and the Crown would not have to prove that anybody brought it in. The thing is ridiculous.

Hon. W. B. ROSS: I want to put myself right with the House, and I think I will put the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton) right at the same time. I thought that the paragraph d referred to in subsection f of the Bill was paragraph f of the Bill that is before us; but I find that that is not the case—that it is paragraph d of the Act of 1920, which says:

> Any person who without first obtaining a license therefor from the said Minister, imports into or exports from Canada, or manufactures in Canada, any prepared opium, that is to say, any product of raw opium obtained by any series of special operations, especially by dissolving, boiling, roasting and fermenting, designed to transform it into an extract suitable for consumption, and including dross and all other residues remaining when opium is smoked.

Hon. Mr. BELCOURT: Would my honourable friend be good enough to read paragraph e?

Hon. W. B. ROSS: Yes. It says:

> —has in his possession without lawful authority, or manufactures, sells, gives away or distributes any drug without first obtaining a license from the Minister.

On finding my mistake, I do not know that there is very much to complain of.

Hon. Mr. BELCOURT: Perhaps I may digress for a moment to say that this shows how absolutely necessary it is that the resolution proposed the other day should be adopted. This, it seems to me, is a clear illustration of the darkness in which we are groping in dealing with many Bills that come up to this House. It seems to me that paragraphs c and e provide for nothing but a license: you may have in your possession or you may import, if you have a license.

Hon. Sir JAMES LOUGHEED: No, you may manufacture.

Hon. Mr. BELCOURT: Whatever it is. You may import or manufacture or have

in your possession if you have a license. That is the only question. Nothing else can arise; so the onus of proof in this section means that the accused has to produce his license. That is the whole case.

Hon. Mr. PROUDFOOT: If I understand the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton) he is referring to clauses d and e in the preceding portion of the Bill. I do not understand that to be correct, because the beginning of this paragraph says:

Subsection 2 of section 5A is amended by adding the following paragraphs at the end thereof.

Now, what is subsection 2 of section 5A? You have to turn to the Act of 1920 for that; and you will find that the subsection we are dealing with here is as follows:

—without first obtaining a license therefor from the said Minister, imports into or exports from Canada, or manufactures in Canada, any prepared opium, that is to say, any product of raw opium, etc.

Paragraph e says:

has in his possession without lawful authority, or manufactures, sells, gives away or distributes any drug without first obtaining a license from the Minister.

I thought at first that the subsection my honourable friend was objecting to referred to the two paragraphs in the Bill.

Hon. Mr. LYNCH-STAUNTON: No. It refers to the Act of 1920.

Hon. Mr. PROUDFOOT: I know it does, but it did not strike me in that way until I worked out the various clauses. I think that shows, as was stated by my honourable friend from Ottawa (Hon. Mr. Belcourt), the importance of having the whole of the Act before us when we are dealing with it. Where a charge is laid under either of these sections, I presume that a man can relieve himself from the difficulty by proving that he has a license.

Hon. Mr. LYNCH-STAUNTON: That is all it ought to cover.

Hon. Mr. PROUDFOOT: That is all it should cover. Is not that all it does cover?

Hon. Mr. LYNCH-STAUNTON: No; it says, "or that he had a license."

Hon. Sir JAMES LOUGHEED: He shall produce his license or his prescription.

Hon. Mr. PROUDFOOT: Or, under paragraph e, he shall show that he has lawful authority. If he establishes either of these things it is all right; if he does not—

Hon. Mr. FOWLER: Then it is all wrong.

Hon. Mr. PROUDFOOT: Yes. I have always been opposed to the class of legislation which casts upon the accused the onus of proving anything. I think a person accused should be treated as not guilty until his guilt is established. There are cases coming up almost every day in connection with the Ontario Temperance Act in which men are found guilty simply because they happen to have some liquor in their possession. They have no opportunity of defending themselves.

Hon. Mr. FOWLER: They should have drunk it before.

Hon. Mr. PROUDFOOT: It would still be in their possession.

Hon. Mr. FOWLER: That would be a good answer.

Hon. Mr. PROUDFOOT: It would be concealed. But it does not seem fair that a man should be found guilty under the circumstances to which I have referred.

Hon. Mr. FOWLER: Supposing he had the opium in his possession and swallowed it, would he be prosecuted?—he probably would not need to be.

Hon. Mr. PROUDFOOT: I do not think there would be any occasion for it. But I am going to follow up with this statement: when you place a law of this kind on the statute book it means that a magistrate may, without any evidence at all, reach the conclusion that a man is guilty; and there is no appeal; because the higher courts, when the case is brought up, say, "Well, the magistrate saw the witnesses and heard the evidence," and therefore they decline to interfere, and very often a man is fined or sent to prison without an opportunity of properly defending himself. My opinion is, therefore, that this class of legislation is vicious, and that we should not place it on the statute book. I heard the honourable leader of the House not long ago say that we had too much of this class of legislation: "You shall not do this," and "You shall do that."

Hon. Sir JAMES LOUGHEED: Oh, I did not refer to this.

The Hon. the CHAIRMAN: Hon. Mr. Lynch-Staunton moves in amendment that the following be substituted for paragraph f:

(f) Subsection two of section five A is amended by adding the following paragraph at the end thereof: Where a charge is laid under either paragraph d or e hereof the onus shall be upon the accused to establish that he had a license from the Minister authorizing such act.

Hon. Mr. DANDURAND: I do not understand at all the difficulty with which my honourable friend from Hamilton is wrestling. Does he claim that there is a chance, under the clause which he attacks, that the accused will be unable to plead that he has not committed the act at all? If he has not committed the act he need not show a license; but if he admits having committed the act, or is in possession of the drug, then he falls under the Act, and he has violated the Act unless he establishes a justification.

Hon. Mr. LYNCH-STAUNTON: A license.

Hon. Mr. DANDURAND: A license.

Hon. Mr. MURPHY: I would like to ask the honourable member from Hamilton this question. If my honourable friend has a building two miles from his home, and someone comes and commandeers it and stores opium there, and then, taking advantage of the Act, starts action against him, he cannot justify unless he can show a license to have the drug in his building. That is the way I read the clause.

Hon. Mr. LYNCH-STAUNTON: Not at all.

The amendment of Hon. Mr. Lynch-Staunton was negatived.

Hon. Mr. BEIQUE: I would suggest to the honourable leader of the House that he correct the wording of the Bill, and that it be made to read without the words: "that he had lawful authority to commit the act complained of."

Hon. Mr. BELCOURT: I should think the better way to correct that would be to provide that he had a lawful excuse to do the act.

Hon. Mr. DANDURAND: But that is no excuse, if he had a right to do it.

Hon. Mr. BELCOURT: My honourable friend has put a case that I think ought to be considered. He might put a stronger case: for example, if my butler chose to bring opium into my house and put it in his bedroom, surely I am not to be sent to jail for his act. That ought to be provided for in some way. Even though I have no license, I certainly should not be convicted in such a case.

Hon. Mr. DANDURAND: What section would you come under?

Hon. Mr. BELCOURT: The section we are discussing, where a charge is laid under d or e. What I would like to see is a provision which would enable an innocent person to prove his innocence, such as in the case I have mentioned.

Hon. Mr. DANDURAND: But you have not the drug in your possession.

Hon. Mr. MURPHY: Yes, he has charge of his house, and the police come in and take possession of it.

Hon. Mr. BELCOURT: Paragraph d says, "Any person who occupies, controls or is in possession of."

Hon. Mr. DANDURAND: "Without lawful authority." The clause deals with a person who has in his possession without authority, etc.

Hon. Mr. BELCOURT: That is the case I am putting. My butler is in my house, and he has opium in his possession, and constructively that might be said to be in my possession.

Hon. Mr. DANDURAND: I do not see anything that makes that in your posession.

Hon. Mr. LYNCH-STAUNTON: Yes, it is, under paragraph d.

Hon. Sir JAMES LOUGHEED: All you have to do is to say that the drug is there without your authority, knowledge or consent.

Hon. Mr. MURPHY: He has to prove that.

Hon. Sir JAMES LOUGHEED: No, he has not.

Hon. Mr. LYNCH-STAUNTON: This clause makes him prove it.

Hon. Sir JAMES LOUGHEED: No. If my hon. friend were charged with having such a drug in his house, if he proved that the drug was there without his authority, knowledge or consent, he would be absolved, and the onus would be upon the Crown to prove to the contrary.

Hon. Mr. LYNCH-STAUNTON: No; I can bring you case after case in our courts where men have gone into the witness-box and sworn that it was without their

knowledge and consent—liquor—and the magistrate has said: "I don't believe you." The accused has gone to the Court of Appeal in Ontario, and the judges have said: " The Act is most unfair, but the magistrate found you guilty, and we have no power to reverse his findings." In Hamilton we had a case of an old man of 75 who was fined under the same conditions, and there was no relief.

Hon. Mr. FOWLER: That does not apply here. That applies only to the Temperance Act—that they will not review the evidence before the magistrate.

Hon. Mr. LYNCH-STAUNTON: And they will not review it here.

Hon. Mr. McMEANS: Suppose some woollen goods were found in the possession of my honourable friend from Hamilton, he would be charged with stealing, and it would be up to him to prove that he never stole them.

Hon. Mr. LYNCH-STAUNTON: No, it would not.

The proposed amendment of Hon. Mr. Lynch-Staunton was negatived.

Paragraphs f and g were agreed to.

On section 7—right of search by constable:

The Hon. the CHAIRMAN: Hon. Mr. Daniel moves this amendment:

That section 7 of the Bill be amended by substituting the word "believe" for "suspect" in the second line, and by striking out the word dwelling-house in line 3 of said section, and by adding the words "and such constable or police officer may enter any dwelling-house on producing a search-warrant from a magistrate having jurisdiction in the matter."

Hon. Mr. FOWLER: You would not need that.

Hon. Mr. DANIEL: I quite realize, as has already been stated by the leader of the Government in this House, that the offence with which this Bill deals is one that must be treated with a great deal of severity, and in that respect I quite agree with the principle of the Bill. At the same time, I think section 7 goes too far in the power it gives to peace officers to enter any dwelling house, store, shop, warehouse, outhouse, garden, yard, vessel or other place, either by night or by day, without any warrant for doing the same. Under these conditions, if a search is successful and opium or other narcotic drug is found, then of course there is no complaint; but supposing a peace officer goes into a man's house, digs up his yard, excavates his cellar, and goes through his place generally, and does not find any drug at all? So far as I can see, the unfortunate suspect has no reparation and no recourse. But, with regard to the matter of giving a peace officer, on mere suspicion, the power to enter anybody's home at any time of day or night, without a warrant, I think that is going much too far in the duties imposed upon peace officers. The original Act relating to this matter made it necessary for the constable to obtain a search-warrant to do any of the things mentioned; but that is done away with by this section, and the constable is even given authority to enter any man's private house at any time of the day or night on a pretense, or otherwise, of searching for narcotic drugs. I therefore move the amendment which has been read by the Chairman, that we change the word "suspect" in the second line to "believe."

Hon. Mr. BOSTOCK: What is the difference?

Hon. Mr. DANIEL: "Believe" is a little stronger than "suspect." He must have reasonable cause to believe that a drug is kept or sold. Then my amendment takes out the word "dwelling-house" in the third line—

Hon. Mr. DANDURAND: Does the honourable gentleman believe that any ordinary policeman makes a difference between suspecting and believing?

Hon. Mr. BELCOURT: Why strike out "dwelling-house"?

Hon. Mr. DANIEL: My amendment provides that—

Such constable or police officer may enter any dwelling-house on producing a search-warrant from a magistrate having jurisdiction in the matter.

That is, while he is not allowed to enter a dwelling-house on mere suspicion, without a warrant, he can do so by getting a warrant for that purpose.

Hon. Mr. LYNCH-STAUNTON: That is unnecessary. The general criminal law provides for that.

Hon. W. B. ROSS: Confine your amendment to striking out "dwelling-house."

Hon. Mr. DANIEL: Then I will confine my amendment to changing the word "suspect" to "believe" and striking out the word "dwelling-house" in line three.

Hon. Mr. DAVID: Before I vote for or against the amendment I would like to put a question to the honourable leader of the House. How can the owner of the building which is entered know whether the constable or police officer who enters is a true detective, and how will he be able to make a distinction between a detective and a thief?

Hon. Mr. FOWLER: I am opposed to that amendment, because I do not feel that it will effect the object aimed at. Substituting the word "believe" for the word "suspect" is a mere absurdity. I do not see any necessity for any part of the clause. Under the law as at present, if goods that are contraband are kept by any person unlawfully, a search-warrant may be obtained and the officer armed with that search-warrant may go and make an examination. It is not necessary to have a clause to that effect. I say that no person, whether he be an officer or not, should be permitted to go into a man's house and make a search of this kind on a mere suspicion or even belief. Some people would believe anything. Take a fellow like Spracklin, for instance. Just imagine that man. How much evidence would it be necessary for him to have in order to believe that somebody was committing this offence? And there are many Spracklins engaged in this warfare against evil, so called. Many of the same type would use this law as an engine of oppression—would use it to get even with somebody they had a spite against. That is what it would be used for, and it is contrary to all sense of justice—contrary to that good old maxim that a man's house is his castle. You are taking down the castle walls, throwing open the door and letting any man who may be clothed in a little brief authority to go in and commit any depredation he pleases, on a mere suspicion in this case, or, even in the other case, on a mere belief. Honourable gentlemen, it seems to me that is contrary to all sense of right or decency. The people of this country can be made to respect the law very much better if we rely upon the ordinary means by which other laws are supported and sustained, rather than use extraordinary means that do violence to every instinct of right that there is in the people; and I say that for the sake of the very object that the gentlemen who are behind this legislation have, or claim to have, they should not be given these extraordinary and outrageous means of harassing and abusing people who are suspected, either rightly or wrongly, of having drugs in their possession.

I recognize, as every man must recognize, how unfortunate it is for the country that these drugs are used as indiscriminately as they are. I recognize, as every other decent man in the country should recognize, how necessary it is to stamp out the drug habit. I realize as well, honourable gentlemen, that prohibition, taking away the moderate use of liquors, has to a certain extent increased the drug habit throughout the country, and this drug habit, which is infinitely worse than the liquor habit, must be stamped out. But let us not break down all the safeguards that the ages have raised about mankind. The individual in this country has some rights, and we ought to respect those rights and not pass legislation which would destroy them.

Hon. Mr. LYNCH-STAUNTON: Honourable gentlemen, I want to add just a few words to what has been so forcefully and so well said by the last speaker. Every man in a British possession is brought up with the idea and belief that his home is his castle. A man believes that he has a right to resist, even to the taking of life, any man who enters his place without a warrant from a magistrate. A few months ago an officer of the law entered a hotel in the western part of this province; he was resisted; the encounter resulted in the death of the proprietor of that place. It was found that there was no breach of the law committed there. Shortly afterwards that same man saw a vessel going up the St. Clair river, and without any warrant he went aboard the vessel. He knew the proprietor was a reputable gentleman, living in that part of the country. He walked into the place and went through everything. He produced two guns and held them out, and, although he knew the gentleman whose place it was, he rifled it from end to end. That Temperance law allows a man to do such things, but the word "vessel" was not in the Act. The case was tried before judge Middleton. Judge Middleton gave a verdict of $500 damages against him for violating the rights of Mr. Flemming. The Court of Appeal upheld and affirmed that decision and declared that the act was a most improper and offensive one, and that people had the right not to be invaded without a warrant.

There is a great public prejudice against officers walking into anybody's premises,

by night or by day, unless they have gone before a magistrate, laid the facts before him, and satisfied him that in the interest of justice they should invade the premises. I am not at all satisfied with the amendment. I think the whole section should be struck out and that we should not allow any officer who is without any responsibility, no matter what indignity he may commit, to enter a place at his own instance. Suppose that half a dozen rough-necks enter a man's house, rouse the whole family, and search all the beds. They may without license or warrant turn young women, old women, boys and girls out of their beds, and search through everything, and then say, "Well, there was nothing there," and go off. If you make the law as suggested by this amendment, an officer can go right through a dwelling-house at any time of night or day; he can turn the family out of their beds; he can do anything he chooses. If it is a vessel there may be people living in it. At a great many places along the shores of rivers there are people, including women, living in vessels. To give to officers the power of search is, it seems to me, most unfair.

Hon. Mr. FOWLER: It is a crime.

Hon. Mr. LYNCH-STAUNTON: There is no responsibility, no matter what indignity they may put upon people. There is a responsibility upon the magistrate who grants a warrant, and there is in that case some evidence. The officer must lay the facts before the magistrate and the magistrate must pass upon them before he says that the officer is justified in entering a man's house, or his ship, or his store. I move that the whole clause be struck out.

Hon. Mr. FOWLER: I want to read the section in the Act as it stands to-day:

(7) If it be proved upon oath before any magistrate that there is reasonable cause to suspect that any drug kept or concealed for any purpose contrary to this Act in any dwelling house, store, shop, warehouse, outhouse, garden, yard, vessel, or other place such magistrate may grant a warrant to search by day or night any such place for such drug, and if such drug is there found, to bring it before him.

Surely this gives absolutely all the authority that is necessary. All that the officer has to do is to go before a magistrate and lay before him the evidence he has, and if the magistrate decides that that is sufficient and shows that there is proper cause for real suspicion—not the suspicion that might be formed in a prurient mind, but real suspicion—then he grants a warrant and the officer goes and makes a search.

The Hon. the CHAIRMAN: The Hon. Mr. Daniel wishes to change his amendment to read:

That section 7 of the Bill be amended by substituting the word "believe" for the word "suspect" in the second line, and by striking out the word "dwelling-house" in line three of the subsection.

The Hon. Mr. Lynch-Staunton moves that the whole clause be struck out.

The amendment of Hon. Mr. Lynch-Staunton was agreed to.

Hon. Mr. PROUDFOOT: Mr. Chairman, I just call your attention to this fact, that paragraph g strikes out section 7 of the Act. It should be amended so as to let the original clause 7 stand.

Hon. Mr. BOSTOCK: By passing paragraph g we repealed clause 7 in the old Act.

Hon. Sir JAMES LOUGHEED: Strike out the word "seven" in paragraph g.

The amendment was agreed to, and paragraph g as amended was agreed to.

Sections 8 and 9 were agreed to.

The preamble and the title were agreed to.

The Bill, as amended, was reported.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

COPYRIGHT BILL

FIRST READING

Bill 12, an Act to amend and consolidate the law relating to copyright.—Hon. Sir James Lougheed.

ARMISTICE DAY BILL

FIRST READING

Bill 119, an Act respecting Armistice Day.—Hon. Sir James Lougheed.

CHINESE IMMIGRATION BILL

FIRST READING

Bill 146, an Act to amend the Chinese Immigration Act.—Hon. Sir James Lougheed.

OTTAWA IMPROVEMENT COMMISSION BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 135, an Act to amend the Ottawa Improvement Commission Act, 1919. Hon. Mr. Michener in the Chair.

Section 1 was agreed to.

On section 2—power given to dispose of real property:

Hon. Mr. BELCOURT: What makes that legislation necessary? I do not think the Ottawa Improvement Commission has any property of its own.

Hon. Sir JAMES LOUGHEED: I think so. I think it has expropriated considerable property.

Hon. Mr. BELCOURT: In the name of the Commission?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BELCOURT: I thought, in the name of the Department.

Hon. Sir JAMES LOUGHEED: No, I think, in the name of the Commission. However, if it has no property, it cannot sell any.

Hon. Mr. BELCOURT: That is so, but why authorize it to sell. What properties does it want to sell?

Hon. Sir JAMES LOUGHEED: I do not know what particular property it has, but I understand that for the purpose of carrying out the scheme which it has in view, the Commission expropriated a large section of the property upon which the improvements have been made. It may be that some of the property vested in the Commission is not being used by it and is not to be embraced in the plan of improvement.

Hon. Mr. DANDURAND: It often happens that the party exercising the right of expropriation is obliged to buy—

Hon. Mr. BELCOURT: More than enough?

Hon. Mr. DANDURAND: —More than is needed—

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: —because it is advantageous as a business proposition to do so.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: It may be advantageous to take a whole lot and then to sell the part that is outside the line.

Hon. Sir JAMES LOUGHEED: I would point out to my honourable friend (Hon. Mr. Belcourt) that under section 8 of the Act constituting the Commission, "the Commission may purchase, acquire and hold real property in the city of Ottawa and in the vicinity thereof," etc. So the property is vested in the Commission, not in the Crown.

Section 2 was agreed to.

The preamble and the title were agreed to.

The Bill was reported.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

STATISTICS BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 141, an Act to amend the Statistics Act. Hon. Mr. Daniel in the Chair.

On section 1—schedules that may be sent post free:

Hon. Mr. BOSTOCK: What is this?

Hon. Sir JAMES LOUGHEED: Chapter 43 of the statutes of 1918 makes provision for an arrangement between the Federal and Provincial Governments. This simply extends the franking arrangement to the Provincial Governments.

Hon. Mr. BELCOURT: Does my honourable friend think "provincial department" is the proper definition? It does not seem to me to be a very apt description.

Hon. Sir JAMES LOUGHEED: I do not know what the custom is.

Section 1 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

CANADA EVIDENCE BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 156, an Act to amend the Canada Evidence Act. Hon. Mr. Planta in the Chair.

Section 1, the preamble, and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

JUVENILE DELINQUENTS BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 157, an Act to amend the Juvenile Delinquents Act. Hon. Mr. Daniel in the Chair.

Section 1 was agreed to.

On section 2—court may adjourn or postpone hearing:

Hon. Mr. BOSTOCK: What is the object of the postponement under this section?

Hon. Sir JAMES LOUGHEED: It seems to me that that is a power the court should have. Many conditions may arise which would render it desirable that there should be a suspension of action on the part of the court.

Hon. Mr. BOSTOCK: It has not been done before.

Hon. Sir JAMES LOUGHEED: Apparently not; but we live and gain experience by passing through those stages of non-provision, so to speak.

Hon. Mr. BELCOURT: I think that is a very reasonable provision. There may be reasons why a child should not be brought to court.

Section 2 was agreed to.

Sections 3 and 4 were agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

HAY AND STRAW INSPECTION BILL

CONSIDERED IN COMMITTEE—PROGRESS REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 159, an Act to amend the Inspection and Sale Act (Hay and Straw Inspection). Hon. Mr. Donnelly in the Chair.

On section 1—presser of baled hay or straw instead of seller to tag same with his name and address and weight of bale:

Hon. Mr. BOSTOCK: My honourable friend gave us an explanation of this Bill yesterday; but, upon looking into the Bill again, the explanation that he gave does not exactly appeal to me. As I understood him, he said it had been found well to change the word "seller" to the word "presser," because the presser was the man who had to do with the baling of the hay, and therefore was the one who ought to be held responsible for the quality of the hay put into the bale. But could not the farmer be held to be the seller? And would not the man purchasing the hay after it was baled have a right of action against the seller if he was putting into the bale hay that was not as it was represented to be? I do not see that we are making any improvement, because the presser is only a man who is hired for the purpose of pressing the hay. He runs a baling press and puts on a ticket showing the actual number of pounds of hay in the bale.

Hon. Sir JAMES LOUGHEED: This has to do with baled hay only. It has been pointed out that the presser—the man who has assumed the responsibility of pressing the hay, although he may not have actually done the labour—puts this upon the market as his product. It may pass through half-a-dozen hands, and the difficulty would be to throw the responsibility of attaching a tag upon the seller, who knew nothing about the contents of the bale. It was pointed out in the other Chamber that the contents of some of these bales disclosed most astounding articles which could not come under the head of baled hay; for instance, the skull of an ox was found in one bale.

Hon. Mr. BELCOURT: It is something like Mark Twain's jumping frog.

Hon. Sir JAMES LOUGHEED: Yes. I have no doubt the same resourcefulness was applied to the pressing of the hay in question. The hay may pass through half-a-dozen hands, and as the Act stands at present, every seller would have to attach a tag to it, whereas the man originally responsibile for the baling of the hay would assume no responsibility whatever.

Hon. Mr. BOSTOCK: Is it not exactly the same in the case of apples? The original seller of a box of apples is responsible for seeing that the right class of apple goes into the box. He has to see that they are properly graded and marked. The man who first sells that box of apples, that is, the owner of the orchard as a rule, is responsible, unless he takes them to a packing house, when it becomes responsible. In this case the farmer calls in the presser.

Hon. Sir JAMES LOUGHEED: The man who calls in the presser to have his hay put up is the presser; the other man simply does the mechanical work.

Hon. Mr. DANDURAND: My honourable friend touches a very important point when he says it is the owner, in other words, that should be reached. Very often the presser is not the owner. I intend to move a slight amendment which I think will be of some advantage to the country and to the reputation of our Canadian hay on foreign markets. It will be noticed that the word "seller," which is used in section 340 f, is changed to "presser;" so the section will now read:

Every presser of baled hay or straw in Canada shall affix to every bale of hay or straw sold or offered for sale, a tag having thereon plainly written and legible his name and business address, and the weight of the bale.

And there his responsibility ends. He has seen the hay and has done the pressing; all he has to do under this clause is to state its weight. I move to add the words "and grade" after the word "weight." Then it will read: "The weight and grade of the bale."

Hon. Sir JAMES LOUGHEED: Does the Act make provision for the grade?

Hon. Mr. DANDURAND: Yes, under section 340. The presser knows the business thoroughly well and will give the grade. I have been told to-day by a colleague that the presser is often a man who goes from one farm to another, and offers his services to, and has to do the bidding of, the farmer. The farmer says: "You press my hay according to my desires, or I will not employ you." Very often the presser is simply doing manual labour, and moves about from place to place.

I wish also to move to add at the end of the clause these words:

If the hay is pressed for another party the presser shall add the name and address of the owner on such tag.

Then we have got the name of the person who is responsible for its quality. You have the name of the presser; or, if the presser is simply doing the work for another, you have the name of the owner.

Hon. Mr. SCHAFFNER: I do not interpret the word "presser" as the leader of the Government seems to do. I do not know how you are to determine that it means the owner. I take the presser to be the man who presses the hay. I think we should settle the question of whether it is the man who does the actual work or whether it is the owner. I would take the presser to mean the man who does the pressing; and I think it should mean him, because he would know more about it than the owner.

Hon. Sir JAMES LOUGHEED: If there is any doubt about it, we would have to put an interpretation upon the word "presser."

Hon. Mr. DANDURAND: My amendment covers that.

Hon. Sir JAMES LOUGHEED: It is evident that it is the man who places the hay on the market for sale. He would have to be a party in some way to the sale of the hay.

Hon. Mr. PROUDFOOT: Although the pressing of hay is not exactly in my line, I have had a good deal of experience in that regard. In the western portion of the province of Ontario more than half the hay is pressed, not by the farmer, but by a presser who goes around from one farm to another. A hay dealer purchases practically all the hay in one section of the country and sends around a man with a pressing machine. This man presses the hay, and the owner may have nothing whatever to do with the baling of it or with putting a tag upon it. Possibly the farmer sold the hay before it was cut, in much the same way that apples are sold. I think the only person who should be responsible for the weight of the hay is the man who does the pressing.

Hon. Mr. DANDURAND: The mechanic?

Hon. Mr. PROUDFOOT: You can hardly call him a mechanic. These men are supplied with machines and teams and so on, which cost a good deal of money, and they go around from place to place and do the work. The work is carried on as a special business in our section of the country; and those carrying it on are responsible men.

Hon. Mr. SCHAFFNER: What does the "presser" mean?

Hon. Mr. PROUDFOOT: I take it to mean the man who actually does the work of pressing the hay. A moment ago someone referred to the packing of apples, and to the position of the owner of the apples. I will give you an instance of how the law works out in that case. A client of mine, an apple dealer, purchased 1,000 barrels of apples, subject to the stamp placed on each barrel, under the Fruit Act, which stated that they were of a certain grade. He never saw the apples, but simply bought them on the representation that they were of grade so-and-so. He shipped them to Regina, where they were sold. The fruit inspector there made an inspection of the apples and said that they were not in accordance with the grade stamped on the barrel. My client was prosecuted for having sold apples which were not in accordance with the grade stamped on the barrel, and was fined. He had really no defence to the action. I thought it was a case of hardship, and I appealed it to the higher court, which held that he was responsible. We thus see the responsibility that is placed on the owner, and he was called owner simply because he was the owner at the time that he actually shipped. My impression is that the proposed amendment will be of very considerable service; but I am still very strongly of the opinion that the word "presser" as used in the Act takes the place of "owner," and that the presser is the man who will be responsible, and the one who should be responsible.

Hon. Mr. RATZ: I fail to agree with my honourable friend on that point. A presser is simply a man employed by the farmer. He goes around his machine and presses the hay, the farmer employing him and paying him so much a ton for pressing. What difference does it make to the presser whether the hay is good or bad? I think the farmer should be responsible for the grade of hay. It should be sold as first, second, or third quality. The presser has nothing whatever to do with it, so far as I understand, except to complete his job of work.

Hon. Mr. SCHAFFNER: I would like to get an interpretation of the word "presser" in this partiular section, and to find to whom it refers.

Hon. Mr. RATZ: It refers to the man who goes out with the machine.

Hon. Mr. GORDON: The word "presser" can mean only one thing, that is, the man who owns a hay-pressing machine and does the pressing. It could only be the owner of the hay, or some man employed by that owner who had the machine to do the work. I believe that a word should be used to signify the man who grew the hay in the first place, in place of the word "presser."

Hon. Mr. DANDURAND: I am providing for that.

Hon. Mr. GORDON: In regard to the suggested amendment of my honourable friend from De Lorimier (Hon. Mr. Dandurand), I would say that many farmers of this country know nothing about the grading of hay, and in certain localities I am not aware that they have to grade the hay; they simply put it up in bales and sell it for what it is worth.

Hon Mr. DANDURAND: Does the presser know?

Hon. Mr. GORDON: Even the presser might not know how to classify hay; and, while I believe it would be a good thing to have hay classified, particularly for export purposes, I think there are many cases in which it would be a hardship to have any person go to classify it.

The Hon. the CHAIRMAN (Hon. Mr. Donnelly): With the permission of the House I would like to say a word or two with regard to this subject, coming as I do from a section where considerable hay is pressed. There are two different ways of pressing hay. In the majority of cases the hay shipper, as he is called in the country, has a press, and sends out men in whom he has confidence, to do the pressing. The other case is that of a man who owns a press and is hired either by the shipper or by the farmer to press the hay. The construction I would be disposed to put upon the word "presser" in this case is not the man who actually shoves the hay into the press, but the man responsible for having it pressed.

Hon. Mr. GORDON: The owner?

The Hon. the CHAIRMAN: Not necessarily the owner. There must be a place to have the hay inspected, and it is necessary to have a man capable of inspecting the hay. The suggestion has been made that the grower should be responsible for the hay; but experienced men know that hay in different fields varies a great deal, depending on the weather and on the curing. The presser should have knowledge how to put up hay that is of the same grade. I think the word "presser" is the proper word, and the responsibility is on the presser, because he is the only man qualified to say what is in the bundle, as he saw it going in. One bundle might come out all right, while another would be a bundle of damaged hay that should be put to one side. I think the meaning of the word "presser" here is the man responsible for having the hay pressed, and whose duty it is to see that it is pressed.

Hon. Mr. DANDURAND: I would like to ask my honourable friend if he thinks that stating the grade of the hay on the tag is a proper amendment to make? Is there any one better qualified to add the grade than the presser, when he knows the grade through and through?

Hon. Mr. GORDON: There are men who own pressing machines but who do not know much about the classification of hay; they know enough to press the hay, and that is all. Are you going to compel that man to sell his machine, or to be taken as a man who can grade hay?

Hon. Mr. DANDURAND: Surely my honourable friend will admit that the presser, whose business is to deal with hay, is able to say what is prime timothy, No. 1 timothy, No. 2 timothy, No. 3 timothy, No. 1 clover, No. 1 clover mixed, or No. 2 clover. There are inspectors throughout the land. If any one is obliged to send for an inspector to satisfy a purchaser who calls for inspection, then the inspector comes in. On what does he judge that bale of hay—on a theory, or on the contents of the bale? And where has he had any experience? It seems to me that a man who has been a few years pressing hay would be a first-class inspector. Why not tell the presser, whose business it is to deal with hay exclusively, that he should grade his bale?

Hon. Mr. MURPHY: The presser in most cases has almost nothing to do except what he is told. He hauls the machine around from one barn to another, and he puts up whatever a farmer gives him, whether hay, stray, weeds, or whatever it is. We have suffered great disability from hay coming to our province from the province to which the honourable gentleman belongs, and we have probably sent out hay from our own province that is not what it ought to be. There are dishonest people everywhere. This Act has only been in operation a year or two, and it has worked hardship in administration, because a man will sometimes refuse to take hay, saying it does not come up to No. 1, No. 2, or whatever was sold. Now, the word "presser" is interpreted to mean a man who hauls a machine from barn to barn. The word is wrong, if applied to the man who puts up the hay, and if he is required to place his name on each tag and be responsible for the grade of hay which is put up in his barn.

Hon. Mr. DANDURAND: That is why I have moved one amendment which adds to the section the obligation on that party, whoever he is for the moment, not only to state the number of pounds but to tell the grade, and having done that, I will submit this second amendment:

If the hay is pressed by another party the presser shall add the name and address of the owner on such tag.

The Act says that if he presses for himself, then the act is complete, and he does not need to make that declaration.

Hon. Mr. MURPHY: It would be a great advantage to do that. The hay is gathered up through the country from different parties; one man will have ten tons, another fifteen, another twenty, and all these will be put together in carloads; and if the name is not on the tag, how can the hay be traced back to the man who sold the stuff that was not No. 1, No. 2, or No. 3, as the purchaser bought it? There should be some way of identifying the hay and connecting with it the man that put in the trash, instead of putting him in the same class as the one who sold good timothy hay.

Hon. Mr. McHUGH: I do not think the honourable member from Prince Edward Island (Hon. Mr. Murphy) has the right line on this. The farmers do not press the hay for the market. The dealer goes through the country and buys one man's hay for $10 a ton, and another man's for $12, another's for $15, and so on. He has his pressers; he sends the men there and presses the hay; he is the dealer who

ships the hay all over the country to other dealers. Why should the farmer be made in any way responsible? He sells the hay loose, at the press. The party buying it from him judges it when it is in the loose, sees the quality when he is buying, and pays whatever he thinks it is worth. It is questionable how far you may go in this matter. You should be very careful how you describe the presser, because the presser, the man that actually does the work, is a hired man. He may be with one man to-day and with another to-morrow; he is just working for his day's wages; he has nothing to do with the price that is paid for the hay, or the quality of it, or anything else. It is the dealer who goes around and buys the hay and then sells it to the retailers who is responsible.

Hon. Mr. SCHAFFNER: Who must be responsible for the hay, in your opinion?

Hon. Mr. McHUGH: I would say that the dealer who buys the hay loose in the barn and sends his presser there.

Hon. Sir JAMES LOUGHEED: Who should grade it?

Hon. Mr. McHUGH: I do not know who should grade it or inspect it; I think you are going to have a good deal of difficulty in that.

Hon. Mr. WATSON: I understand that the Government appoints inspectors for hay under the Inspection Act, and it seems to me it would be a mistake to change the law at all. The seller ought to be the man responsible. It matters not who is the packer or presser; the man who sells the hay is the one you look to for the quality of hay that you are buying. The Act will be somewhat like mixed hay if you change it. The man who sells ought to settle the grade.

Hon. Mr. MURPHY: The practice in Ontario is not the practice in my province, where the men all get together and press the hay, and you never see it until it is in bales.

Hon. Mr. WATSON: The man responsible would be the seller.

Hon. Mr. MURPHY: The farmer, yes, but the hay all goes together into a carload; how can you settle who sold it? It would not do any man any harm to put his tag on.

Hon. Sir JAMES LOUGHEED: When I introduced this Bill I had not the slightest idea there was so much involved in the baling of hay. I thought I was able to grapple with this amendment, but I am entirely overcome. I move that the Committee rise and report progress and ask leave to sit again.

Hon. Mr. DANDURAND: Then I will submit my amendment.

Hon. Sir JAMES LOUGHEED: Yes, if my honourable friend will place his amendment on the Minutes I will be very glad to submit it to those who purport to be authorities on this subject.

Hon. Mr. WATSON: That is one reason why there should be a Research Council.

Hon. Sir JAMES LOUGHEED: Yes.

Progress was reported.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

FRIDAY, May 27, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

DIVORCE STATISTICS

Hon. Mr. PROUDFOOT presented the 137th report of the Standing Committee on Divorce.

He said: Honourable gentlemen will no doubt be pleased to know that this is the last report you will receive this Session from the Divorce Committee. I desire to present to honourable gentlemen a statement of the number of divorces which have from time to time been granted:

Divorces Granted by the Parliament of Canada

From 1867 to 1877	7
1878 to 1888	19
1889 to 1899	40
1900 to 1910	94
1911 to 1919	236
1920	100
1921 (recommended)	114
Total	610

For 1921

Petitions presented	135
Heard and recommended	114
Withdrawn	2
Not granted	3
Not heard	15
Applicant deceased	1

With reference to one of the two withdrawn, I may say that the petition was heard and fully considered; it gave us a good deal more trouble than any dozen divorce applications which we had during the Session. It was finally withdrawn. There were three petitions not granted; that is, after the hearing of each of the cases we declined to grant the divorces. Of the petitions presented 15 were not heard, and in one case the applicant did not appear, having died in the meantime. Honourable gentlemen will readily see from this report that the present Session has been a record one so far as the granting of divorces is concerned.

Hon. Mr. TESSIER: Big business.

Hon. Mr. PROUDFOOT: I desire also to point out to you, honourable gentlemen, with regard to the sources from which the divorce applications were received, that probably 75 per cent of the cases before the Committee this year arose, either directly or indirectly, out of the war. In future we may expect, I fancy, a considerably less number, the present year being high-water mark.

There is another point in connection with this matter to which I wish to draw the attention of the House. I have noticed on several occasions in the newspaper reports the statement that the Senate had granted twenty or twenty-five divorces in about so many minutes. That is misleading. The Senate Committee never disposes of divorces in that way. Every application had a hearing and the evidence was all received and considered before the case was disposed of. The reporter who sent in a report of that nature was, no doubt, dealing with what was done in the Commons. The Commons Committee do not as a rule go closely into what has been carried on through the Senate, except in some particular case in which a fight is put up. I mention this now so that it may appear on record that all that the newspaper reports meant was that the Commons Committee had passed a certain number of reports which had gone forward from this House.

Hon. Mr. BEIQUE: Is the honourable gentleman able to give the number of cases during the present Session by provinces.

Hon. Mr. PROUDFOOT: I have not that information. It can, however, readily be secured. I may say that we had some for the first time from the Province of Quebec.

The report was concurred in.

Hon. Mr. PROUDFOOT.

BANKRUPTCY BILL

ERROR IN AMENDMENTS SENT TO THE HOUSE OF COMMONS

Hon. Mr. BLAIN moved:

Resolved that a message be sent to the House of Commons informing that House that by mistake there is included among the amendments made by the Senate to Bill 118, intituled an Act to amend the Bankruptcy Act, which amendments were sent to the House of Commons for concurrence, and amendment adding a clause 5-A to the said Bill, being the first of the said amendments, and requesting that the House of Commons will give leave to the proper officer of the Senate to make necessary correction by striking out the said amendment.

The motion was agreed to.

CRIMINAL CODE AMENDMENT BILL

FIRST READING

Bill 138, an Act to amend the Criminal Code.—Hon. Sir James Lougheed.

IMMIGRATION BILL

FIRST READING

Bill 139, An act to amend the Immigration Act.—Hon. Sir James Lougheed.

CUSTOMS TARIFF BILL

FIRST READING

Bill 199, an Act to amend the Customs Tariff, 1907.—Hon. Sir James Lougheed.

INLAND REVENUE BILL

FIRST READING

Bill 200, an Act to amend the Inland Revenue Act.—Hon. Sir James Lougheed.

SPECIAL WAR REVENUE BILL

FIRST READING

Bill 204, an Act to amend the Special War Revenue Act, 1915.—Hon. Sir James Lougheed.

OLEOMARGARINE BILL

FIRST READING

Bill 205, an Act to amend the Oleomargarine Act, 1919.—Hon. Sir James Lougheed.

JUDGES BILL

FREE CONFERENCE REQUESTED

The Hon. the SPEAKER informed the House that he had received a message from the House of Commons 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."

WAGES OF RAILWAY EMPLOYEES

INQUIRY AND STATEMENT

Hon. Mr. BOSTOCK inquired of the Government:

What were the work conditions under which the wages paid to railway employees as given in the return brought down to the Senate on the 26th April last were earned in the following cases:

Engineer No. 1, for July, 1920.
Fireman No. 1, for July, 1920.
Conductor No. 7, for August, 1920.
Brakeman No. 8, for September, 1920.
Yard Engineer No. 1, for July, 1920.
Yard Fireman No. 3, for July, 1920.
Yard Foreman No. 1, for July, 1920.
Yard Helper No. 1, for July, 1920.

Hon. Sir JAMES LOUGHEED laid on the Table the following statement:

Engineer No. 1—July, 1920—wages, $602.23:

	Hours
Average time on duty per day	15
Total time on duty for month	406
Number of days worked, 27.	

Miles paid as follows—mixed train service:

	Miles
Actual miles run	1,512
Constructive miles	2,322
Terminal time	3,279
Preparatory time (13½ hours)	167
Inspection of engine (20¼ hours)	251
Hostling Engine	270
	7,801

Compensation—7,801 miles, at $7.72, $602.23.

Fireman No. 1—July, 1920—wages, $449.33:

	Hours
Average time on duty per day	15
Total time on duty for month	406
Number of days worked, 27.	

Miles paid as follows—mixed train service—

	Miles
Actual miles run	1,512
Constructive miles	2,322
Terminal time	3,279
Preparatory time (13½ hours)	167
Inspection of engine (20¼ hours)	251
Hostling Engine	270
	7,801

Compensation—7,801 miles, at $5.76, $449.33.

Conductor No. 7—August, 1920—wages, $439.10:

	Hours
Average time on duty per day	14¾
Total time on duty for month	412
Number of days worked, 28.	

Mileage paid as follows—mixed train service:

	Through Freight	Way Frt.
Actual miles run	973	1,597
Road Detention	11	457
Terminal Time	1,058	
Constructive Miles	338	44
Yard Switching, 21hr. 55 min.		
Work Train Service, 1,106 miles.		
Time paid for rest en route	769	
	3,149	2,098

Compensation—

4,255 miles at $6.44	$274 01
2,098 miles at $6.96	146 02
21 hrs. 55 min. at 87c	19 07
	$439 10

Brakeman No. 8—September, 1920—wages, $381.05:

Average time on duty per day, 11 hours 30 min.
Total time on duty for month, 345 hours.
Number of days worked, 30.

Mileage paid as follows—

	Through Frt.	Way Frt.	Mixed
Actual miles run	1,244	1.063	294
Road Detention	86	426	157
Work en route	62		
Terminl time	1450		
Constructive miles	1,670	811	
	4,512	2,300	451

Compensation—

4.963 miles at $5.12	$254 10
2,300 miles at $5.52	126 95
	$381 05

Yard Engineer No. 1—July, 1920—wages, $331.35:

Average time on duty per day, 12 hours 50 min.
Total time on duty for month, 308¼.
Number of days worked, 24.

Time paid as follows—

	Hours
Preparatory time	12
Straight time	202
Inspection of engine	12
	226

	Miles
226 hours at 12½ miles	2,852
Hostling Engine	240
Total	3,065
Overtime 85 hours, 25 minutes at 12½ miles	1,068

Compensation—

1,102 miles at $7.20	$ 79 34
1,963 miles at $7.04	138 20
Overtime—422 miles at $10.80	45 58
646 miles at $10.56	68 23
	$331 35

Yard Fireman No. 3—July 1920—wages, $265.38:
Average time on duty per day, 11 hours.
Total time on duty for month, 346 hours.
Number of days worked, 31.

Time paid as follows—

	Hours
Preparatory time	15½
Straight time	250½
Inspection of engine	15
	280¾

	Miles
280¾ hours at 12½ miles	3,509
Overtime, 65 hrs, 35 min. at 12½ miles	820

Compensation—

3,509 miles at $5.60	$196 50
Overtime, 820 miles at $8.40	68 88
	$265 38

Yard Foreman No. 1—July, 1920—wages, $325.98:
Average time on duty per day, 10 hrs. 45 min.
Total time on duty for month, 332 hrs. 35 min.
Number of days worked, 31.

Time paid as follows—

Straight time—29 days at $6.96	$201 84
Overtime—76 hrs. 35 min. at $1.30½	99 94
Acting Day Yardmaster—2 days at $255	16 46
Acting Night Yardmaster—1 day at $240	7 74
	$325 98

Yard Helper No. 1—July, 1920—wages, $301.10:
Average time on duty per day, 11 hours.
Total time on duty for months, 327 hours 50 minutes.
Number of days worked, 30.

Time paid as follows—

Straight time—30 days at $6.48	$194 40
Overtime—87 hrs. 50 min. at $1.21½	106 70
	$301 10

DIVORCE BILL

FIRST, SECOND, AND THIRD READINGS

Bill D6, an Act for the relief of Susan Lee Johnson Bell.—Hon. R. S. White.

THE SENATE

CLASSIFICATION OF STAFF

Hon. Mr. DANIEL moved concurrence in the sixth report of the Standing Committee on Internal Economy and Contingent Accounts.

Hon. Mr. BOSTOCK: I should like to ask the Chairman of the Committee if he can explain the object of two of these reports. One is the report which is now before the House, which is on page 359 of the Minutes, and the other is a report which appears on page 363. Unfortunately, I was not able to attend the meeting of the Committee when this matter was brought up, and do not quite see the connection between the two reports or why the second report is necessary.

Hon. Mr. DANIEL: The first report deals with positions already on the list; the second report deals with new positions to which we have to give our consent.

Hon. Mr. BOSTOCK: But the titles in the first report are the same as those in the second report.

Hon. Mr. DANIEL: They are apparently new positions as far as the Civil Service Commission is concerned, and we have to adopt them.

Hon. Mr. BOSTOCK: There is another question I should like to ask the honourable Chairman of the Committee in connection with this classification or organization: is there any appeal from this to the Board of Hearing? I understand that there is an arrangement whereby appeals can be made to the Board of Hearing after the organization has been adopted by a department. Is there any appeal of that kind from the Senate?

Hon. Mr. DANIEL: I am informed by the Clerk of the Senate that we can appeal to the Board of Hearing if it is so desired.

Hon. Mr. BOSTOCK: My honourable friend said "We." Does that mean the Senate itself as represented by the Clerk of the Senate, or does it apply to the officials?

Hon. Mr. DANIEL: It applies to the individual.

Hon. Mr. BELCOURT: In going over the list I notice that the salary of the messenger who has charge of the wardrobe has been reduced.

Hon. Mr. DANIEL: There is no reduction that I know of.

The motion for concurrence in the report was agreed to.

Hon. Mr. DANIEL moved concurrence in the 10th report of the Standing Committee on Internal Economy and Contingent Accounts.

Hon. Mr. BOSTOCK: In this report I notice the words:

> The above are new classes. The complete schedules, showing definition of class, qualification requirements, and compensation, are attached.

I presume they were attached to the report; but was it thought that they were too voluminous to print in the Minutes?

Hon. Mr. DANIEL: The Clerk informs me that the definitions, and so on, were so voluminous that they were not printed with the report. The compensations are shown here. The other particulars are on file if any honourable gentleman wishes to consult them. I may also inform the House that the Civil Service Commission is printing all these qualifications in a volume which will be obtainable.

Hon. Mr. FOWLER: I do not quite understand this report. The Chief Accountant is here reported as receiving $2,700. Is that the amount his salary was finally fixed at? Where is it shown?

Hon. Mr. DANIEL: The change made with regard to our Accountant is this. He himself wished, and the Committee recommended, that he be classified as Chief Accountant. The Civil Service Commission classified him as Chief Accountant of the Senate, which was an entirely new classification, and the salary attached to the classification "Chief Accountant" was very much higher than that attached to the classification "Chief Accountant of the Senate." So, in order to equalize things, and to do justice to our Chief Accountant, the Committee recommended that he be classified as Chief Accountant of the Senate under the departmental grade of "Chief Parliamentary Accountant, grade 5," which carries with it a salary equal to the salary which he is now getting. That is the reason of the change with regard to the Accountant.

Hon. Mr. FOWLER: Is that satisfactory to the Chief Accountant?

Hon. Mr. DANIEL: Yes, quite. It was done, in fact, at his request.

Hon. Mr. FOWLER: Because he is a very competent officer, and the Civil Service Commission certainly did not classify him according to his ability, nor according to the services that he has to perform. There is no more important official in the service of the Senate than the Chief Accountant. There is another officer who is somewhat dissatisfied with the classification which he has received, and that is the Clerk of the English Minutes and Proceedings and Journals.

An Hon. SENATOR: Who is he?

Hon. Mr. FOWLER: Mr. Jones, a very competent official. He is not only Chief Clerk of English Minutes of Proceedings and Journals, but he acts as Clerk of Special Committees. He has a great deal of work to perform and has had a long training for his work; and it does seem to me that, compared to the salaries that other men receive for services which are not nearly so onerous, and which do not require so much skill as the service he performs, his salary is low. I say it is low in comparison with other salaries that are paid by the Senate—salaries which are fairly generous considering the amount of service performed. I notice that the Curator of the Reading Room is another man who gets pretty small pay. He only receives $80 a month. Does that mean only during the Session, or is it an annual salary?

Hon. Mr. MURPHY: There is a bonus besides.

Hon. Mr. FOWLER: The bonus only lasts during the high cost of living, and butter is down now to about 25 cents a pound. Does he get this for the whole year?

Hon. Mr. MURPHY: Yes. I presume the Curator is the man in charge of the Reading Room.

An Hon. SENATOR: No, he is the Assistant.

Hon. Mr. MURPHY: He gets that the year round. That is not bad pay, with a bonus.

Hon. Mr. SHARPE: He gets a bonus of $300.

Hon. Mr. DANIEL: I think that the Clerk of English Minutes, Mr. Jones, has personally brought his case to the attention of every member of the Committee, and that the Committee are satisfied that his compensation is equal to the services rendered.

With regard to the Assistant Curator of the Reading Room, we were all satisfied that he is a very good official, and we would have been glad to have seen his salary raised; but the Civil Service Commission came to the conclusion that they could not raise his salary so as to make it equal to the Curator's, as would be the case if his salary were raised, so that the Assistant Curator and the Curator would be on the same footing. At the same time, while we were sorry that it could not be done, the Committee did all they could to get it raised; but I call attention to the

fact that the Assistant Curator is getting a bonus of over $300, so that his salary is really over $1,500.

Hon. Mr. FOWLER: How do these salaries compare with those in the Commons? They have four in the Reading Room there as against our two.

Hon. Mr. DANIEL: I think they are about the same.

Hon. Mr. BOSTOCK: I would like to ask the Chairman of the Committee in regard to this question of compensation. Under the heading of Sergeant at Arms of the Senate I read, "The compensation for this class, which is at present," etc. What is the object of raising the salary of the Sergeant at Arms in this case?

Hon. Mr. MURPHY: That comes in the ordinary way, I guess, according to classification.

Hon. Mr. DANIEL: I do not think the classification has been changed.

Hon. Mr. BOSTOCK: We have made a change, have we not, by appointing an Assistant Mace Bearer? Can the honourable gentleman tell me what are the duties of the Sergeant at Arms now?

Hon. Mr. MURPHY: I would ask if the duties are not defined by the regulations of the Senate, or by some statute or some principle that we may go on? I think when a man is ill we should take no exception to anything that can be done to relieve him.

Hon. Mr. DANIEL: The Sergeant at Arms is now drawing $2,800, and has $80 more before he reaches his maximum.

Hon. Mr. FOWLER: We seem to be getting along pretty well without the usual services of the Sergeant at Arms. Why raise his pay because he does not attend the House? My honourable friend is very generous in voting away the people's money; perhaps he would not be so generous in voting away his own. I think that when a man who is able to perform his duties acceptably, and does so, is put off with a salary of $2,280, while a man who is not here at all gets a salary of $2,800 and has it raised, it certainly looks as if an invidious distinction were being made between the two, and I want to know the reason why.

Hon. Mr. MURPHY: The honourable gentleman—

Hon. Mr. DANIEL.

Hon. Mr. FOWLER: I was not asking you; I was asking the Chairman.

Hon. Mr. MURPHY: I have as much right to speak as the honourable gentleman or any other gentleman in this Chamber. If a member were ill would he take any exception to this House voting him his $4,000?

The motion for concurrence in the report was agreed to.

NATIONAL RESEARCH BILL

FURTHER CONSIDERED IN COMMITTEE

The Senate again went into Committee on Bill 116, an Act to amend the Research Council Act and to establish a National Research Institute.—Hon. Sir James Lougheed. Hon. Mr. Daniel in the Chair.

Hon. Sir JAMES LOUGHEED: When the House was last in Committee on this Bill there was an amendment moved by my honourable friend from De Lorimier (Hon. Mr. Dandurand), and the House was about to consider that amendment to my motion for the adoption of section 13.

The Hon. the CHAIRMAN: There is a motion before the Committee to adopt section 13, and in amendment to that it has been moved by the honourable member from De Lorimier that the whole of Part II be deferred, with the exception of section 20.

Hon. Sir JAMES LOUGHEED: Without desiring to enter upon a fresh discussion of the subject—because I presented my views to the House I think on three or four occasions—I might say that the reservation of the last section would not be of any particular advantage, because if it is the sense of the House that Part II should be stricken out, it seems to me that I should have to ask the leave of the House to withdraw the Bill, inasmuch as we already have in the statutes of 1917, chapter 20, what would practically be the same as Part I.

Hon. JOHN S. McLENNAN: Honourable gentlemen, before the motion is put I would like to say something upon this subject, which is perhaps as well fitted for discussion in the Committee stage as some other phases which have already been debated. It seems to me that we have overlooked the amount of work that has been done in another place on this subject. It is my opinion that on a matter like this which is novel, which is somewhat complicated, which differs from most subjects with which our minds are oc-

cupied either as Senators of Canada or in our private affairs, it would have been most desirable to have had the subject taken up by a joint committee of the two Houses. Failing that, I think the duty falls on us to consider very carefully the report of the Committee appointed and working in another place. It is quite obvious that that report goes very thoroughly into the question. Witnesses were examined, not only men representing the scientific side of our greatest educational interests in Canada, but several men who were brought from the United States and gave testimony along these lines. It is quite evident from that report that the Committee did not begin its work, so far as all its members were concerned, with any bias in favour of establishing the Council; but it is quite evident that before their sittings were completed they all agreed as to the establishment of the Institute proposed in the second part of this Bill.

The Committee made its report, which was exhaustive; it went before, and was unanimously adopted in, another place; indeed, since I have been in the Senate, I have never known such unanimity as was found in the remarks made in that other place on this subject, except when the Parliament of Canada was welcoming some distinguished visitor from abroad such as Monsieur Viviani or Mr. Balfour, or in accepting the Speaker's Chair the other day. If honourable members will turn to the Debates of the 7th of May of last year, they will find that the report of that Committee, on which the present Bill is based, was found acceptable to both sides of the House, and was not criticised. This, it seems to me, gives it such importance that I think we should be very careful how we deal with a Bill of this kind.

It seems to me, also, that the great thing we need in this country at this time, with the burdens we now have to bear, and will have to bear for generations, is increased production, not only in the primary products of our fields and forests, but in carrying that production to the very highest stage of development, so that instead of selling raw materials to other countries for them to work up, in order to pay our debts, we should increase the national wealth by selling all those products in the very highest stage of development that can possibly be reached in this country. We require also the elimination of waste, and the turning into riches of material that is now burned up or is allowed to rot, or that runs to waste in our rivers. These are the directions in which an enormously increased amount of wealth can be produced in Canada without exhausting any further our natural resources. Such increase of wealth means that we shall have to invent and develop new processes, and this can only be done by developing research, which is beyond the capacities of industrial organizations, and demands co-operation with someone in the lead. We are all proud of those of our forebears who were pioneers in the development of this country, who made homes in the wilderness, and brought Canada to its present stage of development. In the same way, the man of science is the pioneer of a settled and industrial life, who goes forward and brings back riches by processes he has discovered. For this reason he is a man of enormous importance to the development of the country's riches, upon which so much depends—upon which we may say everything depends; because we not only have present obligations, but we need as much as we can possibly get for the development of the country along new lines as well as old.

I think that what brings home the necessity for higher education is the fact that in the United Kingdom, in Europe, and in Canada to-day the universities and technical schools are crowded to their doors. The great universities of England have no room for the men who are coming. That is one of the products of the war, in which it was brought home to every man who fired a shot, to every one who had to supply instruments of precision, that much of the scientific knowledge which in its original form seems far beyond practical applications, of which you will find in this report many an example, was absolutely necessary. They found in the stress of war that they as individuals, and we as individuals, did not know enough.

The chief argument against this proposal, as I gather from the debate in this House, was that, whatever opinion the House might have as to the desirability of establishing this Institute, the present time was inopportune on account of the expense. I hold, as firmly as any man in this House does, the opinion that we as a people, both through our Government and individually, are spending too much money; but it seems to me that it is undesirable that we should begin retrenchment with this thing, which promises a greater return than any other similar kind of undertaking. We might have cut down on a

number of things. We do not need to dwell in marble halls. However that may be, the results that are promised, and the results that have already been achieved, ought to be borne in mind. Think, honourable gentlemen, of the fact, which seems to be throughly established now, that the lignites which underlie so large a part of the Northwest Provinces, can by a process worked out by men of science and by industrial engineers be made available as a fuel which is perfectly satisfactory and will be cheap. That is an enormous advantage. I am told that this Institute has in process, and very near completion, the remedy for two things which seriously affect our great seaport industry, fishing. I refer to red-spot in cod and to what is called black-spot in canned lobsters. Other members of this House know better than I do how vastly important the elimination of those will be. I understand that the investigations are nearing completion, if they have not already been completed, which will lead to a complete triumph over those diseases, which to so great an extent have lessened the value of our fisheries. Similar processes will go on with regard to other things, and for us to defer, possibly for a year, or indefinitely, the carrying on of such work as this—not only the work that is actually going on, but the work which will be developed, and which has appealed not only to men of science, but also to most of the organizations in the country, such as boards of trade, Canadian clubs, Kiwanis clubs, etc., and has already secured the gratuitous services of over one hundred Canadian men of science—is in my opinion a poor way for us to begin our retrenchment. It is not altogether fitting that we should overlook completely the work that has been done, thoroughly and with entire unanimity, in another place. Therefore it seems to me that, even if the proposed expenditure were vastly larger than is now intended, we would be perfectly justified in carrying on this work. The country needs it, and all those who have given encouragement and thorough attention to it seem to think it is desirable.

We have done a good deal in the way of training men for work of this kind. The scientific spirit exists in Canada. Men have been trained along scientific lines. This report shows how many of our Canadian people did excellent work in Great Britain during the war. They were called from Canada to help in the scientific developments of the war. Man after man is mentioned here. But the point to which I want specially to draw your attention is that, with this absolute certainly that we have the right kind of men we want those men to work, so far as possible, at home. Edison, who is one of the greatest inventors that this continent has ever known, was a Canadian. And Bell, who has done more than anyone else for the transmission of intelligence from one person to another, spent all his early years in Canada. The great Mellon Institute in Pittsburg, which is referred to over and over again in this report, was organized by a Canadian professor.

In the course of this investigation one of the witnesses examined, whose whole evidence is extremely interesting, and who, although a namesake of mine, is, I regret, not Canadian-born although living in Canada, says this:

> When you look over Canada you find you have two great factors available. You have a considerable amount of labour here, and you have intellect—none better in the world. I speak of that from actual contact with it, and from knowledge of it. You have a virility, a freshness of mind, a broad outlook, and a resourcefulness which is not excelled in the whole world to-day. That is my deliberate opinion, based on a consideration of actual results achieved.
>
> But you are not utilizing both of these resources to the limit. Some years ago I had an opportunity of looking into this subject, and I tabulated a list of the distinguished graduates of the universities of this country who had left Canada to go to the United States to occupy academic and scientific positions, and that list was published in one of the Toronto papers, one name after another, and it filled the whole page. There were hundreds of the brightest intellects this country has ever produced who had to go to the United States to earn a livelihood, and they are there still helping to staff the universities and assisting in building up the great industries of that country. You lost, in my judgment, a considerable portion in that way of the best and most vitalized product that this country ever produced. That same movement is going on to-day and at an ever-increasing rate.

This Bill, carefully thought out, based on evidence, and as a result of that evidence satisfactory to the people who will work out the scheme, and for the most part work it out without a salary, is a step by which we can keep those men at home, and I think, honourable gentlemen, that instead of waiting till some later time we ought to make it now.

Hon. Mr. BOSTOCK: Did I understand the honourable gentleman to say that the men working in the Institute would work without salary? I do not think that is the case.

Hon. Mr. McLENNAN: Not the Chairman, but the subsidiary people.

Hon. Sir JAMES LOUGHEED: The members of the Council.

Hon. Mr. McLENNAN: Yes. There are literally, I think, 101 men working on the various committees who are not paid.

Hon. F. L. BEIQUE: Honourable gentlemen, I agree with the honourable member who has just spoken, in this respect, that I shall be glad to see the day when the country can afford to establish an institute of scientific research on a proper basis; but I do not agree that this Bill has been properly thought out, or that the time has come when we should enter into the large expenditure which this measure would involve. We were told that the Conservation Commission should be abolished because the work was duplicated, and that Commission has been or is being abolished. What do I find in reading this Bill? Not only is an organization which is practically to a large extent a Conservation Commission being established, but under this Bill there are to be two different bodies. One is the Council, which "shall consist of not more than fifteen members," and this Council—

—shall have charge of all matters affecting scientific and industrial research in Canada which may be assigned to it by the Minister, and shall also have the duty of advising the Minister on questions of scientific and technological methods affecting the expansion of Canadian industries or the utilization of the natural resources of Canada.

The members of the Council, with the exception of the Chairman, are not to be remunerated. Apart from the Council we have the creation of a National Research Institute, which is to be composed of a Director and of a staff consisting of "such scientific and technical and other officers, clerks and employees as may be necessary for carrying on the work of the institute."

If we turn to section 14 we see that the Institute is charged with doing practically the same work as is to be entrusted to the Council. So we have a Council presided over by a Chairman, who will be remunerated; and, aside from that, we have an Institute, which is to be presided over by a Director, who shall direct and control its work:

The control and direction of the work of the Institute shall be exercised by the Council through the Director, or, in case of illness, suspension or absence of the Director, or in the case of a vacancy in the office of Director, through an acting Director temporarily appointed by the Council.

I fail to see that there is any harmony in this Bill, and that is one reason why I would not be in favour of it.

But there is another reason. I am satisfied that the establishment of a proper research institution of this kind would entail an expenditure of millions of dollars. For one who has any idea of what is meant by the establishment of scientific laboratories, it is easy to understand how much expense will be involved. We have in this country, as I understand, only two institutions which are in a position to do scientific research, namely, McGill University and Queen's University. They have heretofore been helped by the Government and by the Canadian Pacific Railway Company. The Canadian Pacific for a number of years has contributed I think, two millions and a half to each of those institutions for the purpose of assisting the researches which have been made; and the Government has done the same thing—I forget to what amount. I think that for the present, when we ought to curtail the expenditures of this country, we should bide our time and leave those two institutions to carry on their research work, instead of entering upon such a large expenditure as would have to be incurred under this Bill.

Hon. C. P. BEAUBIEN: I for one would certainly attach a great deal of importance to what has been said to the effect that after the war, loaded down as we are with a heavy debt, we cannot afford to spend lavishly the money belonging to the country. I readily admit that. It seems to me, however, that the honourable gentlemen who have taken that position exclusively have not perhaps given to this measure all the attention and study that it really deserves. I should like to amplify briefly what has been said by the honourable member for Cape Breton (Hon. Mr. McLennan). This measure comes to us very highly recommended. It comes with the recommendation, first of all, of five ministers of the Crown, who were members of the Honorary Advisory Council. One of the Ministers we count amongst our own members—one of ourselves. It comes also with the recommendation of twelve scientists whose names are widely and most favourably known throughout the country. These gentlemen have for four years devoted a large portion of their time to preliminary work, which has led to the conclusions set forth in the Bill. I will name these gentlemen. It is worth while, be-

cause the fact that for four years they have devoted the best of their time and attention to the project which has now taken the form of this proposed legislation may induce honourable members of this House to consider it a little more favourably and to bestow upon it some measure of generosity, such as this Parliament should show to projects of this kind. First of all, there is Dr. Macallum. I do not need to say who he is; his name is known from one ocean to the other, and he now occupies a very high position. He has been selected by the Rockefeller Institute to make an investigation in China. Then there is Dr. Adams, who is Dean of the faculty of Applied Science of McGill University. And Sir George Garneau. To the members from the Province of Quebec it is sufficient to give his name. He is one of the most distinguished chemists that we have in this country. Then there is Mr. W. L. Goodwin, of the faculty of Applied Science of Queen's University. There are Mr. Lloyd Harris, a very well known industrial man of this country; J. C. McLennan, Professor of Physics and director of physics laboratory, University of Toronto; A. S. Mackenzie, President of Dalhousie University; W. C. Murray, President of the University of Saskatchewan; R. A. Ross, consulting engineer, and very well and favourably known in the City of Montreal; R. F. Ruttan, Professor of Chemistry and director of chemical laboratories of McGill University; Arthur Surveyer, consulting engineer, of no small repute, of the city of Montreal.

This Bill is the result of the painstaking labour of these gentlemen, who for four years have devoted their time to the interests of this country without exacting any compensation whatsoever.

The suggestion coming from this Advisory Council was referred to a Committee of the House of Commons. I do not intend to name the members of that committee; but if my honourable friends on the other side knew—I am somewhat under the impression that they do not know—who composed that House of Commons committee which for two years studied this proposal and unanimously recommended it to the Commons, who in fact adopted it with the greatest unanimity, they would change their minds a little as to the usefulness, timeliness, and urgency of this measure.

The committee of the House of Commons did not proceed without all the information necessary for dealing with a project of such great importance. What did they do? They called in as advisers men of science who are known from the Atlantic to the Pacific—men not only from our own country, but also from the great republic to the south. Amongst the well-known men living outside our borders who appeared as witnesses before the committee was Mr. Hamor, the Assistant Director of the Mellon Institute of Pittsburgh, an institute known the world over for the excellent work it has performed in the past thirty years. The Committee also called in Dr. Stratton, Director of the Bureau of Standards, of Washington, D.C., a very distinguished man at the head of a very important institution of the same kind in the United States. What was the report made by this committee? I beg of my honourable colleagues a few minutes of patience while I take the liberty of reading a part of their report. It seems to me this is the quickest and most adequate way to cover the ground. This is what the report says in part:

> Your Committee, the majority of whom served in a similar capacity last year, having further considered the whole matter in the light of the evidence and material already adduced have no hesitation in stating that the urgency of action to be taken to establish a National Research Institute to promote scientific and industrial research in Canada is patent to all who know what is being done abroad in this line.
>
> There is in Canada no organization which even distantly approaches the character of any of the research institutes established abroad or now being established.
>
> Great Britain has the National Physical Laboratory at Teddington, near London. Germany has two research institutes, one physical and the other chemical. In France and Italy measures are being taken to organize research institutes. The United States has a National Bureau of Standards at Washington, to which is also now attached a laboratory building of exceedingly ample accommodation, to be devoted to industrial research. The amount spent by the Bureau exceeds two million dollars a year. The Commonwealth Government of Australia is establishing an institute of science and industry. An institute for research known as the Cawthorn Institute is being established at Nelson, New Zealand, by private benefaction. Japan is founding a National Research Institute, for which already ample funds have been obtained from the Emperor, the Government and from private sources.
>
> It is evident, therefore, that Canada, to meet the international competition which the work of these laboratories will serve to accentuate very greatly, must have a National Research Institute, which will place at the command of the country all the resources of science and further the development of the natural wealth of the country to meet the huge burden of debt imposed by the war. The developed wealth of Canada, as compared with that of the United States, is small. If the natural resources of the Dominion, were appropriately utilized, its developed

wealth might readily be as much as ten times what it is now. The conversion of our natural resources into developed wealth, however, can only be accomplished through the application to them of science of the most highly advanced type.

To take one instance, only, to show how vital research is to Canada, it may be pointed out that the high grade iron ores of the world are being exhausted, and, in consequence, the lower grades must in the very near future be alone available. Of these Canada has an enormous supply in areas distributed from the Atlantic to the Pacific. We are to-day importing annually at least $150,000,000 worth of ore, iron, and steel, and their products.

I think last year it was very close to $200,000,000.

If research could show us how to utilize commercially our own low-grade iron ores in competition with foreign high-grade ores we would not only build up important mining and manufacturing industries throughout Canada, but as well avoid remitting vast sums abroad.

It may be pointed out also that in Great Britain the industrial firms in a large number of lines of industry are now being organized under the auspices of the Department of Scientific and Industrial Research into Trade Associations for Research. These industries will thereby be put in position of enormous advantage as regards production. The National Research Council of the United States is organizing similar associations in the United States to meet competition from abroad. In Canada the organization of similar bodies, "Guilds for Research" must be encouraged by being associated with a National Research Institute.

Your Committee believe the first step towards providing for the research required is the establishment of a National Research Institute whose functions will be to carry on researches, not only parallel to those of the Bureau of Standards at Washington, but such also as will assist in the development of the natural resources of the country, and will promote the application of the most advanced scientific knowledge to all lines of industrial production in Canada.

Hon. Mr. TURRIFF: Will the honourable gentleman say what report he is reading from?

Hon. Mr. BEAUBIEN: I am reading from the report made by the Special Committee of the House of Commons.

Hon. Mr. TURRIFF: What is the date of it?

Hon. Mr. BEAUBIEN: The 27th of April, 1920. This report was submitted to the House of Commons last year, and was unanimously approved; and the measure came up again this year with the result that it was equally unanimously accepted and sent to this House. Therefore I think I am right when I say that I think this measure deserves from us more than passing attention. It comes to us backed by the best knowledge we have in the country; it comes after two years of study by the three parties in the other House; and it seems to me that if there was any chance of waste or loss of money, the measure, being a Government measure, might have met very serious criticism, if not from their direct opponents, from those situated diagonally from the Government.

Now, honourable gentlemen, the position is simple. War has not only impoverished every country in the world, but has rendered efficiency in every nation an absolute and urgent necessity. We cannot waste as we have done in the past—and I do not think any nation has wasted so much as our own in the last fifty years. Why, I am told that in two paper plants we are still wasting enough wood alcohol to provide all that would be required throughout the country for our industrial needs. But still the loss continues.

The honourable gentleman who spoke a moment ago in favour of this measure spoke of lignite. The Advisory Council, without being paid one cent, experimented with lignite, and with what result? The result is that now they are making briquettes of lignite which are equal in value to anthracite, and much lower in price. If that is the case, as I have no doubt it is, it seems that the solution of our great problem as to the importation of coal from the United States has been found. Every year this country is impoverished to the tune of $100,000,000 which we spend in the United States for coal; and we could get an equivalent fuel, and get it immediately, if the process which is now being applied with success were applied throughout the West, where there are enormous quantities of low-grade coal.

The same remark applies to peat. I see some doubt written on the faces of some of my honourable colleagues in this House. But what is the fact? The men who have given their time to the country for nothing for four years have made enormous strides in the development of the process required. Last year they sold no less than 5,000 tons of peat of excellent quality at $5 a ton; and they could have sold much more if they had been able to manufacture it. This year they are going to sell not less than 10,000 tons. What does that mean? It means everything. We have peat in enormous quantities in all parts of this country. Gentlemen belonging to the Advisory Council have made three machines—one for a small, one for

a medium, and one for a large bog; and, when that process is brought to perfection, fuel can be taken from almost any part of this country and made available at a very low cost.

But there is more. If we must fully develop our natural resources, and stop absolutely the losses that we have been incurring, there is something equally pressing. Practically all the other countries of the world, taking example from Germany which, after all, has led in organization for many years, are bringing together all the different industries to a central focus of science. These industries bring their problems to the Institute and get them solved. In order to give you a better idea of how this Institute works, allow me to quote from a speech in another place. I think the words used there will show better than I can exactly what benefit may be derived by industry from such a Research Institute:

Some question was raised as to the exact working of the institute, and I thought it would perhaps make it more easily understandable if I explained for a moment how that is done in the neighbouring republic. Take, for instance, the Mellon Institute, Pittsburg, which while its overhead is paid by the munificence of two prominent bankers—one of whom, if I am not wrong, is now the Treasurer of the United States—is otherwise managed on a commercial basis. There you have a huge building, divided into laboratories with a highly trained scientific staff in charge, and the associations of industry of the country are free to go there and, if there be room, to either place their own scientist or have the institute select a scientist to solve the problem in which they are interested. They pay the entire expense of the scientist and in addition a share of the expense so far as heat, light and power are concerned. A significant thing, which the minister has touched on, is this: the Mellon Institute will not take a research problem on for less than one year, and it strongly advises a period of two or three years towards an effort at solution. Well, an association applies—for instance the Laundry Association which contains some 1,800 members scattered all over the United States—and secures a scientist to investigate its problems. What happens? If there be room this man will first confer with the heads of the institute. Next he will go to the well-equipped library with which the institute is furnished, and for a week, or two weeks, or three weeks will study the situation from the point of view of present knowledge. When everything in that respect has been ascertained he will go to one of the member factories of the association so as to get a practical knowledge of how the problem is affected by every day working conditions. That may take one or two weeks. Then back he will come and establish himself in the laboratory and with the advice and assistance of a wonderful band of young and energetic scientists he will go to work and in the most extraordinary fashion, solve what were at one time considered insoluble problems.

This is exactly what it is sought to do now. I do not think it is at all the plan of those who recommend this legislation to set up an expensive laboratory and machinery that would cost many millions. That is not the case. The purpose is to erect a large and well-suited building, divided into laboratories, and to have only those utensils or machines which are absolutely necessary, and then to turn them over to the use of private industries. Of course, a staff will be required. No institute like that can get along without a very competent staff. There will be a first-class man at the head of it, who will surround himself with young men who to-day, in order to find some occupation after they have acquired knowledge in the universities, are obliged to expatriate themselves and go to the United States. What was the condition of things four years ago when the Advisory Council was asked by the Government to try to form an association into which could be brought all those who could make an investigation for the Government? They found that practically every man of value in this country who had graduated from our universities, which are excellent in their teaching, had been obliged to go and seek their occupation in another land. But what can you do with these if you have no workshop in which to set them to work? Do you want them to build up the industries of other countries, or do you want them to build up your own industries? —that is the question. Do you want your men of brains to work with your neighbours in competition against you? That is the question, and it is a simple one. I know that we have no money to spend uselessly; but is there one need that is more pressing than that of research in our country, where we have so much to develop, so much loss, so much waste of material and where our industries have been practically drifting because—let us admit it—they did business too easily before the war? Our industries need to be whipped into shape, brought into line with the best possible methods. In fact, there is not a country in the world which so much requires and deserves an institute of this kind as Canada.

Gentlemen, I have the greatest respect for some honourable members who have spoken here, because I know they are honest, and although some of them are professional men they are still directors of industrial life. But I put it up to them: is it fair for them, after spending an hour or two on this Bill, to set up their own judg-

ment and knowledge against that of those twelve men who have been working for four years on this idea, who are specialists in what we want to accomplish? Let me add this. The people of our country are now very easily educated; newspapers circulate everywhere, and public opinion is behind this measure. Therefore I ask you to allow me to make another quotation in reference to public opinion on this proposal. This is what was said by the chairman of the Committee of the House of Commons when he reported on the measure:

> Almost every board of trade in the country and many other bodies besides have passed resolutions of the strongest character in favour of the Institute.

But, gentlemen, this measure is supported not merely by the most highly educated class of the country. Let us go to labour. The honourable Minister of Labour is here, and I am sure he will be ready to subscribe to what is said as to the approval given by labour to this measure:

> Labour, too, has expressed itself in unmistakable terms, in favour of this Institute. The Congress of Labour and other labour bodies have passed strong resolutions.

One objection has been made which I admit impressed me as being of great importance, and for a while I wavered over it. The objection was this: "You have now centres of learning—your universities; why don't you contribute to their funds—it would not cost as much—and you will have an excellent result?" I will not give my own answer to that objection; I prefer to give the answer of a university president. No man was more interested than he was in urging the Government to make grants every year, to give bursaries or scholarships, to his own university. But what does he say, gentlemen? This is what President Mackenzie of Dalhousie University says:

> That is one point of view. I would like to lay before the committee another point of view. Suppose you selected three or four universities throughout the country and said: we will subsidize these only. I am assuming now that subsidizing research in universities is a good thing for industrial research. Suppose you did subsidize them, what I want to bring out is that every one of these universities would feel that it ought to be able to take up any problem, whether in rubber, in electricity, or in biology —make it as diverse as you like—and for them to be satisfied or to be effective they would wish to be so organized and so staffed and equipped that they could take care practically of any problem that might arrive, not only in their own neighbourhood, but throughout the country. That meant what? It meant that you would require to have not one large central institute, as we propose, but a central institute at every university. The economic significance of this phase of the matter is so obvious that we felt we could not lay before the Government a proposition which meant establishing as many research institutes as there were universities, and which would result in continuous insistent calls and demands upon the Government.
>
> There is one other phase of the question that I wish to bring out. It is not only that this would not be a proper proposal financially to lay before a government, but from the standpoint of the majority of the Council—I might say almost the entire Council, representing, as I have said, as many university men—

And I must add that the majority are university men, representing, as I have said, so many institutions of learning—

> —it was clear that it would be bad for the universities, and not the best thing for industrial research. I feel that to saddle the universities with the problem of carrying on the industrial research of the country would be subversive of the best interests of the universities, and would not be conducive to the best kind of industrial research, for this reason: it has already been brought out, but I think it needs emphasizing—the whole strength of a university's research lies in its perfect freedom, in its being absolutely untrammelled.

But if you do not confide to the universities this work of industrial research, which is absolutely necessary and urgent, where are you going to do it? Assign it to the industries of this country? They are not strong enough, even in the republic to the south, where their capital is a hundred times what ours is. They are not powerful enough in Great Britain, where they are immensely more wealthy than our own. Why, in Great Britain, when industries form themselves into guilds, the Government grants to each of them a very large appropriation every year to make such researches. What would you do?—would you adopt the same plan? Would you get all your firms whipped into line, get them to join, and then give them a subsidy which you could not easily control? If so, what would be the result? Then you would have ten, fifteen or twenty centres of research all through the country, whereas you could have had one with the best possible knowledge at your disposal, with the best men in the country absolutely under your control; and there you could find the solution to many a problem urgently required, not only in the development of the country, but in methods to stop waste, and in perfecting and harmonizing our industries and making them more efficient throughout the whole Dominion.

For these reasons, honourable gentlemen, I hope that this measure will be allowed to pass. If it is not, I cannot but feel that this House is assuming a very serious responsibility.

Hon. J. G. TURRIFF: Honourable gentlemen, my honourable friend who has just spoken has given some very good reasons for going on with this Bill; but still I do not think they are sufficient to justify the country at the present time in proceeding with this project. I am rather inclined to be in sympathy with the amendment that will cut off the second part of the Bill. My honourable friend quoted very largely from a report made to the House of Commons a year ago last April. Well, the conditions have changed a good deal since that time, for the Minister of Finance then stated that we were through with adding to our debt, and that from that time forward we would pay as we went along, and would begin to reduce our debt that had been piled up during the war. But what has been the result? We are in a very different position to-day: our debt is over $100,000,000 greater than it was a year ago, with every prospect of our finances going behind this year from $120,000,000 to $150,000,000. While this report was made at that time in good faith, present conditions are so different that it is a serious question whether we are justified in going on and undertaking what is bound to be a tremendous expense year after year, and something about which the Government is not able at the present time to give us any definite information.

Hon. Mr. BEAUBIEN: Would my honourable friend allow me? It is true that the report was made last year, but it was brought up again this year, and on the 28th of April, 1921, it was submitted to the House, debated, and accepted unanimously.

Hon. Mr. TURRIFF: That may be, but at that time they possibly did not know that we were going to lack so much in revenue, or to go back further to the extent of over $100,000,000 during the present fiscal year. Therefore it seems to me it would be a policy of wisdom to go easy on this matter. There is no great rush for it. My honourable friend pointed out what may be done in the way of treating iron ore. Well, we now bring the ore from Newfoundland to Nova Scotia, and we have one of the best deposits of ore on the face of the earth, and not low-grade but high-grade ore. It is landed right at the smelters, and the limestone is landed right at the mouth of the coal pit; and they claim, or at least they did claim, that they could manufacture steel cheaper than at any other place on earth.

Hon. Mr. McLENNAN: They said pig iron. They still make pig iron, but not steel.

Hon. Mr. BEAUBIEN: I do not want to interrupt my honourable friend, but I know he does not want to create a false impression in this House. Does he know that practically 96 per cent of the iron ore is imported into this country?

Hon. Mr. DANDURAND: From Newfoundland.

Hon. Mr. TURRIFF: Yes, I said the ore was brought from Newfoundland. The ore is not Canadian ore, but it is landed in Canada very cheaply, and it is manufactured in Canada, and they claimed they could make the cheapest steel on earth. My honourable friend says that they manufacture pig iron. I was down there and went through the mills, and I saw them manufacturing ship-plates; they were not manufacturing very cheaply though.

Hon. Mr. McLENNAN: I said that the claim was that they made pig iron cheaper than any place on earth, but that the cost of converting that pig iron into steel prevented them from saying that about steel. They make excellent steel, however.

Hon. Mr. TURRIFF: I accept my honourable friend's correction. What is this Research Council going to do with iron and steel? If you cannot make cheap steel where you are getting good ore delivered very cheaply right at the smelters, which are right at the mouth of the coal pits, with a mountain of limestone right beside them, how are you going to make cheap steel out of poor ore and compete with the world? That is what bothers me; and I do not think we are justified in going into greater expense in order to test that out, at least at the present time. As to wood alcohol, the people of Canada do not want any information; they know that wood alcohol can be saved, but why do they not save it? They do not need any reports from the Research Council as to that.

Hon. Mr. BEAUBIEN: Because we have not found a way of utilizing wood alcohol, for instance, for motor or other purposes for which petroleum is now used; that is the reason. But we are coming to that, and we shall reach that point sooner if we have scientists working on the problem.

Hon. Mr. TURRIFF: I have no doubt that this Research Council would be a good thing, and that those men who are re-

commending it are doing so in perfectly good faith, and that they are able men. My honourable friend states that we are educating young men in our different universities, and they cannot get any work in Canada, and have to go to another country, meaning the United States, to get employment.

Hon. Mr. BEAUBIEN: In research work, I say.

Hon. Mr. TURRIFF: My honourable friend did not put it that way. I know that there are many hundreds and thousands of scientific American experts in various lines who come over from the United States and locate in Canada and get work here. So that while we send men to the United States, many of the same class from there come and work in this country.

My honourable friend refers to the work these scientific men have done for nothing, and says that now they come asking that this project be put through; but I would point out that while those twelve good mer make recommendations, we have to pay the piper. That is the whole question, to my mind; and the ground on which I am going to vote in favour of the amendment is that, however good the idea may be, it is not advisable to go on now, considering the present financial condition of the country, when two or three years after war has closed, we are going back hundreds of millions of dollars every year. It seems to me that this is a time to practise economy, and not go into an expenditure of this nature, when we have no idea what the end will be. Once you start and sink a few millions, you must go on and keep the institution going, whether we get the results or not. I think it would be very advisable for the Senate to let the matter wait for at least another year. There will be no great loss, and we may save a good deal of money.

Hon. Mr. McLENNAN: With reference to the question of iron ore, I would like to say that there are on the north shore of the Gulf of St. Lawrence enormous deposits of extraordinarily high-grade ore that only require the sand to be dug out in order to be utilized.

Hon. F. L. BEIQUE: I would join with the honourable gentleman from Montarville (Hon. Mr. Beaubien) in going into this project if we could commence by finding cut the amount of expense that will be involved; but I am not willing to start out without being informed at all, and it is claimed that we are not. We should know the expense involved in erecting proper buildings, in furnishing suitable laboratories, and in setting up an efficient Institute. The honourable gentleman has referred to matters which are not very good examples, in order to establish the point he wanted to make. He referred to peat. Well, that investigation was made in this way. Officials of one of the departments went to Norway and Sweden and ascertained under what conditions peat was treated, and by making experiments here for a number of years they have obtained valuable results. The honourable gentleman refers to alcohol. Well, that is in the same line. As a matter of fact, I have in my desk—

Hon. W. B. ROSS: What—alcohol?

Hon. Mr. BEIQUE: —a report which was made three or four years ago, stating the expense involved in the matter and the results which might be expected. This is work which has been done for a number of years in Germany and Norway and Sweden. All is known about it. Science is not involved in that. I am a believer in scientific research, and I believe that as soon as it can afford to do so the country should establish an Institute of this kind; but we must go slowly about it and have the proper information before embarking upon unnecessary expenditure. When I suggested that for the time being the matter be left with the two universities I mentioned, it was with the idea of recommending, not that all universities go into scientific research, but that, as we happen to have two universities that are now equipped with the proper laboratories for investigations of that kind, we could afford to wait a while and let the work be done by them in the meantime.

Hon. Mr. BEAUBIEN: I want to add just one word, perhaps to enlighten my honourable friend, if he will allow me. I know that this matter requires very long study. I am well aware that I have myself only touched the fringe of the subject. But the resolution which has been passed unanimously this year declares what amount will require to be voted, and on what it will be spent. The total appropriation would be $650,000.

Hon. Mr. DANDURAND: What is that?

Hon. Mr. BEIQUE: What is that?

Hon. Mr. BEAUBIEN: That is the resolution of the Committee.

Hon. Mr. DANDURAND: Would the honourable gentleman read it. What does it cover?

Hon. Mr. BEAUBIEN: It covers the whole thing. I will read it. This is the conclusion of the Committee's report:

1. That a National Research Institute for Canada endowed with the functions and of the character indicated in the foregoing be established in the vicinity of Ottawa, on a site fifty acres in area, of easy access and conveniently located for water, gas and electric power supply.

2. That the first building to be erected for the Institute should be of the best modern construction suitable for laboratory work and of such dimensions as to provide accommodation for some years to come.

3. That there be appropriated by Parliament $500,000 for the purchase of the site—

Which, I understand, will not cost anything—

—and the construction of the building, $100,000 for the scientific equipment of the Institute, and $50,000 for salaries and maintenance during the first year of its operation.

My honourable friend (Hon. Mr. Béique) has spoken of lignite. Perhaps he is not aware that only last year a scientist who has for years specialized in the peat industry in England and in Ireland—which countries are quite close to Norway and Sweden—came to Canada, investigated the process, and then reported to his government that Canada in two years had accomplished more than had been done in Europe in two hundred years.

Hon. Mr. BEIQUE: I am aware of that.

Hon. Mr. BEAUBIEN: Then, if my honourable friend is aware of that, I do not know how it is that he wishes us to look to Europe for a better process. I do not know how he reaches the conclusion that our own Advisory Research Council has accomplished very little, if anything at all, in the peat industry.

Hon. Mr. BEIQUE: I did not say that.

Hon. Mr. BEAUBIEN: That is what I understood; that there was very little science about it; that European countries, especially Norway and Sweden, knew it all. What I wanted to impress on my honourable friend was that it was not known as well as he contends, and that the two years' work which the Advisory Council has devoted to the solution of this problem has astonished Europe. And I name the best known specialist in England—Dr. Purcell, who acknowledged that fact.

Hon. R. DANDURAND: Honourable gentlemen, as I made the motion, I would like, in closing the debate on it, to say just a few words. When we reached Part II of the Bill it occurred to us that we were dealing with a proposal which would represent a very large expenditure. We did not know the figures; we now have them from my honourable friend (Hon. Mr. Beaubien). The expectation is to spend half a million dollars the first year. We felt that this would be but an initial expenditure; that once the building was erected, laboratories would have to be organized and equipped. We knew, a certain number among us, what the cost of a laboratory is, and what it means to equip a laboratory for physical and chemical research. We knew how many millions had been spent on laboratories for the mechanical departments of such universities as McGill, Queen's and Toronto, and we feared that in establishing a National Research Institute we should simply be duplicating or triplicating what the country already had in its universities. I felt that some years must elapse before the equipment of that Institute could be placed on a parity with what I know to exist in McGill, in my own city. Now, as it would take some years to erect such a building and equip it in all its departments, I felt that Part I of the Bill would suffice to establish a clearing-house in which the scientists who are there would receive requests for investigations, and distribute them to the proper laboratories already existing in the land, either at universities or in some of our governmental departments. It is because I felt that we were entering into a field in which we would have to spend millions and millions before reaching a standard equal to that of some of our universities, that I thought we might well postpone the undertaking till next year or some future time, and request those gentlemen who have devoted their attention to research work simply to act, for the present, as a clearing-house, instead of establishing a central workshop, the possession of which some day is, I admit, the ideal to which we should aspire.

In the meantime, we should utilize the workshops that already exist in Ottawa as well as in other cities of the Dominion. For these reasons I adhere to my motion.

The amendment of Hon. Mr. Dandurand was agreed to: yeas, 34; nays, 16.

Hon Mr. BELCOURT: I understood my honourable friend (Hon. Sir James Lougheed) to say that Part I was hardly worth having. I am inclined to agree with him. I should think that the best thing

to do would be to withdraw the Bill entirely. To begin with, it is a Bill which is very badly drafted. It seems to contain conflicting provisions; at all events, some of its provisions are very difficult to explain. I should think that the Government ought simply to withdraw the Bill, with the understanding that this means, not that they have given up the idea of establishing a Research Institute, of this sort, but that they have deferred to the sentiment of this House, as expressed by the vote which has just now been taken, that the expenditure is really more than the Government ought to undertake at this juncture. We are all apparently in favour of an Institute of this kind being created at some time or other.

Hon. Sir JAMES LOUGHEED: When would you suggest that we should do it?

Hon. Mr. BELCOURT: Next year, or perhaps in two years—it is difficult to say; but for my part I should be very sorry if the impression were created, because of the vote just now given, that this House is against the proposition.

Hon. Sir JAMES LOUGHEED: It looks very much like that.

Hon. Mr. BELCOURT: I know it does, but let us not leave that impression. I do not think it means that. I think many honourable gentlemen who voted for the amendment want to see an Institute of this sort established at some time or other, but do not think this is the time for it.

Hon. Mr. DANDURAND: I think I could give the date when that Institute should be started—and I would appeal to my honourable friend's judgment regarding his own private affairs: when we have re-established equilibrium in our conditions.

Hon. Sir JAMES LOUGHEED: Can my honourable friend suggest when that will be?

Hon. Mr. DANDURAND: Well—as soon as possible.

Hon. Sir JAMES LOUGHEED: I move that the Committee rise and report progress, and ask leave to sit again. Then it will be for the Government to determine whether or not we should move the House again into Committee on the subject. We will take note of the equilibrium suggestion.

Progress was reported.

COPYRIGHT BILL

MOTION FOR SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 12, an Act to amend and consolidate the Law relating to Copyright.

He said: Honourable gentlemen, in November, 1908, the Convention of Berne, respecting copyright, was signed at Berlin. This subject of copyright has been discussed in Parliament on many occasions, and it has always been difficult to arrive at a conclusion as to what our Copyright Act should be. Honourable gentlemen will recall that a few sessions ago a Copyright Bill was introduced in the Senate. It was referred to a special committee, and two or three weeks were occupied in considering and discussing it, without our coming to any satisfactory conclusion. On, I think, two occasions since then the subject has been brought before Parliament; during the present Session with apparently more success than at any previous time. The Bill now before us, which has come from the Commons and has, so far as I can learn, received their unanimous support, is one which will permit of Canada becoming a party to the Berne Convention. There have been some contentious features in the question, and we have been able, I think, to reconcile, to a considerable degree at any rate, the conflicting interests that presented their views to Parliament. It would appear that there has been more or less conflict and contention between the author and the publisher. This measure very happily reconciles as nearly as possible their differences.

The Bill makes proper provision regarding the printing in Canada of such works as come within its scope. Representations have been made that certain interests have not been protected, and in the discussion of the Bill the views of those interests that apparently are not satisfied will doubtless be laid before us. Needless to say, it is often difficult, if not impossible, to reconcile conflicting interests, particularly where the question between the parties relates to financial terms or conditions.

The Senate has spent so much time upon this particular subject that I do not intend dealing at length with the Bill. It is a long one. It has received mature consideration from the other branch of Parliament, and I fail to see that we can promote the interests of all the parties concerned, or the public interest, by deal-

ing with this measure otherwise than on the floor of this Chamber. It would be unwise at this late stage of the Session to refer the Bill to a special committee and hear the parties who would insist upon being heard before the committee. I fancy that the views of the respective parties can be placed before this Chamber by honourable gentlemen representing those views, without the Bill being referred to a special committee. It is very desirable that this Bill should be passed this Session. It has become apparent, I fancy, to every honourable gentleman in this Chamber that it will be more advantageous to deal with the Bill this Session than to allow it to go over to a following Session, because it must be obvious to all of us that the subject has become acute, and will be pressed upon Parliament every Session until we place upon the statute book a Copyright Act that will be acceptable to the authors and other interests and that will also be in the public interest.

Hon. HEWITT BOSTOCK: Honourable gentlemen, this is a very difficult Bill to deal with. As my honourable friend has said, this question has been before Parliament on several occasions. One point which my honourable friend made with regard to the Bill is, I think, somewhat wide of the mark. If I understand the situation, Canada enjoys the benefits of the Berne Convention through the English Act, which practically governs the situation in this country to-day. On looking at the Bill, I find that clause 49 specifically provides for the adherence of Canada to the Berne Convention. The clause reads as follows:

> The Governor in Council may take such action as may be necessary to secure the adherence of Canada to the revised Convention of Berne, signed the 13th day of November, 1908, and the Additional Protocol thereto signed at Berne the 20th day of March, 1914, set out in the Second Schedule to this Act.

It would appear to me, therefore, that this Bill is going to have the effect of depriving us of any benefit which we may derive at the present time from the Berne Convention. Whether that is a good thing or not is a question that we can discuss later on.

I have always understood that one difficulty met with in regard to the question of copyright in Canada was because of our close association with our neighbours to the south of us, who have not taken advantage of the Berne Convention, but have a copyright law of their own which provides that works published in the United States must also be printed in that country. This law keeps authors and others from sharing in the benefits to be obtained under the Berne Convention unless they publish and print their works in the United States.

Clauses 13, 14, and 15 of the Bill deal with the printing of the work, and, as I understand their effect, are likely to make it very difficult for us to get the benefits of the Berne Convention. If we pass this Bill in its present form we shall have to make arrangements with the United States, because the United States is really the most important country that we have to deal with in this regard; and then we shall have to make special arrangements with Great Britain and the other British Dominions, because we shall be in a different position from that which we occupy at the present time, and it is possible that we shall be altogether deprived of the benefit of the Berne Convention.

Hon. Sir JAMES LOUGHEED: I am informed not. In fact, I am informed to the contrary.

Hon. Mr. BOSTOCK: I do not wish uselessly to take up the time of the House at this stage; but perhaps I may read from some papers bearing on this matter which were handed to me. This is from the official organ of the International Bureau of Berne, dated April 15, 1921. It says:

> Bill No. 12 makes a distinction between the treatment accorded to Authors who are Canadians, British and Members of the Union allowed to take advantage of the law of their country, and the special treatment which may possibly apply to Non-Unionist i.e. American Authors. However, the national treatment shall be guaranteed to the Unionist Authors unless subject to the provisions of this Act (article 3). Article 13 provides a whole system of conditions and formalities, the imposition of which on Authors of the Union would be absolutely contrary to the formal prescriptions of the Revised Convention of Berne, which exempts these Authors in their international relations from every obligation of this nature. If certain clauses of the Bill (13, 14, etc.) relative to compulsory licenses—they correspond in part to those provided by the British Imperial Law of 1911, articles 3 and 4—can, by straining a point, be reconciled with the regulations of the Union, this is not so, as far as the formalities of registering and of depositing copies in Canada, nor as far as the conditions of necessary indication of the name of the author and of the publication of any work in Canada are concerned.
>
> These formalities and conditions are wholly incompatible with the obligations incurred by a State in virtue of the Revised Convention of 1908, and moreover, already actually abandoned by Canada as regards Authors belonging to the Union, who are required merely to fulfill the conditions and formalities eventually prescribed in the country of origin. (See article 2 of the

first Convention of 1886 and the ratifying judgments by the Canadian Courts, "Le Droit d'Auteur", 1906, page 57; 1907, page 8.) This section of the Bill (article 13) could only apply to Canadian Authors and to Authors not belonging to the Union; it cannot affect in any way the Authors protected by the Convention of the Union; it is necessary to make this clearly evident in the discussions in order to avoid any misunderstanding.

I place this matter before the House, because I think we should give very serious consideration to it. I think that, in framing a Copyright Bill, we should consider the conditions under which Canadian authors have to labour at the present time, and should do everything possible to protect them. Everybody who has given thought to this matter must realize that an author who brings out a work in the United States has an advantage from the fact that he appeals to a very much larger number of readers than he can if he brings it out in Canada. If we are to insist on clauses 13, 14 and 15, the difficulty of protecting the author will be very great, because he will be placed under the necessity of having his book published in both Canada and the United States. Further than that, as I have already said, we shall have to make some arrangement with Great Britain and the other Dominions.

There are other clauses in this Bill which we can discuss to better advantage in Committee than at the present time. The question of copyright has been before us many times, and I think that we should go into the whole question very carefully, so that when this Bill is passed it will be of advantage to the country.

I notice that the last clause of the Bill provides that the Act shall come into force by proclamation of the Governor in Council. It is not clear on the face of the Bill exactly why that should be so. If the Bill is really going to be of benefit, one would think it should go into force at once. My honourable friend did not give any explanation as to why it should be held back and brought into force in this way. If it is held back for the purpose of enabling the Government to try to bring about an arrangement between the United States and Canada as to copyright, I submit that that might have been done before, because the last copyright Bill was brought down in 1919, I think, and the Government have had two years in which to find out where the United States stood in regard to the matter, and what steps would have to be taken to give Canadian authors the protection which they require in that country.

It is not my purpose to take up the time of the House any further. I simply wish to say that I think we should discuss this Bill very carefully and thoroughly in Committee.

Hon. W. B. WILLOUGHBY: Honourable gentlemen, I had not noticed that this Bill was on the Order Paper until the leader of the Government rose to move the second reading. I intend to address but a very few remarks to it, because, as intimated by the leader of the House, we shall have an opportunity to discuss the clauses of the Bill in Committee, and perhaps we shall have an opportunity of discussing the principles underlying certain portions of the Bill.

I had the honour of being a member of the Special Committee of the Senate to which the leader of the Government referred. That Committee held many sittings, and I had the opportunity of hearing the views of all who were interested. We discovered, perhaps somewhat to the surprise of some of us, that other interests than the authors desired to be heard. I refer to the publishers, the printers and those who are not technically publishers, but are concerned in the mechanical production of copyrighted works.

Hon. Mr. DANDURAND: Did we not hear them all?

Hon. Mr. WILLOUGHBY: Every class that desired to be heard had a full opportunity of presenting their views. A further opportunity was afforded to them before the Special Committee of the Commons this year. In my humble judgment we are lagging behind all up-to-date nations in not introducing up-to-date copyright legislation. We have in force in Canada two English Acts. One, I think—I am speaking now from memory—is the Act of 1842; the other is a subsequent Act, passed some time in the eighties.

Hon. Mr. BELCOURT: And we have an Act of 1911.

Hon. Mr. WILLOUGHBY: I did not deal with that Act, because, as a matter of fact, it is really the basis of the Bill which is now before this House. We are in the unfortunate position in this country of having both English Acts in force; while the United States, not coming under the Berne Convention, but having their own treaty or convention with Great Britain, by means of getting copyright in Great Britain, gain full access to the Canadian market. Our authors and publishers there-

fore are seriously handicapped in the writing and the publication of books. An attempt is made to overcome that handicap by this Bill, which is on the same general lines as the previous Bill, but which, I think, goes much further in aid of the author.

To my mind, the primary purpose of any Copyright Act is to protect the work of the author's brain. In my opinion everything else must yield to that. On the other hand, we recognize that other interests, the publishers, printers, and those concerned in the mechanical reproduction of copyrighted works, take strong grounds in the matter, and that we cannot afford to ignore their representations.

The leader of the Opposition in this House, if I may so designate him—

Hon. Mr. DANDURAND: I protest. There is no Opposition in this House.

Hon. Mr. WILLOUGHBY: I think, considering the wonderful fairness with which he discusses matters, it is inappropriate to designate him as the leader of the Opposition. The honourable member from Kamloops (Hon. Mr. Bostock) has referred to the possibility of our being outside of the terms of the Berne convention if we pass this Bill in its present form. In support of that he has quoted from a document with which, I presume, every member of the House has been put in touch through the post, namely, the official organ of the Berne Convention. If my memory serves me aright, the Minister of Justice said he was assured that these sections would not be contrary to the Berne Convention. The official organ of the Berne Convention, as a matter of fact, speaks only as a newspaper. In discussing matters of that kind, if my impression be right, it does not embody any statement of authority. It is simply a source of authoritative information in regard to the Convention published in Switzerland, which is the headquarters of the Union, but it is in no way authorized in a final or binding manner to voice the views of the Convention or Union. If we cannot get within the terms of the Berne Convention, then I think the Bill might as well die. We are trying to bring in modern legislation which is largely in harmony with the Berne Convention and protocol. The only departures from it that are of a serious nature are the ones referred to by the honourable gentleman from Kamloops (Hon. Mr. Bostock), that is, the one referring to licenses.

Now we are placed in an anomalous position, as has been pointed out, by our contiguity to the United States. Our authors desire access to the American market. I would be the very last person, viewing the matter as I do, to concur in any legislation that would interfere with the publication of their works in the United States. They have there a market at least ten or fifteen times as large as ours, and I know that the successful authors all desire access to that market. If we pass the Act in the form now before us I do not believe we are going to lose the right of the Canadian author getting full access to the American market. If I were convinced to the contrary I should oppose this Bill to the utmost. Under this Bill we are going to place in the hands of the Government the right to treat with the United States for a copyright, which calls for a proclamation, and before that proclamation is issued we shall have an officer, the Minister of Justice or other designated person, who can get in touch with the proper authorities at Washington. If we do that, and they assent to the terms of this Bill in reference to publication, and are prepared to have it proclaimed by the President of the United States, as is the method there, then I apprehend no difficulty at all in our Canadian authors having full access to the American market.

I must apologize for occupying so much time. I am very much interested in the Bill —not that I am an author myself, but I am a very generous reader of authors. I want to conclude where I began, by saying that if I thought the licensing clauses imperilled the rights of authors I would certainly be against this Bill. The Government must have been reasonably assured, before introducing this Bill, that such is not the case. We have lagged away behind all the advanced nations of the world in promoting this legislation. During the war our song writers wrote songs that caught the public patriotic ear at the time, both here and in the United States; yet they were deprived of the benefit of royalties on their songs, simply because we were not up to date in our legislation, and we had no way of dealing with the mechanical reproduction of our songs in the United States. Now we are making the attempt. I am informed that Sir John Thompson was hastened to his grave in studying over copyright legislation. We hear a great deal about our development as a nation, but Sir John Thompson put up a most brave fight with Downing Street in asserting the

right of Canadians to legislate as they saw fit on copyright. Mr. Griffith, who was in the Canadian office in London in 1910, had the benefit of the spade-work that had been done by Sir John Thompson, and, with Mr. Sidney Fisher, did splendid work over there. This we find embodied in the increased powers given to Canada under the Act of 1911 in England, whereby Great Britain, as one of the parties to the Berne Convention, gives the right to colonies to make copyright acts for themselves as long as they do not go beyond the terms of the Berne Convention.

Hon. Mr. BEIQUE: This Bill is very important, and I think it should be taken up in Committee, where we might have the benefit of the knowledge of members of the Committee who heard the statement of views from the parties who spoke on this question, and thus be in a better position to deal with it. I happened to be a member of the Committee, but unfortunately for some reason I was unable to attend except perhaps one or two sittings, and therefore I am not properly informed as to the different views that were expressed before the Committee.

On motion of Hon. Mr. Chapais, the debate was adjourned.

ARMISTICE DAY BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 119, an Act respecting Armistice Day.

He said: The object of this Bill is to make Armistice Day a public holiday, and to unite with it Thanksgiving Day. It is therefore not expected that it will add to the number of public holidays. There are some consequential amendments that will have to be made by reason of our establishing this as a holiday; the Bills of Exchange Act and the Civil Service Act will have to be accordingly amended.

Hon. Mr. BOSTOCK: I would like to ask my honourable friend if the Bill provides that the Senate do not sit on Armistice Day?

Hon. Sir JAMES LOUGHEED: No; we are supreme on that.

The motion was agreed to, and the Bill was read the second time.

CHINESE IMMIGRATION BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 146, an Act to amend the Chinese Immigration Act.

He said: Some difficulty has arisen in the administration of the Immigration Act by reason of certain privileges given to Chinese merchants, in being allowed to come into Canada without payment of the head tax. The difficulties to which I refer have had to do with the issuance of certificates. Very frequently these are made use of, not for the parties to whom they were originally issued, but do service for others. The amendments in the Bill are calculated to harmonize the Chinese Immigration Act with our own Immigration Act. They extend the powers of the Board of Inquiry, particularly with regard to the issuance of these certificates.

Hon. Mr. PROUDFOOT: Two or three questions arise in connection with this Bill which I desire to discuss, but I have not yet had an opportunity of going fully into the Bill, as it has been placed on the files only to-day. That is one of the difficulties in connection with important legislation coming down at such a late hour. Probably, however, we can discuss in the Committee all the matters I want to raise.

The motion was agreed to, and the Bill was read the second time.

JUDGES BILL

FREE CONFERENCE

Hon. Sir JAMES LOUGHEED moved concurrence in the proposal for a free conference with the House of Commons for the purpose of communicating the reasons which induced the Commons not to concur in the amendments made by the Senate in the Bill to amend the Judges Act.

Hon. Mr. PROUDFOOT: May I ask what is meant by free conference?

Hon. Mr. DANDURAND: It is a free fight.

Hon. Mr. PROUDFOOT: As I have never been a party to a free conference before, I would like to know what is meant by the term.

Hon. W. B. ROSS: Do you know what a free fight is?

Hon. Mr. PROUDFOOT: I am Irish enough to know that.

Hon. Mr. DANDURAND: There was a time when the conference was a most

amusing thing. Unfortunately the public was not admitted to the performance. The delegates from one Chamber, generally three, met the three delegates from the other Chamber, and they put on the table their views, and no one was allowed tc speak, and they withdrew.

Hon. Sir JAMES LOUGHEED: But this is free speech.

Hon. Mr. BEIQUE: And this performance had to take place three times successively until the open conference could be had.

Hon. Mr. DANDURAND: Now we go straight on to the free conference.

Hon. Mr. LYNCH-STAUNTON: Are we in any way bound by the results of this conference?

Hon. Sir JAMES LOUGHEED: The representatives of each House report tc their respective Houses, and then it is for each House to determine whether they can accept the compromise, which invariably it is.

The motion was agreed to.

DIVORCE STATISTICS

Hon. Mr. PROUDFOOT: An honourable gentleman asked me for certain information when I was giving the particulars in reference to the divorces. I have now secured the information. In 1920, of the 100 cases in which divorces were granted, 92 came from the province of Ontario and 8 from the province of Quebec. In 1921, of the 135 petitions presented, 9 came from Quebec and the balance, 126, from Ontario.

Hon. Mr. BEIQUE: None from the other provinces?

Hon. Mr. PROUDFOOT: No. All the other provinces have courts, in which they dispose of their divorces. The only other province which might have sent divorce cases to the Committee was Prince Edward Island, and they did not present any petitions.

Hon. Mr. DANDURAND: Hear, hear; good for them.

The Senate adjourned until Monday, May 30, at 11 a.m.

THE SENATE

MONDAY, May 30, 1921.

FIRST SITTING

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

COPYRIGHT BILL

SECOND READING

The Senate resumed from Friday, May 27, the debate on the motion for the second reading of Bill 12, an Act to amend and consolidate the Law relating to Copyright.

Hon. THOS. CHAPAIS: Honourable gentlemen, this question of the Copyright Act has been discussed for many years. Bills enacting new provisions to protect the rights of authors and publishers have been introduced before the present Session but for some reason they have not become law. Now we have a Bill aiming at establishing a well-defined status in connection with the ownership and right of reproduction of all literary and artistic works. This piece of legislation has been carefully studied in another House, and I must say that it has evolved a wide divergence of views between authors and publishers. I should immediately state that to my mind the former seem to be fairly justified in their claims.

The main object of a Copyright Act should be to protect the rights of authors. They are the producers; it is their brain, their imagination, their intellectual effort that has given life to the book, to the statue, to the painting, to the musical composition which is given to the public. These are their property, and the protection of their ownership should be the paramount aim of the law. Such was precisely the purpose of the Berne Convention, finally revised and adopted in 1908. Article 4 of that international covenant reads as follows:

> Authors and publishers who are subjects or citizens of any of the countries of the Union shall enjoy in countries other than the country of the origin of the work, for their works, whether unpublished or first published in a country of the Union, the rights which the respective laws do now or may hereafter grant to natives as well as the rights specially granted by the present convention. The enjoyment and the exercise of these rights shall not be subject to the performance of any formalities; such enjoyment and such exercise are independent of the existence of protection in the country of origin of the works.

And, again, article 15 says:

In order that the author of works protected by the present convention shall, in the absence of proof to the contrary, be considered as such, and be consequently admitted to institute proceedings against pirates before the courts in the various countries of the Union, it will be sufficient that their names shall be indicated on the work in the accustomed manner.

These quotations from the Berne Convention show very clearly that its real object was to protect "les droits d'auteur." The principles of that Convention were adopted and embodied in the English legislation by the Imperial statute (1 and 2 George V, chapter 48) of 1911. This Act was perfectly satisfactory, and it has been asserted that the best thing we could do would be to adopt the Imperial statute simply and purely. It has been deemed more advisable, however, to design and enact a law of our own, containing special provisions to meet the special conditions under which we are placed in this country. Unfortunately, in doing so it looks as if we had considerably departed from the principles of the Berne Convention. True it is that the Bill now under discussion contains a provision for our adherence to that compact. Article 50 enacts the following:

The Governor in Council may take such action as may be necessary to secure the adherence of Canada to the revised Convention of Berne, signed the thirteenth day of November, 1908, and the additional Protocol thereto, signed at Berne the twentieth day of March, 1914, set out in the second schedule to this Act.

But it happens that many of the previous clauses of the Bill may be deemed to be contrary to that Convention. I do not want to detain this House at any length. I shall simply point out two or three clauses which, from the point of view of authors of literary and artistic works, are specially objectionable. For that purpose I shall not put forward my individual opinion, but I shall quote statements made by two important bodies—the Incorporated Society of Authors, Playwrights, and Composers of England, and the Canadian Authors Association. Under the heading of "The Canadian Copyright Bill, 1921," the former's committee of management has issued a report dated April 18, 1921, in which I read the following lines:

The most serious clauses affecting the rights of authors are the compulsory licensing clauses 13, 14 and 15.

It seems to me that these clauses are the crucial points of the present Bill. I am sure that they are going to be discussed later on, and I hope that they will be amended in Committee.

It has been the object of all international congresses dealing with the copyright question to come to an agreement by which copyright should be the property of the author—

This is, I think, the view that should be taken by Parliament in discussing and enacting a copyright law—

—an agreement by which copyright should be the property of the author without technicalities of any description, and in the revised Convention of Berne and the subsequent Protocol these principles have been strictly maintained. Under clause 13 it would seem clear that Canadian authors would be deprived of the benefit of the Convention of Berne, and therefore would be deprived of the market which is the privilege of all the civilized nations of Europe.

I must say, honourable gentlemen, that clause 13 as it was originally framed has been remodelled, or rather suppressed, in the lower House. So much the better. But clauses 14 and 15 remain in the Bill. They provide for the emanation of licenses to print books in Canada by others than the owner, without the consent of the owner, and for the emanation of licenses to publish books in Canada in serial form by others than the owner, without the consent of the owner. In both cases, of course, royalties are stipulated in favour of the unwilling owner. These two clauses are deemed arbitrary and unfair. The copyright committee of the Canadian Authors' Association, in their report on the present Bill, make the following comment:

The licensing clauses in this Bill deprive the author of his right to make his own terms with the Canadian licensee, and hand over that right at an arbitrary figure under conditions which would permit the licensee to garble or abbreviate the work without the author's consent, to publish it in a cheap edition without regard to appearance, and to prevent the production or importation of a correct or more presentable edition for a period of fifty years. So far as serial rights are concerned, the clauses are drawn up in evident ignorance of the conditions governing serial publications today, would produce disastrous confusion, and would inflict a great hardship on a very large number of Canadian authors, without conferring any benefit on Canadian literature.

I have stated as briefly as possible the main objections—there are others—to some parts of this Bill. I am speaking, as you can easily see, from the point of view of Canadian authors. I admit that there is another point of view, and I am sure that before the end of this discussion you will hear of it.

In conclusion, I should say, using the expressions of the report just quoted, that, while appreciating the friendly intention of the Government to improve existing copyright conditions in Canada, one must

come to the conclusion that this Bill in its present form contains proposals which, if carried out, would result in grave injustice to the Canadian author, which are not in accordance with international comity, and which do not conform to the recognized interpretation of copyright, namely: "In law, the right, belonging exclusively to the author or his assignees, of multiplying for sale copies of an original work or composition in literature and art."

Of course, we know perfectly well that our views may not be wholly accepted by the members of this honourable House, as they have not been wholly accepted by the members of the other House, but we earnestly hope that this House will grant Canadian authors such amendments as will protect their rights.

The motion was agreed to, and the Bill was read the second time.

ARMISTICE DAY BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 119, an Act respecting Armistice Day. Hon. Mr. Blain in the Chair.

Sections 1 and 2 were agreed to.

On section 3—Thanksgiving Day to be on Armistice Day:

Hon. Mr. BOSTOCK: Does this mean that every year the proclamation will be made in the same way as it has been before?

Hon. Sir JAMES LOUGHEED: Yes, I should say so.

Hon. Mr. BOSTOCK: A proclamation will be made each year to the effect that Thanksgiving Day will be observed on Armistice Day?

Hon. Sir JAMES LOUGHEED: Yes.

Section 3 was agreed to.

On section 4—interpretation Act amended:

Hon. Mr. BOSTOCK: What is the effect of that amendment—just the insertion of the words "Armistice Day"?

Hon. Sir JAMES LOUGHEED: In the clause stating what are public holidays.

Section 4 was agreed to.

Sections 5 and 6 were agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to and the Bill was read the third time, and passed.

CHINESE IMMIGRATION BILL

CONSIDERED IN COMMITTEE AND REPORTED

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 146, an Act to amend the Chinese Immigration Act. Hon. Mr. Mitchener in the Chair.

On section 1—all immigrants must establish identity to satisfaction of Controller, subject to approval of Minister:

Hon. Sir JAMES LOUGHEED: That simply extends the general Immigration Act to persons of Chinese origin. Heretofore the Act did not extend to the Chinese.

Hon. Mr. BOSTOCK: What are the other changes that are being made by this Bill?

Hon. Sir JAMES LOUGHEED: Simply that a different practice as to identity is being established, so as more clearly to identify those to whom certificates are issued. As is well known, most Chinese look alike to the European, and these provisions are made for the purpose of avoiding the confusion which arises in the matter of identification.

Section 1 was agreed to.

Sections 2 and 3 were agreed to.

On section 4—refund of tax on return within two years:

Hon. Mr. TURRIFF: Will not the extending of the time for refunding the money from one year to two years, under clause 4, have a tendency to make it more difficult to identify the party?

Hon. Sir JAMES LOUGHEED: I do not know that it will. It is frequently difficult for Chinese who have left Canada to return within a year. This gives them a more reasonable period of absence from Canada than the present Act. I do not think it is unreasonable to allow a Chinese who has paid his head tax to absent himself from Canada for two years.

Section 4 was agreed to.

Sections 5, 6 and 7 were agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

CRIMINAL CODE AMENDMENT BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 138, an Act to amend the Criminal Code.

He said: Honourable gentlemen, this Bill to amend the Criminal Code is an old friend which visits this Chamber annually. I do not know that it is received with the greatest amount of sympathy and friendship, but we do a little every Session toward perfecting the Code. The Bill comes to us this Session with a number of amendments. When I am asked to speak about the policy of the Bill I find it very difficult to conclude whether it has a policy or not, owing to the numerous subjects which are dealt with. As this Bill usually receives more than ordinary attention in the Senate, honourable members are as familiar with the subjects, which we have discussed from time to time, as I am myself. I therefore move the second reading of the Bill, and I presume it can be dealt with more advantageously in Committee than upon the second reading.

Hon. Mr. BOSTOCK: I would like to draw the attention of the honourable leader of the Government to section 3 of this Bill, dealing with the matter of concealed weapons, which was discussed the other day in this House by the honourable member from Ottawa (Hon. Mr Belcourt). I do not know whether it would be possible for us to incorporate into this section some of the suggestions made in that Bill. When we go into committee perhaps my honourable friend would consider that point, because the Bill of my honourable friend from Ottawa dealt with that question very much more fully than these sections, which I think relax the law that we passed last Session. Under last year's legislation, a person owning a shotgun might retain it but for any other weapon it was necessary to obtain a permit. Under the present Bill, it appears the requirement as to a permit applies only to an alien: a British subject may have any kind of a firearm without getting a permit. I understand that objection has been taken by manufacturers of firearms to the section as it was passed last year. Yet I think there is a good deal to be said along the lines of the Bill submitted by my honourable friend from Ottawa—that people should not be allowed to have these weapons in their possession to the extent that they are at the present time.

Hon. Sir JAMES LOUGHEED: Unfortunately the Bill introduced by my honourable friend from Ottawa was brought down so late in the Session, and covered so large a field of prohibition of weapons and firearms, as to make it impossible, in my judgment, to pass it this Session. It affects many interests, not only commercial and manufacturing, but also the operation of game laws throughout the Dominion. For instance, the railways are very much interested in the subject, as great numbers of tourists from other countries come to Canada to take advantage of its sporting features in the way of shooting game, etc. So that my honourable friend's suggestions would create quite a revolution, not only commercially but in other directions from which we derive very large profit. At this hour of the Session it would be impossible to give proper consideration to so sweeping a Bill as that introduced by the honourable gentleman from Ottawa. I must say that I doubt very much the wisdom of adopting a wholesale prohibition such as is contemplated by that Bill. It goes away beyond what I think the Bill should provide for. My own observation is that, while it is intended to prevent the criminal classes from becoming abusers of firearms, no body of law will stop criminals from securing firearms and other lethal weapons, whatever we may do, as they can be readily brought into the country. While our boundary of three thousand or more miles is simply a geographical line, it would be utterly impossible to prevent the importation of firearms and other weapons into Canada, notwithstanding the most restrictive legislation we might place on the statute book.

The motion was agreed to, and the Bill was read the second time.

IMMIGRATION BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 139, an Act to amend the Immigration Act.

He said: Honourable gentlemen, this is a Bill providing—in some cases—greater restraints upon immigration, and in other cases possibly taking down the bars. I have not much doubt that the Senate will agree to the provisions of the Bill, with

possibly one exception. It is my duty to point out that the deportation clause, which, honourable gentlemen will recall, evoked quite a discussion last Session or the Session before, is again introduced. With the exception of that particular clause I rather think honourable gentlemen, when they look over the Bill, will agree to its provisions, as they are calculated largely to ensure greater discrimination being exercised in the admission of immigrants, and in the general administration of our immigration laws.

Hon. Mr. BOSTOCK: I notice in this Bill, as in the one with which we were dealing a few minutes ago—the Chinese Immigration Bill—that there is provision for a Board of Inquiry. I think that is a new provision.

Hon. Sir JAMES LOUGHEED: Yes. That is for the purpose of facilitating better investigation previous to the issuing of certificates.

Hon. Mr. BOSTOCK: When we get into Committee, my honourable friend will probably be able to give us a further explanation as to why it has been found necessary to institute these boards in connection with the working of the Act.

Hon. Sir JAMES LOUGHEED: Yes.

The motion was agreed to, and the Bill was read the second time.

CUSTOMS TARIFF BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 199, an Act to amend the Customs Tariff, 1907.

He said: The object of this Bill is to bring the customs tariff into line with the Canada-West Indies Treaty, which was considered by this Chamber during the present Session. The only departure from that particular object is the provision which has been made in the Bill as to increased duties on spirits. Honourable gentlemen who have followed the Budget are familiar with the increased duties which we have imposed on spirits both by way of excise and of customs.

The motion was agreed to, and the Bill was read the second time.

INLAND REVENUE BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 200, an Act to amend the Inland Revenue Act.

He said: This Bill is to give effect to the provision outlined in the Budget for imposing an increased duty on spirits by way of excise. There is an exception made as to hospitals and scientific purposes, so that the duty can be remitted in special cases of that character.

Hon. Mr. BOSTOCK: This Bill, if I understand it rightly, very considerably increases the duty on spirits coming to this country. The effect of it, I presume, will be very much to curtail the importation of spirits, because it will very considerably raise the cost to the consumer. I have not had time to examine this Bill, but I understand that it contains a provision which enables the Government to collect the duty in the case of any spirits brought in by a Provincial Government or any other body.

Hon. Sir JAMES LOUGHEED: This Bill deals simply with domestic spirits; this is the excise. The other feature, as to imports, is dealt with in the Customs Act. This measure increases the excise duty to $9.00 a gallon.

The motion was agreed to, and the Bill was read the second time.

SPECIAL WAR REVENUE BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 204, an Act to amend the Special War Revenue Act, 1915.

He said: Honourable gentlemen, the intention of this Bill is to increase the sales tax. Where the manufacturer sells to the wholesaler he accounts for 1½ per cent; and where the wholesaler sells to the retailer or the consumer he accounts for another 1½ per cent, making 3 per cent. That is in regard to domestic goods. On imported goods the tax is 2½ per cent as between the importer and the wholesaler, and 1½ per cent as between the wholesaler and the retailer or consumer, making 4 per cent. This increases the sales tax, as I understand, by one per cent. That is the chief purpose of the Bill.

Hon. Mr. BOSTOCK: This sales tax will be collected on imported goods as well as on goods made in the country?

Hon. Sir JAMES LOUGHEED: Yes; the imported goods will pay 4 per cent; domestic goods 3 per cent.

Hon. Mr. BOSTOCK: And that 4 per cent duty is collected, I presume, after the customs duty is collected?

Hon. Sir JAMES LOUGHEED: Oh, yes, exclusive of customs.

Hon. Mr. BOSTOCK: So the 4 per cent is paid on the price of the article after the customs duty is collected?

Hon. Sir JAMES LOUGHEED: Yes, as it goes to the consumer. It is distributed between the importer and those who handle the goods at the various stages.

The motion was agreed to, and the Bill was read the second time.

OLEOMARGARINE BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 205, an Act to amend the Oleomargarine Act, 1919.

He said: Honourable gentlemen, this Bill proposes to amend the statute of 1920, and in fact whatever legislation there is as to the importation of oleomargarine. It proposes to extend the time for the importation of oleomargarine into Canada until August 31, 1922, and the sale of the same until March 1, 1923.

Hon. Mr. BOSTOCK: This Bill is becoming a sort of annual thing: I think we have had it up now three or four times.

Hon. Sir JAMES LOUGHEED: Don't forget the hardy annual.

Hon. Mr. BOSTOCK: I do not understand why the Government should not make this a permanent measure, instead of asking us every year to adopt this Bill and carry it on for another year. As far as my experience goes, I do not think there is a strong objection to oleomargarine being used throughout the country. So far as I know, its use has not had any effect on the sale or importation of butter in the country, and it has been an advantage to the consumers in cities and towns. I think it would have been better for the Government to have taken the plunge on this occasion, and made this a permanent matter instead of for one year only. I suppose that next year we shall have the same Bill again.

Hon. Mr. BELCOURT: What is the idea of bringing in the Bill year after year instead of making it permanent?

Hon. Sir JAMES LOUGHEED: It is difficult to say at the moment, but I think that public opinion has to be educated rather gradually to the general introduction of oleomargarine. There is a section of people, particularly in the agricultural districts, rather opposed to it to-day, while the great mass of the people are in favour of it. Therefore I think that by being gradually introduced and established, it may advantageously take the place of butter, particularly amongst consumers of limited financial resources. We shall grow bolder as we grow older.

Hon. Mr. TURRIFF: The leader of the Government has stated that the opposition comes chiefly from agricultural districts. I noticed, however, that in the Commons the other day the Farmers' party voted solid for the proposal to extend the time for three years instead of one year; and the agricultural party generally will vote for making it absolutely permanent. So that opposition does not come from the farmers; it comes more particularly from some of the dairy interests who may be called farmers, but not from farmers generally. Canada is the only civilized country in the world that puts any obstacle in the way of manufacturing or selling oleomargarine. I do not think it affects the sale of butter to any great extent. If it does affect the sale in Canada, we just export that much more. When butter was so high as it has been in the last few years, it was a great advantage to the consumer to be able to get oleomargarine at half the price of butter, and I think the Government should make this a permanent measure as soon as possible.

The motion was agreed to, and the Bill was read the second time.

The Senate adjourned until 8 o'clock p.m.

SECOND SITTING

The Senate met at 8 p.m., the Speaker in the Chair.

COPYRIGHT BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 12, an Act to amend and consolidate the Law relating to Copyright. Hon. Mr. Blain in the Chair.

Sections 1 to 12, both inclusive, were agreed to.

On section 13, subsection 1, paragraph a —application for license to print book in Canada by other than owner.

Hon. Mr. BOSTOCK: The clauses of the Bill with which we have been dealing so far are, I think, practically the same as

those contained in the Bill brought up in the Senate in 1919; but section 13 deals with a very different matter. This section deals with the question of printing books in Canada. I think it is going to impose a great hardship on the authors of this country in making them print their books in Canada at the same time that they are printed in the United States, because of the limited number of readers they may have in Canada.

Hon. Sir JAMES LOUGHEED: That may be the opinion of the authors, but apparently it is not the opinion of Parliament. If an author who is protected by the Parliament of Canada for the period of his own life and fifty years after should not choose to comply with the conditions of the Bill and publish his work within a particular time, it seems to me most reasonable that a license to print and publish should issue. I am not in sympathy with the unrestricted protection which is sought by authors. The public have some rights, and if an author should publish his work elsewhere than in Canada and not publish it in Canada, it seems to me it is clearly a case in which Parliament should intervene and say that a license should issue for the publication.

Hon. Mr. BOSTOCK: It would put the authors in Canada entirely outside the Berne Convention.

Hon. Sir JAMES LOUGHEED: I understand not. I am informed by the Minister of Justice that this Bill is entirely within the Convention. I know representations have been made that it will not permit of Canada becoming a party to the Convention by reason of the introduction of certain provisions; but the Minister of Justice informs me to the contrary.

Hon. Mr. BELCOURT: These provisions contained in sections 13, 14, and 15 are provisions which are not to be found anywhere in the British Copyright Act. I was under the impression that when Parliament undertook to deal with the question of copyright, which I admit is a very complicated one, the intention was to deal with it in Canada as it had been dealt with in Great Britain. The British Act does contain provisions which are to be found in sections 3 and 4. I have a copy of that Act before me, and those provisions are sections 3, 4, 5 and 12. The sections in our Bill go the full length of the Imperial Act. If the intention of Parliament is to recognize in Canada the same rights of authorship as are recognized to-day in the British Isles, then I say that sections 13, 14, and 15 should not be passed, because they contain provisions far in excess of those in the British Act with respect to the same subject. I agree with my honourable friend from Kamloops (Hon. Mr. Bostock) that these sections 13, 14 and 15, constitute a violation of the Berne Convention; and the best proof that they do is that the Imperial Parliament refused to adopt provisions of this kind. I repeat that, unless we are to go further than Great Britain thought it wise to go, sections 13, 14 and 15 should not be adopted.

Hon. Sir JAMES LOUGHEED: Would my honourable friend be good enough to state what is his authority for saying that they have been rejected by the Parliament of Great Britain?

Hon. Mr. BELCOURT: I did not say rejected. I say they were not adopted.

Hon. Sir JAMES LOUGHEED: Oh, not adopted.

Hon. Mr. BELCOURT: And I say they are not to be found in the British Act. I do not suppose my honourable friend will contradict that statement.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BELCOURT: Then we have gone a great deal further than the British Act goes.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BELCOURT: That is admitted, is it not? Does my honourable friend admit that?

Hon. Sir JAMES LOUGHEED: Yes. We are not prepared to give the protection which the British Act does. I suppose that in round terms that is what it amounts to. This is an approximation, so to speak, to what the House of Commons is prepared to give to authors which come within the scope of this Bill. But I would again say, particularly in view of my honourable friend's statement that this Bill is in violation of the Berne Convention, that such is not the case, but it is a Bill within the terms of the Convention.

Hon. Mr. DANDURAND: I doubt very much if my honourable friend has any data on which to base that assertion. He seems to be far more certain of his ground than does the Minister of Justice himself. The Minister of Justice was asked a ques-

tion by Mr. Rinfret on the 25th of May last. That is not very far away. Mr. Rinfret stated:

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.

Hon. Sir JAMES LOUGHEED: Who said that?

Hon. Mr. DANDURAND: Mr. Rinfret, at page 3961 of the House of Commons Hansard.

Hon. Sir JAMES LOUGHEED: We are not taking his opinion upon it.

Hon. Mr. DANDURAND: No, but would the honourable gentleman kindly wait and take the opinion of the Minister, who answered:

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.

So the Minister answered the member for St. James that if he had to delete those three clauses, after a conference with the British authorities and the parties to the Berne Convention, then he would drop them. He admits that it is new and tentative legislation—that it is a compromise arrived at, not by the parties themselves, but by the committee who tried to render a Solomon's judgment by adopting a middle course. But the Minister of Justice admits throughout his speech that this is a new and unprecedented step that Canada is taking, and reserves his right to negotiate with the outside world. He will try to square himself with the Berne Convention; but if he does not succeed he will withdraw these three clauses.

Hon. Sir JAMES LOUGHEED: I doubt very much if the Minister of Justice made the statement that he would withdraw these three clauses. Parliament has something to say about this. Further, it would be impossible to put through a Copyright Bill in the Parliament of Canada without those three sections. As to the statement of the Minister of Justice, it is this:

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.

That statement was made on the 25th of this month.

Hon. Mr. DANDURAND: My honourable friend speaks of the opinion of Parliament. Surely he will admit that the opinion of Parliament has not been given till this Chamber has spoken.

Hon. Mr. BELCOURT: My honourable friend is not prepared to accept the opinion of Mr. Rinfret, nor even that of the Minister of Justice, as having any authority. Perhaps he will accept his own.

Hon. Sir JAMES LOUGHEED: I do not give any opinion upon the question. My honourable friend has more confidence in his own opinion than I have in mine.

Hon. Mr. BELCOURT: Possibly, but the honourable gentleman's opinion was given not so very long ago, and it is rather emphatic. My honourable friend's memory has not served him so well on this occasion as it usually does. In discussing the Copyright Bill, in answer to my honourable friend from Kamloops (Hon. Mr. Bostock), the honourable leader, in this House, on June 5, 1919, said:

As my honourable friend is no doubt aware, very strong representations have been made to the Government that a manufacturing clause should be introduced into the Bill, and some representative delegations have waited on the committee and likewise have made representations to the Government to that effect. The Department of Justice has given its opinion that, if this is done, it will practically nullify the Bill and thus prevent us from adhering to the Berne Convention.

Is that clear enough for my honourable friend?

Hon Sir JAMES LOUGHEED: Yes, three years ago; but that does not prevent the Department of Justice making further investigation into the question; and, having had three years to reconsider it, they have apparently come to the conclusion to-day that it is all right.

Hon. Mr. BELCOURT: My honourable friend has warned us that we are not to pay very much attention to his opinion wherever expressed. I would like to know which opinion is the good one—the opinion he expresses now, or that which he expressed two years ago; or are both not to be relied upon? In my opinion—and I have his own authority for the statement—neither of them is worth anything. If the honourable gentleman will read the sections carefully, he will return to the inevitable conclusion, which he reached previously, that they are absolutely contrary to the Berne Convention. It is fallacious to contend that in adopting this measure we are adhering to the Berne Convention, for that is absolutely con-

trary to the fact. I submit that by these sections you are violating the very purpose of the Berne Convention with regard to the right of authorship.

It is needless to labour the point. If anyone will take the trouble to read these sections he will see that they are absolutely incompatible with the Berne Convention and are a direct violation of it.

Hon. Mr. WILLOUGHBY: There is another aspect which has occurred to me, though not particularly as a lawyer, and which I have never heard discussed publicly. What advantage is Canada actually going to derive from adherence to the Berne Convention? I know that there is a feeling amongst authors and literary men throughout the world that the Berne Convention should be adhered to. In the past it was necessary for us in this matter to be guided by the legislation of England; but at present by virtue of the British Act, we are placed in a position to legislate on copyright as we see fit, and we are free to make such arrangements as we please with any country in the world, including Great Britain. We have been placed in exactly the same position as the United States, and may make any convention or reciprocal agreement we desire with any other country. However, I am not going to urge that point now, because it is understood that the present Bill is to come within the terms of the Berne Convention.

Hon. Mr. BELCOURT: May I ask my honourable friend if it is his opinion that, with these clauses 13, 14 and 15, we would be better off than with the legislation we now have on the subject? Is that his opinion?

Hon. Mr. WILLOUGHBY: No. I was only stating that the coypright question might be regarded in an altogether different aspect namely, with relation to our right, in view of Imperial legislation, to pass such copyright laws as the Dominion Parliament see fit, even if we went absolutely outside the terms of the Berne Convention.

Hon. Mr. BELCOURT: You are doing it.

Hon. Mr. WILLOUGHBY: There may be in adherence to the Berne Convention some advantage which is not apparent to me; but I rather think that we in Canada, a country that has not a great many authors or a large reading public, overrate the advantages to ourselves of adherence to the Berne Convention. The position of Great Britain is entirely different. There are a very large number of distinguished authors, composers, sculptors, and artists in Britain at all times. Their market is not only the British Dominions, but the whole world. The works of English writers are reproduced by translation in all the leading countries of Europe. And the United States is independent; it is so large, its market is so big, that its authors have an assured market at home. We in Canada, with a limited population and a comparatively limited number of producers —if I may apply such a term to the writer, the artist, the sculptor, etc.—are in an entirely different position. Our books, I am sorry to say, do not find a very ready market anywhere except perhaps in Great Britain, the United States, and Canada. There is a very limited number of Canadian authors who find their works sold in the other British Dominions, or whose works are sufficiently popular or well-known to be translated into foreign languages. However, that is rather digressing. Coming back to this question, I am afraid that the statement of the honourable leader of the Government can be absolutely borne out, that no Copyright Act could have got the approval of the Parliament of Canada without these clauses.

Hon. Mr. BELCOURT: No; that is not what the honourable leader said.

Hon. Mr. WILLOUGHBY: Yes.

Hon, Mr. BELCOURT: Will my honourable friend permit me to remind him: "The Department of Justice has given its opinion that, if this is done, it will practically nullify the Bill, and thus prevent us from adhering to the Berne Convention." That is what the honourable leader said.

Hon. Mr. WILLOUGHBY: I do not know what the honourable leader of the Government may have said on a former occasion, but I understood the honourable member from Ottawa (Hon. Mr. Belcourt) to ask my opinion on this matter. I do not feel competent at the moment to express an opinion whether this Bill is within the terms of the Berne Convention or not. But at the second reading of the Bill I pointed out wherein we protect ourselves. I want to protect the authors of Canada by having it provided that this measure shall not come into effect until it has the approval of the Berne Convention. When we have obtained a certificate to the effect that this Bill does not substantially differ from the terms of the English Copyright

Act, we shall be in a position to apply for recognition by the Berne Convention. While we are getting it we can apply to the United States and see if we can make a reciprocity arrangement with them. I do not know what are the advantages to Canada of adhering to the Convention; but, seeing that the Bill is based on the supposition that we are going to come within the terms of that Convention, a subsequent clause in this Bill can be enlarged from the form in which it is now drafted so as to provide that it shall not become operative until we have a certificate from the Imperial Secretary of State that it is within the terms of the Berne Convention. Then I think we shall be fully protected.

Hon. Mr. BEIQUE: I was trying to draft a clause in exactly the same sense. I think that a provision might well be added as the last clause of the Bill, to this effect:

No provision contained in this Act shall be taken, interpreted, or applied contrary to, or in violation of, the revised Berne Convention.

It might be safer to provide in that way rather than to wait for the certificate to which the honourable gentleman has referred. I confess that I am not at present sufficiently informed as to the issue of the certificate which he has mentioned—

Hon. Mr. WILLOUGHBY: It would be a certificate from the Imperial Secretary of State to the effect that this Bill does not depart from the terms of the Berne Convention.

Hon. Mr. BEIQUE: It seems to me that we have the right to legislate independently of the Imperial Act. I think that the best legislation would be legislation that is independent of that.

Hon. Mr. DAVID: Honourable gentlemen, whether the clauses in question constitute a violation of the Berne Convention or not is a question I do not desire to discuss; but I contend that they are a violation of the author's right of property. If there is anything that is sacred it is the right of property. Who would deny to a man the right to dispose of his property, whether movable or immovable, as he pleases—at the time and upon the conditions he prefers? Then why deprive authors of that right? Is it because they are poorer than proprietors generally are? Is it because intellectual productions are worth less than industrial products? At a time when we speak so much of national policy, how can the partizans of a national policy of protection refuse to accord to intellectual works that protection that they desire to give to all kinds of industrial products? I think that the honourable members of this House who, like myself, are partizans of the national policy, should take into consideration the Canadian author's right of property. Those poor Canadian authors are miserable enough, and I think we should not make them worse. I know a little about what it is to be an author. I remember that thirty or forty years ago the Canadian author who could pay for the printing of his works was very fortunate. Even now, what do they get after years and years of very hard labour? What is it, compared to what other people get for works which, after all, have not the same value. It seems to me that the least we might do is, at any rate, to give them the consolation of remaining masters of their own productions—of retaining their right of property in their own works. There may be good reasons why an author would not consent to a second edition of his work being printed. You are well aware that an author may often desire to revise and correct his first edition, and before doing so he may await the passing of certain events or the occurrence of certain circumstances. It is well known that great writers have in their memoirs stated the conditions under which their work should not be printed for perhaps 25 or 50 years after their death. Therefore, if the clauses in question are adopted, authors would be deprived of that right of retaining control of their works. I find in the Montreal Gazette an article part of which deserves to be considered:

The contention that this invasion of the author's rights is compatible with the Berne Convention is only rendered possible by a most curious omission in the text of the convention itself. The whole spirit of the convention is to the effect that the author, or his assignee, shall enjoy complete control of his intellectual property during his lifetime and for fifty years following. In the case of certain specific rights, secondary in their nature to the right of controlling the physical production of the book itself, it is most expressly stated that these shall be exclusively and completely held by the author. Thus it is expressly stated that authors shall have the exclusive right of making or authorizing translation, of authorizing serial publication, of controlling public performance of dramatic and musical works, of controlling all adaptations or changes of literary or musical form, of controlling mechanical reproduction of musical works, and of controlling cinematographic reproduction of literary, scientific or artistic works. Probably it never entered the heads of the drafters of this convention that anybody could dream of taking away from the author the right to control the printing of the works which he had written, while yet purporting to recognize his property rights in those words.

I think that these remarks deserve consideration, and that honourable gentlemen who have observed the progress of literature in this country will vote against those three clauses.

Hon. Mr. BEAUBIEN: I did not quite catch the argument that was made a moment ago by the honourable member for Moosejaw (Hon. Mr. Willoughby), unless it was this, that, as we have as yet very few authors in our country, we ought to be glad to have the benefit of authors outside of the country, without paying anything at all for their works. That is the only way in which, to my mind, his argument in favour of the clause in question could be interpreted.

Hon. Mr. WILLOUGHBY: It was not my meaning, at any rate.

Hon. Mr. BEAUBIEN: Then I am very glad to find that I made a mistake. There is no doubt in my mind that section 13 is a violation of the revised Convention of Berne; but if I had any doubt, the official organ of that Convention, Le Droit d'Auteur, clearly states it; and I would ask permission to read to this honourable House a short extract from an article on the subject published on the 15th of April last. This is what it says:

If certain clauses of the Bill (12, 14, etc.) relative to compulsory licenses—they correspond in part to those provided by the British Imperial Law of 1911, articles 3 and 4—can, by straining a point, be reconciled with the regulations of the Union, this is not so as far as the formalities of registering and of depositing copies in Canada, nor as far as the conditions of necessary indication of the name of the author and of the publication of any work in Canada are concerned. These formalities and conditions are wholly incompatible with the obligations incurred by the state in virtue of the Revised Convention of 1908, and moreover, already actually abandoned by Canada as regards Authors belonging to the Union, who are required merely to fulfil the conditions and formalities eventually prescribed in the country of origin.

Now, if I understand the position rightly, we are still under the Convention, by virtue of the law of 1886. We have been allowed by the subsequent legislation of England to go outside the jurisdiction of that law if we choose; but so long as we do not leave the jurisdiction of the law of 1886—

Hon. Mr. BELCOURT: By legislation here?

Hon. Mr. BEAUBIEN: By this or any other legislation we still remain governed by it; and under it the authors of foreign countries belonging to the Union are perfectly protected. If I understand the matter rightly, this legislation will make us one of the important countries in the world that will be beyond the pale of that law—the pale of the Union. Are we willing to be in that position? For my part I would be very sorry. Is Canada going to be a piffling country, able to steal from any author in the whole world who may have a work of value? I do not think so. I do not think that is the consensus of opinion of this House. I hope it is not. As has been so well said by the member from Mille Iles (Hon. Mr. David), why not respect the property of the intellectuals? Is it not the most respectable property that exists in the world? Does not all the other property flow from it? Is it not true that all other property is worth nothing without it? What, after all, is the value of any material property to a man if he has not enough intelligence, enough education, to enjoy it? Where can he get that education and training if not through the property of the intellectuals? For my part I would be very sorry to see Canada one of the only two countries in the world where that property is not considered absolutely sacred.

Hon. Mr. CHAPAIS: Honourable gentlemen, I do not want to repeat what I said this morning, but I should like to put before this Committee an appreciation of the clauses of the Bill now under discussion that was made by a very competent body—the Incorporated Society of Authors, Playwrights, and Composers, of London, England. Here is that appreciation:

The Canadian proposal is, in effect, to divest the owner of the copyright in his work. It is not really a compulsory license. It is a compulsory purchase for a price to be paid by way of royalty. It is submitted that this is a violation of one of the first principles of the Revised Convention of Berne. Copyright is to be the property of the author and his assigns and he or they cannot, if the Convention is to be observed, be wholly deprived of their property in this way.

Apart from the objection that what is proposed here is a wholesale confiscation of literary property without even adequate compensation the whole scheme seems to be most unjust, more particularly to the English author and publisher.

This is a very strong statement, and as I deem it to be absolutely sound I thought it right that this Committee should be aware of that appreciation by such an important and intelligent body.

Hon. Mr. WILLOUGHBY: As the honourable gentleman from Montarville (Hon. Mr. Beaubien) has referred to myself I would like to say one word. He stated that the argument that I had

adduced, if logically followed, would be attaching little importance to the authors of Canada. I wish to say that I yield to no one in my desire for Canadian literature to flourish, or my admiration of those who are supporting it intelligently.

Hon. Mr. DANDURAND: Honourable gentlemen, the Government leader has stated that not only had the authors rights in connection with the publication of their books, but that the public was to be considered. I do not understand exactly what my honourable friend meant by that word, the public. Did he mean the readers at large throughout the land? Or did that expression cover simply the publisher or printer? If he meant the public at large, I do not see that the public needs any protection in this connection. Suppose a Canadian author has written a book; he goes to a Canadian publisher, who refuses to publish it;—he crosses the line, goes to New York or Boston, and obtains a contract, favourable to himself and quite satisfactory, for the printing of the book, and he gives the right to the publisher to sell that book throughout the United States and Canada. This is a right which, up to this moment, seems to violate no principle, if this law does not intervene; but, if this law should intervene, then that contract which the author had made or would make, he may not be able to make. The Boston or New York publisher may say: "I have a considerable clientele among the reading public in Canada, and I will make for you certain favourable conditions if you give me the right to extend my sales to your country." But the author will be hampered in disposing of his rights and entering into a contract for the publication of his book in the United States, which is the large constituency, representing a market of 110,000,000 people as against 7,000,000 or 8,000,000 Canadian people;—because under this legislation any publisher may immediately give notice to the Minister of Justice that he intends to claim a license and publish that book in Canada. If the American publisher has consented to enter into that contract, and is hampered in regard to entering the Canadian market through that demand for a license the contract may be set at nought; difficulties may appear; and the author may be involved in lawsuits and in loss—all because a Canadian publisher, who may have refused the risk of publishing that book when it was first offered to him, feeling assured now that it is a success, will pounce upon it and say, "Now I will print it in Canada"—in violation of a contract that may have been entered into with the American house by the author. This is the step we are about to take in putting into this Act these sections 13, 14, and 15. For my part I am not disposed thus to hamper the Canadian author. He has produced his book, he is a free man, he can offer it to a Canadian publishing house; that house may accept or refuse it; or he may, without offering it, decide that it can be launched on the American market, and he may cross over to the other side and publish it.

Now, why should this Parliament interfere by saying: "You shall be limited in the right of disposing of your own property; you will be limited because if you go across the border to print your book you may to-morrow have a demand from a publisher to print a Canadian edition." There is no use blinking the fact that these clauses are incorporated in this Act to allow the Canadian printer or publisher a right to publish a book of a Canadian author which has achieved some success on the other side. If it were a failure, I suppose there would be no difficulty. But by what right should this Parliament hamper and restrict the liberty of the author in favour of the publisher and printer? I am in favour of giving Canadian printer and publisher all the possible advantages that may accrue to him regularly under our laws; but not at the expense of his neighbour. I do not see that the Canadian publisher or printer has any right to a mortgage of any kind upon the property of his neighbour; yet this is what we are giving him by these sections 13, 14, and 15. I want the Canadian author to go absolutely unhampered, and I want this Parliament, if I can do it by my vote, to accept the principle of the Berne Convention, which declares that when a state enters that convention, any one of its nationals —to use an expression we discussed lately, and to which we gave the legal sense—is to be allowed to publish his book, and to have the help of that constituency represented by the countries that accept the Berne Convention. For that reason I think clauses 13, 14, and 15 contain a vicious principle. The Minister of Justice has expressed the hope that he may successfully negotiate Canada into the Berne Convention, and have the United States accept these as reciprocal clauses. I am convinced that if we adopt that prin-

ciple the Minister of Justice will come next Session and declare his utter failure. But, as I cannot admit the principle on which he wants to rest, I am not ready to vote for these clauses.

Hon. Sir JAMES LOUGHEED: The argument submitted by my honourable friend from Delorimier (Hon. Mr. Dandurand) would probably be unanswerable if he had not overlooked the very fundamental principle of the Bill before us. What is that principle? It is that the authors of Canada as well as the authors under the Berne Convention, or those who can take advantage of the Berne Convention, come to the Parliament of Canada and say: "Gentlemen, we want you to build safeguards around our works, not only for our lifetime but for fifty years afterwards." The Parliament of Canada very naturally says: "Yes, we are willing to do that, but it will be on terms." And the terms are those embodied in or imported into sections 13, 14, and 15. Is Parliament to yield to the demand of the authors that they should have unlimited rights, entirely irrespective of the public, in the protection with which this legislation will surround them? My honourable friend overlooks that.

Hon. Mr. DANDURAND: Does my honourable friend contend that if we strike out these clauses the authors will not be enjoying the very same advantages that we enjoy with respect to our movable property and our real estate?

Hon. Sir JAMES LOUGHEED: No. My honourable friend speaks of his movable property and real estate. Every province of Canada makes most drastic provisions as to what shall be done in the way of registration in regard to movables and real estate.

Hon. Mr. DANDURAND: They do not limit our right to dispose of them.

Hon. Sir JAMES LOUGHEED: This does not do that. Why should the authors of Canada be permitted to play dog in the manger? Why should they be permitted to publish works in a country foreign to the country in which they get their rights? A Canadian author could go to the United States or to Europe and use the printing presses there, and at the same time say, "I look to Canada to protect my work."

Hon. Mr. DANDURAND: That is what my honourable friend calls the public?

Hon. Sir JAMES LOUGHEED: Yes, the public is interested. The printers and publishers and workmen of this country constitute the public, and the reading public are interested to the extent of seeing that that work is produced in Canada, printed in Canada, and circulated in Canada. Is an author to be permitted to say: "I am going absolutely to ignore Canada, and print this work in a foreign country, and snap my fingers at the Parliament that gives me the protection I demand." It seems to me that there is a simplicity about that which would do credit only to a schoolboy.

Hon. Mr. DANDURAND: If the printing of that book has been refused by any publisher in Canada, can that publisher, with good grace come in, after it has been published on the other side and has become a success, and try to lay his hands on it?

Hon. Sir JAMES LOUGHEED: Another publisher might. Furthermore, this is a question of compromise. My honourable friend knows that a Copyright Bill came before the Senate, I think three years ago, and that we spent some three weeks in giving it the closest possible attention. We approached it with the idea of being able to pass a Bill similar to that passed by Great Britain; but we found it impossible. My honourable friend knows that it would be impossible to pass in this Parliament such a Bill as he has outlined.

Hon. Mr. DANDURAND: Why?

Hon. Sir JAMES LOUGHEED: My honourable friend knows that on that occasion it was impossible to pass the Bill, and that from Confederation down it has been found impossible. Although this subject has been before Parliament on many occasions, it has been absolutely impossible to get such a Bill as the authors demanded, and if they do not take this they will get none.

Hon. Mr. BELCOURT: I want to protest against my honourable friend's definition of property. A man who writes a book is as much the owner of the manuscript as my honourable friend is of his beautiful home in Calgary, which is his in just exactly the same way, in virtue of the same principle, and to the same extent. I should like to know how my honourable friend would be placed if he closed his home in Calgary, which is capable of lodging ten or twelve families, and kept it closed for four or five years, and said, "It is my property." Those cases are absolutely parallel and on all fours.

My honourable friend speaks very eloquently about the public. The public is as much interested, perhaps more interested than anybody else, in seeing that the author is properly recognized, and that his rights are protected. But who are the public that these clauses endeavour to protect? They are the men who publish; the publishers, the printers, the men who deal in phonographs, and all that sort of thing. That is the public my honourable friend is talking about so eloquently. And what is the difference between our buying books in the United States and buying them in Canada? This country buys a tremendous lot of goods in the United States.

Hon. Mr. ROBERTSON: Which it ought not to do.

Hon. Mr. BELCOURT: That may be so. But what is the difference? Why make flesh of one and fish of another? The same argument applies here. All this grand talk about the public is, if I may make use of a street term, simply rot. It is not the public that is in view at all; it is the manufacturer, who, in nine cases out of ten, steals the songs and the works of Canadians, as has been done repeatedly and on many occasions. I need not mention the cases—they are very recent—in which we have had Canadians coming and complaining most bitterly that because there was no copyright law in Canada acts of piracy could be committed day in and day out. I stand for the author; I think he should be protected above all—above the publisher, above the printer, above the dealer in phonographs, and so on. My honourable friend's distinctions have no application whatever. The right of property is the same in one case as in another.

Take section 14. 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 4 of this Act applies, and the owner of the copyright has refused to grant a license to any person in Canada, being a publisher of a periodical, to publish such book in serial form, a license may, in the discretion of the Minister, be granted to any person in Canada, being the publisher of a periodical.

And so on. It may be that at the very moment when this application is made for a license the Canadian author may have his manuscript in the hands of the printers, in order to publish it himself in book form; and yet it would be within the power of a Canadian printer to get a license to publish it in serial form in a periodical.

Hon. Mr. DANIEL: There is one thing in the argument of my honourable friend from Ottawa (Hon. Mr. Belcourt) that I do not understand. I have always understood that when an author composes a book and wishes to have it published, he wants as many editions as possible, because the more books that are printed the greater are the royalties that he gets. It puzzles me why he should object to having his book published in the United States, or why he should object to having it published in Canada so long as the publisher obtaining a license to do so pays him a royalty of 10 per cent on every book that is published in Canada.

Hon. Mr. BELCOURT: There is just the same objection as there would be if someone chose to impose upon my honourable friend the price at which he would have to sell anything that he owned.

Hon. Mr. BEAUBIEN: There is more. There is a very striking case that I think would answer my honourable friend. There is in my province a very distinguished historian who, years ago, when he was beginning his career, published 1,500 copies of a very remarkable book. They were taken up immediately. Later on, after pursuing his historical studies he found that he had made some very serious mistakes—that he had stated things which he discovered later were not exactly correct. There were faults of omission and commission, and he thought that he owed it to himself to correct them. The time has come for the corrections to be made. He desires to make the corrections. The book is his child, and he feels that it is his duty, and certainly his right, not to have the book published as it was when it came from his pen as a young author. Under the provision in this Bill, whether he wanted to or not, he would be obliged to publish that book without corrections and as an imperfect work; the errors would be continued, appearing to come from him as a mature author, when he would not have the excuse which he had when he wrote the book as a young author.

Hon. Mr. DANIEL: How about subsection 12?

Hon. Mr. BEAUBIEN: If I may be permitted to finish. If it were not for the fact that it would be personal, I could name the honourable gentleman; he sits in this House.

Now, may I ask just one thing more? The leader of the Government has selected one example to uphold this Bill; and I

think I can say that if it had not been for his extraordinary ability and skill, he would have hesitated to make use of such an example. Remember, honourable gentlemen, the entire argument rests upon that example. What is it? He takes the case of a native of this country who goes to the United States or somewhere outside of Canada and gets his work published, and then turns against his own country and refuses to give it the benefit of his work. I ask you, honourable gentlemen, is that very probable? Do you think that the authors who go to other markets to have their books printed do so because they want to deprive their own country of the benefit of their works, or because they feel that they need a wider market? They go to the United States because they must have a larger field. If they could at the same time publish in both markets—and sometimes they do—they would be only too glad to do so; and it seems to me that the argument of my honourable friend surely cannot be invoked. If there are any such cases as my honourable friend referred to, they are very rare exceptions, and it seems to me that no general conclusion can be drawn from them upon which to base this law.

Hon. Mr. DANIEL: I would like to draw the attention of the honourable gentleman to subsection 12 of section 13. Of course, I am not a lawyer, but to my mind it provides for the case the honourable gentleman has referred to. It says:

> Provided that nothing in this section shall authorise 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.

The first part of the same subsection says:

> If a book for which a license has been issued is suppressed by the owner of the copyright—

If the author should become imbued with the idea that he should make some changes in his book because of recent developments, he has the power to suppress it, and under those circumstances no license would be given. It appears to me that subsection 12 of the section looks after what the honourable gentleman has referred to.

Hon. Mr. DANDURAND: By making that citation, the honourable gentleman knows that this Bill, though a compromise in the Special Committee of the Commons, was not absolutely infallible, because the section which he has read was added in Committee of the Whole in the other Chamber at the request of Sir Robert Borden. That simply shows that nothing is perfect, and that we may succeed in making the Bill more perfect by striking out sections 13, 14, and 15.

Hon. Mr. BEAUBIEN: All I have said still stands good. My first answer is that if a man has an edition published outside of Canada, he is absolutely without protection, because anyone in Canada may say to him, "Publish, or, if you don't, I will publish in your stead." My second answer is that a man does not want to withdraw his book; he wants to perfect it. He does not want to cancel it; he wants to improve it.

Hon. Mr. BEIQUE: Honourable gentlemen, I think that when authors come to Parliament and ask for privileges, there is no question that Parliament is entitled to dictate the terms and conditions on which the privileges will be granted. So far I side with the leader of the Government. But the question is as to whether the conditions prescribed are fair conditions. For my part, I think the honourable gentleman from De Lorimier (Hon. Mr. Dandurand) has made a very strong case, an unanswerable case, in showing that Canadian authors may be very seriously affected if they cannot deal with a publisher on the other side of the line without that publisher the next day being exposed to the competition of a Canadian publisher in selling an inferior edition of the same book.

Hon. Sir JAMES LOUGHEED: What is to prevent the publisher in a foreign country, with whom such a contract is made, from publishing in Canada? He gets over the difficulty by doing that.

Hon. Mr. BEIQUE: Of course, he may not be willing to do that, because our market is too small. I am proceeding, in no excited way, to express the opinion that occurs to me after hearing both sides. I have not the authority to say, like the honourable leader of the Government, that if Canadian authors do not accept this Bill they will have no Bill at all; but I think we should be rendering a service to Canadian authors if we endeavoured to arrive at some compromise, as the House of Commons have done. I am under the impression that section 13, 14, and 15 of this Bill may be improved, by further safeguarding the interests of Canadian authors, and it is to that purpose that our efforts should be directed. This Bill, in one form or another, has been

before Parliament for five or six years. A great deal of work has been done, not on this very Bill, but on a Bill covering the same matter; yet no law has been placed on the statute book. I am afraid, if we do not pay greater attention to this feature in order to improve so far as possible the position of Canadian authors, but on the other hand make concessions to Canadian publishers, that there will still be no law and the matter will remain as it has stood for some years past.

The honourable leader of the Government will admit that the action Parliament would be taking in enacting these clauses 13, 14, and 15 would be such as to place Canadian authors in a position different from that of the authors of any country governed by the Berne Convention. Therefore it seems to me that we are not dealing as generously with Canadian authors as France, England, or any other country under the Berne Convention is dealing with its authors; and for my part I dislike that feature of the Bill. On the other hand, there is this other point which we must bear in mind, that we may be driven to that position to some extent because of our situation alongside the United States, a country very much larger than ours, having a much larger reading public, and therefore giving considerable advantage to publishers on the other side. The question arises whether under these circumstances it is not fair to grant some protection to Canadian publishers. For my part, I would like to try to reconcile the granting of some concessions to the publishers with the further safeguarding of the interests of Canadian authors. Having seen the Bill only to-day, I have not been able to give it mature consideration; but I am under the impression that the Bill might provide further protection, for instance, by guarding against books published or printed in Canada being printed on inferior paper and sold at a price much lower than that at which the book is published under a contract made by the owner of the copyright himself. I entreat honourable gentlemen on both sides to consider whether it would not be better to apply our faculties in an attempt to improve the Bill instead of coming into conflict with the House of Commons and perhaps endangering the passage of this legislation.

Paragraph a of subsection 1 of section 13 was agreed to on the following division: Contents, 26; non-contents, 20.

On paragraph b of subsection 1:

Hon. Mr. BEAUBIEN: I think this clause is not very clear. Paragraph a says that the authors shall be obliged to print in Canada, and paragraph b says exactly the same thing—that they must provide the Canadian market with copies printed in Canada. That is repeating the same obligation. I submit that paragraph b should be amended to read:

Or to supply by means of a sufficient number of copies the reasonable demands of the Canadian market for such book.

In other words, if an author refuses to print in Canada, then we say to him: "You have no right to deprive our public of the benefit of your book; give us the number of copies required by our market." That, to my mind, is a logical position. I do not approve of the clause, but if it is to be passed it should be corrected so as to require publication in Canada, or, in the alternative, the furnishing of the number of copies necessary to satisfy the needs of the home market. I therefore propose this amendment.

Hon. Sir JAMES LOUGHEED: My honourable friend apparently does not read paragraph b as I do. I was going to say that my honourable friend does not fully grasp the application of paragraph b. Paragraph a makes provision for the printing of the book, and paragraph b makes provision for the keeping up of the supply. That is to say, an author who has printed his book cannot say, "There, I have complied with the law"; he must keep printing it as long as there is a demand for the book.

Hon. Mr. BEAUBIEN: My amendment covers that exactly.

Hon. Sir JAMES LOUGHEED: But if the present paragraph does so, why accept an amendment?

Hon. Mr. BEAUBIEN: Only for this reason, that in one case you will not allow in this country a single copy of any book worth having, unless it is printed in Canada. That is the point. The book must be "so printed." If, for instance, an author has his book published elsewhere, but is ready to supply us with all the copies we require, they are refused at the border, because the printers will not allow them to come through. It may not pay the author to have an edition of his book published in this country. Under the amendment as I have moved it, the author will have the alternative of either printing in Canada or bringing over here the number of copies called for by our market, even if they have been printed abroad.

Hon. Sir JAMES LOUGHEED: Oh, no.

Hon. Mr. BEAUBIEN: That is not the purpose?

Hon. Sir JAMES LOUGHEED: The purpose is to prevent that very thing being done.

Hon. Mr. CHAPAIS: No, not at all.

Hon. Mr. BEAUBIEN: I do not think so.

The amendment of Hon. Mr. Beaubien was negatived, and paragraph b was agreed to.

Subsections 2 to 5, inclusive, were agreed to.

On subsection 6—license to highest application:

The Hon. the CHAIRMAN: Hon. Sir James Lougheed moves:

That subsection 6 of section 13 be amended by striking out of line 41 the words, "The highest retail selling price," and substituting therefor the words, "terms in the opinion of the Minister most advantageous to the author," and by striking out of line 42 the words, "the same retail price" and substituting therefor the words, "terms equally advantageous to the author."

The amendment of Hon Sir James Lougheed was agreed to, and subsection 6 as amended was agreed to.

Subsections 7 and 8 were agreed to.

On subsection 9—licenses:

The Hon. the CHAIRMAN: There is an amendment to subsection 9:

That paragraph a of subsection 9 of section 13 be amended by striking out of the third line of said paragraph the words "thirty days," and substituting therefor the words "two months."

Hon. Mr. CHAPAIS: Why not say three months?

Hon. Mr. DANIEL: It appears to me that if a publisher applies for a license to publish a book he wants that permission immediately in order to publish the book at once. This is not something that is being forced on any one; it is, as I understand it, an application from a publisher who desires to obtain a license to publish a book. Why should he, after applying for that license, delay publication and thus prevent some other publisher who is ready to proceed with the work, from applying for a license? It seems to me that the time specified in the clause as it stands is better.

Hon. Sir JAMES LOUGHEED: The object of the amendment is this. There may be difficulty in printing the work within thirty days. There may be in the large printing establishments such a congestion of work as would prevent this being done. For instance, we are fully aware of the frequent difficulty of getting Government printing done during the Session of Parliament, of getting it within a reasonable time. The purpose of this amendment is simply to give a reasonable time for the printing of the work.

The amendment of Hon. Sir James Lougheed was agreed to, and paragraph a of subsection 9, as amended, was agreed to.

On paragraph b of subsection 9:

Hon. Mr. BEIQUE: Honourable gentlemen, I suggest that paragraph b be amended by adding after the word "book" in the second line thereof the following words: "in such manner as may be prescribed by the Minister." It will be noticed that the Minister has no discretion to prescribe that the book shall be printed in proper form. The copyrighter may have made a contract in New York for the printing of his book on good paper, and the book in circulation may be a valuable edition. I think the Minister should have the power, in granting the license, to require that the licensee must use proper paper in publishing the book in Canada.

The amendment of Hon. Mr. Béique was agreed to.

Paragraph b as amended was agreed to.

Subsections 10 and 11 were agreed to.

On subsection 12:

Hon. Mr. BEIQUE: In line 32 it is stated that:

The owner of the copyright shall be entitled to buy all such copies at the cost of printing them.

This applies to a book for which a license has been issued, but which was suppressed by the owner of the copyright. I am afraid that the phrase "cost of printing them" would not cover the cost of the paper, that it would be interpreted as covering only the cost of actual printing, and I think it would be better to amend the clause by including the cost of paper.

Hon. Mr. CHAPAIS: I think the cost of printing includes the paper.

Hon. Mr. DANIEL: Yes, and the ink.

The Hon. the CHAIRMAN: Hon. Sir James Lougheed moves that the proviso to subsection 12 be amended so as to make it a separate subsection, by striking out the

words "provided that" in line 33 and substituting therefor the figures "13" before the words "Nothing in this section", etc.

Hon. Mr. DANIEL: That keeps in the proviso?

Hon. Sir JAMES LOUGHEED: Yes, it makes it the same effect.

The amendment of Sir James Lougheed, as subsection 13, was agreed to.

Hon. Mr. DANDURAND: I move an amendment that will go as subsection 14, reading thus:

14. No one will be entitled to a license as provided under this clause who has previously refused a proposal by the author to print or publish his work.

Hon. Sir JAMES LOUGHEED: I cannot see the reason for that.

Hon. Mr. DANDURAND: The reason is this. The author is desirous of finding a publisher. The author first looks for one near his home or in his own country. The publisher examines the work, but it does not appeal to him, and he feels that he should not take the risk of printing it. The author finds the doors closed wherever he applies in Canada to have his book published; and, as he has not the money to print it himself, he crosses to the United States and finds a publisher who takes his book, and it has a considerable sale. Should the Canadian publisher who turned down the work take advantage of this Act and say, "Now I will print that book, and I will ask for a license?" I ask my honourable friend if he thinks that is a fair privilege to allow to a man who turned down one of his own people because he had not enough faith or enough knowledge of the literary value of the work, which found favour in another country, and to allow him to say: "Now I feel secure; the book is a success in the neighbouring country, or elsewhere, and I will ask for a license." Does it appeal to the judgment of my honourable friend that the party who were previously offered the book and did not take it should now be entitled to take advantage of this Act?

Hon. Sir JAMES LOUGHEED: As between him and other publishers, yes. I do not see any distinction between him and other publishers. Perhaps all other publishers would have done the same thing.

Hon. Mr. DANDURAND: If they did, should they not be debarred from taking advantage of this Act, and saying, "Now I will print this in the interest of Canada"? There was no interest of Canada when they refused it; it was their own pocket's interest.

Hon. Sir JAMES LOUGHEED: No. All great publishers have failed to exercise proper judgment as to the future success of literary works. Such experience has been most remarkable in regard to the great authors. They were invariably turned down by their publishers until they established a reputation.

Hon. Mr. DANDURAND: Well, I feel, since we are giving a privilege to the Canadian publisher, that he should be debarred from using that privilege if he has not had enough confidence in the value of the work first offered him, and thus perhaps forced the author to cross the line and go to another country to get his book published.

Hon. Mr. WILLOUGHBY: Is that not really an advantage to an author, enabling him to strike a better bargain afterwards?

Hon. Sir JAMES LOUGHEED: He would have the laugh on the publisher.

Hon. Mr. DANDURAND: Of course, my amendment would not prevent any publisher who has committed that error in judgment from going to the author and making conditions satisfactory to him for publishing the book in Canada; but what I think we should refuse him is the right to exercise this choice when he has already been offered and refused it.

Hon. Sir JAMES LOUGHEED: He might have refused on account of the terms which the author sought to impose. You never can tell.

The amendment of Hon. Mr. Dandurand was negatived.

On section 14—license to publish book in serial form:

Hon. Mr. BELCOURT: I want to suggest an amendment which will cover the case that I referred to before—that of a Canadian author who has begun or is about to begin publication in Canada, and at or about the same time somebody applies for a license. I suggest that we cover that case by inserting, after the word "applies" in line 40, the words: "and the owner thereof has not begun or is not about to begin publication in Canada." I am assuming that, almost concurrently with the application to the minister for a license, provision is being made by the owner for the book to be published in Canada, and I sub-

mit that in that case the license should not be granted. I want my amendment as a necessary incident to the granting of the application.

Hon. Sir JAMES LOUGHEED: What does my honourable friend seek to gain by that?

Hon. Mr. BELCOURT: I would gain this, that I would prevent a publisher of the United States, say, from coming to the Minister of Justice at Ottawa and securing a license, when in fact the Canadian author may be making arrangements himself for publication in Canada.

Hon. Sir JAMES LOUGHEED: All that the author has to do is to notify the Minister who issues the license, of his intentions.

Hon. Mr. BELCOURT: But he may not know that there is an application pending for a license; it is done behind his back; he does not know anything about it.

Hon. Sir JAMES LOUGHEED: Let us see. In the first place, the licensee must make the application, and make it on grounds or reasons, the chief reason being that publication is not being made in Canada. Presumably the author will be familiar with this Bill, or this Act as it will then be, and he can surely notify the Minister who issues the license that he is about to make publication in Canada.

Hon. Mr. DANDURAND: But is it not the duty of the Minister to notify the author?

Hon. Mr. BELCOURT: That will cover it.

Hon. Sir JAMES LOUGHEED: We have made provision in subsection 6 of this section 14 as follows:

> Such license may be upon the terms proposed in such draft contract, or upon terms prescribed by the regulations; provided that before such terms are settled the owner of the copyright shall be entitled to being fully heard in support of any contentions or representations he may deem it in his interests to make.

Hon. Mr. BELCOURT: Does that imply an obligation on the part of the Minister to notify the owner?

Hon. Mr. CHAPAIS: That should be included that the Minister should notify the author.

Hon. Mr. BELCOURT: I can see the force of my honourable friend's point.

Hon. Mr. BELCOURT.

Hon. Sir JAMES LOUGHEED: It seems to me to be mandatory, because it says that the owner of the copyright shall be entitled to being fully heard.

Hon. Mr. BELCOURT: Why does it not provide that he should be notified?

Hon. W. B. ROSS: If it is provided that he shall be entitled to be heard, he would likely get notice.

Hon. Mr. BELCOURT: It should be provided that he should get notice.

Hon. Sir JAMES LOUGHEED: I will say to my honourable friend that regulations will be passed for the purpose of giving effect not only to all the principles but to all the details of the Bill, and his point can be easily provided for, and naturally would be provided for in the regulations.

Hon. Mr. BELCOURT: If it is going to be provided for, then I am quite content to leave it.

Hon. Sir JAMES LOUGHEED: I am informed that that is the intention.

Hon. Mr. DANDURAND: The whole draft seems to imply that the Minister of Justice will hear the author.

Hon. Sir JAMES LOUGHEED: Oh, yes.

Hon. Mr. DANDURAND: It seems that it should be the first act.

Hon. Sir JAMES LOUGHEED: It will not be an ex parte application.

The Hon. the CHAIRMAN: Honourable Sir James Lougheed moves to insert in section 14, subsection 1, at line 40, after the words "foreign country to which" the words "subsection 1 of".

Hon. Sir JAMES LOUGHEED: That is to restrict it to countries that come under the Union.

The amendment of Sir James Lougheed was agreed to.

On subsection 2 of section 14—application:

Hon. Mr. BOSTOCK: I should like to ask my honourable friend where the provision is in regard to drawing up these regulations.

Hon. Sir JAMES LOUGHEED: Section 43.

Subsection 2 was agreed to.

Subsections 3 to 8, inclusive, were agreed to, and section 14 as amended was agreed to.

Sections 15, 16 and 17 were agreed to.

Subsection 1 of section 18 was agreed to.

On subsection 2—rates of royalties:

Hon. Mr. BELCOURT: I want to draw my honourable friend's attention to the fact that the English Act provides for rates considerably in excess of those we are providing for. I want to propose the following amendment:

That clause 18, subsection 2, be amended by substituting therefor the following:

2. That the rates at which such royalties as aforesaid are to be calculated shall—

(a) In the case of contrivances sold within two years after the commencement of this Act by the person making the same, be, 2½ per cent for each playing surface; and

(b) In the case of contrivances sold as aforesaid after the expiration of the last mentioned period, 5 per cent for each playing surface;

—on the ordinary retail selling price of the contrivance calculated in the prescribed manner, so. however, that the royalty payable in respect of a contrivance shall in no case be less than 1 per cent for each separate musical work in which copyright subsists reproduced thereon, and, where the royalty calculated as aforesaid includes a fraction of a cent of one-half or more, such fraction shall be reckoned as one cent.

The object of my amendment is to adopt the same rates as prevail in Great Britain. It seems to me that there are reasons which ought to make the rates in Canada at least as high as those in Great Britain.

Hon. Mr. FOWLER: When this matter was up in 1919 there was a conference between the men who were handling the records and the song writers whose songs were being recorded on the records, and it was agreed at that time to make a flat price of 2 cents for each. That is the price put in this Bill, and it seems to me reasonable. I think we should hold to that.

Hon. Mr. PROUDFOOT: I want to move an amendment. I do not quite follow the amendment of my honourable friend from Ottawa (Hon. Mr. Belcourt); I do not know exactly what it is intended to cover.

Hon. Mr. DANDURAND: I understand that in Great Britain the rate paid to the author on the disc is paid on the percentage basis, and that if that were applied to the Canadian disc it would be higher than the present flat rate of 2 cents, which is levied after the American method of levying the royalty. The honourable gentleman from Ottawa (Hon. Mr. Belcourt) proposes to adopt instead of the flat rate the British rate, which would have the effect of increasing the royalty. I have yet to hear from the honourable gentleman from Toronto (Hon. Mr. Proudfoot), whether he joins hands with the honourable gentleman from Ottawa in raising the royalty, or if his amendment is to the contrary effect.

Hon. Mr. BELCOURT: My amendment is copied verbatim from the English section. It is word for word with subsection 3 of section 19.

Hon. Mr. PROUDFOOT: The amendment I propose to move is:

That in subsection 2, where the words "two cents" appear, in lines 1 and 2, they be changed to "one cent".

Hon. Mr. FOWLER: You are going to help the author out.

Hon. Mr. PROUDFOOT: I am glad to hear that.

Hon. Mr. FOWLER: And to keep him out.

Hon. Mr. PROUDFOOT: There are several reasons why the royalty should not be fixed at too high a figure. It is quite true that some years ago, when the question was first spoken of, the rate of 2 cents was mentioned; but the Bill did not go through, and in the meantime the matter has been fully considered. The trade has developed very considerably in Canada, and they are satisfied that a 2 cent rate for each playing surface would put a number of the factories out of business.

It may be interesting to honourable gentlemen to know how far we have proceeded in Canada in the manufacture of records. In Toronto we have the Columbia company, with an investment of $3,000,000 and employing 600 hands. They have additional capacity for 4,000 and intend to go largely into the export business. About two-thirds of the capital in that company is supplied by people from the United States, the balance being Canadian money. This is the company which during the late war took over the aeroplane business in Toronto.

Then we have another large company called the Berliner Gramophone Company, of Montreal. This company has a capital of $4,000,000. It has a factory, which was put up within the past year, where it manufactures everything that goes into the work except the shellac, which, as we all

know, is brought principally from India, and cannot be produced here. This factory employs 750, many of them highly paid, and among them being numerous returned soldiers. It is the company which produced the record of the speech of Sir Thomas White for use in the Victory Loan campaign. Honourable gentlemen no doubt remember that during the time of the Victory Loan Campaign the speech made by Sir Thomas White was reproduced all over the country, and, as I understand, did a great deal of good in securing subscriptions. That company has in connection with its business several hundred dealers throughout Canada, many of whom have invested in the company. About two-thirds of the capital of this company is Canadian, and, although I do not know, I assume that a considerable portion has been raised in the city of Montreal.

Then we have the Scythes Vocalion Company of Toronto, which has a capital of $200,000, and has just acquired the right to manufacture the products of a British and American company. This company has branches in England, Australia, and New Zealand. It has made contracts with other Canadian companies to manufacture cabinets. Apparently all these goods were previously made outside of Canada, and this company did not expect to have to pay a royalty.

Hon. Mr. FOWLER: And they have not.

Hon. Mr. PROUDFOOT: And they do not want to. If they are obliged to pay a royalty, as I will explain, it will very seriously interfere with their carrying on business at all.

Hon. Mr. FOWLER: It may interfere with their gains.

Hon. Mr. PROUDFOOT: Then there is the Star Company, of London, Ontario, and Lachine, Quebec, with a capital of $300,000 and employing 125 men.

There is the Brunswick-Balke-Collender Company, of Toronto, with an investment of about $1,000,000 and employing 300, and it expects to do a very considerable export business. It has five distributing branches in Canada—at Montreal, Winnipeg, Toronto, Edmonton, and Vancouver—and hopes to establish connections in England. The company has purchased a site at Woodstock, Ontario, and if the work is proceeded with there, it will mean an investment of $500,000 more and the employment of 400 or 500 additional men. If the royalty is fixed at 2 cents, it will have the effect of driving the last three companies which I have mentioned out of business. They will not be able to carry on their business and to pay that rate. Men who understand the situation make the statement positively that if the rate is fixed at 2 cents for each playing surface they will not be able to continue in business.

I therefore believe it is greatly in the interest of the people of Canada that the rate should be fixed at such a figure that the companies should be able to continue in business. We are very anxious to have manufacturing in this country. The business of manufacturing these records is only in its infancy, so far as Canada is concerned, and it has great possibilities. Why should we prevent the carrying on of a business that would be very beneficial to the people of the country?

It may be said that the House of Commons dealt with this question of rates; but the member who was to bring this matter before the House was not present. It was intended that he should place the facts before the House and move an amendment to the Bill. Unfortunately, he was not there, and the other members of the House did not understand the matter, and the question was not brought up. I therefore with every confidence, in view of the circumstances, ask the Senate to fix this rate at the figure which I have mentioned.

I may add that the royalty of 2 cents on the basis of the present yearly output of the Canadian record industry would amount to about $180,000, and 96 per cent of the entire amount would go to United States copyright owners.

Hon. Mr. FOWLER: Think of what they have been stealing for years.

Hon. Mr. PROUDFOOT: Although my honourable friend makes that statement about these gentlemen, I am sure he does not want to see all this money go to the United States. Therefore as a purely necessary business arrangement, the Act should be amended. Why should we hand over to the United States $180,000 a year? If it is necessary to have a rate, fix that rate at one cent, which will mean about half that amount going to the States.

Some honourable gentlemen may say we should not cut the rate so low, because the authors will not receive the remuneration they ought to receive. Up to the present time they have not received anything under that head, because it was decided, not only in the Chancery Court of Appeal in Eng-

land, but also by the Supreme Court of the United States, that it was not an infringement of the copyright of any song to have it recorded in the phonograph.

Hon. Mr. DANDURAND: Does not the honourable gentleman think it would be appropriate to make this Bill retroactive and force these companies to pay the back royalties that they owe those authors?

Hon. Mr. FOSTER: Carried.

Hon. Mr. PROUDFOOT: I have not given that very much consideration, and I doubt that it would be wise to attempt to go back in that direction. Not only the three companies which I have mentioned as being unable to continue under the 2 cent rate, but the two large companies my honourable friend would like to drive out of business, one of them carrying on a very large business in his own city. The point is this. Why should we place men who have their money invested in the business to which I have referred in the position of not being able to continue? I would again impress on honourable gentlemen that by imposing a rate of two cents we are simply handing 96 per cent of the amount that is received over to the United States. I do not think that is desirable.

Hon. Mr. DANDURAND: Ninety-six per cent of what?

Hon. Mr. PROUDFOOT: As I mentioned a moment ago, the royalty of two cents, on the present basis of output in Canada, would be $180,000, of which 96 per cent would go to copyright owners in the United States, because they own practically all of these copyrights that we are using in this business in Canada. We want, if we can, to encourage the manufacturers in our own country.

Hon. Mr. FOWLER: We want to encourage the song birds too.

Hon. Mr. PROUDFOOT: We are quite willing to encourage them. But how have they been encouraged in Canada, or how have they progressed in Canada? I am able to state to you—and I regret to be in a position to state it—that 96 per cent of this money would go to the copyright owners in the United States. The amendment I move to that clause is a very simple one: that is, that we strike out the words "two cents" and substitute the words "one cent".

Hon. Mr. WILLOUGHBY: I have listened with attention to the argument of the honourable gentleman from Huron (Hon. Mr. Proudfoot). When this matter was discussed before a Committee of the Senate a couple of years ago, as mentioned by the honourable member from New Brunswick (Hon. Mr. Fowler), it was generally agreed, I think, by way of compromise, that two cents per roll should be the royalty. As has been pointed out by the honourable member for Ottawa (Hon. Mr. Belcourt), it is less than the rate in England, which is 2½ per cent and 5 per cent according to time of reproduction. The manufacturers up to the present time have had the right, which they have exercised, to reproduce the author's works by these mechanical processes without any expense at all to themselves or without any recompense for royalty to him. That has been of very great advantage to the maker of mechanical reproductions of any kind, whether by roll, or cinema or plate. This measure is not retroactive. It does not suggest any compensation to the author for the loss he has already sustained, not by law, but perhaps by equity. I do not pretend to give an opinion as to what would be a profitable rate at which the manufacturer could sell records. I believe that one dollar is the average price of records, and I am informed that the manufacturer sells to the retailer—

Hon. Mr. PROUDFOOT: At fifty cents.

Hon. Mr. WILLOUGHBY:—at fifty cents. Well, I think it is very easy to shade the market as between the two, if two cents per roll—

Hon. Mr. BELCOURT: Is it not fifty per cent rather than fifty cents, that the retailer makes?

Hon. Mr. WILLOUGHBY: Yes, fifty per cent is what the retailer makes. I think he is in for a handsome margin of profit; and the manufacturer points out that in dealing with the retailer he must agree to take back from him the unsold records. If that be the case, the manufacturer might very well drive a closer bargain with the retailer than to allow him fifty per cent. I cannot see why, if the American record maker can get along at two cents per roll, the Canadian cannot do likewise. It is less than the English rate; and, as has been pointed out to me by one of the authors, there is a hardship even in connection with the phraseology as it now appears in the proposed section:

> The royalty as aforesaid shall be two cents for each playing surface of each such record and two cents for each such perforated roll or other contrivance.

One of the authors, or composers, has pointed out to me that one of the most

popular forms of roll put on the market is a medley composed of popular selections from several songs or compositions, and he has suggested that instead of "two cents for each playing surface," or each disc, or roll, it should be two cents for each composition. That is not a very unreasonable suggestion either, for a popular air, or refrain, or chorus from each of half-a-dozen songs might be included in one medley, and you would pay only two cents to use that in a roll. If that is divided among two, three, four, or five composers, it means that they get virtually nothing. Although that suggestion appealed to me, I am not going to move to change this clause, because I think the figure of two cents per roll, or per playing surface, was in reality a compromise, and was, at the time it was first suggested, a compromise agreeable to all the parties affected. The authors wanted more, and the composers certainly wanted more. The manufacturers were fully represented before the Committee of this House, and I am informed that they were fairly well represented before the special committee of the House of Commons. I think that at this stage of the Bill it would be inadvisable to deprive the author of that very small royalty on the reproduction of his work.

The Hon. the CHAIRMAN: Hon. Mr. Belcourt moves that clause 18—

Hon. Mr. PROUDFOOT: I just want to refer to one matter spoken of one moment ago. We say that authors will suffer no injury through the granting of the request that I make. A double-faced record listed at one dollar sells wholesale at fifty cents. Under this Bill it is apparently intended to make the royalty on that record four cents; and because the wholesale price for the record that I have mentioned is only fifty cents, you are really making the royalty eight per cent. I do not think it is a fair comparison to place us on the same basis as either Great Britain or the United States, because each of those countries has such a large population as compared with ours. Our population is as one to thirteen, compared to the population of the United States; and compared to that of Great Britain it is as one to six or seven. The possibilities in those countries are very great. In this country, if the man who produces a record is not able to sell at least 5,000 copies of it, it is a complete loss to him. He has to take all that risk, and you are going to make it worse for him.

In giving a royalty, we are giving something that was never given before. Why not start at a small sum, and if you find that it is going to work injuriously there will be an opportunity of increasing the rate. If the rate is fixed at two cents, it would be very much harder to reduce it to one cent than to increase it from one to two cents.

Hon. Mr. FOWLER: It is easier to reduce a rate than to raise it.

Hon. Mr. PROUDFOOT: Oh, no.

Hon. Mr. FOWLER: Always.

Hon. Mr. PROUDFOOT: No, it would be very much harder to make the reduction from two cents to one cent than to increase from one to two cents.

Hon. Mr. FOWLER: We can reduce it as soon as we see those companies of yours fail.

Hon. Mr. PROUDFOOT: I do not want them to be placed in that position. Speaking of companies failing, during the war the French company, Pathé Frères, were put out of business by the luxury tax of five cents apiece placed on their records. They simply had to go out of business. But my honourable friend from Ottawa states that the rate should be the same as in Great Britain. It would simply mean ruin to these companies at once.

Hon. Mr. SCHAFFNER: The retailer pays fifty cents and gets one dollar.

Hon. Mr. FOWLER: He gets one hundred per cent.

Hon. Mr. SCHAFFNER: The retailer receives one dollar for what he pays the manufacturer fifty cents for. I think that as the honourable member from Moosejaw (Hon. Mr. Willoughby) says, the manufacturer had better drive a closer bargain with the retailer.

Hon. Mr. PROUDFOOT: We cannot control the sale so far as the retailers are concerned; they can buy in various markets, and we have no control over what percentage they make.

Hon. Mr. FOWLER: Somebody must have to set that price.

Hon. Mr. SCHAFFNER: You are trying to support the manufacturer, if I understand aright.

Hon. Mr. PROUDFOOT: Certainly.

Hon. Mr. SCHAFFNER: Well, I say, let him drive a closer bargain with the retailer.

Hon. Mr. PROUDFOOT: I do not know that that can be done. I thought that this Government was not opposed to the manufacturer. It is the retailer and not the manufacturer that makes that profit.

The amendment of Hon. Mr. Belcourt was negatived.

The Hon. the CHAIRMAN: It is moved by Hon. Mr. Proudfoot:

That section 18, subsection 2, be amended by substituting the words "one cent" for the words "two cents" wherever they appear in the said subsection.

The amendment of Hon. Mr. Proudfoot was negatived.

Hon. Mr. PROUDFOOT: I have another amendment I desire to move to that same section:

That section 18, subsection 2, be amended by adding at the end of that subsection, "except that records and perforated rolls or other contrivances made in Canada for export sale and actually exported to a country the laws whereof prescribe a copyright payment therefor, shall not be subject to the aforesaid royalty in Canada."

I desire to say just a word or two in favour of that amendment. The reason why it should be carried is this. The companies I referred to a few moments ago expect to do a considerable export trade. They are quite willing to pay a royalty—I will not say the royalty which you, honourable gentlemen, have just carried; but whatever royalty they have to pay should be paid only in Canada. This clause as it stands would compel the exporters to pay in Canada. I have always understood that it was the policy—I will not say of this Government, but of the Conservative party, to advocate protection, and to protect the manufacturers of this country. Then why should you place an export duty—for it amounts to the same thing—on records which are going to be shipped out of the country?

Hon. Mr. FOWLER: Why should the song-writer permit his brain to be used by the manufacturer, even if the product is to be exported to another country?

Hon. Mr. PROUDFOOT: The manufacturers will have to pay a double rate. If they export to a country where a royalty is not charged, it is all right for the manufacturers to pay the royalty in Canada. But if he is shipping to a country where there is no royalty charged, then he should pay, and he is quite willing to do so. Where he ships to a country where a royalty is to be charged, say of 2 cents a surface, you are going to increase the price and charge him what is in effect double royalties, and in that way prevent him from doing an export trade.

Hon. Mr. L'ESPERANCE: Do you mean to say that in that case the author will get double royalties—one in Canada and one in the other country?

Hon. Mr. PROUDFOOT: That will be the effect of it.

Hon. Mr. BEAUBIEN: Where they export these records to countries where author's rights are not recognized, do they relieve the exportation from those rights?

Hon. Mr. PROUDFOOT: I do not know; I am not sufficiently versed in the way they work those matters out in other countries; but I do know that the request for royalties on export goods is a matter of vital importance to Canadian record manufacturers. They cannot hope to secure the markets of Australia and New Zealand, which require them to pay royalty twice, while Germany pays only once. Why should our manufacturers be placed in a worse position, in connection with the export trade, than Germany? Authors will suffer no injury through the granting of this request, as the royalties will proceed from the companies by which their music or songs are played in those foreign countries and record manufacturers are quite satisfied to pay royalties on records going to countries such as Peru and Mexico, where royalty is not collected. In shipping there, our record manufacturers would be quite willing to pay the royalty here. I think this is a serious consideration, so far as our manufacturers are concerned; and desiring, as we do, to protect the Canadian manufacturers, I say it is the bounden duty of this House to place them at least in a position of equality with Germany so far as the shipping of records into other countries is concerned.

Hon. Mr. FOWLER: Does that not injure your argument?

Hon. Mr. PROUDFOOT: I do not think it should injure my argument, because I say that if this legislation is passed as it stands it would assist Germany, and I do not want to assist her. I want to have our manufacturers placed on as fair a basis as Germany in shipping their records to those

countries. If you pass the Bill as it stands you are not going to place our manufacturers in as good a position as the German people occupy. No matter what happens to the other branch of my motions, I say this is one that should commend itself to the good sense of the honourable gentlemen who compose this House.

Hon. Mr. BEAUBIEN: If the amendment is carried would it not have the following result. An Italian sends discs over here, after getting 2 cents in his country, and he gets 2 cents in Canada. Practically all foreign authors or composers would be treated in like manner; they would have their own amount at home, and an equal amount, or the amount stipulated, in the land to which they send their discs; while, if this law is passed, the Canadian author will be placed on a footing of inferiority; he will get nothing at home, and only whatever is coming to him in foreign lands. It seems to me that that should suffice to show that any such legislation should only be adopted if we had reciprocity.

Hon. Mr. PROUDFOOT: But my honourable friend overlooks this fact that our people are not exporting records to countries where they have to pay double royalties and the authors are not losing anything, because unless the records are exported they do not receive anything on them. Why should we curb our manufacturers in order to assist authors when as a matter of fact we are not going to assist them? This matter seems to me so plain that it is only capable of one argument, that is, that our record manufacturers should be placed in a position to be able to do business. If you are going to adopt the dog-in-the-manger policy of preventing the manufacturer from exporting, you are not going to help the authors, and you will injure not only the manufacturers, but the people who are earning their livelihood in this country in assisting in that production.

Hon. Mr. WILLOUGHBY: I wonder if the House would be willing to let that subsection stand?

Hon. Sir JAMES LOUGHEED: I think we had better dispose of it.

Hon. Mr. WILLOUGHBY: I think there is a great deal in the argument of the honourable gentleman from Toronto (Hon. Mr. Proudfoot). The object of copyright was to protect our own home market absolutely, although we do want to protect our authors and works spread abroad; but this is really a phase of protection, and I think there is a good deal to support the honourable gentleman's argument. The Bill, on the whole, as a compromise Bill, is so acceptable to me that I would not like to say anything in derogation of the Bill generally; but I do think it is a hardship to the exporter of records if an author is going to get an equivalent royalty from the importing country, though it should be an equivalent, in any event, to the royalty received by the Canadian author for the record sold in Canada; but how work it out?

Hon. Mr. DANDURAND: Would the honourable gentleman explain to me how the matter works out? I understand that it is the manufacturer of the disc who pays the royalty. Now, if he, the Canadian manufacturer, pays to the Canadian author that royalty, how can he be made to pay a double royalty to that author, who is privileged to the extent of the amount mentioned in this Act? Will the manufacturer, after having paid to the Canadian author a royalty of 2 cents say, or 4 cents, be obliged to turn around to the author and say, "I have sold in Australia, and I am commanded to pay you another royalty from Australia"? I cannot understand how this is worked.

Hon. Mr. PROUDFOOT: The effect of my amendment would be this—that the record manufacturer would not pay a royalty to the author in Canada at all if he is shipping to a foreign country where he is bound to pay a royalty on the goods shipped there. If, however, he is shipping to places such as Mexico or Peru, where they do not charge a royalty, then he would expect to pay the royalty.

Hon. Mr. BEAUBIEN: Suppose a disc made in England pays a royalty there and one here, is it not a fact that ultimately the man who buys the disc pays both royalties?

Hon. Mr. PROUDFOOT: Possibly, but my honourable friend overlooks the fact that we are competing with the world. It is because of that competition and the other nations not paying the royalty, that we are placed at a disadvantage, and therefore cannot sell in the same market if we have to pay 8 cents on those records, which we would have to pay, assuming that the royalty in this country is 4 cents, and in the other country 4 cents.

Hon. Mr. FOWLER: Who would get that double royalty—the author?

Hon. Mr. PROUDFOOT: The author would get the royalty in Canada.

Hon. Mr. FOWLER: Who would get it in the other place?

Hon. Mr. PROUDFOOT: I do not know.

Hon. W. B. ROSS: It could not be a royalty at all.

Hon. Mr. DANDURAND: It would be a tax.

Hon. Mr. PROUDFOOT: It would be in the nature of a tax: that is the same thing.

Hon. Mr. FOWLER: Then you make the author suffer—because he would have to pay the tax and that would cause him to suffer.

Hon Mr. PROUDFOOT: There is a great deal in this matter, and I do not know that it should be rushed through without a good deal of consideration, simply because it is getting somewhat late in the evening. I think we should deal with this point in what would seem to me to be a fair and reasonable manner. It is the most important amendment which I have brought up in connection with the Bill, and I would like to have it fully and fairly considered. The House has not had an opportunity of dealing with this Bill. This is what we call eleventh-hour legislation. The Bill is rushed down here from the Commons; we have had no opportunity until within the last few hours of considering this Bill, and I say that that is not a fair way of treating the Senate or of treating legislation which is brought before this House, and which we are sending out to the country at large. This Bill was before the Commons very early in the Session; it was sent to a special Committee, which held meetings and heard statements from various people; then a Committee of the whole House dealt with it. I am told that, although a large committee in the Commons was supposed to deal with this particular Bill, during the greater portion of the time that Committee was in session only two members of the Committee were present, and at one stage there was only one member present.

Hon. Mr. ROBERTSON: That could not be a quorum.

Hon. Mr. PROUDFOOT: Well, they went on with the work just the same. That being so, I say that this House should give full consideration and effect to the representations which are brought before it.

Hon. Mr. FOWLER: I do not know why this lecture should be read to us by the honourable gentleman at this time. This matter of copyright has been before the Parliament of Canada for some years, and everybody is more or less familiar with it. The present Bill is very much the same as the one that was before the Senate in 1919. Of course, the honourable gentleman was not a member of the Senate at that time, but there was a special committee of the Senate appointed, and it heard both sides for days and weeks, and the matter was threshed out thoroughly, and I do not see why there should be any delay about this matter now. So far as my honourable friend's argument is concerned with regard to this export business, he speaks of some sort of tax. It is not the 2 cents, or whatever royalty should be paid to the author of the work, but some sort of a tax which in certain countries is put upon records brought in. He proposes—or rather, his friends the manufacturers propose through him—that the author shall pay that tax; that is, he shall lose his royalty to the amount of the tax that is put upon him in the foreign country. Well, that is worse than robbing Peter to pay Paul, I think.

Hon. Mr. PROUDFOOT: I should not think so.

Hon. Mr. FOWLER: I should think so, simply because they are exporting to a foreign country the product of this man's brains, the product of his thought; and because they are sending it to a foreign country they say they shall not pay him anything for it. That would be extremely unjust to the author. After all, we should protect him as well as protect the manufacturer. He has suffered for years, while the manufacturers have grown rich upon the profit that they have made out of the author's work, for which they paid nothing. If they had been the generous, decent men they should have been, they would have paid a royalty, even though there was not a royalty demanded, as was often done by leading booksellers and publishers in the United States when there was no copyright between the United States and England. In many cases those reputable firms paid to British authors, although they were not obliged by law so to do, considerable sums by way of royalty which was not exacted of them.

Hon. Mr. PROUDFOOT: The Supreme Court of the United States held that they were not bound to pay.

Hon. Mr. FOWLER: I say, notwithstanding that, they did pay in the case of the publishers. I think that a 2-cent rate is a low enough rate; it was agreed upon by all parties, and I do not see why we should not stand by it.

Hon. Mr. Proudfoot's amendment was negatived.

Progress was reported.

JUDGES BILL

REPORT OF CONFERENCE

Hon. Sir JAMES LOUGHEED: Before we adjourn I should like to present the report of what is known as the Conference on the Judges Act. As it is very desirable to get this down to the House of Commons, I take the liberty of reading it:

The managers on the part of the Senate have the honour to report that they met the managers on the part of the House of Commons, which, on their part, was managed by the Honourable Mr. Doherty and others, for the purpose of further considering the amendments to Bill 60, intituled, an Act to amend the Judges Act.

The managers on the part of the Senate agreed that the following be added as section 4:

"4. The Judges Act, chapter 138 of the Revised Statutes, 1906, is hereby amended by adding thereto the following section:

"35. That, unless nominated by the Governor in Council, no judge mentioned in this Act shall act as commissioner or arbitrator on any commission or inquiry: provided that this enactment shall not interfere with judges who are at present acting as commissioners or arbitrators, completing the work on which they are engaged."

The managers on the part of the Senate did not insist on the Senate amendments numbers 2 and 3.

Hon. Mr. CASGRAIN: That is the old clause.

Hon. Sir JAMES LOUGHEED: That is the old clause. That, I may say, to the House is the only compromise we could bring about. It was felt on the part of those who represented the Commons that it rested with each province to amend its Judicature Act or its Court Act so as to make the work of conducting arbitrations or commissions a judicial duty of any of the judges, and in that way to continue to exercise the right of appointing judges for the purpose of acting as commissioners or arbitrators.

Hon. Mr. BELCOURT: That simply means that we have receded entirely from the position that we took in this House, and have accepted the position insisted upon by the Commons.

Hon. Sir JAMES LOUGHEED: No, rather the contrary. The Commons would accept this as a compromise, in view of the amendments to the Bill carried in this Chamber. It is needless to say that the Commons will not accept—

Hon. Mr. BELCOURT: The result is that the Governor in Council may appoint judges to sit as commissioners or arbitrators.

Hon. Sir JAMES LOUGHEED: That would be the effect of the Bill.

Hon. Mr. BELCOURT: Then, that is the position the Commons takes.

Hon. Sir JAMES LOUGHEED: My honourable friend forgets that this amendment was suggested in this Chamber as a compromise, but that it was rejected.

Hon. Mr. BELCOURT: We decided by a majority of one that the law should contain some provision by which the Governor in Council would be prevented from appointing judges to sit as commissioners or arbitrators. That was the sense of this House.

Hon. W. B. ROSS: We did two things. Under the law as it stood the Lieutenant Governors and the Governor General had the power to appoint judges. The result of the amendment mentioned in the report is that the Lieutenant Governors will not be able to appoint judges, but the Governor General may. You get half of what you were asking for. You get what was proposed by the amendment which I moved in this House, but which was superseded by the amendment of the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton). I may say to the honourable gentleman that it is well to take what is offered, for the reason that Mr. Lapointe made a suggestion in regard to the selection of judges by the Governor General, which I think would have a good chance of carrying in this House, and which, he says, would carry in the other House. If it did, it would remove my objection to the Governor General dealing with appointments.

Hon. Mr. BELCOURT: I do not follow my honourable friend at all. If I am right, and I think I am, what this House did was to amend the Act so that the appoint-

ment of judges to act as commissioners or arbitrators, could not be made, either by the Governor in Council or the Lieutenant Governors in Council.

Hon. W. B. ROSS: Yes. Now, we have half of that.

Hon. Mr. BELCOURT: It seems to me that the position is not changed. The result is that the judges may be appointed as arbitrators or commissioners by the Governor in Council or the Lieutenant Governor in Council.

Hon. Mr. BEIQUE: Only by the Governor in Council.

Hon. Mr. BELCOURT: If that is the case, it is worse still. We do not get half; we do not get anything.

Hon. Sir JAMES LOUGHEED: The honourable gentleman from Middleton (Hon. W. B. Ross) moved in amendment to the Bill that the power of the Lieutenant Governors to appoint judges be striken out, having in view the authority of the provinces to amend their own acts so that by the rota a judge could be appointed a commissioner or arbitrator. Then the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton) moved to strike out the power of both the Lieutenant Governors and the Governor in Council. That amendment was carried. In going into the Conference the Commons practically said, "We will accept the first amendment proposed to the Bill, namely, the amendment moved by the honourable gentleman from Middleton." Is it not better to take that?

Hon. Mr. DANDURAND: But it was an amendment which had been rejected by this Chamber.

Hon. Sir JAMES LOUGHEED: Oh, yes, it was a compromise. If that is not accepted the Bill simply falls to the ground.

Hon. Mr. DANDURAND: My honourable friend is reporting from the conference to the Senate?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: Was that the decision of the representatives of the Senate before they entered the conference or after?

Hon. Sir JAMES LOUGHEED: Oh, during the conference. The Minister of Justice acted as Chairman of the Conference, and said he would recommend to the Commons that this proposal be accepted.

Hon. Mr. BOSTOCK: Has not my honourable friend acted a little hastily in this matter? After we met the Commons this morning at half-past 10, I thought we were going to meet again to consider the question before it was reported to the Senate.

Hon. Sir JAMES LOUGHEED: No, I did not so understand. The question came up; what will the Senate accept and what will the House of Commons accept? The amendment is ours, and we have to indicate to the Commons that we will accept it; otherwise there will be an impasse.

Hon. Mr. BOSTOCK: I think I pointed out that the amendment which was proposed had already been voted down in this Chamber.

Hon. Sir JAMES LOUGHEED: That did not preclude us from suggesting that it should be a compromise.

Hon. Mr. BELCOURT: I do not care whether you call it a compromise or not. What is the effect of it going to be? Is it not that the Act remains as it was?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BELCOURT: That is, that the Lieutenant Governor in Council or the Governor in Council may appoint judges as commissioners or arbitrators.

Hon. Sir JAMES LOUGHEED: They both have a right to make appointments as the law stands at present. Now, we cut off the Lieutenant Governor and leave the appointment to the Governor in Council.

Hon. Mr. PROUDFOOT: What has become of the second amendment? We had two amendments, one to strike out a certain portion of the sections passed last year.

Hon. Sir JAMES LOUGHEED: I thought I made it clear that the amendment which was carried would not be accepted by the Commons, and that consequently, unless it was accepted by the Commons, the Bill would fall to the ground. They say they will not accept that, but that they will accept this.

Hon. Mr. PROUDFOOT: Then we are in a worse position than we were when we had the first conference; because at the first conference I understood the Minister of Justice to be willing to take practically what is there now.

Hon. Sir JAMES LOUGHEED: That is what they now propose to take.

Hon. Mr. PROUDFOOT: But in addition to the second amendment a portion of the act of last Session was to stand.

Hon. Sir JAMES LOUGHEED: How could that stand? It is the very thing they object to.

Hon. Mr. PROUDFOOT: No, excuse me. What we were striking out was a portion of section 35, which appeared in the Act of 1920.

Hon. Mr. DANDURAND: Would the honourable gentleman tell me what will be before us when we take this question up again to-morrow? Will it be a motion moved by himself?

Hon. Sir JAMES LOUGHEED: The law will stand in this way:

Unless nominated by the Governor in Council no judge mentioned in this Act—

That will be the amendment to 35—

—shall act as commissioner or arbitrator on any commission or inquiry; provided that this enactment shall not interfere with judges who are at present acting as commissioners or arbitrators completing the work on which they are engaged.

Hon. Mr. DANDURAND: If I am not mistaken, this is word for word with the motion which was rejected by this Chamber.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: And my honourable friend intends, if I understand him, to propose to-morrow that we adopt this amendment.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: How can he do so under the rules? The Senate has clearly expressed its opinion that this amendment should not be accepted. We have voted upon it. How can my honourable friend come back with it? I am not asking him now unless he is ready to answer, as he is simply giving notice of motion; but it occurs to me that he will have some difficulty in reconciling such procedure with the motion which has already been accepted.

Hon. Sir JAMES LOUGHEED: This is not an amendment to the Act. It is simply a report from the Conference that the Commons will accept this in lieu of the amendment which this Chamber passed. It is the outcome of a conference.

Hon. Mr. BELCOURT: The position will be that the amendment passed by this House will not be insisted upon.

Hon. Sir JAMES LOUGHEED: That it be not insisted upon—that this be accepted in lieu of it.

Hon. Mr. DANDURAND: We have already voted on these two questions.

Hon. Sir JAMES LOUGHEED: If we had not, there would have been no conference.

Hon. Mr. BELCOURT: The label "compromise" that you put on it is rather amusing.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

TUESDAY, May 31, 1921.

FIRST SITTING

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

INTERNATIONAL UNIONS AND CABINET MINISTERS

MOTION

Hon. J. P. B. CASGRAIN moved:

That, in the opinion of the Senate, the presence in the Council Chamber of a Minister affiliated to an international union is a menace to Canada.

He said: Honourable gentlemen, I want to state right at the outset that this is a question of principle and policy. It has nothing to do with members of the Government as individuals. It alludes to any Minister of the Crown. I desire also to say at once that I have absolutely no quarrel, as some honourable members were inclined to believe I had, with the Minister of Labour. Quite the contrary. When the Minister of Labour came into this House first I was engaged in doing my best to have workmen on railways paid bi-monthly. He was one of those who very strongly advocated the same thing, and was even successful in putting through a Bill which I had been advocating in this House, and which the Hon. Méderic Martin, mayor of Montreal, for many years, had been advocating in the other House. I may say we had been working on that Bill for about ten years, and it was only through the persistent efforts of the Minister of Labour, the Hon. Méderic Martin and myself that that measure,

which we believed to be just and in the interest of the workingman, was enacted. So that may dispel any idea that we were at cross purposes.

I desire also to dispel the idea of my being hostile to international or national unions. That is not my purpose at all. I may say that the Hon. Méderic Martin has been a member of the international unions for thirty years. Lately we had a great election in Montreal on the referendum. The great population of 800,000 people had been disfranchised. I was on the side of the Hon. Méderic Martin, the mayor, and, in order to show that I have nothing against labour, I may mention that at a mass meeting that was being held in Montreal, Mr. Martin, after I had spoken and taken my seat on the platform, pointed to me and said to that immense audience comprising thousands of people: "There sits the best friend that labour has in Montreal, the best friend that labour ever had in the Senate; and if I have any reputation in the city of Montreal, if I to-day occupy the highest position in the gift of the citizens of Montreal, I owe it to the good advice that on many occasions I received from Senator Casgrain." Therefore it will be seen that I am not hostile to labour; far from it. This was said in the presence of the leaders of the trade union organizations. I could name them. They were headed by a foreign-born gentleman, Gustav Francq, a Belgian; and there were other leaders present—I do not know where they were born. Those statements of Mayor Martin were made in their presence. Then, turning to the crowd, he went on to say: "There he sits, and does not remember what good he has done. Does he remember when I went to the Senate one day and asked him, 'Will you help me, Senator, to do something for the workingmen of Montreal?' You don't remember the answer that you gave me. I remember it, and I shall never forget it, and the working men of Montreal will never forget it. You answered at once, 'Sans doute—certainly.' Ever since then the workingmen of Montreal know where their friends are."

The bi-monthly payment of the railway employees had also the sympathy of the present Minister of Justice. The Grand Trunk shops were situated within his division, and he knew how unjust it was to require men to work for six or seven weeks before they got one day's pay. The older members of this House remember all of that. I might mention, that from 1900 to 1910, when on behalf of the English bondholders, I operated the railway called the Quebec Oriental, my workmen were paid weekly, and they said that to be paid weekly was worth more than twenty per cent more to them than if they received their pay at the end of a month or longer. Now that we have so many railways, it might be well if we also paid the men weekly; we might get them more cheaply, as you can always obtain more for cash than you can on credit.

For a long time before the Minister of Labour entered this House we had had the eight-hour day debate. Who was the first Senator who introduced the question of the eight-hour day in this Chamber? It was your humble servant, and my speech on that question, which will be found in Hansard, was very much along the lines of the speech made by the present leader of the Opposition in another place. But I advocated the eight-hour day, mind you, honourable gentlemen, on Government contracts only. We claim that Parliament is the representative of the people, and the people have an absolute right, in making a contract, to determine under what conditions it shall be awarded to the contractor, and he may accept it or not just as he pleases. The contract is entered into voluntarily between the Government on one part and the contractor on the other, and any conditions that the Government desires to impose can be accepted or declined by the contractor, just as he pleases, and if he accepts the conditions he may shape his prices accordingly. That is a voluntary arrangement. But I was very careful to say that in private contracts the people should be absolutely free to make any covenant or arrangement they desired. The undeniable right of individual liberty must always be respected. I want individual liberty for the workingman just as much as for the contractor, and I say that if a workingman wishes to work so many hours in the 24 hours, he is entitled to do so, and no person should prevent that or interfere with his individual liberty. If I were giving a contract I would include as a condition of it that there should be no Sunday work. I am entitled to make that condition. I may mention here that in the Marbridge apartment, at Montreal, when I saw a contractor working on Sunday, I told him that was the last time he would work for me—that he would never have another chance to work for me on Sunday or on any other day. I think any citizen should be free to make contracts with union labour or with the immense majority of the

workingmen who do not belong to any union. It may be a surprise to many honourable members of this House—it was certainly a great surprise to me—to learn how small a proportion of workers are members of labour unions. If the honourable Minister of Labour (Hon. Mr. Robertson) does me the honour of answering me he can corroborate this statement or contradict it. I am informed on very good authority that in the United States of America only from ten to fifteen per cent of the workingmen are members of labour unions. Even during the war, when men were so scarce, and labour was so high, when it was easy for workmen to pay their union dues, only from ten to fifteen per cent of the total were members. In the steel industry, it appears, there is only one union member in every ten workers. I assure you that in making that statement I have the authority of no less a person than Judge Gary, the president of the United States Steel Corporation, the biggest industrial corporation on earth. Judge Gary says, and he should know, that in the steel industry of the United States only one workman in ten is a labour unionist. I must confess that was a revelation to me. I thought, after all the work that had been done by the walking delegates, and so on, that there would have been more.

Now, as to the Minister of Labour, I really believe, and sincerely say, that he is a great credit to labour. He is eloquent; he is able; and what, possibly, is more important, he is a self-made man. Much as I admire the man with a college training and with the advantage of a university course, coached by the best professors, why should I deny that my heart goes out to the self-made man. He must be made of superior stuff; he must have a greater intellect; he must be one, who will, by his own force and ability, without the help of professors, rise above his comrades. I was going to say—if time permitted; and Parliament can sit well into next week, so we have plenty of time. No one need think I am interfering with the progress of Parliament, because it appears that the workers in Yamaska are going to keep Parliament sitting. We sat here last week, and it is going to be tit for tat—

Hon. Mr. BENNETT: How would it be if the honourable gentleman's friends were rewarded with a subscription, so that we could go home?

Hon. Mr. CASGRAIN: Perhaps they have been.

Hon. Mr. DANDURAND: I think my honourable friend to my right is joking when he makes that statement. I do not want to defend the honourable gentleman from Yamaska; the Postmaster General should do that.

Hon. Mr. BLONDIN: I have nothing to do with that. I will pay the compliment to my honourable friend, Senator Casgrain, of saying that I believe he is in earnest and is speaking the truth; but I have no share in what the House of Commons has decided to do. I am willing to lose what I may be losing.

Hon. Mr. CASGRAIN: To continue the eulogy of the Minister of Labour. I believe that when he was a young man he was, like Edison, a telegraph operator. From a telegraph operator he rose and became a Senator, having been chosen by this Government—or the preceding one, which is very much the same thing. Then he became a Privy Councillor; then a Cabinet Minister—a full-fledged Cabinet Minister with a portfolio. We have three of them in this House now.

The task of the Minister of Labour is a very difficult one. He has to try to please both sides, and one would think he would lose patience; but he is always dignified and calm. Like the great captains of industry, and perhaps I may be permitted to say like myself, he started in life a poor man. Carnegie himself once worked for $2 a week. But, after all the good things I have said about the Minister, I say that he is human, and therefore liable to make mistakes. And I believe he did make a very serious mistake when he did not invite the National Catholic Union to the Labour Conference that was held here. What difference does it make whether a Labour Union is Catholic or Methodist, provided that it is neither socialistic nor Bolshevik? I think we should encourage religious labour unions, because good church-going people do not disturb the peace; they respect the law and see that it is obeyed. I do not see any objection to mixing religion with labour unions; on the contrary, I believe it would be a good thing. The Church always respects the law.

Just at present—perhaps it is due to hard times—a change seems to have come over the workingmen. They are not so enthusiastic as they used to be in paying dues for the purpose of buying champagne, diamond studs or big gold chains, or fat cigars for the drones in the human hive of industry. They are anxious to assert

their individuality and to get promotion. They do not want to be looked upon as so many machines, each one costing the same price and doing exactly the same work. They want to be differentiated. According to the rules which prevail now—and I do not believe this House knows very much about these rules, and perhaps it would be a good thing if it did—it might have more admiration for the unions—I am informed that a workman can only be promoted by seniority. If there are two or three not very good workers ahead of a man, is he to remain at his machine or at his lathe until the other two die and pass away? He may be a man of superior ability; but under that system a good man cannot be promoted. There are many men who are anxious to do more work to get more compensation, but under prevailing conditions that does not appear to be possible. If we turn to the Gospel, what do we find? We all know the Gospel about the men of the eleventh hour. A man went out into the market place to hire labourers. He went out at all hours of the day and found men idle, and he hired them; and at eleventh hour—the Bible teaches us that they worked twelve hours—he went out again and hired more labourers. When night came the master said, "Let them come, and give them their pay." And they were paid the agreed price, and those who came at the eleventh hour were paid as much as those who had come earlier. The ones who came earlier grumbled, and said: "We have stood the burden and the heat of the day, and you do not give us any more than these others." What was the answer? "Is it not lawful for me to do what I will? Is thine eye evil because I am good?" Under prevailing conditions that master could not have done as he did; under existing conditions, as I understand them, no master has a right to differentiate and to pay more to one man than to another. Christ said, "Love one another;" but where is Christianity when, if there is no card, there is no love, and when a man who has not a card is not allowed to work? I think one man should be allowed the same liberty as another. So far as I know, the open shop does not discriminate against a man who belongs to a labour union. Why should a union discriminate against the open shop? These things will be explained by the Minister of Labour, but I cannot explain them.

Lord Shaughnessy the other day in a speech in the city of Quebec said:

> Quebec, in the midst of the turmoil of troubled conditions in the world, will yet prove to be the sheet anchor of civilization.

A moment ago I was alluding to religious labour unions. The Methodists, or the Catholics, or the Presbyterians, or the members of the Salvation Army, can have them. Listen to this:

> That all churches should be specially interested in the workman is easy to understand. What is a workman? A workman is he who toils with his hands, painfully striving to earn a living for himself and his family. Sad was his condition in the truly "dark ages" of antiquity. Pagans treated him like a slave and a beast of burden. But lo! Christ appeared among men and gradually his condition changed for the better. For God Himself became a workman. Leaving His throne on high, he came down and dwelt among men, not in a royal palace surrounded with courtiers but in the humble cottage of a workman. Is not this the carpenter, the son of Mary? Yes, Christ was, in every sense of the word, a workman. He handled the tools of a workman, He earned His daily bread like a workman.

What a transformation! No wonder the Church cherishes the poor worker as the choicest portion of her flock, since her Lord and Master was Himself a workingman. Surely he who says the Church looks askance at the working classes must know very little of her early history.

Now, as to churches and unions. Union is strength, and you find union in the Bible. The brother that is helped by his brother is like a strong city. Some thirty years ago, Leo XIII, the Workman's Friend, issued an encyclical or message to the world on "The Condition of the Working Classes," which has been rightly called the Workingman's Charter. For just as, in the middle ages, Magna Charta was the declaration of the rights of the people, so, in our own times, Leo XIII's message was the declaration of the rights of the workingman. How admirably the learned Pontiff lays down the rules governing the labour question may be judged by a few quotations. In expounding the duties of the State towards the worker, he says in part:

> Justice demands that his interests be carefully watched over, so that he who contributes so largely to public welfare may share in it; that being housed, clothed, and enabled to support life, his existence may be more endurable. Solicitude for the well-being of the workers will injure no interest; on the contrary it will benefit all; for it must benefit the commonwealth to secure from misery those on whom it so largely depends.

No detail seems to escape the Holy Father's solicitude.

> If by a strike, or other combination of workmen, the public peace were endangered; if, among the labouring population, the ties of

family were relaxed; if religion were found to suffer through lack of time and opportunity to practise it; if in workshops and factories morals were endangered through the mingling of sexes or other occasions of evil; of if employers laid unjust burdens upon the workmen, or degraded them with conditions repugnant to their dignity as human beings; finally, if health were endangered by excessive labour, or by work unsuited to sex or age—it would then be right, within certain limits, to call in the help and authority of the law.

Further on he sheds a new light on two most intricate questions—that of saving labour from speculators and that of child labour:

Saving labour from speculators: The first concern of all is to save the poor workers from grasping speculators, who use human beings as mere instruments for making money. It is neither justice nor humanity so to grind men down as to stupefy their minds and wear out their bodies . . . . Daily labour, therefore, must not be protracted during longer hours than strength admits . . . . Those who labour in mines and quarries, and work within the bowels of the earth, should have shorter hours in proportion to the severity of their labour. Finally, work suitable for a strong man connot reasonably be required from a woman or a child.

Employers' moral obligation to pay fair wages: Grant that workmen and employer make free agreements, especially as to wages; nevertheless, it is a dictate of nature more imperious and more ancient than any bargain between man and man, that the remuneration must be enough to support the wage earner in reasonable comfort. If, through necessity or fear of worse, the workman is compelled to accept harder conditions, he is the victim of force or injustice.

Lastly, Leo XIII advocates Workmen's Associations as the best means of affording assistance to those in need, and of drawing the two orders closely together:

Most important of all are Workmen's Associations, for these virtually include all the rest. But he lays down as a general and perpetual law that religion and morality must be a prime consideration with these associations and govern their internal discipline. . . . What advantage can it be to a poor workman to obtain by means of a society all that he requires, and to endanger his soul for want of spiritual food? What doth it profit a man to gain the whole world and suffer the loss of his own soul?. . . .

If either an employer or a workman deems himself injured, a committee of honest and capable men should be appointed to decide the dispute by the laws of the association. One of the purposes of a society should be to arrange for continuous work, and to create a fund to help members in their necessities, in case of accident, as well as in sickness, old age, and misfortune.

It is too late in the Session, and I do not pretend to know enough about the matter to make any long speech on the emancipation of labour from the domination of the drones in the human hive of industry. It is only a question of principle of which I am speaking to-day, and in this I think

the minister of Labour will agree with me. It is contrary to international etiquette for a high official, a Minister of the Crown, to transact business with Nationals of a foreign country. Some say that Canada is a nation. She is trying to be a nation. Well, if Canada is trying to be a nation, it is high time that she should learn the rules of international etiquette, and that the fundamental principles of diplomatic intercourse should be respected. If a body of men in one country want to have intercourse with a body of men in another on a question of public order—labour certainly comes within that definition—there is a service for that purpose. This service is composed of men of the highest qualifications, men who have had a special training, men who are called plenipotentiaries, attachés, or ambassadors. They are the only channels through which the Minister of one State may properly deal with the Nationals of another State. Supposing one of His Majesty's Privy Councillors should go to a foreign land and sit around a council board to decide a policy, and supposing honourable gentlemen, a decision having been arrived at and made known, that for some reason, rightly or wrongly, it was not considered to be in the public interest by the Government at Washington, in what position would we be? Reverse the position, and suppose that we were deciding a question here, and that one of the secretaries of President Harding came to Canada and sat with our men and dictated a policy, would we not resent it? Why expose ourselves to the resentment of the people on the other side of the line? The labour policy is a most important one. Because it was said that Mr. Gompers was consulted in regard to the strike in Winnipeg, objection was raised to such action in this House. If a Minister goes to another country, he should not go without a mandate from both Houses of Parliament—and in this I do not mean one Minister more than another. I say that no Cabinet Minister should of his own accord go and deal with the Nationals of a foreign country. That is my opinion; I do not know whether anyone agrees with me; but nevertheless I am convinced that I am right, and I never asked any one to agree with me. The Parliament of Canada is the representative of the Canadian people, and the Ministers are the servants of Parliament, and Parliament is responsible for its servants. "Quid fecit per alium fecit per se"—what you do by another you do for yourself. I would like to know what was done in that con-

ference, which lasted some days. We ought to know. Perhaps the rank and file of labour do not know, and they might be glad to hear it through this House.

Hon. Mr. ROBERTSON: May I ask my honourable friend to what conference he refers?

Hon. Mr. CASGRAIN: I say that if a Minister goes down to the United States and sits in conference—

Hon. Mr. ROBERTSON: Has it ever been done?

Hon. Mr. CASGRAIN: Very well, I am very glad if it has not. It shows that the principle which I am advocating is already in force, but this is the first time that we have heard of it. I am very glad that it has not been decided that Ministers of the Government should go to the States, unless for social intercourse and to have a good time. I object to anything in the way of directing the policy of labour in a foreign land. I am glad of that declaration. There is no denying that some of the Ministers went. Now we find in another place a great deal of fault-finding because one poor Minister, new at the job, wrote a letter and said, as a recommendation to get some business, "I have just been taken into the Government," and that was supposed to say, "Here, I am a good honest man; I have some position." I do not blame him so much: it would have been much worse if that Minister had gone himself and looked for business.

Another thing I would like to know, and perhaps will be told. I am informed that, if a strike is to take place in Canada, after they have decided on the strike here, they cannot go out until somebody in a foreign land says whether or not they may go on strike. It appears that it is not decided here at all; that is my information. I may be wrong; I was wrong on another point just now, but that is what I am informed —that strikes are decided and agreed upon in a foreign land, not in our own land. Then, if a strike is recognized and ordered after being carefully looked into in that foreign land, strike money is sent over. We had an instance of that in Montreal—a good many years ago, it is true; it was a strike among the Cigarmakers Union, and it lasted 18 months, but it would not have lasted that long unless they got strike money from the other side, because the local union would not have been capable of keeping up the fight. I do not remember the result of that strike, but I think the strikers were finally beaten. I know that the man who fought that strike was named Grote, and the Liberal party will never forget it, because we took him and ran him in a workingmen's division, not knowing that he had defeated the union of cigarmakers and he was himself hopelessly defeated, and our friend Alphonse Verville was elected, and has been sitting in Parliament ever since. That is the only defeat the Laurier Administration had on the island of Montreal or in Quebec. I was ill at the time, but if I had known that that man had crushed the strikers I would have been against him as a candidate, because we lost the seat on account of him.

Now, the excuse for joining the United States is to have more powerful unions, on the principle that the more numerous you are the stronger you are. That is quite right, and I do not know that the same thing could not be accomplished right here in Canada. I am not in favour of the O.B.U.—the One Big Union—because that means the union of labour all over the world; but it has been suggested, and I have been asked to put it before this honourable House whether it would not be well to have a Canadian Confederation of Labour, so that, in Canada, as in other countries, the weaker unions could apply to the others for support, and they would not have to go to a foreign land for strike money. That is a thing that I do not pretend to know about, but perhaps the Minister of Labour might inform the House why we could not have such a Canadian Confederation of Labour, that would have the strength that is claimed to be needed to keep up strikes in smaller unions.

Now, Mr. Speaker, as there is no seconder to my motion I am afraid the discussion is finished, there being nothing before the Chair.

Hon. G. D. ROBERTSON: Honourable gentlemen—

The Hon. the SPEAKER: There cannot be a discussion. However, if the Senate would like to hear the honourable the Minister of Labour, I have no objection, for my part.

Some Hon. SENATORS: Go on.

Hon. Mr. BOSTOCK: I would be very glad indeed to allow the Minister of Labour to make a reply to my honourable friend if he wishes to do so; but before he speaks I would like to say that I hope he will not consider that I or other members on this

side of the House are in favour of the motion that the honourable gentleman has put on the Order Paper.

Some Hon. SENATORS: Hear, hear.

Hon. G. D. ROBERTSON: Honourable gentlemen, I most assuredly do desire to make a few remarks in reply to those submitted by my honourable friend; and I hope that it was in jest and not in earnest that he suggested that there was nothing before the House inasmuch as his motion had not been seconded, and that, as he had been speaking on a motion that was not seconded, I should be debarred from replying.

Hon. Mr. CASGRAIN: You can second it.

Hon. Mr. ROBERTSON: I cannot conceive that he meant that seriously. My honourable friend has seen fit to introduce a question into this House and to submit a motion which, upon the face of it, was one not proper to be submitted or discussed here. The thought occurred to me the other day that I might point that out to the House, but I decided not to do so, lest my honourable friend and other gentlemen might feel that in so doing I did not desire to face the issue or discuss the question which he had submitted.

I am sorry that my honourable friend in his remarks this morning has spent his time in discussing incidents and details, but has refrained from speaking upon the main statement made in this motion. In order that he may appreciate why I feel this way, may I just read the motion:

That, in the opinion of the Senate, the presence in the Council Chamber of a minister affiliated to an international union is a menace to Canada.

Now, honourable gentlemen, I am not going to take up the time of the House in defending any of my personal actions in the past, or my connection with the Labour movement, or with the Government of Canada. I am willing to leave that to the judgment of this House and of the people of Canada, as to whether or not my services to the country in a public capacity have been a menace or otherwise. But I am bound to take cognizance of the words contained in the motion of my honourable friend, because it does cast an aspersion on approximately 300,000 good citizens of this country who are members of various international trade unions, any one of whom may in the future be selected to act as a Minister of the Crown. I therefore feel that it is a public duty that I should reply to the remarks of my honourable friend in order, if possible, to clear up in the minds of honourable gentlemen present the point as to whether or not being a member of or affiliated with an International Trade Union renders a man a menace to society and to the state. My honourable friend has not gone into details, but has suggested that had he the information he would have been glad to have laid it before the House. I propose briefly to quote from the constitutions of one or two international organizations, in order to give honourable gentlemen an idea of what they stand for. I might with propriety deal with what is perhaps the oldest, or almost the oldest, international organization in existence, and one which I think is generally respected, and whose members are regarded as being good citizens and reliable men. I refer to the Brotherhood of Locomotive Engineers, the preamble of whose constitution reads as follows:

The purpose of this organization shall be to combine the interests of locomotive engineers, elevate their social, moral and intellectual standing, guard their financial interests, and promote their general welfare, its cardinal principles being sobriety, truth, justice and morality.

I am going to quote some other constitutions a little later on, and I would be glad if honourable gentlemen would note the resemblance or the contrast, whichever they may consider it to be:

The interests of the employer and employee being co-ordinated, the aim of the organization will be co-operation, and the cultivation of amicable relations with the employer, and to guarantee the fulfilment of every contract made in its name by the use of every power vested in it.

That means that that international labour union regards the employer's interests as its own, and holds that if the administration or operation of a railroad is to be successful it must have the co-operation of the engineers and every other class of men employed on that railroad; so that when that organization makes a contract with an employer it proposes to use every means within its power to see that that contract is carried out to the letter.

The true principles of the brotherhood of man are the fundamental principles of this order—"Do unto others as you would that they should do unto you, and so fulfil the law;" and in harmony with this divine admonition and command the policy is to hold out to the brother such help as he may need. Sympathy and helpfulness are extended to the widow and orphan, and the opportunity given to every brother to provide for the future of his family through the insurance department created for the purpose of protecting the welfare of all members and their dependents.

I think, honourable gentlemen, that nobody could possibly take any exception to these basic principles, upon which all of the work of that organization over a period of more than forty years has been founded.

May I just briefly refer to another one, which happens to be the organization of which I have been a member for over thirty years.

Hon. Mr. DANDURAND: What is the Order?

Hon. Mr. ROBERTSON: The Order of Railroad Telegraphers. This is an institution organized for the purpose of promoting the interest of telegraphers, train despatchers, and agents, for the benefit of their interest, to promote the general welfare of its membership, to establish a protective fund, and to promote and encourage a mutual benefit department for the aid and comfort of the beneficiaries of deceased members. It may be of interest to touch upon one special clause in that constitution, because I have at times been charged with exercising discrimination as between labour unions. That clause is this:

> The influence or sympathy of this order shall never be used in favour of any religious organization whatever, and no religious discussions of any kind shall be permitted in any meeting of any division.

That clause, or a similar one, appears in almost all constitutions of the International Trade Unions—

Hon. Mr. CASGRAIN: No Bible.

Hon. Mr. ROBERTSON: —the purpose being that in the industrial field every man is entitled to equal rights and equal consideration, regardless of race, creed, or colour. Upon those broad principles these international organizations have stood for approximately 50 years. Why are they international? Because, in the first instance, when they were organized in the United States, there were practically no industries being carried on in Canada, and the number of men employed in our industries was few indeed. The International Trade Unions in the United States were created—why? How did they come into being? Because another organization, called the Knights of Labour, had grown up in the United States, and had adopted as its basic principles the very same fundamentals that some of our revolutionary radical organizations are standing for to-day. But the sober, sane, thinking labour men of the United States of that day, as far back as 1865 to 1869, immediately after the Civil War, began to organize themselves into trade unions to do two things—to protect the legitimate interests of the wage earner, and at the same time to co-operate with the authorities and stand for law and order against the revolutionary element that sought then to destroy society, as it seeks to do now.

Honourable gentlemen, inasmuch as the international organizations came into being for a laudable purpose, and inasmuch as those constitutions have shown to you that one of their principal purposes was to provide for the dependents of deceased members, there have grown up in almost all of them insurance departments. In the organization of which I am a member the fund in that department is $1,800,000, and there are approximately 8,000 members in Canada; and I submit to you, honourable gentlemen, that it is unfair that those men should forfeit all that they have paid into that insurance fund, some of them for a period of 20 years, for the sake of submitting to a little sentiment —that they ought not to belong to an International Union. Let me tell you what that insurance department did. Perhaps honourable gentlemen may have overlooked some things that those international labour unions have been responsible for.

Canada got mixed up in the war in 1914. Everybody went into it with a strong heart and determination that we should see it through. Well, a lot of those International Trade Unionists went to war. I think an honourable member of this House in 1917 made a survey of the situation in England and found that in the volunteer army from Canada 155,000 were wage earners. Does any honourable gentleman realize just what that meant by way of sacrifice, when he bears in mind that the ordinary wage earner lives from day to day and from month to month upon his earnings? Do honourable gentlemen, I wonder, thoroughly appreciate the sacrifice that must have been entailed when those 155,000 men laid down their work and took up their arms and went away to war? It is all very well for a man with a comfortable income, who can arrange his affairs and go himself, or send his sons away in the defence of his country, leaving his dependents at home perfectly well cared for and comfortable. It is entirely another question when the humble workman leaves his family, and depends upon the state to look after their meagre wants during his absence, and goes away, leaving his all. I want to point

out that those international organizations, notwithstanding the fact that the United States was not in the war for more than three years after we entered it, paid the death claims of every man in Canada who was a member of an international organization and lost his life in the war. And the money did not come out of Canadian funds at all: it came out of the general pocket. I happened the other day to run across the record of one of those organizations, which happens to be the Brotherhood of Firemen and Enginemen—the boys who put the coal into the engines on our railroads. It may be of interest to honourable gentlemen to know that the international organization to which those boys in Canada belonged paid out in death claims to Canadian members $240,000, being the claims of men who were killed or who died as a result of war service, and $89,000 of that amount had been paid out before the United States itself came into the war at all. The death rate in all our army was approximately one to ten, but there were 206 deaths from the Canadian members of that organization alone, indicating that, out of a membership of approximately 8,000, 2,000, or 25 per cent, had given their service to their country.

Gentlemen, it is almost more than one can at times bear to find the best class of our working community, who have been staunch, loyal, true citizens to the state in peace and in war, attacked on the one hand by the red revolutionist who desires to destroy society and all things as they now are, and on the other hand by a so-called National Union which my honourable friend to-day commends—

Hon. Mr. CASGRAIN: No.

Hon. Mr. ROBERTSON: —that, on the other hand, is endeavouring to bring about the same result, and assisting in its own way to bring about the destruction of the trade union movement that has been built up in this country and in the United States during the past 40 years.

And now I am going to refer, just briefly, to the constitution of the so-called National Unions.

Hon. Mr. DANDURAND: National?

Hon. Mr. ROBERTSON: National, yes. I assume that when my honourable friend (Hon. Mr. Casgrain) states that any person affiliated with an International Union is a menace to the state if he is a member of the Government, the honourable gentleman does not apply that same criticism to members of a National Union. In fact, in speaking with him personally the other day he expressed that view—that there was no objection to a man being a member of the Government and at the same time a member of a National Union. Now, I am going to read to you one or two constitutions of so-called National Unions. One of them I know something about. I had some dealings with it when it tried to upset law and order in 1919. It professes to be a national union; but, nevertheless, there is an international feature connected with it, because the centre of the ultimate control which they all look for is in Moscow, Russia. Nevertheless the union is at present entirely national. May I again, before reading that constitution, refer to one paragraph that I read from the Engineers'?

> That, the interests of the employer and employee being co-ordinate, the aim of the organization will be to cultivate amicable relations with the employer, and to guarantee fulfillment of every contract made in the name of the organization by the use of every power vested in it.

Now note what the National organization does. Its policy is stated in the preamble of its constitution:

> Modern industrial society is divided into two classes—those who possess and do not produce, and those who produce and do not possess. Alongside this main division all other classifications fade into insignificance.

Hon. Mr. DANDURAND: What is the name of that association?

Hon. Mr. ROBERTSON: I am reading from the Constitution and Laws of the One Big Union, as amended in the Winnipeg Convention, January, 1920.

> Between these two classes a continual struggle takes place. As with buyers and sellers of any commodity, there exists a struggle on the one hand of the buyer to buy as cheaply as possible, and, on the other, of the seller to sell for as much as possible, so with the buyers and sellers of labor power. In the struggle over the purchase and sale of labour power the buyers are always masters, the sellers always workers. From this fact arises the inevitable class struggle.
>
> As industry develops and ownership becomes concentrated more and more into fewer hands; as the control of the economic forces of society become more and more the sole property of imperialistic finance, it becomes apparent that the workers, in order to sell their labour power with any degree of success, must extend their forms of organization in accordance with changing industrial methods. Compelled to organize for self-defence, they are further compelled to educate themselves in preparation for the social change which economic developments will produce, whether they seek it or not.
>
> The One Big Union, therefore, seeks to organize the wage worker, not according to craft, but according to industry; according to class and class needs, and calls upon all workers to

organize irrespective of nationality, sex, or craft into a workers' organization, so that they may be enabled to more successfully carry on the every-day fight over wages, hours of work, etc., and prepare themselves for the day when production for profit shall be replaced by production for use.

My honourable friend intimates that, that being a national organization, he has no objection to any member of it sitting as a member of the Government and promulgating those principles.

There is, on the other hand, another so-called national organization—the National Catholic Union. Whatever I may say with regard to these various organizations today, I say entirely without malice, entirely with the desire to do what my honourable friend the mover of this motion suggested he wished to accomplish—to bring out the facts before this honourable House. You have heard the constitution of one or two of the oldest of the international unions. You have heard the preamble of the constitution of one of our national organizations read. I will now read to you another. This is from the constitution and by-laws of the Catholic Union of the Quebec Printing and Bookbinding Workers. There is an international union, almost the oldest in existence, namely, The International Typographical Union of America, which has for many years carried on its work peaceably and in a proper way, and which has in the State of Colorado, for its retired and pensioned members, one of the finest homes which will be found anywhere in the world. It looks after its members when they are no longer able to take care of themselves, and it is an organization which is a credit to the country of its birth.

Hon. Mr. DANDURAND: Why are they called international?

Hon. Mr. ROBERTSON: Because they have members in both the United States and Canada, just as the railway organizations have.

Hon. Mr. DANDURAND: But not in Europe?

Hon. Mr. ROBERTSON: Oh, no.

Hon. Mr. DANDURAND: Simply in North America?

Hon. Mr. ROBERTSON: Simply in the United States and in Canada. Now, the Catholic Union of the Quebec Printing and Bookbinding Workers, while it is called a national organization, exists only in one province, and I think that the term "national organization" is rather misleading.

Hon. Mr. BELCOURT: Does the One Big Union exist in Quebec?

Hon. Mr. ROBERTSON: Oh, yes.

Hon. Mr. BELCOURT: Where?

Hon. Mr. ROBERTSON: In the city of Montreal. If my honourable friend would be interested I could—

Hon. Mr. DANDURAND: Has it not its main support in the West?

Hon. Mr. ROBERTSON: Well, yes: it has not much strength anywhere just now.

Hon. Mr. DANDURAND: Happily.

Hon. Mr. ROBERTSON: But my honourable friend (Hon. Mr. Belcourt) is inquiring whether or not there is any semblance or trace of the One Big Union in the East.

Hon. Mr. BELCOURT: I said Quebec.

Hon. Mr. ROBERTSON: Yes, in Quebec. A week ago last Sunday a gentleman who spoke in public in the city of Montreal made this statement:

That he would like to see all the factories in Montreal being closed down thus putting a large number of people out of employment who would not therefore be able to pay for their rents. When people are facing such a crisis they are easily organized into a revolutionary organization and they are automatically taking action against the state then a revolution takes place in a few days.

In view of the fact that the factories in Montreal are not likely to be closed down, speaker suggested that a Committee be appointed to interview the executive of the French and English radical organizations for the purpose of organizing the present unemployed in Montreal, in their respective locals, and start a revolution.

These words were spoken in the city of Montreal about two weeks ago.

Hon. Mr. CASGRAIN: By whom?

Hon. Mr. ROBERTSON: I am not prepared to go into detail at the moment.

Hon. Mr. CASGRAIN: But by whom? We want to know. It may have been by a walking delegate from the States.

Hon. Mr. BELCOURT: Does my honourable friend claim that the One Big Union has any sort of foothold in the Province of Quebec?

Hon. Mr. ROBERTSON: The gentleman who made those utterances is a spokesman of the One Big Union.

Hon. Mr. BELCOURT: Does the honourable gentleman mean to imply that the

One Big Union has any sort of foothold in the Province of Quebec? Is that what he says?

Hon. Mr. ROBERTSON: I do.

Hon. Mr. WATSON: Or in Winnipeg either?

Hon. Mr. BELCOURT: We shall hear about this again.

Hon. Mr. ROBERTSON: I desire to say this for the information of the House, that since the power and influence of the One Big Union in Western Canada have waned, their leading men have sought new fields, they have come to Eastern Canada, particularly to Toronto, Hamilton and Montreal, and have sought to carry on their work there.

Hon. Mr. DANDURAND: They are western missionaries?

Hon. Mr. ROBERTSON: Quite true, but my honourable friend (Hon. Mr. Belcourt) asked about Montreal. Now I would like to get back to this other national union and deal with it for just a few moments.

Hon. Mr. CASGRAIN: They were not born in the Province of Quebec. They are Russians.

Hon. Mr. ROBERTSON: There is a national labour union that is confined entirely to the province from which my honourable friend comes. Article 1 of that constitution reads:

There is founded in the city of Quebec between the Catholic workers following the printing and bookbinding trades, an organization which shall be designated as follows: "The Catholic Union of the Quebec Printing and Bookbinding Workers."

Art. 2.—The Union has for its immediate object the study, protection and development of the professional interests of its members; but it subordinates this proximate object to the exigencies of the superior interests of souls, society and religion.

Art. 3.—Because it is a "Catholic" labour organization, The Catholic Union of the Quebec Printing and Bookbinding Workers:

(a) Shall affiliate with the Action Sociale Catholique. It shall secure from it, after filling the usual conditions and upon presentation of its statutes and by-laws, a special diploma which shall be the warranty of the catholicism of the Union.

Said diploma may be cancelled or revoked in case the Union should cease to fulfil the conditions required for its affiliation;

(b) It shall admit among its members Catholic workers only;

(c) It shall have a chaplain;

(d) It shall remember

1. That all human acts, those of groups as well as those of individuals, are subjected to the tribunal of conscience;

2. That justice and Christian charity are the two supreme mandatory rules of relations between employers and workmen.

(e) Recognizing that the Church alone has the right and is qualified to say where, in the so-called labour questions, is the true and the false, the just and the unjust, the good and the bad, what is permissible and what is not, the C. U. of P. & B. W. will comply entirely and conscientiously, in the pursuit of its object, with the teachings and instructions of the religious authority.

The constitution runs over a number of pages, and I shall refer to only one or two other features which may be relevant to this discussion. One section of Article 3 reads as follows:

(f) In order to still show its character as a Catholic Union, the C. U. of P. & B. W.:

(a) Puts itself under the protection of St. Joseph.

(b) It shall cause to be celebrated every year, on the Feast Day of its holy patron saint, a solemn mass with a sermon, all members endeavouring to attend and receive holy communion.

(c) When a member dies, the Union shall cause to be celebrated, in the church where the funeral takes place, a high mass for the repose of the brother's soul and shall be represented at said mass by at least two of its members.

The other feature to which I desire to draw particular attention is the authority and power of the chaplain. You have noticed that in one of the articles I have read it is provided that there shall be a chaplain:

The Chaplain is appointed by His Grace the Archbishop of Quebec. He is a member of the Executive Committee, Council, and General Assembly.

He takes part in all debates but does not vote. He may, however, require that a resolution be submitted to the Archbishop of Quebec and approved by him before taking effect, and any resolution adopted during his absence must be communicated to him before being carried out.

I desire to say, first, honourable gentlemen, that I am in hearty accord with the opinion expressed there, that to workingmen as well as to all other citizens—I do not care of what church they may be adherents—it can do no harm to consider the advice of spiritual advisers.

Hon. Mr. CASGRAIN: Hear, hear.

Hon. Mr. ROBERTSON: But I do say further that in this country, where we have people of different nationalities and varying religions, every workman, as well as every citizen, should have the right of free choice, and that it is improper and not in the interest of the State and of harmony as between people of different races and different religions, to set up divisions in the industrial field and to have a Catholic and a Protestant labour

union operating in the same locality. I could demonstrate to honourable gentlemen present that that opinion is borne out and endorsed by many prominent clergymen in the Catholic Church, some of whom have come to me personally, and some of whom have written to me. Among the telegrams and letters that poured into the Department of Labour, congratulating the Minister upon the stand he took recently in connection with the question that my honourable friend raised, namely, the conference held here not long ago, there were some from French Canadians of the Roman Catholic faith in the Province of Quebec, and they demonstrated to me beyond all doubt that there had been no mistake made.

It might be interesting in this connection to read to the House the opinion of one of the most prominent labour leaders in Canada, who is himself not a member of an international unit, and is a devout Roman Catholic. This gentleman entered into a debate in Loyola College in Montreal not long ago on this question, and it has been discussed in another place. He says:

I am opposed to their formation:

That is, the formation of national Catholic unions—

first, because they will be injurious to Catholic workers in their aspects as Catholics, as workers, and as citizens. Catholics participate in trade union movements in Great Britain, Ireland, the British dominions, and the United States, and with the exception of the province of Quebec, they are organized in common with their non-Catholic fellow workers. Even in Quebec, a large number are organized in the independent and international trade unions and there is no proof that they suffer as Catholics by being so organized. In Ireland where Catholics are in the majority they are in affiliation with the British trade union movement on the basis of industrial and craft organization. Wherever the workers, Catholic or non-Catholic are brought together in Ireland it is by their trade union organization. Politically, they may be divided, economically they have unity.

In the United States, large members of Catholics hold membership in the trade union movement, and are very often elected to office by the votes of their non-Catholic fellow-workers.

May I say just in passing that the president of the International Union of which I have been a member for thirty years is a devout Roman Catholic himself, and has had my loyal support, together with that of his other Protestant colleagues, for years and years, and will continue to have it so long as he merits it.

The danger does exist that the formation of Catholic unions may react amongst Catholics in Quebec and cause feelings of bitterness that may ultimately cause them to fall away from their religion. If the unions are to be formed on religious lines in order to combat materialistic irreligion, then Catholics are not the only bodies opposed to irreligion, in fact, in the trade union movements large numbers of non-Catholic workers are just as much in opposition to it as Catholics, and very often is seen, the spectacle of Catholics and Protestants combining against those who are termed the materialistic "Reds." Yet, even this combination is taken to extremes sometimes and forms the pretext of opposition to measures of practical value—

I could go on at length, but I do not want to delay the House by reading all this statement. If honourable gentlemen desire to read it, they will find this letter printed in the Toronto Daily Star of May 17, 1921, over the signature of Mr. James T. Gunn, who is a devout Roman Catholic and who gives his views as to the undesirability of dividing labour along sectarian lines.

Hon. Mr. DANDURAND: Would the honourable gentleman allow me to ask him a question?

Hon. Mr. ROBERTSON: Certainly.

Hon. Mr. DANDURAND: Twenty-five or thirty years ago there were national trades unions which were in considerable rivalry with the international unions, so called, independently of religious divisions, and they were gradually losing ground because their strength and organization were not sufficient to enable them to meet emergencies. Could the honourable gentleman tell us whether, apart from these Catholic unions, which are of recent date, the national unions have continued in existence during the last twenty-five or thirty years?

Hon. Mr. ROBERTSON: There is in Canada an organization known as the Canadian Federation of Labour, which has a very small membership; I do not recall the exact number now, but it is stated in the annual report of the Department of Labour on Labour Organization. The federation is made up of a few organizations in different trades, principally in the provinces of Ontario and Quebec. It has never been able to make any substantial progress by way of improving the conditions of its members, because of its numerical strength being insufficient and its members being drawn from crafts that are generally represented by the international trades unions.

Honourable gentlemen, I have endeavoured candidly and fairly to explain the policies and quote the constitutions of three distinct trade union movements in Canada. I am free to say to you that if

there were to-day no organized unions in Canada there could be no objection to building up Canadian organizations only; but inasmuch as the major part of the 300,000 members of the international organization are in exactly the same position as I myself occupy, of having held an insurance policy for twenty-four years, they do not wish to throw away the benefits they have paid for when they are arriving at the time when their dependents are going to rely upon the relief that will come from the protection that they have accorded to themselves. There is nothing in connection with the international union that can be regarded as detrimental to the interests of the State. For a considerable number of years I was the vice president of one of the International Unions—the Order of Railroad Telegraphers. The territory assigned to me was all the railroads in Canada and five railroad systems in the United States. From time to time I was sent to other railroads in the United States; and never once during all those years did I ever hear a word of criticism or comment because a Canadian official came to the United States to handle a wage controversy on behalf of the union. Mr. Frank Morrison, Secretary of the American Federation of Labour, comes regularly to Franktown to visit his dear old mother. He is a Canadian by birth, and to say that the United States regards him as a menace is to state something that no man in the United States would confirm.

Therefore I have laid before you as frankly as I could the policies of the three separate and distinct labour movements in Canada; and I propose to leave it to this House to judge for itself and to come to its own conclusions as to whether or not the words of the motion which my honourable friend has placed on record, even though he withdraws it, does not leave a reflection on the 300,000 men in Canada who are members of international trades unions. I hope that in the future, when any question of this sort arises in the mind of any honourable gentleman, he will seriously consider the effect that it will have on the public mind, and whether or not it tends to promote harmony between capital and labour or between the varying labour organizations in the country, before he makes it a subject of discussion on the floor of Parliament.

Hon. Mr. ROBERTSON.

Hon. Mr. BEIQUE: May I ask the honourable gentleman whether sympathetic strikes are part of the policy of the International Union?

Hon. Mr. ROBERTSON: I simply say this in answer that when a strike was called in Winnipeg in 1919 the International officers of various unions, especially in the railroad crafts, came to Winnipeg and did everything they could to break the strike; and one railroad union expelled 257 men, showing that they are absolutely opposed to sympathetic strikes.

Hon. Mr. BEIQUE: Am I to take it that the answer is in the negative?

Hon. Mr. ROBERTSON: Absolutely.

Hon. Mr. POWER: I have not made any preparation for the discussion of this question. Unfortunately my hearing at the present time is so defective that I have not been able to follow the Minister of Labour (Hon. Mr. Robertson) through the long speech which he has made. I regret to say that I do not agree with the honourable gentleman at my right (Hon. Mr. Bostock). I do not think that this is a subject which we should not discuss. The motion of the honourable gentleman from De Lanaudière (Hon. Mr. Casgrain) has brought the question up in a square and emphatic way, and it does seem to me it has cast upon us the duty of expressing our opinions on the subject.

As I said, I am not prepared to say much, and have not been able to follow the honourable gentleman opposite; but there are one or two points that I think the House should consider. The relations between organized Labour and the rest of the community are very important, they involve some of the most important questions which are considered by Parliament. As I understand it, the honourable gentleman from De Lanaudière thinks that in a case where there are opposing or differing interests the authority having the right to decide should not be one of the two contending parties. I feel this way about it: that the party of organized Labour should not have the final say, should not have any advantage over the general public outside, and therefore that the criticism which the honourable gentleman from De Lanaudière makes of the appointment of the honourable gentleman who now coming up in which organized Labour is justified. Every few days we find cases coming up in which organized Labour comes into conflict with the rest of the

community. That being the case, it seems to me that our object should be to find some intelligent and impartial judge. I do not say anything against the intelligence of organized labour, but I say that a member of an International Trades Union, no matter how much disposed he may be to do what is fair and right, cannot in a case of that kind avoid being influenced by his position in the Labour party. I have nothing to say against Labour as a whole. I have nothing to say against organized Labour; but I do feel that it is questionable that organized Labour should be represented in the Cabinet. If the portfolio held by the honourable gentleman were different from the one which he now holds, and would not bring him into continual conflict with the rest of the community, perhaps I should not object to it; but the point is this, that he, who is to sit as judge between organized Labour and the rest of the community, cannot be impartial. He is a member of a Labour organization, and that organization is one of the parties to the dispute. What would you think if one of the parties to a lawsuit were to undertake to be appointed as judge and to act as judge? That is just the situation of the Minister of Labour here. He has been appointed Minister of Labour, and he acts as such. If he had been appointed Minister of Marine and Fisheries, or something of that kind, I should not have felt very strongly about it; but I have felt, and I am satisfied that every honourable gentleman in this chamber, as well as people outside, have felt satisfied that there was something that was not quite in accord with our views of what is proper in having a Minister of Labour who is a member of a labour organization.

Hon. J. MILNE: I wish to say a few words in regard to the Minister of Labour. The facts are not just exactly as the Minister of Labour would have you believe them to be. It is all right enough to talk about the international unions and the code they have; but they do not carry it out. You have to take drastic measures to get them to do anything. I belonged to a union, and I know what unions are. In the unions the will of the majority carries, and if they say strike, they all go on strike. The minority are the intelligent men.

Another thing. The unions do not produce, and why? Because a good man is not paid any more than a poor man. The union holds wages to a particular scale, and the men will not produce. The men that I have under me say, "We will do as little as we can, and get as much as we can for it." That is what they have done all the time. According to the Minister of Labour, it is all right if the men would abide by the rules laid down; but they do not do anything of the kind. They may go to the International Union and get their sanction, and if they do not get their sanction they will not get the pay. There are a great many paid agitators who go around agitating these men to strike, and they make representations to the International Union, and they are told to strike. What does it mean?

I often get reports from the United States, and I find that there they are going in for the open shop: they will not stand any longer for dictation by the Labour element. We have open shops in Canada. The McClary Manufacturing Company, of London, and D. Moore and Company have open shops; and nearly all the industries in Hamilton are going in for the open shop. Ours is a closed shop. But we have had to resort to drastic measures. For six weeks our men were out, and they would not do anything. Finally I said that if they would not do anything we would declare an open shop.

Hon. Mr. MITCHELL: Joint stock companies are governed by the will of the majority of the shareholders. Why deprive labour of the same privilege? We have unions, and they are scattered all over the world, and they are going to remain, no matter what the Senate may say.

Hon. Mr. MILNE: The honourable gentleman knows that it would not do for us to compete with a firm that was able to get wages down 10 per cent lower than what we pay. The Labour problem is not the same in Ontario as in the province of Quebec. It is a different thing altogether. Men in Quebec work for less wages and are better satisfied than the men in Ontario. There does not seem to be as much fixing and agitating going on. We are divided against ourselves, like the two political parties.

I did not intend to speak to-day, but when I heard the Minister I felt that I should let him know about these things. I have put hydro in my factory; but I want just a few pounds of steam, and all that the engineer has to do is to shovel in a few shovelsful of coal now and again, and the engineer must be paid union wages or he will not be allowed to work there. I

do not want to take up the time of the House, but I want to let the Minister of Labour know, so far as I am concerned, what the actual conditions are to-day, and that is the best argument of all. It is very well to talk about what the unions are doing. They do not live up to their promises. You have to force them to get them to do so. The men will not do anything. They want 25 per cent more than they are getting, and they are making $8 or $9 a day now, and only working eight hours a day to get it, coming in at 8 o'clock and going out at 5 o'clock. That was more than we could pay. We had to do away with the furnace men. They would run up a bill for the work, and when it would be sent to the people they would kick and grumble about it, and so we had to do away with furnace work, although we still sell furnaces wholesale.

I will not take up any more time. I simply wanted to tell the honourable gentleman of the condition of affairs that existed.

Hon. C. P. BEAUBIEN: As this has broadened into a general discussion, there are one or two things which I think should be said.

Hon. Mr. MURPHY: It is all out of order.

Hon. Mr. BEAUBIEN: I will be very brief. The Minister of Labour has presented a pathetic tableau of the International Unions practically crucified between two thieves—on one side Bolshevism, and on the other side Catholic unions. That is exactly the situation as it was placed before this House.

Hon. Mr. ROBERTSON: And the fact.

Hon. Mr. BEAUBIEN: As to Bolshevism, he has mentioned an extract from a speech made in Montreal. I may say that in the metropolis unhappily it is sometimes the case that evangelists come from the West—and I am sorry to say they are not repressed by the Government—hold meetings on Saturday or Sunday afternoons, and preach what is practically the destruction of the rights of property.

But I leave that aside. I think it is my duty to state here that the Catholic Unions do not attack, have not attacked, and do not desire to attack, International Unions. Indeed, the reverse is true: you never hear, at a meeting held by a Catholic Union, of any attack against the international unions unless it has been provoked.

Hon. Mr. CASGRAIN: Hear, hear.

Hon. Mr. BEAUBIEN: But when the international unions hold their meetings, as they do sometimes at Montreal, you find men of great importance getting up and saying "The real enemies in this part of the country are the catholic Unions." Why should that be? Have the Catholics not the right to unite, being of the same faith? Please bear in mind that in my Province we have eighty or ninety per cent, sometimes even more, of the workmen who belong to the Catholic faith; and why should they not unite as Catholics and workmen? I think the honourable Minister of Labour will agree that they have a perfect right and perfect freedom to unite, and I can invoke in this respect the authority of his own chief, when defending my honourable friend's policy in the House of Commons some time ago. No doubt the honourable Minister knows to what I refer. In that case the Prime Minister recognized perfectly the propriety of such a union.

Now, gentlemen, the Catholics of my Province have a right to unite as Catholics and workmen if they are not aggressive and they are not; if they mind their own business, and they do; if they are not a menace to order, and they are not. Many men who listen to me to-day, who are controlling large industrial interests all over this country, know very well that the influence that drives and controls those unions is not to be dispensed with at the present time; they know that there is nothing so sacred and so precious at present as that influence; and for my part I shall not allow it to be said or insinuated in this House that it constitutes a great danger. If my honourable friend wants to find where labour is honest, law-abiding and effective, let him ask those who employ labour, and they will refer him to the Province of Quebec. Although my auditors may, in their opinions, be divided between the two sorts of labour unions, the International and the National, I think my honourable friend will find it pretty hard to bolster up any accusation against the National Unions to the effect that they are a danger to order and to the respect of law in my Province. The honourable Minister certainly did not say that, but what he did say was that the best system, the best co-ordination of all those unions, was the International one, and he made a very clever plea for it, for which I present him my compliments. I am not going to discuss that point; but he said this also, that the international system

was menaced on one side by Bolshevism and on the other side by the Catholic Union. I say to him that he is wrong there.

Hon. Mr. ROBERTSON: I do not desire to interrupt my honourable friend, but I am afraid he is not entirely conversant with the facts; and, just in order that he may appreciate that the National Catholic Unions are not altogether sitting dormant, taking no interest in things, may I point out to him that during the little struggle that is going on right here in the city of Ottawa, National Catholic Union workmen have been coming daily from Montreal to take the situations of men right here, thus creating the friction and the feeling between classes that is not conducive to harmony in a community.

Hon. Mr. BEAUBIEN: I am very glad my honourable friend has referred to that. I have had some little experience in industrial life myself, and I have seen such things occur. My honourable friend is not very serious, I suppose, when he cites examples of individuals. Surely the fact of workmen from one union taking the place of workmen from another union does not bind the administration as a whole.

Hon. Mr. ROBERTSON: It indicates it.

Hon. Mr. BEAUBIEN: But my question to him had reference to this—that the international Unions, at their annual meeting in Montreal, speaking through the men who direct them, said that their chief menace—that which they would have to destroy, that was their expression—was the Catholic Unions.

Hon. Mr. CASGRAIN: Hear, hear.

Hon. Mr. BEAUBIEN: That is my authority, and I think it is somewhat better than my honourable friend's. But I do not want to change my honourable friend's mentality as to that: I do not think it can be done. I do not blame him; he has been brought up in the atmosphere of internationalism; he has breathed that air constantly until he is permeated with it; his constitution, so to speak, has been built up on it. I do not complain as to that, but I would say that as Minister of Labour he is Minister of all the labour unions through this country, and he has not the right to come here and say that the Catholic Unions of my Province are a menace to the good direction of labour through this country, which he personifies as international unions. I think he is wrong there, and I take the liberty of showing it to him. I do so with perhaps a little heat, but not with any rancor at all; it is a question of temperament, not of bad personal disposition. But there is one thing that it seems to me must be known: although I am not over-zealous in my own religion, I am proud to say, and it must be acknowledged, for it is recognized all through the country, and by people of other faiths, and not merely by Catholics, that the direction that has been given to the labour people by the clergy of my province has been a good, sound, and indeed a great benefit to us. I hope this wise direction will last, and, if it lasts, it will be of immense advantage, not only to my province, but to the whole of this Dominion; and, Sir, you, who are at the head of this very important Department of Labour, may perhaps be the first man to be thankful for it.

Hon. Mr. ROBERTSON: Honourable gentlemen, I know it is out of order for me to say anything again, and I propose only to say a word in reply, in order that there may be no misunderstanding as to my attitude. I desire to call the attention of the House to the fact that I did not utter the words for which my honourable friend gives me credit. I simply quoted the constitutions of the three different and distinct trade union movements in Canada, and said that I would leave it to this House to judge which were on a sound and broad basis. I went on, further, to point out that it is not true, as my honourable friend intimates—although he was careful not exactly to charge me with it, or to say so definitely—that the Department of Labour, since I have been administering it, has discriminated against any labour organizatiton which was carrying on lawfully. The organization to which he refers, and for which he pleads, has received recognition from the Department of Labour, and has from year to year discussed labour problems and labour difficulties with the just the same as other organizations have done. But may I point out this, that on the occasion of their visit this year they brought a newspaper reporter from the city of Montreal about whom I did not know anything, and I did not even say a word about the delegation having visited Ottawa; but they went into the press themselves and started a row, and now my honourable friend comes into this House with another attack on the International Union.

Hon. Mr. CASGRAIN: No, no.

Hon. Mr. ROBERTSON: I never made an attack. No International Union man has gone into the public press and said that a member of the Catholic Union or any other union was a menace to society. I leave it to the House to judge for itself as to who it is that is encouraging attacks on other people.

Hon. Mr. CASGRAIN: Honourable gentlemen, I absolutely deny that I ever mentioned, or said one word against, the International Union. I was particularly guarded. I was advised by my best friends not to mention anything against the International Union.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, all this is out of order, and I draw the attention of the Chair to it.

Hon. Mr. CASGRAIN: Hear, hear.

The Senate adjourned until 3 p.m.

SECOND SITTING

The Senate met at 3 p.m., the Speaker in the Chair.

COPYRIGHT BILL

FURTHER CONSIDERED IN COMMITTEE AND REPORTED

The Senate again went into Committee on Bill 12, an Act to amend and consolidate the law relating to copyright.—Hon. Sir James Lougheed. Hon. Mr. Blain in the Chair.

Subsections 3 and 4 of section 18 were agreed to.

On subsection 5 of section 18—regulations and notices by Governor in Council:

Hon. Mr. BOSTOCK: Why is it necessary to give the Governor in Council power to make regulations here, when my honourable friend (Hon. Sir James Lougheed), in answer to me last night, said that there was another clause in the Bill dealing with the matter generally. Is this not a duplication?

Hon. Sir JAMES LOUGHEED: It is expressly for the purpose of this section.

Hon. Mr. BOSTOCK: But is it necessary to give the Governor General in Council power to make regulations?

Hon. Sir JAMES LOUGHEED: The other would be for general regulations, but this could be done either through the absence of general regulations, or through general regulations not particularly affecting this question. This is a question involving very special administration, so to speak; consequently the regulations will be applicable only to this section.

Subsection 5 was agreed to.

On subsection 6—provision as to musical works heretofore published:

Hon. Mr. BOSTOCK: Paragraph b says:

No royalties shall be payable in respect of contrivances lawfully made, before the commencement of this Act.

As I understand that paragraph, it means that after this Act is passed—

Hon. Sir JAMES LOUGHEED: The royalties shall be regulated by this Act.

Hon. Mr. BOSTOCK:—there will be no royalties paid after this Act comes into force, on any contrivances that were manufactured before the Act came into force.

Hon. Sir JAMES LOUGHEED: No. Any contract made before this Act came into force, touching the question of royalties, must necessarily yield to the provisions in this Bill.

Hon. Mr. BOSTOCK: Any contract?

Hon. Sir JAMES LOUGHEED: Yes, any contract as to royalties.

Hon. Mr. BOSTOCK: What I mean is, there have been a number of cases in which no royalty at all has been paid.

Hon. Sir JAMES LOUGHEED: This provision is not made retroactive:

No royalties shall be payable in respect of contrivances lawfully made, before the commencement of this Act.

Hon. Mr. BOSTOCK: Of course, I can understand that if there has been a contract made between the manufacturer of the contrivance and the composer of the song or music, or whatever it is, settling this question of royalties, that is a different matter; but where no arrangement has been made and no royalty paid, as is true in a great many cases, I understand, when this Act comes into force all these contrivances that have been manufactured previous to the Act can still be manufactured without the payment of any royalty.

Hon. Sir JAMES LOUGHEED: No, that is not the case. Royalties have not been collected upon contrivances before the passage of this Act. The impression seems to prevail in the minds of some honourable gentlemen that royalties that

should have been paid in the past could be collected. Of course, there was no law by which contrivances of this kind could exact royalties. This is simply declaratory of the fact that the use of any contrivance before the passage of this Act will not be subject to the payment of the royalties provided by the Act.

Hon. Mr. PROUDFOOT: I understand that this clause refers to contracts which are in existence, in respect of contrivances lawfully made. That is, you have a certain number of records all ready for distribution. As this clause is drawn, this Bill will not affect them. But suppose that you desired to repeat those records or issue a considerable additional number of them, then you would be bound to pay, as this law stands. At least, that is the construction I understand should be placed on it. I am moving that the subsection be amended by striking out paragraph b, and substituting therefor:

No royalties shall be payable in respect of contrivances of such works.

That is, on anything that had been gone on with before there would be no royalties payable.

Hon. Mr. FOWLER: What do you mean by "gone on with before"?

Hon. Mr. PROUDFOOT: That is, prior to the passing of this Act.

Hon. Mr. POWER: That the song had been written?

Hon. Mr. PROUDFOOT: That the song had been written and had been recorded and the records issued.

Hon. Mr. FOWLER: Oh, no.

Hon. Mr. PROUDFOOT: Yes. My contention is that you should be able to continue that for any length of time. That is why I am moving this amendment.

Hon. Mr. FOWLER: I should certainly be opposed to that. It does not seem to me that, because a man has stolen something from time to time and got away with it; and, because the law unfortunately is not such that he could be punished for doing so, or could be made to pay, he must for all time continue to be allowed to get away with the "swag." As soon as you have the machinery of the law so arranged that you can stop him, spring the bolt on him. Surely he has deprived the author of sufficient if he has been enabled for all the past years to make these records without paying for them. From the time this law passes, let him pay.

Hon. Sir JAMES LOUGHEED: Yes, that is the meaning of it.

Hon. Mr. FOWLER: And if he has not manliness enough to disgorge what he has already taken improperly—I will not say unlawfully, for a man may take a thing improperly and yet, not unlawfully—at least do not let him continue the robbery. That is my sentiment.

Hon. Mr. PROUDFOOT: I am rather surprised at my honourable friend making the statement that the man has withheld the royalties or sold the goods illegally.

Hon. Mr. FOWLER: Oh, no, I did not say so.

Hon. Mr. PROUDFOOT: "Unlawfully," you said.

Hon. Mr. FOWLER: I did not. I said "improperly, but not unlawfully."

Hon. Mr. PROUDFOOT: Then, using the honourable gentleman's own language, "improperly." It could not be improperly when the law says that you are quite justified in taking that course. Under the law as it stands at the present time, you could record songs or music without having to pay. Records did not come within the Act; and, as I pointed out before, that was decided, not only in the United States, but also in Great Britain. My idea is to prevent pirating, as it may be described, after the Act comes into force, and anything that has been in use prior to the coming into force of this Act should not be interfered with. In other words, if a man has records of a particular song, on which he has spent a very considerable amount of money, why should he, having lawfully made these records, be prevented from continuing to make them if he sees fit to do so? As I understand paragraph b, he would not have that right, and that is where I say the unfairness comes in, and that is the reason why I think we should pass the amendment which I propose.

Hon. Mr. FOWLER: It seems to me that the reasons are all the other way. We do not ask this man to pay any royalty on the records that he has previously sold; but on the records that he still has unsold, and that he sells after the coming into effect of this Act, whether the mechanical work on them was done before or after the passing of the Act he should pay.

Hon. Mr. DANDURAND: The honourable gentleman does not even state the situation to be as bad for the author as it appears to be.

Hon. Mr. FOWLER: I am always moderate.

Hon. Mr. DANDURAND: Well, my honourable friend has not examined the text. I would favour the drafting of a clause such as my honourable friend has described, providing that once the disc has been sold by the manufacturer and has left his hands, it should be subject to the royalty. I think that would be fair. It seems to me that, if he still has the discs in his possession, every future sale should be subject to the royalty; but it would not be under this clause.

Hon. Mr. FOWLER: It will not be?

Hon. Mr. DANDURAND: "No royalties shall be payable in respect of contrivances lawfully made, before the commencement of this Act."

Hon. W. B. ROSS: "Lawfully made."

Hon. Mr. DANDURAND: So all that the manufacturer has in stock is free from the royalties. That is why I say that my honourable friend from Kings and Albert (Hon. Mr. Fowler) has not even noticed that the manufacturer is protected to a greater degree; that, as I read this paragraph, the manufacturer will be able to dispose of anything he has in stock. So I think my honourable friend from Huron (Hon. Mr. Proudfoot) has a very weak case.

Hon. Sir JAMES LOUGHEED: He should be satisfied with this paragraph.

Hon. Mr. WILLOUGHBY: I quite agree with the views of the honourable gentleman who has just spoken (Hon. Mr. Dandurand). I do not think that the section, as a matter of fact, goes quite far enough in protecting the author. A very large proportion of the standard music is already set up; the plates are made; and if this paragraph is left as it is, there will be no protection in the future to the author for the selling of those rolls. That is my construction of the paragraph. We are all aware that a large amount of classical music of the better class, which might be called standard music, is already set up—already put on plates or rolls, which are in the manufacturers' hands. On those there is no protection at all.

Hon. Mr. DANDURAND: I would draw the attention of my honourable friend the leader of the Government to the very great difficulty the Government will have in applying this law if this paragraph is left as it is. The Act will be proclaimed on a certain day, and the manufacturer will have piled up in his warehouse, or store, or factory, a large number of discs. He knows what is impending, and I wonder if we are enacting a provision which will simply be laughed at by the manufacturer.

Hon. Mr. FOWLER: I must confess that I had not seen the section, but I was only replying to the awful argument made by my honourable friend from Huron (Hon. Mr. Proudfoot).

Hon. Mr. PROUDFOOT. It was not so awful as it seemed.

Hon. Mr. FOWLER: But I find his argument is still worse, now that I look at the section, because the section gives the manufacturer a great deal more than he ought to have. I think that the section should be changed so that it will provide, as I thought it did, that the manufacturer shall pay on every record that he sells, whether he had manufactured it before the passage of this Act, or subsequent to it.

Hon. Mr. DANDURAND: It seems to me that would be fair. Of course, after he has sold the record, we cannot tax him a royalty which he will not be able to collect from the purchaser.

Hon. Mr. FOWLER: How can we tell when the manufacturer made the record? There is no check upon him. The honourable gentleman from Huron (Hon. Mr. Proudfoot) would say that the manufacturers are such a high-class type of men that they would not lie about these things. But they might. My honourable friend from Hamilton (Hon. Mr. Lynch-Staunton), coming from a manufacturing town, knows the manufacturers better, and he says they might. I take the word of my honourable friend from Hamilton, and we ought to avoid the danger of that by our legislation. This section should be so amended as to provide that from the time of the passing of this Act all records sold by manufacturers should be subject to a royalty.

Hon. Mr. PROUDFOOT: It is rather illuminating to hear my honourable friend (Hon. Mr. Fowler) make reflections on the manufacturers, men whom he has been up-

holding, or who have been upholding him, for so many years. I want to say just one word more, with reference to the section—

Hon. Mr. LYNCH-STAUNTON: To what subsection is my honourable friend referring?

Hon. Mr. PROUDFOOT: To paragraph b, at the foot of page 13. You will observe that the work done up to the present time has been lawful. All I want to do is to have the provision continued that during the life of that particular record, or the use that may be made of it, no royalty shall be payable.

Hon. Mr. BEIQUE: In criticising paragraph b, we are, I think, losing sight of the fact that any contrivance such as those referred to in this paragraph has been made under contract with the owner, and therefore it has been paid for, and it would be interfering with the contract and giving the section a retroactive effect if it were changed. I take it that a manufacturer has in stock 1,000 or 2,000 discs. He has made these discs, and has paid, we do not know what amount for the making of them. He had to treat with the author or the singer or somebody, and he has paid, and now we are going to tell him to pay an additional sum.

Hon. Mr. WILLOUGHBY: The mechanical rights are not protected at the present time.

Hon. W. B. ROSS: I am going to suggest that we change the word "made" to the word "sold," which would make the punishment fit the crime.

Hon. Mr. FOWLER: I was going to move that after the word "made" we insert the words "and sold by manufacturer."

Hon. Mr. THORNE: "Made or sold."

Hon. Mr. BELCOURT: I would suggest that if we adopted the provision contained in the Imperial Act we would probably accomplish just what is required. It provides that no royalty shall be paid with respect to contrivances sold within twelve months after the coming into force of the Act.

Hon. Mr. FOWLER: That will not do.

Hon. Sir JAMES LOUGHEED: Upon making inquiry about this clause, I am given to understand that this is really a compromise between the manufacturer and the author, and that, instead of adopting the principle laid down in the English Act, of requiring these people to dispose of their entire stocks within twelve months, it was provided that the royalty should not be made applicable before the commencement of this Act, so far as it concerned contrivances lawfully made. Of course, it may be difficult in administering the law to determine when the contrivances were made, whether before or after the commencement of the Act, but apparently this was an arrangement made between the two interests.

Hon. Mr. DANDURAND: I would have no objection to supporting the British clause if this Act were to come into force by sanction at the end of this session. But that is not the case. I venture the prediction that it will be a good twelve months before the Minister of Justice succeeds in arranging with the British authorities, the Berne Convention authorities, and the United States authorities and before this Act is proclaimed. If I am right in my prediction, the present makers will have the twelve months, which is the term mentioned in the British Act; but if we adopt the British clause we shall be giving them twenty-four months. For that reason, I prefer the amendment of the honourable gentleman from Sussex (Hon. Mr. Fowler).

Hon. Sir JAMES LOUGHEED: I would suggest to the honourable gentleman from Huron (Hon. Mr. Proudfoot) that he regard this as a sleeping dog, and let it lie.

The proposed amendment of Hon. Mr. Proudfoot was negatived.

Hon. Mr. FOWLER: Now we come to my amendment.

Hon. Mr. DONNELLY: Before you put the motion, Mr. Chairman, I should like to draw the attention of the Committee to subsection 7 of this section and the proviso.

Hon. Sir JAMES LOUGHEED: The one subsection has to do with the royalty and the other with the copyright.

Hon. Mr. DANDURAND: What is the decision of the Chair on the amendment?

The Hon. the CHAIRMAN: Carried.

Hon. Mr. PROUDFOOT: I do not know just where that will land us. The manufacturer may have a very considerable stock on hand, and my honourable friend (Hon. Mr. Fowler) says to him that he must pay a royalty on that.

Hon. Mr. FOWLER: Why not?

Hon. Mr. PROUDFOOT: Because he lawfully made it.

Hon. Mr. FOWLER: If he had sold it he would be all right. Supposing a man is importing liquor, and he does not get it in—

Hon. Mr. BELCOURT: The question is settled. The Chairman has declared the amendment carried.

Hon. Mr. PROUDFOOT: I did not hear the Chairman so state. I heard the honourable gentleman from Bruce (Hon. Mr. Donnelly) speak to it, and I followed immediately and did not hear any remarks from the Chair.

Hon. Mr. BELCOURT: Perhaps the Chairman will state what happened.

The Hon. the CHAIRMAN: We were in the midst of taking the vote, and whilst maybe I did not say "carried," the vote was recorded in favour of the amendment. However, the honourable gentleman may go on.

Hon. Mr. PROUDFOOT: I have said about all I had to say. I just wanted to point out the position that the manufacturers will be placed in, and I would ask that the amendment be submitted again, because I would like to know the sense of the House.

The Hon. the CHAIRMAN: In order that there may be no misunderstanding, I put the amendment of the honourable gentleman from Sussex again.

The amendment was declared carried.

Hon. Mr. PROUDFOOT: I ask for a vote.

The amendment of Hon. Mr. Fowler was agreed to: contents, 34; non-contents, 14.

Hon. Mr. BELCOURT: In view of this amendment having carried, I beg leave to withdraw my amendment.

The proposed amendment of Hon. Mr. Belcourt was withdrawn.

Paragraph b of subsection 6 of section 18 was agreed to.

Subsection 7 of section 18 was agreed to, and section 18 as amended was agreed to.

Sections 19 and 20 were agreed to.

On section 21—injunction only remedy when defendant not aware of copyright:

Hon. Mr. BELCOURT: I want to suggest an amendment to this section. I think that damages which may have been caused to the owner ought to be reserved for him. I do not think it is fair to say that the only remedy he will have will be an injunction to prevent further damage being caused. Why deprive him of damages simply because the other man may have been acting in good faith? Damages are not altogether dependent on good faith. It is true that where there has been bad faith the courts are inclined to make the damages heavier; but good faith and liability to damages are quite consistent. I propose therefore to add after the words "the plaintiff shall not be entitled to any remedy other than an injunction," the words, "besides such damages as he may have suffered."

Hon. Sir JAMES LOUGHEED: Has my honourable friend looked at the proviso in this section? It says:

> Provided that if at the date of the infringement the copyright in the work was duly registered under this Act, the defendant shall be deemed to have had reasonable ground for suspecting that copyright subsisted in the work.

No damages should arise in favour of the plaintiff if he has neglected to register his copyright. Under section 36 he can secure himself by registering his copyright. The registration is not made compulsory; but if he chooses to remain passive, and not to take advantage of the protection afforded by the act of registering the copyright, why should we protect him further?

Hon. Mr. BELCOURT: I am not sure that section 36 does give him protection.

Hon. Sir JAMES LOUGHEED: It is an exact reproduction of section 8 of the English Act.

Hon. Mr. BELCOURT: Very well, I shall not insist on my amendment.

The proposed amendment of Hon. Mr. Belcourt was withdrawn, and section 21 was agreed to.

Sections 22 to 35, both inclusive, were agreed to.

On section 36, subsection 1—registration:

Hon. Mr. BOSTOCK: Can my honourable friend say why this method of registration was adopted? It is altogether different from what is done under the English Act. What is the reason for this registration? If I understand the method of registration properly, it means that every copyright has to be registered in Canada in order to be properly protected, whether the copyright is that of an author in Canada or an author outside who wants to maintain copyright for his works in Canada. It seems to me it is going to be a very serious and difficult matter to keep up this

registry. I understand that at present we have registration under the Trade Marks and Patent Acts, but I think there had been considerable difficulty in dealing with that registry and keeping it up to date, and it seems we are going to create an enormous amount of work, and I am not satisfied that the registration is going to prove satisfactory.

Hon. Sir JAMES LOUGHEED: The cases of copyright and patent are not at all parallel. Of course, a patent must be registered for its protection, otherwise it could be made use of by any person; but there is a difference in regard to copyright. It is optional with the author; if he does not choose to take advantage of the safeguard which registration provides, he is thrown back upon establishing by evidence in a court that he is the owner of the copyright. Under the system of optional registration which we have here, if he registers he is prima facie the owner of the copyright, and it is simply to facilitate his evidence of title or ownership.

Hon. Mr. DANDURAND: I am afraid that my honourable friend, who is speaking for the Minister of Justice, has made considerable trouble for himself in putting in these sections on registration, which form a departure from the Berne Convention, as there is no registration required under that.

Hon. Sir JAMES LOUGHEED: There is no compulsory registration under the Berne Convention yet this is manifestly a very great advantage.

Hon. Mr. FOWLER: Certainly.

Hon. Mr. DANDURAND: I have not gone seriously into the matter; it may be an advantage for Canadian authors.

Hon. Sir JAMES LOUGHEED: Or for foreign authors.

Hon. Mr. DANDURAND: But the Nationals of the other countries that have accepted the Berne Convention, what will they have?

Hon. Mr. FOWLER: What objection can they have?

Hon. Mr. DANDURAND: They will have to stand the registration which any country may decree.

Hon. Mr. FOWLER: No, they do not have to; it is optional.

Hon. Sir JAMES LOUGHEED: All they have to do is to come in and register; it is purely optional. My honourable friend must not overlook the fact that this right to obtain copyright is for foreign authors just as well as for Canadian authors. Honourable gentlemen, in dealing with this subject, must keep this in view, and possibly not be too sympathetic in that regard, remembering that we are protecting the foreign author as well as the Canadian author, and what enures to the benefit of the Canadian author would likewise benefit the foreign author who comes into Canada.

Hon. Mr. FOWLER: In other words, we are doing equal justice to all, and this registration benefits the author if somebody infringes on his work, or takes his work and turns it into a disc for a phonograph. He has only to show his registration; otherwise he would have to prove that he was the author of the work.

Hon. Mr. DANDURAND: But there would be this disadvantage to the foreign author whose work would be infringed upon, that under section 21 he would only be able to recover damages if he had registered.

Hon. Sir JAMES LOUGHEED: The same with the Canadian author.

Hon. Mr. DANDURAND: It is true that under the Berne Convention there is no registration required, and I take for granted that wherever some one has infringed upon the right of an author belonging to the Convention, damages would ensue; but here we cut him off from damages unless he goes to the expense and labour of registering in Canada, and perhaps in other countries.

Hon. Mr. WILLOUGHBY: No; there is an answer to that in section 8 of the English Act, which deals with the right for damages. The only remedy that he ever had when a copyright under the English Act was infringed was an injunction, which would be what you are invoking now. Section 8 of the English Act is the same as the one we have passed as section 21 of this Act.

Hon. Mr. BOSTOCK: Without the proviso.

Hon. Mr. WILLOUGHBY: Without the proviso; so we are not making it a bit worse than it is under the English Act.

Hon. Sir JAMES LOUGHEED: This is a great improvement on the Berne Convention. They will probably copy this at the next convention.

Section 36 was agreed to.

Sections 37 and 38 were agreed to.

On section 39, subsection 2—when grant is void:

Hon. Mr. PROUDFOOT: I have an amendment which I shall move there. I want to add at the foot of that subsection the following words:

And no grantee shall maintain any action under this Act unless his and each such prior grant has been registered.

That is only a matter of detail for the proper working out of the Act, and does not make any very great change; but it places the person who has to pay in the position that the assignments must all be registered before the action can be brought against him.

Hon. Mr. ROBERTSON: I would say, in connection with this proposed amendment, that I had the opportunity of discussing this and several others with the honourable member who dealt with this Bill in another place, and so far as I can see this particular amendment is not objectionable here, and I do not think it would be anywhere else, and so far as I am concerned I will be glad to endorse it.

The amendment was agreed to.

Section 39 as amended was agreed to.

Sections 40 to 48 inclusive were agreed to.

On section 49—adherence to Convention of Berne:

Hon. Mr. BEIQUE: I move that section 49 be amended by adding the following words thereto:

and on such adherence being secured nothing in this Act shall be taken, interpreted or applied as being contrary to or in violation of the revised Berne Convention.

Hon. Mr. CHAPAIS: What is the meaning of that amendment?

Hon. Mr. BEIQUE: It is to make sure that nothing will be taken in this Act as interfering with the Berne Convention.

Hon. Sir JAMES LOUGHEED: Will my honourable friend be good enough to enlighten us as to how this is to be determined? If there be a conflict of opinion between what our Act means and what the Berne Convention means, will the words of the amendment settle the matter? It seems to me that my honourable friend is importing words into this Bill, and particularly into this section, which will create conflict. My honourable friend is seeking by this language to determine what the interpretation is to be, but it certainly will not succeed in doing it.

Hon. Mr. DANDURAND: I suppose I am reading section 49 correctly when I say that it means that the Governor in Council has the obligation to secure the adherence of Canada to the revised Convention of Berne?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: That word "may" means "shall."

Hon. Sir JAMES LOUGHEED: And if it secures the adherence, the Act is in conformity with the Berne Convention.

Hon. Mr. DANDURAND: And if it does secure the adherence, will my honourable friend from De Salaberry explain to me the purport of his amendment, because if we do secure the acceptance of our Act, then our Act stands with all its clauses.

Hon. Mr. BELCOURT: I understand that the only way the question would arise would be before our own courts. The question might be whether some provision of this Act were quite in accordance with the Berne Convention.

Hon. Mr. DANDURAND: But there are some of them that are absolutely against the spirit and the letter of the Berne Convention.

Hon. Mr. BELCOURT: The effect of the amendment would be that if there is any conflict between the Act and the Berne Convention, the very fact that we are adhering to the Berne Convention by this Act will not be sufficient to make a provision prevail which is contrary to the Berne Convention. On the other hand, it will be the Berne Convention that will prevail, if there is nothing in our Act contrary to the Berne Convention.

Hon. Mr. BEIQUE: I prepared this amendment because I thought there was a general expression of opinion that this Act was not to interfere with the Berne Convention, and it was even stated that the Minister of Justice had expressed his opinion that there was nothing to interfere with the Berne Convention. My amendment merely intended that it should be so. The language is used in other cases—that nothing mentioned in the different clauses shall be interpreted as being contrary. This Act is to be governed by the Berne Convention, and that is the desire of honourable members of this House as well as members in the other House, and I thought

the amendment would tend to secure a certain fixity to this, and, as the honourable member has said, it may have to be decided by the courts if the question is raised.

Hon. Sir JAMES LOUGHEED: But I would like to point out to my honourable friend the difficulty that would be encountered in this. The Berne Convention does not lay down a model Act; it lays down certain fundamental principles. The different countries that adhere to that Convention will probably pass different Acts; but so long as they embody the fundamental principles of the Berne Convention they can become parties thereto. Now, the question will be to determine what is essential.

Hon. Mr. BELCOURT: Would my honourable friend not rather say: "provided they are not in conflict with the Berne Convention"? I should think that is the way to put it.

Hon. Sir JAMES LOUGHEED: It seems to me, as my honourable friend from De Lorimier (Hon. Mr. Dandurand) has pointed out, if we become parties to the Berne Convention, that will be sufficient. I do not see how you can apply to a statute a canon of construction that may possibly be repugnant to the language itself; and it may have relation to non-essentials. It seems to me that if a non-essential be regarded as not conforming to the Berne Convention, it would be very unwise to apply an arbitrary canon of construction and seek to reconcile the Act to a Convention which is not framed in express language at all, but simply lays down certain principles.

Hon. Mr. BELCOURT: I am afraid that does not solve the difficulty—for me, at all events. Either there are in this Act one or more provisions which are in conflict with the Berne Convention, or there are none at all in conflict with it. If there is nothing in this measure which would conflict with the Berne Convention, then I think my honourable friend's amendment is unnecessary.

Hon. Sir JAMES LOUGHEED: But who is going to determine that question?

Hon. Mr. BELCOURT: But there are two things in this Bill. The principal thing is that we adhere to the Convention, but my honourable friend must remember that then, if we are doing something which is in conflict with the Berne Convention, the two things cannot go together.

Hon. Sir JAMES LOUGHEED: Then we cannot become parties to it. So the question could not arise.

Hon. Mr. BELCOURT: Yes, we would be parties to it; but we would not be parties to it in regard to any particular provision which would itself be in conflict with the Berne Convention. We would be bound by the Berne Convention in every other respect, because we formally accept it and adhere to it. But if, while adhering to it, we have by mistake made some provision which is in absolute conflict with the Convention itself, then I think my honourable friend's amendment ought to go, because we cannot be both in the Convention and out of it. If we have adopted any provision which would, with regard to that provision, put us out, then my honourable friend's amendment ought to go, because the main thing we want is to adhere to that Convention.

Hon. Mr. BEAUBIEN: Would my honourable friend allow me a question? If there is in the sections of the Bill—in any section except the last—a provision in violation of the Convention, it must be read concurrently with the last clause, which declares that nothing in the law shall conflict with the Convention. Suppose my honourable friend is the judge. Which section would he take?

Hon. Mr. BELCOURT: If the amendment of my honourable friend carries, there will be no difficulty. I would say that the provision which is in conflict with the Berne Convention should not apply.

Hon. Sir JAMES LOUGHEED: But who is going to determine what the Convention means?

Hon. Mr. BELCOURT: The judge before whom the question is raised.

Hon. Sir JAMES LOUGHEED: Judges will differ.

Hon. Mr. BELCOURT: It can come up only before a court of justice, and it will be the duty of the judge to give his interpretation.

Hon. Sir JAMES LOUGHEED: I would point out to my honourable friend that, notwithstanding the interpretation that may be placed by a court of justice upon this, yet a country might become an adherent to the Berne Convention. A judicial act, so as to speak, will not permit of any country becoming a party to the Berne Convention.

Hon. Mr. BELCOURT: I do not claim that at all. What I claim is this—and my honourable friend will agree with me: if any question is raised in regard to the compatibility of any provision of this Bill, it will have to be raised before one of our own courts, and it is the duty of our own court to interpret our own laws. It will be for the court to say whether the provision under discussion is or is not in conflict with the principles of the Berne Convention; and if it is, and if my honourable friend's amendment carries, then there will be no difficulty.

Hon. Sir JAMES LOUGHEED: Would not the judge have to interpret first of all what the Berne Convention is?

Hon. Mr. BELCOURT: It would be the duty of the judge to determine what the Berne Convention is.

Hon. Sir JAMES LOUGHEED: That would have no effect upon the Berne Convention.

Hon. Mr. BELCOURT: I do not claim for one moment that it would. It would not affect the Berne Convention at all, but it would affect our legislation, and that is all we are discussing. We are not discussing, for the moment, the principles of the Berne Convention, nor am I saying that the Berne Convention is this, that, or the other thing. I am discussing this Bill which will shortly become law. If any question arises under that, it will be the duty of the court, as it is whenever any Canadian law is under discussion, to decide what it means. Should it be found by the courts that we have adopted a provision in conflict with the Convention, I repeat, if my honourable friend's amendment carries, the court will have no difficulty, but will say that the Act is valid and binding except for this particular provision which is in conflict with the Berne Convention.

Hon. Mr. BEAUBIEN: If I understand my honourable friend rightly, then the last clause as amended would simply iron out, item by item, as we have placed them in the law, all the departures from the Berne Convention that might exist. That is the honourable gentleman's interpretation. Now, what would be the result? If this Act is to be interpreted by our courts, and if a judge finds that there are ten or fifteen discrepancies between it and the Berne Convention, then, according to my honourable friend when the judge comes to read the last section, with this proposed amendment, he says: "Oh, all these discrepancies now disappear, because, although the legislators inserted, one after the other, fifteen or twenty provisions conflicting with the Berne Convention, they have wiped them all out by the last clause." I respectfully submit to my honourable friend that he has very seldom seen legislation containing such a sweeping clause as that, the effect of which would be that practically the whole Convention of Berne would have to be used as a magnifying glass through which to examine every one of the articles of this Bill. In other words, a judge taking up, say, clause 10 of this measure, could not read it as it stood on the statute book, but would have to consider it with reference to the whole Convention of Berne, in order to determine whether this clause is in harmony with the Berne Convention or not. If it is not, if it differs in the slightest degree, he must correct our own legislation; for we give him power to do so by the last clause of this Bill. I do not think that has ever been done. Such a provision is all right for the interpretation of words, but to modify the interpretation of fifty sections by declaring that they must be in accordance with the rules laid down by a Convention so wide as the Convention of Berne, is in my opinion not practicable at all.

Hon. Mr. BELCOURT: I do not object to my honourable friend's argument, but I do object to his putting into my mouth words which I did not use at all—attributing to me an argument which I did not make. I took good care in my observations to say I did not know what I was going to do; that I had not made up my mind whether to vote for my honourable friend's amendment or not. I was simply trying to point out what it meant and what was the effect of it. So my honourable friend's argument is not at all an answer to what I said.

Hon. Mr. BEAUBIEN: I apologize for my honourable friend stating that he was in favour of the amendment.

Hon. Mr. BELCOURT: No, I did not say that.

Hon. Mr. BEIQUE: I do not agree with what the honourable member from Montarville (Hon. Mr. Beaubien) has said as to the purport of the amendment.

Hon. Mr. DANDURAND: And its effect.

Hon. Mr. BEIQUE: And its effect; but, as I said a few minutes ago, my reason

for presenting the amendment was merely that I thought it expressed the opinion of honourable members of this House. If there is a danger that it may go too far, I will not insist on the amendment.

The amendment of Hon. Mr. Béique was withdrawn.

On section 50—commencement of Act:

Hon. Mr. CHAPAIS: I would like to move an amendment:

That clause 50 be amended by adding at the end thereof the following:

But such proclamation shall not be made unless nor until the Minister shall have certified by notice published in the Canada Gazette that no existing legal right of citizens of Canada to copyright protection in any country other than Canada will in consequence of the passing of this Act be terminated or impaired.

There are, I think, good reasons in support of that amendment, and there is in it a legal point which I think should have some weight before this Committee. As this Bill, which is now almost passed, will repeal both the international and local copyright statutes without making any provision for the protection of our authors' rights outside Canada, it is vitally important that the Bill should not be proclaimed until negotiations have been completed with Great Britain, the other British Dominions and the United States, securing to our authors copyright protection in these countries similar to what they now enjoy.

The Imperial Copyright Acts of 1842 and 1886, are the basic copyright law of Canada and confer copyright on Canadian authors both in Canada and throughout the British Dominions by first publication in Canada or other British dominion.

Canada also enjoys the benefit of the original Berne Convention (1886) through Great Britain's adherence thereto on her behalf.

Canada also enjoys the benefit of the Convention 1891 regarding literary copyright between Great Britain and the United States.

Consequently as regards literary copyright, Canadian authors now enjoy protection, one might say, throughout the world.

This Bill by its repeal clause No. 47, will destroy this international copyright and thereafter the Canadian Government will have to negotiate anew, not only with the United States, but also with Great Britain and the other self-governing dominions for protection for Canadian authors in these English-speaking countries, and will also have to obtain Great Britain's certification of Canada's adherence to the Revised Convention of Berne, 1906.

It is most important therefore that the Copyright Act should not be proclaimed until the continuance of this international protection is assured.

It is respectfully suggested, therefore, and I think it will be agreed by this Committee, that Clause 50 of the Bill should have a proviso added to it to the effect that the Act shall not be proclaimed until the Minister certifies that international protection for Canadian authors throughout all English speaking countries has been definitely assured. I therefore move that the proviso which I have read be inserted in this clause.

Hon. Mr. BELCOURT: Will my honourable friend read it again?

Hon. Mr. CHAPAIS: Clause 50 now reads:

This Act shall come into force on a day to be fixed by proclamation of the Governor in Council.

Here is the amendment:

But such proclamation shall not be made unless nor until the Minister shall have certified by notice published in the Canada Gazette that no existing legal right of citizens of Canada to copyright protection in any country other than Canada will in consequence of the passing of this Act be terminated or impaired.

I think it is only right that this proviso should be added to the final clause of the Bill, because, as I think I have demonstrated to this Committee, if it is not added, the copyright enactments now in existence in favour of Canadian authors will be destroyed and nothing will be left in their place.

Hon. W. B. WILLOUGHBY: I think it is absolutely necessary that some proviso such as that which has been moved by my honourable friend (Hon. Mr. Chapais) should be inserted. I would assume from the report which I have read of the discussion which has taken place elsewhere that something of this kind was contemplated. A copy of the proposed amendment has, I dare say, been received by many honourable members of the House. I know that one of the persons acting on behalf of the authors sent me, through the mail, a copy of the same amendment. I would, however, offer this suggestion for what it is worth. The amendment as now moved provides that the Act shall not come into force by proclamation of the Governor in Council, published in the Canada Gazette, unless we have copyright protection in countries other

than Canada. I think that it might be a detriment to the authors to make the amendment so wide. The countries in which Canadian authors are particularly interested at the present time are undoubtedly the United States and Great Britain. Those countries are their great market. Outside of them they doubtless sell to a very limited extent. Distinguished authors, like the mover of this amendment (Hon. Mr. Chapais) may, and I trust will, find a purchasing market throughout the world, but it will not be the fortune of many Canadian authors. One gentleman with whom I was discussing this very section mentioned a legal work on copyright (I have not been able to find in the Library the edition he referred to) by Copinger, in which he makes this contention, that not only must we obtain the assent of Great Britain, to be certified by the Secretary of State, in order to get within the Berne Convention, but we would also have to negotiate, as we anticipate negotiating, with the United States for their assent, and in addition would have to go to all the other self-governing Dominions for their approbation and get their consent to this Act coming into force to get copyright in such Dominions.

That might of necessity very unduly delay the coming into force of this Act. It would give us nominal rights; that is, access to the markets that sometimes might be valuable, but which at present are problematical. I think it would be absolutely in the interest of the author that, as soon as the Government got the approbation of the Secretary of State in England to put it, say, under the Berne Convention, and as soon as arrangements were made with the United States, the Government should proclaim the Act. The Government could later through its agents, negotiate with the other Dominions.

Subsection 2 of section 25 of the English Act deals with the method by which we are to get the assent of the Secretary of State in England. I would not have read that as requiring the assent of the other Dominions as a condition of our getting the approval in such Dominions. But if the legal gentleman is correct, and he says it is absolutely stated on authority that we must get the assent of the other Dominions before our Act will be applicable to them—not necessarily as a condition to getting admission to the Berne Convention—the getting of that consent would necessarily involve very considerable time. Therefore I should like my honourable friend to restrict his amendment to the getting of the consent of Great Britain and the United States.

Hon. Mr. CHAPAIS: That is all right.

Hon. Mr. BELCOURT: I have another suggestion to offer. I would suggest that all that my honourable friend wishes to secure could be secured without any of the difficulties which might be involved in accepting the language of his amendment, if we were to go back to section 47 and provide that all the enactments relating to copyright passed by the Parliament of the United Kingdom shall, upon the issue of the proclamation provided for in section 50, hereinafter, be repealed. In that way you would import no new language and would import no difficulties that might arise from the wording of the amendment proposed; but you would secure all the benefits which the honourable gentleman desires.

Hon. Mr. CHAPAIS: That does not cover the ground at all.

Hon. Mr. BELCOURT: The enactments would only be repealed when this Act becomes effective. At the moment that this Act comes into force the other provision disappears; but in the meantime you have all the protection asked for by the amendment.

Hon. Sir JAMES LOUGHEED: It seems to me, honourable gentlemen, that we are very receptive to suggestions that come from interested sources from time to time in respect of a matter of this kind, without taking into consideration the many other elements that enter into it. If the authors wished to introduce something that could be mischievous, it seems to me that it would lie in the direction of such an amendment as this. What does the amendment propose? In the first place, it proposes that the hands of the Government shall be tied; that it shall go into all the countries of the world, so to speak, that are adherents to the Berne Convention, and shall negotiate with those countries as to our Act coming into force. What would the consequence be? We would be tied down by an obligation such as has been suggested by my honourable friend from Grenville (Hon. Mr. Chapais) to negotiate with all those countries before the Act comes into force. Is that wise? Those countries would impose upon Canada whatever conditions they chose, and they would say: "No, we do not consent unless you consent to so and so."

Hon. Mr. DANDURAND: I am trying to find the countries to which the Minister of Justice intends to apply it. In running through his speech, I cannot find them. Can the honourable gentleman tell me what they are?

Hon. Sir JAMES LOUGHEED: Presumably, the United States, Great Britain and all the Dominions that make up the Empire, and Switzerland.

Hon. Mr. DANDURAND: And France?

Hon. Sir JAMES LOUGHEED: Yes. One only needs to mention it to show how impracticable and unwise it would be to tie the Government down in that way. In the next place, such a thing implies a want of confidence in the Government to properly negotiate arrangements with the different countries that I have mentioned. We have to assume that, if the Government is charged with this responsibility, section 50 would impose upon it the responsibility of preparing the ground before the proclamation is issued, bringing the Act into operation. These two considerations should be present in the minds of honourable gentlemen in considering the applicability of section 50.

Under section 47 of the Act, which my honourable friend from Ottawa proposes to amend, no repeal takes place until the proclamation is made; consequently, nothing happens until that is done. This Bill remains upon the statute book, and does not come into force, but is a dead letter until that time; therefore it is not necessary to make provision for an immediate repeal.

Hon. Mr. BEIQUE: The amendment of the honourable gentleman from Ottawa (Hon. Mr. Belcourt) would not add anything to the Bill—

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BEIQUE: —Because the repeal will take place only when the Act comes into force.

Hon. Mr. BOSTOCK: My honourable friend named the countries that the Minister of Justice in another place said he was going to apply to before this Act was brought into effect. If I understand this amendment, according to the remarks made by the honourable gentleman from Moosejaw (Hon. Mr. Willoughby), it will not cover any more countries than those mentioned by the Minister of Justice. It seems to me that this amendment is simply putting into words the intention of the Minister of Justice.

Hon. Sir JAMES LOUGHEED: Precisely.

Hon. Mr. BOSTOCK: For that reason I cannot see that it is going to do any harm at all, and I certainly think the amendment is a good one.

Hon. Sir JAMES LOUGHEED: My honourable friend does not appreciate the point. The amendment puts an obligation on the Minister of Justice, and it is an invitation to the other nations to impose any conditions they wish. They say, "You cannot issue the proclamation until you make an arrangement with us."

Hon. Mr. DANDURAND: I am disposed to trust the Government, and when I say the Government I mean the Minister of Justice, who will have charge of the negotiations with the other countries before this Act comes into force. I am disposed to trust the Government not to issue the proclamation which would bring this Act into effect until all the conditions that would accrue to Canada under the Berne Convention have been obtained. It is obvious, from the statement made by the Minister of Justice in another place, in answer to a remark by the member for St. James, that the Government is taking this Act with the expectation that it will succeed in carrying through the Act and having it accepted by the principal countries that have joined the Convention. If it fails, the proclamation will not be issued, and the Government will have to come back to Parliament to amend the Act which is now passing through this Chamber.

I have expressed a doubt as to the possibility of obtaining the adherence of the other countries that have come under the Berne Convention to this Act of ours; but time alone will tell; and I think that we are sufficiently protected by the fact that the Government declares that it will not proclaim this Act until it has obtained the consent of the principal countries to our coming under the Berne Convention.

Hon. Mr. CHAPAIS: After the declarations that have been made by the leader of the House, I do not think I should insist on the amendment, and I ask permission to withdraw it.

The proposed amendment of Hon. Mr. Chapais was withdrawn, and section 50 was agreed to.

Schedules 1 and 2 were agreed to.

The preamble and the title were agreed to.

The Bill was reported as amended.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

JUDGES BILL

REPORT OF CONFERENCE CONCURRED IN

Hon. Sir JAMES LOUGHEED moved concurrence in the report of the managers on the part of the Senate at the free Conference called for the purpose of further considering the amendments to Bill 60, intituled An Act to amend the Judges Act.

He said: Honourable gentlemen, last night I mentioned the purport of this report, and it is not necessary to go into it again.

The motion was agreed to, and the report was concurred in.

HAY AND STRAW INSPECTION BILL

FURTHER CONSIDERED IN COMMITTEE—PROGRESS REPORTED.

The Senate again went into Committee on Bill 159, an Act to amend the Inspection and Sale Act (Hay and Straw Inspection).—Hon. Sir James Lougheed. Hon. Mr. Girroir in the Chair.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, when this Chamber considered this important question a few days ago and concentrated all its attention upon the subject, there seemed to be quite a difference of opinion as to who the "presser" was and who the "seller" was. I have received a communication from the Department of Trade and Commerce which may possibly throw some light upon the subject. With the leave of the House I shall read it:

> The inspection of hay is not compulsory. To require bales of hay to bear a tag indicating the grade would be a change in policy which requires much consideration.
>
> While the present law has stood for two years, it is only within the past two weeks that representations were made to the Department that owing to the word "seller" appearing in the law as it does at present, prosecutions had been entered into and parties were fined in Montreal—merely because they sold a bale of hay which had been sold several times prior to their receiving it—who had not attached their tag to it. The law as it stands requires every person who sells a bale of hay, no matter whether the bale be sold half a dozen times over, to attach his tag to the bale.
>
> When the law of 1918 was put through, we introduced the word "presser," but this was changed in the Senate to "seller," which has led to much confusion.

Hon. Mr. CHAPAIS.

I do not know which honourable member is responsible for all this confusion. It is some honourable gentleman in this Chamber.

Hon. Mr. BELCOURT: What do you propose to do to him?

Hon. Mr. DANDURAND: Find out who he is first.

Hon. Sir JAMES LOUGHEED: He should be impeached probably.

Hon. Mr. BELCOURT: Make him eat the bale of hay.

Hon. Sir JAMES LOUGHEED: This is an agricultural subject, and no doubt some of our resourceful lawyers suggested that the word "seller" should take the place of the word "presser." (Reading):

> While the Act may not be perfect, we had hoped to get a brief amendment through Parliament to hold the "presser" only, that is to say, the man who actually presses the bale, whether on his own account or for a farmer, responsible that no foreign matter be introduced into the bale. Heavy fines are imposed upon anyone under this Act, who violates this provision.
>
> The owner of the hay, of course, escapes, but the man responsible for the pressing of the hay, we thought, would take care that foreign matter is not introduced into the bales. Should subsequently foreign matter be found in the bale, the man who actually did the baling, be he a presser by trade, or the farmer who presses his own hay for sale, would be responsible and liable to penalty.
>
> It has been suggested to us that the presser and producer both be made responsible, but that apparently would divide the responsibility, and the producer might disclaim responsibility for work done for him by the presser. Hence we thought that at this late date of the session the best thing to be done would be merely to fasten the responsibility upon the man who actually does the baling rather than leave the present law as it stands, which requires another tag to be attached to the bale every time it is sold.

One thing will be conceded, it seems to me, and that is that it is impossible to administer the law where you provide that the seller shall attach his tag to the bale, because the bale may pass through half-a-dozen hands, and the seller may know nothing about the contents of it. While there may be numerous sellers, there is only one presser. Consequently it seems to me that if anyone is to be held responsible for the contents of the bale, it should be the man who baled the hay and knows what the contents are.

Hon. Mr. BELCOURT: He is paid?

Hon. Sir JAMES LOUGHEED: Yes, and therefore it was suggested that the

amendment, which is very simple, should be passed, and the word "presser" supercede the word "seller."

Hon. Mr. DANDURAND: Objection has been made to limiting the amendment to changing the word "seller" to the word "presser," because very often the presser happens to be a man who passes through the rural parts with a press and horses, going from one farm to another; and, though of course he sees the hay that passes through his press, very often he is somewhat under the direction of the owner of the hay. It has been suggested that in order that the responsibility may fall upon the culprit if anything wrong is done in the pressing of the hay, the owner, who was interested in that wrong doing, should be known. It has also been suggested to me that a further amendment be made, because the presser is very often the owner, and in that case there would be no need to make alteration, because you then have the man who should suffer for acting illegally towards the ultimate purchaser of his hay. But when the presser is only a mechanic or an employee who has passed through and done work for which he should be condemned, but has done it for the real owner, it is suggested that this amendment be added:

> If the hay is pressed for another party, the presser shall add the name and address of the owner on said tag.

It seems to me that this is a double protection, and I submit it to the judgment of this Chamber. I may add that I had given notice of another amendment, which may be too far-reaching, and I will not press it. I was thinking that the presser or owner should state on the tag the grade of hay: but I do not insist on that, so that my sole amendment is the one I have just read. In withdrawing the amendment as to the grade being stated on the tag, I am not withdrawing the suggestion that the month and year of the pressing be stated on the tag, because I have been told that it makes all the difference in the world whether the hay is pressed during summer or during winter, as hay pressed in winter may heat on its way to a foreign country, and people are very chary about buying hay that is pressed in winter, though they have no special means of knowing when it was pressed. It seems from this that we would protect the purchaser by forcing the presser to state on the tag the month and year in which the hay was pressed. Besides, those who know more about the hay trade than I do may be able to say whether hay of 1917 is worth as much as that of 1919, 1920 or 1921.

Hon. Mr. FOWLER: Why should hay pressed in winter not keep as well as hay pressed in summer? I think it is the other way round—that hay pressed in the following winter would be better cured, because it would be barn-cured, and therefore less liable to turn out badly than hay pressed during the summer while the juice was still in it.

Hon. Mr. DANDURAND: I would like to ask Hon. Mr. Donnelly, or some one who knows about it; but the statement made to me was that hay pressed in winter carried with it a far greater danger than hay pressed during the summer.

Hon. W. B. ROSS: That is not possible.

Hon. Mr. DONNELLY: I do not profess to be an expert. I do not know that I ever pressed any hay, but I have bought considerable pressed hay in the neighbourhood from which I come. One objection to the amendment would be to putting two names on the ticket, and thus dividing the responsibility. Another objection would be that it would make the trade rather cumbersome, causing too many tags to be attached to every individual bundle of hay. I think the word "presser" will perhaps work out all right, although some objection might be taken to it, because the presser may be an irresponsible person with no monetary interest in the hay, and the fact that you got his name on a bundle would not give you any person you could come on for damages. In place of using the word "presser" I think it would be better to use the words "the owner under whose direction the hay or straw is pressed." He is the man who is really responsible. If you employ a man to do a certain act you are responsible for what he does, and I think if you used the terms I suggest you could attain your object. In regard to the point about the season of the year when hay is pressed, I do not think it is so much a matter of the season. There is a liability of hay being damaged where it is in stacks, and where a certain amount of snow is likely to get into the bundle. If hay is pressed in winter it is liable to be damaged in that way; but pressing it in a barn is the ideal method of pressing. There is something to be said in favour of the amendment requiring the date of the pressing to be put on the bundle. Hay that has been pressed in winter and left over summer is very liable to

heat in moist or warm weather, so that purchasers would rather buy hay that has been pressed in winter than hay that is left under poor conditions.

Hon. Mr. DANDURAND: The honourable gentleman suggests that the word "presser" be eliminated, and the word "owner" inserted?

Hon. Sir JAMES LOUGHEED: He says presser or owner.

Hon. Mr. DONNELLY: I suggest the words, "the owner under whose direction the hay or straw is pressed." The original grower should not be held responsible, because he would simply grow the hay and sell it to the dealer, and at the time the hay was pressed somebody might have an idea to ship the hay, and that party is really the owner at the time, and if he has not a press of his own he employs somebody else to press it, so that the words I suggest would cover him.

Hon. Mr. GORDON: I would suggest the word "grower" instead of "presser."

Hon. Mr. WATSON: Why should we be so solicitous about maternal legislation in this matter at all? What complaints have we?

Hon. Sir JAMES LOUGHEED: You were not in when I read that letter?

Hon. Mr. WATSON: No, I was not in. I have known of hay being pressed, and I know that people who got it pressed stipulated that it should be stacked for a certain time so as to become seasoned. Hay that is properly stacked and pressed is in much better condition than hay that is stacked early in the season before all the moisture is dried out. I do not know why you should insist that the man who presses the hay should be responsible for any grading at all.

Hon. Sir JAMES LOUGHEED: It is not grading; it is simply marking the contents.

Hon. Mr. WATSON: You need not make him responsible for anything under this Bill at all. The hay dealer goes around and buys the hay in bulk from the farmers, and then he brings along a man with whom he has a contract for pressing. The man who presses the hay would be the presser. Let the matter be settled between the buyer and the seller. If it is not properly graded, the man who buys it has his recourse.

Hon. Mr. FOWLER: What are the causes that led up to this Act?

Hon. Mr. WATSON: I do not know.

Hon. Sir JAMES LOUGHEED: One cause, for instance, is that in Montreal some sellers have been fined for not having a tag on a bale of hay. They point out that a bale of hay may pass through the hands of half a dozen different sellers, and it means that each seller has to put his tag on the bale.

Hon. Mr. FOWLER: But what is wrong with the hay?

Hon. Sir JAMES LOUGHEED: The contents. It is has been found that bales of hay contain a great many foreign substances—stone, and all that sort of thing—for the purpose of adding weight to the hay.

Hon. Mr. SMITH: When this Act was framed the word "seller" was used advisedly, but no doubt it was intended to be the first seller, and this confusion has arisen because that word "first" was not inserted so that every seller, as the hay passes from one to another, is liable to a fine. If the words "first seller" were put in, this whole difficulty would be obviated. It seems to me that the first seller is the man who is responsible; he has sold the hay, and as such ought to be responsible for its quality.

Hon. W. B. ROSS: Suppose the man that sold the hay first sold it loose, then the insertion of those words would not help you at all. You have also to look out for another thing; it has been pointed out that bales may be changed from time to time. If you require the man who makes the first move to put a tag on, then the bale may travel a thousand miles and go through the hands of six persons, and the poor devil that sold it would be punished.

Hon. Mr. DANDURAND: I will move my amendment, and we will dispose of that. I have two amendments. I think the first one will meet with the general approval of the Senate.

Section 340 F reads as follows:

> Every seller of both hay or straw in Canada shall affix on every bale of hay or straw sold or offered for sale a tag having written thereon plainly and legibly his name and address and the weight of the bale.

I move to strike out the word "and" before the word "weight" and to add after the word "weight" the following words: "and the month and year of the pressing of the bale," so as to include in the Act the obligation on the presser to put on his tag

the month and year in which he has done the pressing. Then if that is carried or rejected, I will move another amendment.

Hon. W. B. ROSS: I want to point out to the honourable member that in those words, putting on the month the hay is pressed really does not amount to anything. In one part of Ontario—here, for instance—I suppose hay is matured within a fortnight, while there are other places where it will not mature for six weeks yet.

Hon. Mr. DANDURAND: What objection is there to putting on the date?

Hon. Mr. ROSS: Then there is another thing about the hay. Your hay may be pure timothy, or half timothy and half clover and other grasses. There is no gain from that because it does not mean anything. If a man had to certify that it contained certain water contents, it would mean something.

Hon. Mr. DANDURAND: My amendment simply is to force the presser to put on the date at which he presses.

Hon. Mr. ROSS: But what do you gain from that?

Hon. Mr. DUNDURAND: When the seller presents himself the purchaser will know he is buying hay of 1919 or 1921.

Hon. Mr. ROSS: It is all right as to the year, but you ask for the month; what has the month to do with it?

Hon. Mr. DANDURAND: I am told it makes all the difference in the world whether it is in summer or in winter.

Hon. Mr. FOWLER: No, it does not make any difference whether it is in summer or in winter. It all depends on whether the hay is cured or not.

Hon. Mr. McHUGH: I believe this matter of baling hay and selling to the dealers and the consumers afterwards must be left between the parties to settle. This eternal legislation you are trying to pass is altogether out of place, I think. It is just as the honourable leader of the House said the other evening, in connection with some Bill we were dealing with: there is a craze to get something on the statute book. It would be far better to leave this matter between the people who are dealing in the transaction. One honourable gentleman suggested that it should be the grower who would be held responsible; but the grower has no more to do with the pressing of the hay than the man who is perhaps in his law office in Montreal when the hay comes to be pressed. A man comes to the farmer's barn and buys his barn of hay, he does not say whether he is going to press it, or sell it loose, or any other way. The buyer brings the press and presses the hay and takes it away. What does the grower know as to what is going to be done with that? It is sold in the loose. The man who buys it is not deceived, because he sees exactly what he is buying. The buyer sends the presser there, a hired man, instructed to press what hay is in that barn; it does not matter what mixture there is in it. He does the pressing and marks the weight of the bales on them, not the quality at all. He is a hired man; there is one man to-day and another man the next week. What responsibility has he but to carry out the instructions he receives from his employer? I have listened to all this discussion. I have seen a good deal of hay pressed, and know how it is done, and I do not feel that you can improve matters by any legislation you may enact here. Let the man who is buying hay from the dealer ask about its quality, and if it is not up to the quality that he agrees to buy, then he has his recourse in the courts. I feel that by keeping this matter off the statute book and leaving it between the buyer and the seller you are advancing the interests of all parties and are not putting anyone into trouble by requiring him to mark the day, the month and the year the hay was pressed. Going down to Montreal, I have seen hay that perhaps had left the presser's hands or the barns in good condition, but it was lying alongside the railway track, either piled up or strung along in the ditches and on the roadside for a quarter of a mile, and exposed to the rain. That hay would afterwards be taken into some warehouse wet, and naturally, when hay that is wet is piled together in large quantities, it will must and come out in a condition altogether different from what it was when it left the hands of the grower, the presser, or perhaps the dealer. You have all these things to take into consideration, and the best way, in my opinion, is to leave the matter between the seller and the buyer of the hay—between John Jones and Tom Smith.

Hon. Mr. CLORAN: That is good common sense.

Hon. JOHN WEBSTER: Honourable gentlemen, it is a well-known fact that the record of the Canadian hay that was shipped overseas during the war period was

nothing to the advantage of Canada. It was of very inferior quality, I regret to say. The simplest way that I could suggest as a remedy for this evil would be to issue to each presser a license, giving him a particular number, and to require him to put a lead tag on every bale of hay that he pressed, with his number upon it, and also the grade, and the year in which the hay was pressed. That would be, in my opinion, the simplest remedy. If I am a retailer, I may give an order for a car of horse hay. When it arrives at my station I may find it inferior in quality, possibly one-third clover, another third wild grass and the remaining third timothy. What am I going to do with it? I have immediately to reject the whole thing. I have to send for an inspector, and it may take a week or ten days to get him. My customers may be in the meantime in need of the article, and the result is that finally the hay is shipped away and I have to buy a carload from somebody else. As the honourable gentleman has just said, the owner of the hay does not see it in one case out of ten. He may be a practical farmer; perhaps he may be running a large farm somewhere in the outskirts of the city, and this hay is in the hands of hired help. But if you make the presser responsible for his license, and require him to place his number on a lead tag attached to each bale of hay, with the weight and the quality marked on it—whether it is No. 1, No. 2 or No. 3—and the year in which it was pressed, that is all the guarantee that any dealer should require.

Hon. Mr. FOWLER: You would make of each presser, then, an expert in hay.

Hon. Mr. WEBSTER: They are expert.

Hon. Mr. FOWLER: Not necessarily at all.

Hon. Mr. McHUGH: I would like to ask the honourable gentleman from Brockville what is meant by a presser. What is the man who actually presses the hay? He is simply a man who knows how to put hay into the machine, and he may be no judge of the quality of hay at all. I have seen hundreds of such men at work. They are able to run the machine, and they wire up the bales, put tags on them, and throw them to one side. The man who does that work is a hired man. He may be working for one presser this week and for another the next week. He is not a hay expert.

Hon. Mr. WEBSTER: In reply to the honourable gentleman, I may say they are all practical men. The farmers themselves have not much to do in the winter time, and some of them own presses.

Hon. Mr. McCALL: Honourable gentlemen, after listening to all the discussion, I have come to this conclusion, that you cannot fasten any responsibility on the mechanic who runs the pressing machine. He is a common working man. He may be called from the foundry, or from the machine shop, or maybe from the lumber woods. He knows nothing about hay at all, but he can run a pressing machine. Now, if you make him responsible by compelling him to get a license and to put tags on the bales, and do that sort of thing, you will never get a man to take charge of a hay presser and run it. The man who runs the hay presser has nothing at stake except his wage. The responsibility must be fastened upon the owner in the first instance. I know communities in which a group of farmers, perhaps half-a-dozen, will have a thrashing machine, and a hay presser, owning them together, and when the packing season arrives some one of their hired men, or one of themselves, take the hay-presser and go from barn to barn amongst themselves doing the mechanical work. The owner of the hay knows what he has, and what he has packed, and the responsibility must be fastened upon him.

As to the grading and all that sort of thing, the ordinary hay-presser could not find the grades of his hay. There are half-a-dozen or a dozen different grades. The hay must be sold on its appearance. I have not much faith in the stories that all sorts of stuff can be put into a hay-presser. Any of you honourable gentlemen who have ever seen the process of hay pressing know that in the summer season the hay has been put in the barn, or in the stack, and a man or two men are in the mow throwing it down, and it goes into the mouth, the business end, of the machine. It is shoved in there and the packer, the man in charge, puts it through. When it comes out he attaches his bills to it, or marks it. I hope some honourable gentleman who can frame an amendment will frame one that will place the responsibility upon the first owner of the hay. Then, if the quality is not good, the responsibility must be traced back to him.

Hon. Mr. DANDURAND: Honourable gentlemen, I do not want to bore the House on this question, but I would point out

that it is of considerable importance to Canada. We have farms that can produce perhaps the best hay to be had in North America.

Hon. JOHN WEBSTER: That is right.

Hon. Mr. DANDURAND: We have first class land for hay production, and last year the production was 1,200,000 bales of hay, exclusive of the hay that was sold loose. That is considerable business for Canada. Nothwithstanding our advantages, our hay on the Boston market is classed as second grade—mediocre. I think there was considerable reason for the Government interfering and endeavouring to raise the quality of our hay. Its value represents millions of dollars; therefore I feel that this question should not be treated lightly. The reason for my lending a willing ear to the secretary of the Hay Traders' Association of my province is this. About twenty-five years ago, when I was practising at the Bar, my firm had to liquidate the estate of a hay-dealer of considerable standing in Montreal, who had died suddely. His books were in a very difficult state. They had not been kept by a first-class accountant, and we had to locate thousands of dealers with whom he seemed to have credits amounting to tens of thousands of dollars. His widow was trying to unravel the mystery. Hay had been bought by him from farmers here and there and had been shipped to London, England. We found the names of the parties to whom he had shipped that hay, but then we struck the snag. Most of the people had put in complaints about the quality of the hay. One of them I remember. I became an intimate friend of his. His ancestors came from Nova Scotia. He had relatives in the States, and he came here quite often.

Hon. Mr. FOWLER: We can understand it all now.

Hon. Mr. DANDURAND: He was doing a world-wide business. He had a number of ships, and was sending ships to New York or Boston. When he needed a return cargo which he could not get at the coast, he would cable to Montreal to see if he could not get some hay. When the price and quality were quoted he would turn to some traction company, in London, for instance, and place a few thousand tons of hay with them, and that was the end of his bargain. Everything had to be done on the good faith and honesty of the men with whom he was dealing. That hay was distributed, and it was found by the purchasers that instead of being of the quality quoted it was inferior. As a result of such experiences our hay is classed as second quality, mediocre, in Boston. The Government have tried to remedy that by endeavouring to put the owner on his good behaviour, by requiring him to affix a tag bearing his name on the bale. They started by holding the presser responsible as the man who sees the quality of the hay and knows what is going into the bales. I learn now from my honourable friend that it was the Senate that substituted the seller for the presser; and now the Government comes back and says: "The seller may have bought that hay after it has passed through the hands of two or three persons, and we want to come back to the real owner, or the party who is mainly responsible, namely, the presser." Now we are told that in certain parts of the country the presser is simply a mechanic, who has no responsibility. I thought that we might add, then, that if the presser is not the owner of the hay, he shall put on his tag the name of the owner; that is all. I proposed that the month and the year in which the pressing was done should be added. It seems to me that that with the name on the tag there is a responsibility attaching to the presser, if he is the owner, or, if he is not, to the owner for whom he presses, and the dealer in Montreal, Toronto, or elsewhere, who buys that hay in good faith, will not be deceived as to its quality. I am trying to improve a little upon the Bill. My honourable friend from Lindsay (Hon. Mr. McHugh) is about to ask that the Committee rise. In that way he would get rid of this Bill, but he would not get rid of the Act. If the Committee rises, the word "seller" will remain in the Act and the seller will be obliged to affix his tag. So I would draw the honourable gentleman's attention to the fact that we are dealing with the question of the responsible party, and if we do not accept this Bill, the seller will remain responsible.

Hon. Sir JAMES LOUGHEED: Can you shorten the amendment?

Hon. Mr. DANDURAND: My amendment is simply this: I have moved that the words "and the month and year of the pressing"—for instance, May, 1921—be added. That is one amendment; and the second one, of which I have given notice, is that if the hay is pressed for another party, the presser shall add the name and address of the owner on the said tag.

Hon. JOHN WEBSTER: In reply to the honourable gentleman from De Lorimier I might say that the reason why Canadian hay is placed in second grade in Boston is that if the hay contains one-tenth clover, whether it be alsike or red clover, it cannot be put in first grade. Now, one-tenth is a very small proportion of clover, but it is sufficient to lower the grade from number 1 to number 2. That is the reason why our hay is graded number 2; it is not all timothy, and advantage is taken of that fact.

Hon. W. B. ROSS: I would like to ask the honourable gentleman from De Lorimier (Mr. Dandurand) what could happen under his amendment if a man bought a bale of hay and found there was something wrong with it. Whom would he go after? The presser, or the owner, or both? There has been only one rational proposal, and it is that made by the honourable gentleman who says, "Let the buyer beware." That is the old common law principle. Ask for a guarantee of what you are getting, and if you do not get what is agreed upon, sue the seller for damages.

Hon. Mr. McHUGH: I would like to see the first party who handles the hay when it is sold held responsible. There should be no chance for fraud on the part of the farmer in selling the hay. If the dealer who sends in his press sells hay to some one else, let him be responsible; and if the person buying the hay re-sells it, let him in his turn be responsible. But do not make legislation that will cause an innocent man to suffer. Do not make the presser suffer, because he has no interest in it.

With regard to foreign materials in hay, I know the difficulty of judging hay when it is baled up. I know that a person can often be deceived, and that there may be disappointment when the hay is opened up. But the person doing the pressing would lose a great deal of time in trying to put foreign substances into the bales of hay. He would lose a good deal more than if he filled up the space with hay out of the barn.

Hon. Mr. BOSTOCK: I think my honourable friend has the Act of 1918 before him. I would ask him to look at section 340F, which reads:

Every seller of baled hay or straw in Canada shall, etc.

It seems to me that the word "every" is the cause of the trouble. Would it not be better to put in the words, "original seller?"

Hon. W. B. ROSS: Here is the thing that puzzles me. One bale of hay looks as much like another as one pea resembles another. Farmer A may be honest, and may have baled a quantity of good hay, which goes on to the market. Farmer B may have baled a lot of bad hay, and put some foreign materials into it. What protection is there for Farmer A against the tags being changed? That is what I want to know. I think it is an atrocious thing to ask a man to put a tag on a bale of hay, or on a box, or a basket, and then, after the goods have passed through the hands of a hundred persons, to come back from number 100 to number 1, who has had no protection with regard to the persons through whose hands the goods have passed in the meantime. I do not believe there is anything more in this matter than what the honourable gentleman from Lindsay (Hon. Mr. McHugh) has pointed out. That is one simple way. You can go into the market to buy hay. You know what you want, and you ask for that. Let the man who is selling say, "I will sell you that hay, and I will give you my warranty."

Hon. Mr. McHUGH: And if he does not furnish that, the buyer can take action. That is the only remedy.

Hon. Mr. ROSS: If you are going to ship hay abroad, there is only one way of dealing with that—the way in which the Army people deal with it. You may have a carload of hay, and may be asked what is in it, and you say it is of a certain class. Then three or four bales are taken out of a carload and are split in two, and if they come up to the quality specified, the hay is accepted; if they do not, the whole carload is condemned or is classed in a lower grade.

Hon. Mr. DONNELLY: I would be disposed to agree with the honourable gentleman from Middleton (Hon. W. B. Ross) if we were dealing with new legislation; but we already have an Act on the statute book, and it is for the purpose of making it workable that the amendment is proposed.

Hon. Mr. FOWLER: No; we are ripping it up.

Hon. Mr. McMEANS: I would like to point out to honourable gentlemen that, so

far as the West is concerned, if you require that the name of the owner shall be put on the bales it will be necessary in many cases to put on the name of the Government of Canada, because huge quantities of hay are grown on Government lots, and are sold at 25 cents a ton. The original owner of the hay is the Government of Canada. So I suppose there would be a particular brand going over to the American markets as "Government hay."

Hon. Mr. DANDURAND: Will the Chairman please read the first amendment?

The Hon. the CHAIRMAN: It is moved that section 340F be amended by striking out the word "and" in the fourth line, before the words "the weight," and adding the words "and the month and year of the pressing," after the word "weight."

Hon. Mr. DANDURAND: The effect is to have the presser or owner put on his tag the month and year of the pressing.

Hon. Sir JAMES LOUGHEED: What about the word "presser?" Have you moved to strike that out?

Hon. Mr. DANDURAND: The Act remains as it is.

Hon. Sir JAMES LOUGHEED: Yes, but we do not want the Act to remain as it is. The point is, we want the word "seller" stricken out.

Hon. Mr. DANDURAND: Well, let the honourable gentleman move that.

Hon. Sir JAMES LOUGHEED: I thought at one time that it was only lawyers who differed, but I find well-known agriculturists like my honourable friend from De Lorimier, the honourable gentleman from Middleton, the honourable gentleman from Kings and Albert, and the last farmer heard from is the honourable gentleman from Winnipeg—all differing as to the agricultural distinctions that should be made.

Hon. Mr. DANDURAND: There is no objection to stating the year and the month when the pressing is done.

Hon. JOHN WEBSTER: That is right.

Hon. Mr. McHUGH: There is no objection, but there is no use.

Hon. Mr. DANDURAND: There may be use in my province.

Hon. Sir JAMES LOUGHEED: Yes, but my motion is to strike out the word "seller." Is that carried?

Hon. Mr. DANDURAND: Yes. Carried.

Hon. W. B. ROSS: I want to move to strike out section 340F altogether.

Hon. Mr. PROUDFOOT: I move that the Chairman leave the Chair.

Hon. Sir JAMES LOUGHEED: We might reserve the discussion.

Hon. Mr. DANDURAND: We are still dealing with the Act, trying to transfer the responsibility from the seller to the presser.

Hon. Mr. McHUGH: I am very sure, from the legislation you propose here, that bad as the last Act may have been you are not going to better it. I think every move you are making is only going to cause more vexation between the buyer and the seller. You are only loading the statute book up with statutes that cannot be understood. I move that the Committee rise and report progress.

Hon. Sir JAMES LOUGHEED: I am quite willing that the Committee should rise. This Bill has evoked so much discussion and has presented so many difficulties that it seems to me that I shall have to suggest to the Department of Trade and Commerce that they try to meet the various objections pointed out to the word "presser." I can see difficulties that will arise if the "presser" is mentioned instead of the "seller."

Hon. Mr. DANDURAND: I have given notice of an amendment. It is, that if the hay is pressed for any other party, the presser shall add the name and address of the owner on such tag.

Hon. Sir JAMES LOUGHEED: If that is going to be done, it seems to me that it would be very much better to strike out the word "seller" in both sections, and to put that in as a sub-clause.

Hon. Mr. DANDURAND: That is what I intended. Of course, it is section 340F that we are amending.

Hon. Sir JAMES LOUGHEED: Well, put it that way. I will move that the word "seller" be stricken out, and then my honourable friend can move his sub-clause.

Hon. Mr. WATSON: I would respectfully suggest that the Committee rise, and that the leader of the House consult some one who knows something about the hay business, instead of the Minister of Trade and Commerce—say, the Minister of Agri-

culture—and if he does so, I think he will find that it is better to leave the legislation as it is.

Progress was reported.

CUSTOMS TARIFF BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 199, an Act to amend the Customs Tariff, 1907. Hon. Mr. Gordon in the Chair.

Sections 1 and 2 were agreed to.

On section 3—schedule A amended:

Hon. Mr. BOSTOCK: Are the amendments to the Customs tariff in this clause simply for the purpose of meeting the terms of the treaty made with the West Indies?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: There is no other amendment?

Hon. Sir JAMES LOUGHEED: Except the increase on liquors.

Hon. Mr. DANIEL: How much does that make it now?

Hon. Sir JAMES LOUGHEED: It is $9 on domestic liquors and $10 on imported ones.

Hon. Mr. DANIEL: I mean the cost.

Hon. Sir JAMES LOUGHEED: This is simply to bring the tariff into line with the terms of the treaty.

Hon. Mr. BOSTOCK: Can my honourable friend say whether the duty on raw sugar is increased or decreased by the Act?

Hon. Sir JAMES LOUGHEED: I am sorry that I have not any information on that point.

Section 3 was agreed to.

Section 4 was agreed to.

On section 5—imported goods to be marked, stamped, branded or labelled:

Hon. Mr. BOSTOCK: I should like to ask the leader of the Government to explain how this section is going to work out. It seems to me that it is going to be very difficult to enforce. It says:

> 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 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.

If they are not so stamped, the matter is left in the hands of the customs officials. The section also provides for the infliction of a penalty of 10 per cent ad valorem duty,—

> 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.

That seems to be a very drastic law.

Hon. Sir JAMES LOUGHEED: All customs regulations are drastic.

Hon. Mr. BOSTOCK: But this is somewhat new, and I think it is going to be difficult to carry out.

Hon. Sir JAMES LOUGHEED: I have always found that, if Customs duties are to be collected, the Customs authorities are equal to making the collection from the public. If there is any government institution which it is difficult to escape from, it is the Customs authorities.

Hon. Mr. BOSTOCK: I quite agree with my honourable friend in regard to that. But the point is that the fixing of these marks on the goods is going to interfere with the trade of the country.

Hon. Sir JAMES LOUGHEED: The Customs authorities will have to work that out. I do not know how they will do it; but I am sure they will be quite equal to the task.

Section 5 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

INLAND REVENUE BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 200, an Act to amend the Inland Revenue Act. Hon. Mr. McMeans in the Chair.

On section 1—excise duties on spirits increased:

Hon. Mr. BOSTOCK: The words "nine dollars and two cents" appear in para-

graph b, and the words "nine dollars" appear in paragraph a. What are the two cents for? Is that a mistake?

Hon Sir JAMES LOUGHEED: I fancy it arises out of the differential between the excise duty and the customs duty, but in round figures means $9 a gallon. It is based on a differential between customs and excise.

Hon. Mr. BOSTOCK: The preceding words seem to be the same in both paragraphs. Paragraph a says:

On every gallon of the strength of proof by Sykes' hydrometer, nine dollars, and so in proportion—

But paragraph b says:

On every gallon of the strength of proof by Sykes' hydrometer, nine dollars and two cents.

Hon. Sir JAMES LOUGHEED: That is when it is manufactured exclusively from malted barley.

Hon. Mr. BOSTOCK: Perhaps my honourable friend will inquire whether there is not some mistake.

Hon. Sir JAMES LOUGHEED: I will make inquiry.

Section 1 was agreed to.

Section 2 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

SPECIAL WAR REVENUE BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed the Senate went into Committee on Bill 204, an Act to amend the Special War Revenue Act, 1915. Hon. Mr. Michener in the Chair.

Subsections 1, 2 and 3 of section 1 were agreed to.

On subsection 4 of section 1—tax on sales:

Hon. Mr. BOSTOCK: This clause apparently provides that the Government may collect taxes on goods brought in by the Dominion Government, by provincial Governments, or by ordinary individuals.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: That is a new departure, is it not?

Hon. Sir JAMES LOUGHEED: Yes. It will increase our revenue.

Hon. Mr. BOSTOCK: Does my honourable friend think it is going to very considerably increase the revenue?

Hon. Sir JAMES LOUGHEED: It increases the Sales Tax by one per cent.

Hon. Mr. BOSTOCK: The Sales Tax previously did not apply to goods imported by the Dominion Government or the provincial Governments.

Hon. Sir JAMES LOUGHEED: If it did, I am unaware of it. I am under the impression that it did not.

Hon. Mr. BOSTOCK: The provision that the tax shall apply to goods imported by the Dominion Government or by provincial Governments is new.

Hon. Sir JAMES LOUGHEED: This provision does apply in that way.

Hon. Mr. BOSTOCK: This is done for the purpose of getting more revenue?

Hon. Sir JAMES LOUGHEED: I suppose it is like one lifting himself by his boot-straps. We will be better able to keep track of our expenditures.

Subsection 4 of section 1 was agreed to.

Section 1 was agreed to.

Section 2 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

OLEOMARGARINE BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 205, an Act to amend the Oleomargarine Act, 1919. Hon. Mr. Barnard in the chair.

On section 1—manufacture, importation and sale permitted:

Hon. Mr. BOSTOCK: I have no objection to this Bill, but it was suggested to me that some amendment should be made after the

word "permitted," in the twelfth line, though I observed that the word occurs also in the sixteenth line. The object of the suggestion was that, inasmuch as oleomargarine is sold considerably at the present time, it should be in a shape so that it would not be confused with butter; that is to say, that a person who has oleomargarine put before him would know that he is eating oleomargarine and not butter. It has been pointed out that under the Act at present it is marked in some kind of a way, so that the person who buys it knows that he is buying oleomargarine, but if he goes where it is used in small quantities, as in a hotel, the person who is actually eating it as it is made up now does not know what he is eating, and therefore it would be advisable that the colour should show what it is. I understand that the manufacturers of oleomargarine in Canada to-day, and the people who ship it into this country, send it in a condition which shows the difference—that the colour is usually white, and therefore the consumer can tell from its appearance that it is oleomargarine and not butter. It has been found that the oleomargarine supply has filled a want in this country, and the dairy people, who are interested in the matter, and who are not in any way trying to oppose this Act, think that the public generally should know what they are getting, and not be left in the position of being liable to have oleomargarine passed off on them in place of butter. I was asked to place this matter before the members of the Senate in order that they might realize the situation; and in order to accomplish that purpose the suggestion is to add to this section:

> And no oleomargarine shall be imported into Canada, manufactured in, offered for sale, or had in possession for sale in Canada, which is not of a standard colour other than the colour of butter, such standard colour to be prescribed by regulation to be made by the Governor in Council.

I think this would not in any way interfere with the sale of oleomargarine in the country, but it would be a protection to the manufacturers of butter, as they would then know that the people who were using and eating oleomargarine in public places would be informed that it was oleomargarine and not butter, and that it would not be passed off on them as being butter. I therefore suggest that this amendment should be made to new section 3 of the Bill before us.

Hon. Mr. BOSTOCK.

Hon. Sir JAMES LOUGHEED: How would you colour it—green?

Hon. Mr. BOSTOCK: As I said before, my information is that the natural colour of the oleomargarine is white, quite distinct from the colour of butter.

Hon. Sir JAMES LOUGHEED: I have seen butter white—very pale. I would point out to my honourable friend that in the statutes of 1919 it is made obligatory upon all importers or sellers of oleomargarine to have it distinctly labelled oleomargarine, and it seems to me that that is sufficient. This suggestion is evidently inspired for the purpose of rendering the trade in oleomargarine as difficult and expensive as possible. It is meant to restrain the trade in oleomargarine, and I think the policy of our legislation in the past has been to assist it all we can. There is no doubt that when this period of time expires oleomargarine must necessarily be treated as freely as any other trade commodity in the market. That time will come.

Hon. Mr. CASGRAIN: The Government have done everything to prevent the manufacture of oleomargarine by amending the Act in another place and restricting it to twelve months only. Now, if it is good food, as the Government say it is, why restrict it to twelve months? Who is going to build a factory, and start a trade under such conditions? This Bill was all right, but the Government amended it and defeated the Bill, and it is absolutely useless in the shape it is in to-day, because no one will spend money putting up a factory, finding customers, and establishing a business. If the Government are sincere, let them take off their limitation of twelve months and make it permissible without putting a time limit on it.

Hon. Sir JAMES LOUGHEED: That must eventually come.

The amendment of Hon. Mr. Bostock was negatived.

Section 1 was agreed to.

The preamble and the title were agreed to.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

WEDNESDAY, June 1, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

THE BUSINESS OF PARLIAMENT

Hon. Mr. BOSTOCK: I should like to ask the leader of the Government if he can give us some information as to the legislation that he expects to be brought down to this Chamber before the end of the Session. I understood my honourable friend to suggest yesterday, in answer to the honourable gentleman from St. John (Hon. Mr. Daniel)—although he was not very definite about it—that it was possible that we might prorogue to-morrow. Therefore, in the interest of the members of the Senate, I think it would be worth our while to know what legislation the Government proposes to bring down.

Hon. Sir JAMES LOUGHEED: I may say, honourable gentlemen, that some additional Bills will be brought down that it will not take very long to deal with, and if it becomes necessary to prorogue to-morrow I have no doubt this Chamber will be ready for the function. The Bills are: the Election Act Amendment; Returned Soldiers' Insurance; Pensions; Civil Service; Insurance Act; Civil Service Retirement; Canada Temperance Act; Grading of Dairy Products; Sale and Inspection of Vegetables; Department of Customs and Excise. Although somewhat numerous, these Bills will not take very long.

Hon. Mr. CASGRAIN: The honourable gentleman forgets the most important—the $89,000,000 loan to the Grand Trunk railway. Should we not consider that?

Hon. Sir JAMES LOUGHEED: It will depend upon when prorogation is to take place. That will come in the Budget.

CRIMINAL CODE AMENDMENT BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 138, an Act to amend the Criminal Code. Hon. Mr. Bennett in the Chair.

On section 1—provisions respecting instructions to jury in cases of seducing girls between 16 and 18, seducing female employees, carnally knowing girls between 14 and 16:

Hon. W. B. ROSS: Mr. Chairman, I should like, with the consent of the House, to have this section taken up with sections 5 and 7.

Hon. Sir JAMES LOUGHEED: Very well, we will postpone that.

Section 1 stands.

On section 2—penalty for having without lawful excuse a bomb, etc.:

Hon. Mr. BOSTOCK: Will my honourable friend give us some explanation about this amendment, and the reasons for its introduction.

Hon. Sir JAMES LOUGHEED: It is to suppress the tendency towards the using of bombs, which seems to be coming into fashion for the purpose of carrying out the destructive work of the users.

Section 2 was agreed to.

Subsection 1 of section 3 was agreed to.

On subsection 2 of section 3—prohibition respecting carrying concealed weapons:

Hon. Mr. BOSTOCK: What are the changes in paragraph d?

Hon. Sir JAMES LOUGHEED: The effect of this amendment is to do away with the necessity of British subjects having permits for guns, rifles, etc.; to enable the Governor in Council to authorize persons to issue permits besides those officers specially authorized to do so; and to enable the Governor in Council to proclaim that in any portion of Canada named everyone must have a permit, so that in case of necessity from riots, etc., the having of firearms, etc., could be controlled. It simply makes the law more adjustable to conditions that may arise from time to time.

Hon. Mr. BOSTOCK: We are repealing the clause that we passed last session, I think. Could my honourable friend tell me as to that?

Hon. Sir JAMES LOUGHEED: No, I cannot at the moment.

Hon. Mr. DANDURAND: I draw attention to the wording of this paragraph. It says:

(d) 1. Being an alien has in his possession any pistol, revolver, shotgun,—

Should not my honourable friend rather take the new description of a Canadian National, and say, "not being a Canadian National," because then he would exclude the dangerous Englishmen—sometimes coming from the slums of London—that have been described as forming part of the

communistic society of Winnipeg. That would reserve the right to carry a pistol, revolver, shotgun, etc., to a Canadian National.

Hon. Sir JAMES LOUGHEED: Well, they handled their firearms in the late war very advantageously.

Hon Mr. DANDURAND: I was thinking of nearer home: I was thinking of Winnipeg.

Hon. Mr. McMEANS: I would like to remind my honourable friend that they are not all from Winnipeg.

Hon. Mr. POWER: One point which has occurred to me with respect to this clause is this. However it may be in the old country, or perhaps in some of the wilder or more woolly portions of the Dominion, in the Eastern Provinces people have been for over one hundred years carrying guns—fowling pieces, as a rule. One finds, in going through New Brunswick and Nova Scotia, and, I fancy, a great part of Quebec, that in nearly every household there is a fowling piece. As I understand it, under the clause now under consideration the people who own these guns will be obliged to take out a license—

Hon. Mr. FOWLER: It is only in the case of aliens.

Hon. Mr. POWER:—to do what they have been doing for the last thirty or forty years. I think we should hesitate before passing that enactment.

Section 3 was agreed to.

Section 4 was agreed to.

On section 1 (reconsidered):

Hon. W. B. ROSS: Mr. Chairman, I asked that section 1 should stand over and be considered along with sections 5 and 7. I think that in order to explain section 5 it would perhaps be well to read one or two sections of the Criminal Code. I do not want to enter into any exposition of the Criminal Code—at all events, not to any extent that is not strictly necessary to explain these sections and the views that I have with regard to them. I dealt with the matter, I think, pretty fully before the House on at least one occasion, and perhaps a second time, and I do not desire to inflict any legal argument upon this House. However, speaking without the book, in order that everyone may understand the matter, our Criminal Code at one time made what I think was admitted to be a pretty wise provision, namely, that in dealing with assaults on children there should be a very heavy punishment. In order to define what was a child the age of fourteen years was fixed, and, as I say, there was a severe penalty for an indecent assault on a girl under fourteen. No complaint, I think, was made with regard to that section.

A few years ago—at all events, shortly after I came into this Chamber—some person, who has been tampering with the Criminal Code every year, took it upon himself to deal with this clause with regard to assaults on children, but apparently was ignorant of the fundamental subject with which he was dealing The old law, of which I have spoken, deals with assaults on children, and not with a sexual offence at all. It purports to deal with an unnatural offence. But when you come to deal with the subject of girls beyond the age of puberty you are dealing with a new subject; you are dealing, not with an unnatural offence, but with a sexual offence. Now, this is the complaint I have to make with regard to this new legislation—that, by simply taking pen and ink and changing 14 to 16, or 16 to 18 that man has made a new law, absolutely ignoring the fact that he has passed from one subject-matter to another that is entirely different.

Section 301 of the Criminal Code reads as follows:

> Everyone is guilty of an indictable offence and liable to imprisonment for life and to be whipped who carnally knows any girl under the age of fourteen years, not being his wife, whether he believes her to be of or above that age or not.

That is the law to which I have been referring. Last year we changed that section 301. The effect of the change is to raise this age from 14 to 16. This is the Act as it stands now:

> 8. Section 301 of the said Act is amended by adding thereto the following subsection:—
>
> "(2) Everyone is guilty of an indictable offence and liable to imprisonment for five years who carnally knows any girl of previous chaste character under the age of sixteen and above the age of fourteen, not being his wife, and whether he believes her to be above the age of sixteen years or not. No person accused of any offence under this subsection shall be convicted upon the evidence of one witness, unless such witness is corroborated in some material particular by evidence implicating the accused."

That last clause is not very material. It is inserted there to cover this new section, although it is in the existing Criminal Code and covers the section that I read a minute ago.

You will see that the amendment we passed last year raises the age from 14 to 16; but it has this qualification, that if the indecent assault is to be considered a crime in the case of a girl between 14 and 16, she must be of previous chaste character; and there is in the Criminal Code a clause that says that she is to be taken as that unless the accused proves the contrary. The only difference between that and the old Act that I read to you, is that assault on a child—that is, on a girl under 14—is not qualified by those words, "of previous chaste character." Her previous chaste character has nothing to do with it: it is deemed to be an unnatural offence. But this new section recognizes the fact that you are dealing with a different subject, and it provides that the accused shall not be held guilty unless the girl was of previous chaste character. This House has given a great deal of consideration to the question, but it revives year after year.

There is another section that is relevant to this same subject, that is, section 294 of the Criminal Code:

> It is no defence to a charge or indictment for any indecent assault on a young person under the age of fourteen years to prove that he or she consented to the act of indecency.

That is one of the provisos contained in the old section of which I spoke, with reference to a child, or a girl under 14.

The first proposition that we have in section 5 of the present Bill is that section 294 be enlarged so as to make it apply to the new section that was passed last year. The section that you passed last year provided:

> Every one is guilty of an indictable offence and liable to imprisonment for five years who carnally knows any girl of previous chaste character under the age of sixteen and above the age of fourteen, not being his wife, and whether he believes her to be above the age of sixteen years or not.

That section is to be modified by changing section 294, and if the proposed amendment is made section 294 will read in this way:

> It is no defence to a charge or indictment for any indecent assault on a young person under the age of sixteen years to prove that he or she consented to the act of indecency.

You can see what the effect of that is. And to show you that the person dealing with this matter misunderstands his whole subject: if you were to change the age from 14 to 16 in section 294, then section 7 of the present Bill, and the section that I have read from the Act, would not require it at all.

The particular point that I make is this, that you are dealing with two different things when you are dealing with a girl who is a child, taking 14 as the approximate age at which to fix puberty, and with a girl above that age. In the latter case you are presumably dealing with a woman. There is no quarrel with the law with regard to the evidence, the trial, or the punishment in connection with offences against girls under 14. In the Act that you passed last year you made provision for dealing with girls between 14 and 16; you made the Act an offence provided the girl between 14 and 16 was of previous chaste character.

I submit that there is no occasion for departing from the position that we took with regard to this matter last year. I do not know that I am making myself very clear upon this matter. It cannot be done without reading the sections. Section 1, with which we have been dealing along with sections 5 and 7, provided for another thing, that qualified all these sections except that old law, namely, that on the trial of these offences the trial judge might instruct the jury that if they were of opinion that the evidence showed that the man was not wholly or chiefly to blame, the jury might find a verdict of acquittal. That is being struck out. I have had expressions of opinion from judges and lawyers, and from laymen too, with regard to that amendment, which we made after a great deal of consideration. All the comments that I have heard on it have been favourable. For this reason I think we may safely leave the law as it is, and strike out sections 1, 5 and 7 of this Bill. The law as it now stands is that, in the case of a girl under 14, proof of indecent assault is sufficient, and there is a very severe punishment; between 14 and 16 proof that there was an assault on the girl results in a conviction unless the defendant proves that she was not of previous chaste character, and there is the further qualification that the judge may tell the jury that if in their opinion the evidence does not show that the man was wholly or chiefly to blame, they may find a verdict of acquittal.

I take it that honourable members of this House are as conversant with this subject as I am. I move to strike out sections 1, 5 and 7.

Hon. Mr. LYNCH-STAUNTON: I second that motion.

Hon. Sir JAMES LOUGHEED: I move the adoption of section 1. The proper motion before the Chair is for the adoption of the clause.

The motion of Hon. Sir James Lougheed was negatived.

On section 5—age that consent of child no defence in indecent assault raised from 14 to 16:

Hon. Sir JAMES LOUGHEED moved the adoption of section 5.

Hon. Mr. PROUDFOOT: We have heard considerable argument from my honourable friend from Middleton as to why this clause as sent down by the Commons should not be passed. We dealt with this question once before, and it seems to me that the Commons, and the Minister of Justice having charge of the Criminal Law, have for very good reasons seen fit to change the age of consent to 16.

Hon. W. B. ROSS: No, that is not in dispute.

Hon. Mr. McMEANS: It is not consent at all.

Hon. Mr. FOWLER: What business has the House of Commons to change the age of consent any more than the Senate has?

Hon. Mr. PROUDFOOT: Only in this respect, that the administration of law is given to the Department and the Minister of Justice. We have the making of the law, and he has the administration of it.

Hon. Mr. FOWLER: The same as the House of Commons.

Hon. Mr. PROUDFOOT: As I said, the Minister of Justice and his Department, having the administration of the law, deemed it advisable to make this change, increasing the age from 14 to 16.

Hon. W. B. ROSS: That is not in dispute at all to-day. We are not dealing with the age between 14 and 16. That is not challenged. It is the striking out of the words "of previous chaste character."

Hon. Mr. PROUDFOOT: I understood you to move a moment ago that section 5 be struck out?

Hon. W. B. ROSS: You are dealing with 5?

Hon. Mr. PROUDFOOT: Yes.

Hon. Mr. CASGRAIN: You are on the wrong train.

Hon. Mr. PROUDFOOT: I thought I was on the right train.

Hon. Mr. LYNCH-STAUNTON: Well, you have no ticket.

Hon. Mr. PROUDFOOT: Like the honourable gentlemen of the Senate who travel on trains.

Hon. Mr. FOWLER: I would like to put the honourable gentleman right. It is the provincial government, and not the Minister of Justice, who has charge of the administration of the law.

Hon. Mr. PROUDFOOT: The Department of the Minister of Justice is the department which has the carrying out, to a very large extent, of the criminal law. It is true that in the arrangement of the work of the courts and what is done there the Attorney General's department takes charge, but my honourable friend will hardly deny the statement that the Department of Justice has a great deal more to do with the administration of the law than we have in this Chamber. All we have to do is to provide the law, and then between the two departments of the Minister of Justice and the Attorney General the law is carried out. Now, in the working out of that law it is found—as I have no doubt it has been stated to the Justice Department by the various Attorneys General throughout the Dominion of Canada—that it will be very much better in the interest of justice to have the age increased to 16. I do not know why honourable gentlemen should object to such a change. We all know that a girl 16 years of age is still a mere child, and, if it is necessary to protect a girl of 14 years, should not that protection be extended to a girl of 16? There is so very little difference between the two periods that if they are entitled to protection at 14 they should be entitled to some protection at the age of 16. You are protecting children, that is what you are asked to do, and I do not know of any good reason why that protection should not be extended. I listened with a good deal of attention to what the honourable member for Middleton stated; but he did not advance an argument which appealed to me as a reason why the term should not be extended. I think the fact that a girl is still a child at the age of 16 is in itself a very much stronger argument in favour of the extension of the period than anything that can be said to have the law remain as it is. We all know that the social workers, in carrying out the law

throughout this Dominion, particularly in the larger cities, find it important, in the interest of their work, that girls of 16 should receive protection. I have no doubt the majority of the honourable gentlemen in this House have received information of one kind or another from those social workers, and they know that they take the position that the age should be 16; in fact, many of them say it should be as high as 18 years of age.

Hon. Mr. BRADBURY: Is it not 16 now?

Hon. Mr. PROUDFOOT: No, it is 14. Section 5 of the Bill before us says:

Section 294 of the said Act is amended by substituting the word "sixteen" for the word "fourteen" in the second line thereof.

What you want to do is to make that change. Of course, if it is 16 now, my argument is all misplaced.

Hon. Mr. McHUGH: As I understand from the honourable member from Middleton, it is 16 now, but the accused has an opportunity to say whether the girl was of chaste character or not between the ages of 14 and 16.

Hon. Mr. PROUDFOOT: That applies to one of the sections which the honourable gentleman from Middleton was dealing with.

Hon. Mr. McHUGH: Would it not apply to this?

Hon. Mr. PROUDFOOT: That refers to section 8 of the Act of last Session.

Every one is guilty of an indictable offence and liable to imprisonment for five years who carnally knows any girl, of previous chaste character under the age of sixteen and above the age of fourteen.

There are two distinct things placed before the House on this occasion. One is to make the change under section 294 from 14 to 16, and the other is where you are dealing with a girl of previous chaste character under the age of 16. The idea is to strike out the words in the Act of last Session, "of previous chaste character," and make anyone guilty of an indictable offence who carnally knows any girl under the age of 16.

Hon. Mr. McMEANS: Are you not confusing the offence of carnal knowledge of a girl under 16 with an indecent assault on a girl? We are now dealing with section 5 of the Bill, which amends section 294 of the Act, which deals with indecent assault, not with sexual intercourse at all. An indecent assault on a female, as I understand it from reading, is not a very serious thing sometimes; it is the grabbing of a girl by the leg, or pulling her clothes up, or fooling with her dress; that would make a man guilty of an indecent assault. That is what we are dealing with, not sexual connection of a man with a woman; so if the honourable gentleman would just get that straight he would not deceive the House.

Hon. Mr. PROUDFOOT: I was dealing entirely with section 294.

Hon. W. B. ROSS: You are dealing with section 5 of this Bill.

Hon. Mr. PROUDFOOT: That section 294 of the Act is section 5 of the Bill that is now before the House. In order that my honourable friend will see that I had some idea of what I was talking about, I will just read him the section.

Hon. Mr. McMEANS: Well, do; perhaps you will understand it yourself then.

Hon. Mr. PROUDFOOT: I hope the understanding will penetrate my honourable friend's mind. Section 294 says:

It is no defence to a charge or indictment for any indecent assault on a young person under the age of fourteen years to prove that he or she consented to the act of indecency.

What we have to do, as far as that Act is concerned, is to change 14 to 16; that is all that section 5 asks for. That is why I say that a girl of 16 requires protection just as much as a girl of 14.

Hon. Mr. LYNCH-STAUNTON: Why would not a girl of 20 need it for the same thing—for pulling her leg?

Hon. Mr. PROUDFOOT: As they grow older and become more mature, they are supposed to have more sense.

Hon. Mr. CASGRAIN: They never have sense.

Hon. Mr. PROUDFOOT: So that it seems to me the change that is desired in this Act is one that should commend itself to the House. For fear that my honourable friend from Winnipeg (Hon. Mr. McMeans) might be confused if I dealt with the other section just now, I will leave the question of previous chaste character until we come to that section.

Hon. Sir JAMES LOUGHEED: I move the adoption of section 5.

The motion of Hon. Sir James Lougheed was negatived.

Hon. Mr. PROUDFOOT: I desire a vote taken on it.

Hon. Mr. CASGRAIN: You must have five to call for a vote.

Hon. Sir JAMES LOUGHEED: There is no question as to what the sense of the House is.

Section 6 was agreed to.

On section 7—provision respecting carnally knowing girl between 14 and 16:

Hon. Sir JAMES LOUGHEED: The object of this section is to strike out the words which were added in the Senate last Session when the Bill was before us, namely, the words, "of previous chaste character."

Hon. Mr. FOWLER: Why should those words be struck out? It seems to me they are a very necessary protection. A girl of 14 to 16 might be of very unchaste character, and I do not see why any protection should be thrown around her that would affect the party of the other part.

Hon. Mr. PROUDFOOT: I desire to call the attention of the House to this fact that last Session the Bill came before this House and we added those words, "of previous chaste character."

Hon. Mr. FOWLER: They are important words, too.

Hon. Mr. PROUDFOOT: Of course they are very important words. They are so important that the Department of Justice now thinks they should be removed. Why should it be necessary to prove that a girl under the age of 16 and above the age of 14 was of previous chaste character? The law is that if a girl is 14 years or under, a man who has intercourse with her, or carnally knows her, as stated in the Act here, is guilty of an offence. But if a girl over 14 and under 16 is carnally know it must be proved that she was of previous chaste character. Then it says here:

> Every one is guilty of an indictable offence and liable to imprisonment for five years who carnally knows any girl of previous chaste character under the age of 16.

That is, you have to prove that she was of previous chaste character.

Hon. Mr. McMEANS: I rather think it is the other way.

Hon. W. B. ROSS: She is presumed to be that, but it leaves it open to the accused to show that she was not of chaste character. There is another section in the chapter which puts the whole onus on the accused.

Hon. Mr. PROUDFOOT: Where is the balance of that section?—because this section seems to be complete in itself. As I read the amendment, the prosecution requires to prove the girl is of previous chaste character.

Hon. W. B. ROSS: Not at all.

Hon. Mr. PROUDFOOT: Why, certainly, that is what it states—

> who carnally knows any girl of previous chaste character.

But they must prove that.

Hon. W. B. ROSS: No. If you strike those words out the effect will be to put a man charged with assault upon a girl of 16 on the same footing as he would be if the girl were 14.

Hon. Mr. PROUDFOOT: Certainly.

Hon. W. B. ROSS: And it would not be open to him to show, by way of defence, that she was not of previous chaste character.

Hon. Mr. PROUDFOOT: That is what I say; it has to be established by the prosecution.

Hon. W. B. ROSS: No; the defendant has to prove that she was not.

Hon. Mr. PROUDFOOT: Well, I do not read it that way.

Hon. W. B. ROSS: You have to read the rest of the Code.

Hon. Mr. PROUDFOOT: Because the words seem to me to be perfectly clear. To render the person liable it must be established that the girl was of previous chaste character.

Hon. Mr. WILLOUGHBY: How would you prove that?

Hon. Mr. PROUDFOOT: That is one of the difficulties, and that is one reason, and the main reason, why those very words have been taken out, as the prosecution thereby are bound to establish something which it is practically impossible to establish.

Hon. Mr. DANDURAND: I think there is a right of defence on the part of the accused which should be maintained so long as we maintain the age of consent at 16, because if some girls are to be found in public houses at an age less than 16, I would take for granted that it would be a legitimate defence for the accused to show that she was in a house of prostitution. But with regard to the preceding section 294, I confess that I was inclined to support raising the age to 16. It is an arbitrary rule, and the question is, to what age will you extend protection to the child? My inclination would strongly be to extend

protection up to 16;; but since we have the age of consent fixed at 16 I think that the section before us should not be amended. As I am aware of the fact, through official statistics, that young girls under 16 are found in houses of prostitution, it is not repugnant to me to allow the defence to allege that she was a prostitute.

The motion of Hon. Sir James Lougheed to adopt section 7 was negatived.

Hon. Mr. LYNCH-STAUNTON: I would like to go back, if I may be allowed, to section 2. This section is, to my mind, very badly drawn:

114a. Every one is guilty of an indictable offence and liable to seven years' imprisonment who without lawful excuse, the burden of proof whereof shall lie upon the accused, has in his possession any bomb, grenade or other device or contrivance made or intended for a similar use or purpose.

What they wish to say there is that the possession of any of these devices shall be prima facie evidence of guilt; but the draftsman has not expressed the intent. I move to strike out the words, "the burden of proof whereof shall lie upon the accused," and to add at the end of the section the following words: "and such possession shall be prima facie evidence of such unlawful possession." Amendments which are indefinite and badly expressed are everlastingly being made in the Criminal Code, and anyone who has had any practice in the courts knows that they are always construed in favour of the accused, which leads to technical objections being raised to indictments. The intention is susceptible of being expressed in correct English, and I believe it should be wherever it is possible.

Hon. Sir JAMES LOUGHEED: May I ask the law counsel to come within the bar, so that he may give us his opinion?

Hon. Mr. McMEANS: Why not say, "shall be prima facie evidence that he had the same without lawful excuse."

Hon. Mr. WILLOUGHBY: That does not change the intent.

Hon. Mr. LYNCH-STAUNTON: Oh, no.

Hon. Mr. L'ESPERANCE: It makes it more drastic.

The proposed amendment of Hon. Mr. Lynch-Staunton was agreed to, and section 2 as amended was agreed to.

Hon. Mr. BELCOURT: At this point I want to ask the leader of the Government if the subject-matter dealt with at considerable length in the Bill which I had the honour to introduce in this House some time ago was considered by the Department of Justice in connection with this clause.

Hon. Sir JAMES LOUGHEED: Immediately my honourable friend introduced his measure into this Chamber, I took up the matter with the Minister of Justice, and he informed me that this Bill had been before the Commons, and that he was very doubtful about being able to give any consideration in the present Session to the Bill of my honourable friend, on account of the radical character of the legislation proposed. Consequently, I cannot hold out any hope to my honourable friend that the matter will be dealt with at the present Session. I would suggest that a Bill so comprehensive and sweeping in its enactments should be taken up at the beginning, say, of next Session.

Hon. Mr. BELCOURT: I shall reintroduce the Bill next Session.

Sections 8, 9, 10 and 11 were agreed to.

On section 12—fraudulently burning any chattel over $25 in value:

Hon. Mr. LYNCH-STAUNTON: I should like an explanation of this clause. I do not believe that because a man injures an old overcoat he should go to the penitentiary for fourteen years. If my recollection is right, the offence of destroying property of small value is triable by summary conviction. Under this section, if a man spills some oil on an old overcoat and burns it, he might be sent down for fourteen years.

Hon. Sir JAMES LOUGHEED: I may say to my honourable friend that this section has been asked for by the Attorney General of Ontario.

Hon. Mr. FOWLER: Strike it out.

Hon. Sir JAMES LOUGHEED: What he had in view was the burning of an automobile for insurance. I do not know whether they have a class of automobile in Ontario which is valued at $25 or not.

Hon. Mr. LYNCH-STAUNTON: There is a great deal of suspicion that some people do destroy automobiles and other property too—to get the insurance.

Hon. Mr. FOWLER: If a man does that he is criminally liable.

Hon. Mr. LYNCH-STAUNTON: There may be something in the contention, but

the section says: "for any fraudulent or unlawful purpose." If a man kicks in a door in a passion, it is unlawful.

Hon. Sir JAMES LOUGHEED: He must burn it up.

Hon. Mr. LYNCH-STAUNTON: Then I would move that the words "or unlawful" be struck out.

Hon. Mr. FOWLER: Twenty-five dollars is too small an amount.

Hon. Mr. PROUDFOOT: I think my honourable friend has overlooked the preceding words, "who wilfully and for any fraudulent or unlawful purpose burns any chattel."

Hon. Mr. LYNCH-STAUNTON: I say that a man may deliberately smash a piece of property worth $25; he may do it for spite; but he should not go down for fourteen years. If he is defrauding someone it is different. I move to strike out the words "or unlawful" and substitute "$200" for "$25."

Hon. Mr. BELCOURT: It would be unlawful if the burning were the result of some other act. I would strike it out altogether.

Hon. Mr. McMEANS: Section 510 of the Criminal Code describes very fully the penalty for certain acts in connection with burning or destroying. The last subsection says:

> To two years imprisonment if the object damaged is any property, real or peronal, corporeal or incorporeal, for damage to which no special punishment is by law prescribed damaged to the value of twenty dollars.

For destroying property to the extent of $20 the extreme penalty is two years; but for destroying it to the value of $25 the penalty is fourteen years—the difference is twelve years for $5. I would like to know on what grounds the Attorney General of Ontario has asked for this.

Hon. Mr. BELCOURT: I submit that this is wholly unnecessary. I move that clause be stricken out.

Hon. Mr. LYNCH-STAUNTON: The law adviser thinks it is necessary in some form. I move that it be allowed to stand.

Hon. Mr. MITCHELL: Do I understand that the honourable gentleman is willing to condemn a man to fourteen years imprisonment for destroying property worth $200?

Hon. Mr. LYNCH-STAUNTON: If it is done with a fraudulent intent.

Hon. Mr. MITCHELL: I think the penalty is too great.

Hon. Mr. McMEANS: You might as well hang him.

Hon. Mr. LYNCH-STAUNTON: If you make it two years, it is enough.

Section 12 stands.

Section 13 was agreed to.

On section 14—docking animals forbidden:

Hon. Mr. FOWLER: I move that this clause be struck out. It is a very unnecessary clause, and on the face of it is absurd. It says: "The present amendment shall not apply to dogs." Why should a dog's tail or ears be cut off, and not a horse's tail? The Clydes, Hackneys, and other Canadian horses, would be absolutely shut out from the show ring in the United States, if this Bill were to pass. There is a feeling abroad in the country among a certain class of people, represented to some extent by the honourable gentleman from Huron (Hon. Mr. Proudfoot), that they should change everything. Why do they not object to the castration of animals? That is quite as painful to them as cutting off their tails. That will be the next thing. I think these busybodies ought to be taught a lesson, and shown that the Senate is here to protect the common-sense people of this country from the attacks of a lot of lunatics. I move that the section be struck out.

Hon. JOHN WEBSTER: This legislation is very innocent looking, but I am sure that those from whom it comes are not familiar with the situation on the farm today. Take the case of a farmer who has a large flock of ewes.

Hon. Mr. LYNCH-STAUNTON: What?

Hon. Mr. WEBSTER: Female sheep. How is he going to have them bred if he does not dock their tails? How is he going to keep them clean? We hear a great deal these days about hygiene and sanitation. Let us get down to common-sense. My honourable friend from Sussex (Hon. Mr. Fowler) has referred to the showing of Canadian horses on the other side against horses which have been trimmed and docked. What chance have our horses got? They are beaten before they go into the ring. The honourable gentleman from Bowmanville (Hon. Mr. Beith) says that you will not see any horses in the State show at Syracuse that are not docked. They dock the Clyde and the Punch.

Take a man who has a good, sensible, heavy draught-horse, but a switcher. What are these people going to do with that horse? You cannot work him with a long tail; you must cut the tail off. Is a man going to be penalized for doing that with what is his own property? The people who invented this legislation were not familiar with the situation—did not know the circumstances. It is time we were coming to sane laws in this country.

Hon. Mr. DANIEL: This clause, as I understand it, does not apply to horses at all.

Hon. Mr. WEBSTER: Yes, it applies to all animals but dogs.

Hon. Mr. DANIEL: No, it does not.

Hon. Sir JAMES LOUGHEED: No. I would say to my honourable friend that it applies only to dogs, birds, beasts or other animals not being cattle.

Hon. Mr. WEBSTER: Horses are not cattle.

Hon. Mr. BOSTOCK: What is the meaning of it in that case?

Hon. Sir JAMES LOUGHEED: It applies to those other species which I have read.

Hon. Mr. BOSTOCK: And dogs are excepted from this clause.

Hon. Sir JAMES LOUGHEED: We refuse, however, to extend this protection to the dog, if section 14 passes.

Hon. Mr. BELCOURT: I submit that that applies to sheep.

Hon. Mr. BOSTOCK: No; sheep are cattle.

Hon. Mr. BELCOURT: It does not apply to sheep?

Hon. Mr. LYNCH-STAUNTON: No.

Hon. Mr. BELCOURT: I never understood that cattle included sheep.

Hon. Mr. LYNCH-STAUNTON: It does under this law.

Hon. Mr. MITCHELL: You can make a law to change it.

Hon. Mr. BELCOURT: By what law is it changed? By the Interpretation Act?

Hon. Mr. FOWLER: What does it apply to, if you except cattle, sheep, horses, and dogs? Are cats the only animals it applies to?

Hon. Sir JAMES LOUGHEED: The following is the definition given of cattle:

"Cattle" includes any horse, mule, ass, swine, sheep, or goat, as well as any neat cattle or animal of the bovine species, and by whatever technical or familiar name known, and shall apply to one animal as well as to many.

Hon. Mr. FOWLER: Whose tail will be cut if we pass this?

Hon. Sir JAMES LOUGHEED: The Act applies now to dogs, birds,—

Hon. Mr. FOWLER: How about bears, and rabbits?

Hon. Sir JAMES LOUGHEED:— beasts and other animals. I mean, the law as it is in the Criminal Code to-day. Well, you could not cut off a rabbit's tail.

Hon. Mr. FOWLER: Nor a bear's?

Hon. Sir JAMES LOUGHEED: A bear's, if you could catch him.

Hon. Mr. FOWLER: But you can cut off rabbits' tails, and cats' tails? My amendment is that it be struck out.

Hon. Sir JAMES LOUGHEED: I move the adoption of the clause as it is.

The motion of Hon. Sir James Lougheed was negatived.

On section 15—ill-treating animals:

Hon. Mr. BELCOURT: What is the penalty in that case?

Hon. Mr. BOSTOCK: Fifty dollars.

Hon. Mr. FOWLER: I do not see why that should not be extended. I do not see why wild animals should not have the same protection of the law as tame animals. I do not see why a person should be allowed to 'convey or carry or cause or procure or, being the owner, permit to be conveyed or carried " any wild animal in a way that will cause it unnecessary suffering.

Hon. Sir JAMES LOUGHEED: The Bill includes "any wild animal or bird in captivity." That is in line 37 of section 15. The penalty is $50 or three months.

Hon. Mr. FOWLER: Where does it say "wild animals"?

Hon. Sir JAMES LOUGHEED: In section 15, line 37.

Hon. Mr. DONNELLY: It is in the original Act.

Hon. Sir JAMES LOUGHEED: It is in the Bill.

Hon. Mr. FOWLER: Subsection 2 of section 15 says:

shall convey or carry or cause to procure or, being the owner, permit to be conveyed or carried any cattle, domestic animal or bird or any other animal of whatsoever kind or species and whether a quadruped or not which is tame, or which has been or is being sufficiently tamed to serve some purpose for the use of man, in such manner or position as to cause any such animal any unnecessary suffering;

Hon. Sir JAMES LOUGHEED: I thought the honourable gentleman was referring to paragraph a.

Hon. Mr. FOWLER: Paragraph a refers only to slaughtering, overdriving, etc. I think that when a wild animal, which has been captured by some person, is being carried, it should be treated kindly, just the same as if it were a tame or domesticated animal, or partially tame.

Hon. Mr. LYNCH-STAUNTON: When it is reduced to captivity, does it not come within the other clause?

Hon. Mr. FOWLER: No, that is not "being sufficiently tamed to serve some purposes for the use of man." The word "unnecessary" gives limitation enough to protect a man, so that if the animal is very wild and obstreperous the man might use harsher means than if it were not. Surely there ought to be some limitation upon the cruelty with which he could treat the animal. As I say, we ought to protect the wild animals as well as tame animals from unnecessary cruelty.

Hon. Mr. DANDURAND: Why is it necessary to replace paragraph a of section 542 by this new enactment? The provision at present in force seems to be very wide:

(a) wantonly, cruelly or unnecessarily beats, binds, ill-treats, abuses, overdrives or tortures any cattle, poultry, dog, domestic animal or bird, or any wild animal or bird in captivity.

Why is it felt necessary to alter that wording? Is it in order to try to prevent vivisection in research work in our universities?

Hon. Sir JAMES LOUGHEED: Yes, it would cover vivisection. The latter part of paragraph a reads:

subjected to any operation which is performed without due care and humanity.

This is a very much broader provision than the section in the Criminal Code as it is to-day.

Hon. Mr. DANDURAND: But is the object of the amendment principally to reach the work of our scientists?

Hon. Sir JAMES LOUGHEED: No, no.

Hon. Mr. FOWLER: It expressly exempts them.

Hon. Sir JAMES LOUGHEED: This section is introduced at the instance of the Society for the Prevention of Cruelty to Animals and is based on the English Acts of 1911 and 1919.

Hon. Mr. FOWLER: But my point is that it includes the wild animals in paragraph a, but leaves out the wild animals from paragraph b. Why they should be included in the one and excepted in the other I cannot understand.

Hon. Sir JAMES LOUGHEED: Paragraph a deals with the person who "cruelly kills, slaughters, beats, binds, ill-treats, abuses, overdrives," etc.; but paragraph b specifically deals with transportation.

Hon. Mr. FOWLER: But why should there be unnecessary cruelty to a wild animal any more than to a tame animal? Perhaps more restraint is necessary in the one case than in the other.

Hon. Sir JAMES LOUGHEED: If my honourable friend would suggest an amendment to insert in subsection 2 the words contained in paragraph a, I should be satisfied.

Hon. Mr. BOSTOCK: I would like to ask the honourable gentleman if the object at which he aims would not be accomplished by the words at the end of the section: "which has been or is being sufficiently tamed to serve some purpose for the use of man."

Hon. Mr. FOWLER: Oh, no; because the wild animal just captured has had no chance to be tamed at all, and it may be treated in an unnecessarily cruel manner, and the person so treating it would not be liable at all. The animal has to be tamed. It would have to be shown by the prosecuting attorney that that animal had been to a certain extent tamed.

Hon. Mr. BOSTOCK: Would not the fact that it has been captured be an act of taming?

Hon. Mr. FOWLER: Oh, no.

Hon. Mr. BOSTOCK: There would have to be a rope or something on it?

Hon. Mr. FOWLER: You may have an animal in captivity that would still be wild.

The Hon. the CHAIRMAN: It is moved in amendment by Hon. Mr. Fowler that after the word "species," in line 6, page 5, there be added: "and any wild animal or bird in captivity."

Hon. Mr. BELCOURT: I am afraid my honourable friend has not carefully considered that provision with regard to the conveying or carrying, or causing or procuring or permitting to be conveyed, etc. You can hardly convey a wild animal that is in captivity.

Hon. Sir JAMES LOUGHEED: It might be in a cage.

Hon. Mr. BELCOURT: But while it is in captivity it is not in a cage. What I am pointing out is this. The section says:

shall convey or carry or cause or procure or, being the owner, permit to be conveyed or carried any cattle, domestic animal or bird or any other animal of whatsoever kind or species.

I do not see how you can carry it if it is in captivity.

Hon Sir JAMES LOUGHEED: It would only be in a cage; that is the only way you could carry a wild animal.

Hon. Mr. BELCOURT: But you have not caught him.

Hon. Sir JAMES LOUGHEED: But you can carry him. The effect of this would be, in the event of a wild animal being in captivity, that is, in a cage, being transferred, say, upon a railway, that animal shall be carried without the exercise of any unnecessary cruelty.

Hon. Mr. DANIEL: That is right.

Hon. Mr. BELCOURT: Before this section is adopted, may I point out that it is going to lead to a great deal of trouble. The section provides against cruelty in killing or slaughtering all sorts of domestic animals. That applies to all the animals on the farm. I am speaking of paragraph a. Now, what is the meaning of "cruelly killing" a hen? This clause might enable a magistrate or justice of the peace to exercise almost absolute discretion in determining what is cruelty in the killing of a hen. That has not been defined. I do not myself know what might be determined to be cruelty in the killing of a hen.

Hon. Mr. FOWLER: Cut its head off.

Hon. Mr. BELCOURT: Is cutting its head off killing it cruelly?

Hon. Mr. FOWLER: No.

Hon. Mr. BELCOURT: I cannot think of any way of killing a hen that is not cruel. Is not cutting its head off the only way to kill it? What could be more cruel than to cut off the head?

Hon. Sir JAMES LOUGHEED: This clause is the law as it stands to-day.

Hon. Mr. BELCOURT: That does not make it any better.

Hon. Mr. BOSTOCK: The clause as it is to-day, section 542, says: "wantonly, cruelly, or unnecessarily beats." It leaves out the word "kills" or "slaughter." That makes, I think, a good deal of difference.

Hon. Sir JAMES LOUGHEED: One would think the greater included the less.

Hon. Mr. BOSTOCK: I do not quite see.

Hon. Mr. BELCOURT: Is it considered cruel to cut off the head of an animal, such as a bull or a cow or a sheep? What is the meaning of "cruelly killing"? I do not know.

Hon. Mr. FOWLER: There are cruel methods of killing. For instance, calves have their throats cut so that they will bleed slowly, because it makes the veal whiter. They are hung up by the hind legs and allowed to bleed slowly. That, in my opinion, is a cruel way.

Hon. Mr. CASGRAIN: The most humane way of killing a hen, for instance, is to cut the jugular vein, and then it bleeds to death and does not suffer at all. Animals that bleed to death do not suffer a bit, and that is the humane way of killing them.

Hon. Mr. FOWLER: It does not seem very humane to hang a creature up by its hind legs and let the blood ebb slowly away. It has seemed to me very cruel. To separate them suddenly from life seems to me very much the more humane way.

Hon. Mr. BELCOURT: The only two gentlemen who have spoken on the subject disagree as to what is cruel and what is not. Now, you are going to leave this to a magistrate in the country, who may have an entirely different opinion from anybody else, and who may say that a certain way of killing a hen is a cruel way.

Hon. Mr. FOWLER: But the magistrate in the country might be intelligent, like me.

Hon. Mr. BELCOURT: This is the best illustration of my argument—that here we have two gentlemen with large experience of the world, who cannot agree as to how to kill a chicken.

Hon. Mr. CASGRAIN: It is not a question of chicken.

Hon. Mr. BELCOURT: You are going to leave it to the opinion of all the cranks in the community, and you are fining a man $200 for killing a hen in that way.

Hon. Mr. BEIQUE: It should be worded so that the people will understand it and conform to the law.

Hon. Mr. DONNELLY: I do not think the first part of paragraph a, is the only part that is open to abuse or censure. The honourable member for Ottawa suggests that it is left to every magistrate to put his own construction on the Act. The latter part of this section says:

Any animal to be subjected to any operation which is performed without due care and humanity, or, being the operator, does not when practicable and possible use some general or local anesthetic of sufficient power to prevent such animal from feeling pain when so operating.

This introduces rather a new principle—to give an animal an anesthetic. It is a very common practice in the country to dehorn cattle; it is actually necessary. It may cause some pain, but it saves a great deal of pain later on, because it enables you to put a large number in an enclosure and winter them without harm, whereas if they had their horns on they would suffer from jostling each other. Some magistrate might raise the point that it would be illegal to dehorn cattle without giving them some local anesthetic, which I think is absurd.

Hon. Mr. LYNCH-STAUNTON: I move that this whole section be struck out.

The amendment of Hon. Mr. Lynch-Staunton was agreed to.

Sections 16, 17, and 18 were agreed to.

On section 19—reading deposition on preliminary enquiry:

Hon. Mr. BELCOURT: What is the change in that? I would like to understand the difference between the old provision and the new one.

Hon. Sir JAMES LOUGHEED: Sections 682 and 683 provide that evidence of witnesses shall be read over to them in the presence of the accused and signed by them, unless the evidence is taken in shorthand. The amendment is to make section 684 agree with those foregoing sections. It simply reconciles section 684 with the others.

Section 19 was agreed to.

Sections 20 and 21 were agreed to.

On section 22—conviction of keeper prima facie evidence of premises being a disorderly house:

Hon. Mr. FOWLER: What is the change there?

Hon. Sir JAMES LOUGHEED: It is to avoid the necessity of proving that a house is a disorderly house where a keeper and a number of frequenters have been arrested together, and the keeper has been convicted; all you have to do is to establish that the keeper has been convicted of keeping a disorderly house, and it establishes the other.

Hon. Mr. FOWLER: I do not know about that.

Hon. Sir JAMES LOUGHEED: It only means prima facie proof.

Hon. Mr. FOWLER: The keeper ought to be permitted to reform, but this would seem to indicate that he could not reform. He might be having a prayer meeting there that night.

Hon. Sir JAMES LOUGHEED: Well, he could prove that he only had a prayer meeting.

Section 22 was agreed to.

Section 23 was agreed to.

On section 24—offender under suspended sentence may be placed on probation:

The Hon. the CHAIRMAN: It is moved that the following be inserted after section 24, as 24A:

Paragraph a of section 1140 of the Act is amended by adding thereto the following subparagraph:

(iv) any offence relating to or arising out of the location of land which was paid for in whole or in part by script, or was granted upon certificates issued to half-breeds in connection with the extinguishment of Indian titles.

Hon. Mr. LYNCH-STAUNTON: What does all that mean?

Hon. Sir JAMES LOUGHEED: The intention is that if a prosecution for an offence is not brought within three years of the date of its commission, then it is proscribed. There is no provision for that in the Code at present.

Hon. Mr. BOSTOCK: From the reading of the clause I did not grasp what the offence really is.

Hon. Sir JAMES LOUGHEED: This brings it into section 1140 in the Code, which deals with the limitation of actions. There have been one or two cases brought,

going back twenty years, claiming that fraud was committed. Of course, the evidence in connection with them would have disappeared long ago.

Section 24A was agreed to.

Section 25 was agreed to.

On section 26—chapter amending section 118 re having firearms, etc.:

Hon. Mr. BELCOURT: I would like to know what this is. Are we repealing an amendment we passed in 1919 to section 118?

Hon. Sir JAMES LOUGHEED: I understand that was repealed by implication. This is a substantive repeal, so that there will be no doubt about it.

Hon. Mr. BELCOURT: I have not found the reference.

Hon. Mr. BOSTOCK: It is in the second Session of 1919, chapter 12.

Section 26 was agreed to.

Hon. Mr. LYNCH-STAUNTON: Going back to section 12, I move that the section be made to read as follows:

Evereyone is guilty of an indictable offence and liable to two years' imprisonment who wilfully and for any fraudulent purpose burns any chattel having a greater value than twenty-five dollars.

Hon. Mr. BELCOURT: I would move in amendment that the clause be stricken out altogether.

Hon. Mr. LYNCH-STAUNTON: Oh, no, we do not want that.

Hon. Mr. BELCOURT: It is section 510 of the Code. My amendment is moved on the ground that there is already a provision in the Code covering this—section 510E, as follows:

E. To two years imprisonment, if the object damaged is any property, real or personal, corporeal or incorporeal, for damage to which no special punishment is by law prescribed, damaged to the value of twenty dollars.

Exactly this case, except that the amount is $20 instead of $25. I submit that there is absolutely no necessity for this amendment.

Hon. Sir JAMES LOUGHEED: I would point out to my honourable friend the peculiar drafting of section 511 in the Criminal Code dealing with arson. I doubt if one could establish an offence without this. Section 511 is:

Everyone is guilty of the indictable offence of arson and liable to imprisonment for life who wilfully sets fire to any building or structure, etc.

Now, if a man wilfully sets fire to a building which he may not want, and it would not endanger property, it seems to me that he would come within this section. My honourable friend will see that the offence dealt with in section 12 must be fraudulent.

Hon. Mr. BEIQUE: Then it would be better to amend section 511 of the Code, because the offence is wilfully burning anything. I might own a building and might wilfully burn it, and yet I might be brought under this definition of arson.

Hon. Sir JAMES LOUGHEED: The construction of it comes up in this way, that it has been suggested that we strike out the word "unlawful," because my honourable friend from Hamilton has pointed out that to do a thing unlawfully is not necessarily a criminal offence.

Hon. Mr. BEIQUE: I do not think we should make any change at all, because if it is fraudulent and damaging, surely that is sufficient; it is already in the Bill.

Hon. Sir JAMES LOUGHEED: But under the language of the Code it need not be done fraudulently.

Hon. Mr. BELCOURT: I do not think my honourable friend quite gathers what I mean. Section 510 reads:

Everyone is guilty of the indictable offence of mischief who wilfully destroys or damages any of the property in this section mentioned, etc.

Why they put in the word "mischief" I do not know. There is nothing said about automobiles, and I suppose it was to deal with them.

Hon. Sir JAMES LOUGHEED: No, we are not specially legislating as to automobiles.

Hon. Mr. BELCOURT: But you have a clause that covers any case that is not otherwise provided for, so it must cover this.

Hon. Mr. LYNCH-STAUNTON: I think my honourable friend will find that "mischief" has a peculiar signification in law. If it were not so there would be no necessity for section 511. The Code specifically calls it mischief. Now, the desire is to amend the arson clause, which is 511. If you burn a building down you are liable to life imprisonment, and they say that if you should burn a property with the same intention, to get insurance, you are liable under section 511. It is not a question of

mischief at all; there is a distinction between the two sections. They are two crimes, and the intention is to amend, not the mischief sections, because this is not regarded as mischief; it is something regarded as far more serious.

Hon. Mr. BELCOURT: It is far more serious. I cannot understand that argument at all.

Hon. Mr. LYNCH-STAUNTON: If the honourable gentleman will look at the Code, he will see that section 510 says: "Everyone is guilty of the indictable offence of mischief," and that section 511 says, "Everyone is guilty of the indictable offence of arson." If I had "Russell on Crimes" I think I could show the honourable gentleman the distinction.

Hon. Mr. WILLOUGHBY: It might not be a more serious offence; but the penalty is life imprisonment.

Hon. Mr. LYNCH-STAUNTON: The Attorney General is apparently of the opinion that these people cannot be indicted under the mischief clause; and to provide a penalty under the arson clause cannot do any harm.

Hon. Mr. BELCOURT: In this Bill you are imposing a penalty of fourteen years.

The Hon. the CHAIRMAN: Two years.

Hon. Mr. LYNCH-STAUNTON: Put it at five years if you like.

Hon. Mr. BELCOURT: It seems to me that it is all wrong, and that there is ample provision.

The Hon. the CHAIRMAN: Section 12 will read:

Everyone is guilty of an indictable offence and liable to five years' imprisonment who wilfully and for any fraudulent purpose burns any chattel having a greater value than two hundred dollars.

Hon. Mr. DANDURAND: Why does the honourable gentleman say $200?

Hon. Mr. LYNCH-STAUNTON: We do not want to make a man liable to persecution for some little thing?

Hon. Mr. McMEANS: He is already liable to two years.

Hon. Mr. LYNCH-STAUNTON: That is under another section.

Hon. Mr. DANDURAND: The judge has discretion to fit the punishment to the crime.

Hon. Mr. LYNCH-STAUNTON: This section deals with fraudulent destruction; the other with mischievous destruction.

The proposed amendment of Hon. Mr. Lynch-Staunton was agreed to, and section 12, as amended, was agreed to.

The Hon. the CHAIRMAN: Hon. Mr. McMeans moves that the said Act be amended by inserting therein the provisions contained in Bill B of the Senate, an Act to amend the Criminal Code, so as to provide for the revision of excessive or inadequate punishments.

Hon. Mr. McMEANS: This is in accordance with a Bill which, after full consideration, was passed by this House on three separate occasions. The Bill was sent to the House of Commons. The first time I think they did not reach it; this Session, the first reading was moved, and the Minister of Justice said he desired to consult with the Attorneys General of the different provinces. I am now moving an addition to the Criminal Code which, in effect, is the same as the Bill passed by this House. I do not think there is any objection to it.

Hon. Mr. BOSTOCK: What particular part of the Code would it come under? Its position in the Code may be important.

Hon. Sir JAMES LOUGHEED: Mr. Gisborne will see that it is put in its proper place.

Hon. Mr. McMEANS: The Counsel for the Senate very carefully examined the Code, and he will put it under the head of "Appeal," where it is proper that it should go.

The proposed amendment of Hon. Mr. McMeans was agreed to.

The Bill was reported as amended.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

IMMIGRATION BILL

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 139, an Act to amend the Immigration Act. Hon. Mr. Thompson in the Chair.

Hon. Sir JAMES LOUGHEED: I would ask permission to bring within the Bar Mr. Blair, of the Immigration Department.

On section 1—port of entry, etc.:

Hon. Mr. BOSTOCK: Are these just amendments to the definition clause of the Bill?

Hon. Sir JAMES LOUGHEED: Yes, to the interpretation clause.

Section 1 was agreed to.

On section 2—board of inquiry:

Hon. Mr. BOSTOCK: My honourable friend, I think, was going to give us some information as to the necessity of establishing these boards of inquiry.

Hon. Sir JAMES LOUGHEED: As the law stands at present, only one board of inquiry is authorized at any port. With the more rigid examination now being followed, one board will not be sufficient promptly and expeditiously to handle all cases, and honourable gentlemen will appreciate the necessity of speedily sending immigrants forward to their destinations. The amendment provides authority for the creation of any number of boards that may be necessary to carry on the work. The amendments to sections 15 and 16 are grammatical changes.

Hon. Mr. DANDURAND: Referring to paragraph 4 of clause 1, defining "immigrant station." Is it the intention of the Department to create stations at the ports of departure, or are they to be immigrant stations in Canada?

Hon. Sir JAMES LOUGHEED: Immigrant stations in Canada.

Section 2 was agreed to.

Sections 3 and 4 were agreed to.

On section 5—evidence:

Hon. Mr. BOSTOCK: What are the changes here?

Hon. Sir JAMES LOUGHEED: These are simply grammatical changes that have to be made because of the others which have been made.

Hon. Mr. BOSTOCK: I draw my honourable friend's attention to the clause as it stands at present. It says:

> In all such cases such board of inquiry may at the hearing receive and base its decisions upon any evidence considered credible or trustworthy by such board.

We change it to read: "In all such cases a board of inquiry."

Hon. Sir JAMES LOUGHEED: It is simply a consequential amendment.

Hon. Mr. ROBERTSON: Because there may be more than one board.

Section 5 was agreed to.

On section 6—costs of appeal to be paid by unsuccessful appellant:

Hon. Mr. LYNCH-STAUNTON: I object to this clause. It is a well-recognized principle that the Crown neither takes nor gives costs; and unless the Crown is liable for costs the appellant should not be made liable for them. Why should a poor man, because he is put out of the country, be liable? I do not think that the Crown should take costs. I move that the clause be struck out.

Hon. Sir JAMES LOUGHEED: As the section stood, the Department was unable to charge to the passenger the cost of telegrams, telephone messages, special investigations, etc., growing out of the appeals. Very often the appeals incur a considerable telegraphic correspondence in order to reach a prompt decision. Relatives or friends living in various parts of Canada have at times to be communicated with. There seems to be no good reason why the Department should have to pay such costs for a class of people whose ability to comply with the immigration regulations is in doubt. Why should the Government have to pay the expense of people whose coming into Canada is contested. It is apparent that the Government has been under considerable expense in enforcing the Act against them, and that they are in a position to pay.

Hon. Mr. LYNCH-STAUNTON: Then why should it not be reciprocal? If the man succeeds in his appeal, why should he not be paid his costs? If a person properly comes into Canada and is harassed by the Government of Canada, and put to a great deal of expense, but succeeds in the appeal, why should he bear his own expenses? And if the Crown succeeds, why should it get costs out of him?

Hon. Sir JAMES LOUGHEED: I understand that is the law now.

Hon. Mr. LYNCH-STAUNTON: Where is it?

Hon. Sir JAMES LOUGHEED: This is the law as it stands now:

> In all cases other than provided for in the next preceding section an appeal may be taken to the Minister against the decision of any such board of inquiry or officer in charge by the immigrant, passenger, or other person concerned in the case, if the appellant forthwith serves written notice of such appeal upon the

officer in charge, or the officer in whose custody the appellant may be, and shall at the same time deposit with such officer the sum of twenty dollars for himself and ten dollars for each child or other person dependent upon such appellant and detailed with him, such sum to be used for the purpose of defraying the cost of maintaining the appellant and those dependent upon him, pending the decision of the Minister on such appeal.

Hon. Mr. BOSTOCK: That is what we are adding now.

Hon. Sir JAMES LOUGHEED: Yes—"and the cost of such appeal." Let me complete it:

In case of the appeal being allowed by the Minister or by the Board of Inquiry on a re-hearing, then the said sum shall be returned to the appellant; and in case of the appeal being disallowed by the Minister or by the Board of Inquiry on a re-hearing, then the balance of such sum, if any, after deduction of regular detention charges for board, shall be returned to the appellant, and the appellant shall forthwith be deported. The cost of appeal means the cost of such appeal to His Majesty, and in case of dispute the decision of the Minister fixing the amount thereof shall be final and conclusive,

It is not a court appeal. The costs are simply the costs that the Crown will have paid out in the matter, and we do not exact any costs from the immigrant, except our actual disbursements in keeping him. Why should he not pay those?

Hon. Mr. LYNCH-STAUNTON: That is all right, but you will notice that the section provides that the man shall deposit $20 for himself and $10 for each child, and out of the $20 and the $10 the costs may be taken.

Hon. Mr. BOSTOCK: No, it is only the cost of maintaining him under the Act.

Hon. Mr. LYNCH-STAUNTON: But wait. He is liable for no more than the amount he has deposited. But under this provision he is liable to an unlimited amount, which is at the discretion of the Minister. The Minister may make him pay more costs than the amount he has put up; or the section is not necessary.

Hon. Sir JAMES LOUGHEED: Because his board and that of his family may considerably exceed that.

Hon. Mr. LYNCH-STAUNTON: If you strike out the words, "the cost of such appeal," that is quite correct. And why should there not be a reciprocal clause there? This section is not inserted there for nothing. It is to make him liable for any more money that can be got from him than the $20. If that provision is made, certainly a man liable to pay costs should receive costs.

Hon. Sir JAMES LOUGHEED: Will the honourable gentleman tell me what costs he should receive?

Hon. Mr. LYNCH-STAUNTON: Whatever costs he has put up.

Hon. Sir JAMES LOUGHEED: Bless my soul!

Hon. Mr. LYNCH-STAUNTON: My honourable friend knows that if the Crown has costs of an appeal the defendant may have costs of the appeal.

Hon. Mr. DANIEL: Is it not an appeal to the Minister?

Hon. Sir JAMES LOUGHEED: Yes, it is an appeal to the Minister. It seems to me that my honourable friend (Hon. Mr. Lynch-Staunton) is confusing this with the appeals which are usually made to a court and which are taxed by a court. But this is an appeal simply involving the actual disbursements paid out by the Crown on account of the contestation, the man invoking his rights, under the Immigration Act. Those costs may involve a considerable outlay for board for himself and his family, for telegrams, and all that kind of thing. The Crown could not pay to him any costs. I do not know what costs the Crown could pay to him.

Hon. Mr. LYNCH-STAUNTON: He is entitled to counsel under the Act. It is an appeal to His Majesty in Council, not to the Minister. If the costs exclude legal fees, I quite agree with the honourable leader; but if they include legal fees, I suggest to him that it is not fair.

Hon. Mr. DANDURAND: They might include the money expended.

Hon. Sir JAMES LOUGHEED: Put in an amendment.

Hon. Mr. LYNCH-STAUNTON: "Such costs to exclude legal expenses."

Hon. Mr. DANDURAND: To be limited to the money disbursed?

Hon. Mr. LYNCH-STAUNTON: No, no. The honourable leader suggests that they should exclude legal fees, and I am quite content if that is provided. Insert a proper amendment there.

Hon. Sir JAMES LOUGHEED: "Shall not include legal fees."

Hon. Mr. LYNCH-STAUNTON: Yes.

The Hon. the CHAIRMAN: The Hon. Mr. Lynch-Staunton moves that there be added to section 6 the words, "such cost shall not include legal fees."

Hon. Mr. DANIEL: What do you mean by "legal fees"?

Hon. Mr. LYNCH-STAUNTON: Lawyers' expenses.

Hon. Mr. DANIEL: Why not put that in?

Hon. Mr. LYNCH STAUNTON: That would not be right.

The amendment of Hon. Mr. Lynch-Staunton was agreed to, and section 6 as amended was agreed to.

On section 7—powers of Board exercised by officer in charge:

Hon. Mr. BOSTOCK: That does not mean that just one officer can exercise the power of the Board, does it? The marginal note is rather conflicting. The Board is to consist of three, I understand.

Hon. Sir JAMES LOUGHEED: The subsection reads:

The Minister may authorize any immigration officer to exercise the powers and discharge the duties of a Board of Inquiry and such officer so authorized may exercise such powers and discharge such duties at any place in Canada other than a port of entry.

Hon. Mr. LYNCH-STAUNTON: That is where they have not a Board.

Hon. Sir JAMES LOUGHEED: Where they have no Board.

Section 7 was agreed to.

Section 8 was agreed to.

On section 9—medical examination:

Hon. Mr. DANIEL: What is meant by striking out the words "appointed under this Act"?

Hon. Sir JAMES LOUGHEED: All the medical officers are appointed under the Civil Service Act.

Hon. Mr. DANIEL: This is to take that out?

Hon. Sir JAMES LOUGHEED: Yes. There is a conflict now. They are appointed under the Civil Service Act. This is to define what the meaning is.

Hon. Mr. DANIEL: I see.

Section 9 was agreed to.

Section 10 was agreed to.

Section 11—immigrants may be required to possess prescribed amount of money:

Hon. Mr. BOSTOCK: Does that increase the amount?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: There is no increase.

Section 11 was agreed to.

On section 12—certain persons deemed to belong to prohibited or undesirable classes:

Hon. Mr. LYNCH-STAUNTON: I move that section 12 be struck out. Last year we had the same subsection and after a great deal of controversy over it we struck it out. The law as it stands provides that any person who is a born Canadian or a naturalized Canadian may not be deported; but, as was explained here, a naturalized person who misbehaves himself may have his naturalization papers taken from him and may then be deported. So the law as it stands now allows deportation of any person who is not a born Canadian and who is guilty of treason, or of compassing or threatening the death of the King, etc. All those Reds are meant to be covered by that. This proposed amendment was brought up in a special Bill last year, and, after a long debate on two or three occasions, this Senate threw out the Bill. Now it is introduced in the Immigration Act. I move that we strike out the clause.

Hon. Mr. ROBERTSON: Honourable gentlemen, having had some interest in the Bill which was presented to this House last year, I wish to recall to the minds of some honourable gentlemen that it was suggested in the House last Session that the special Bill was brought in rather because of my personal desire to see it carried than because of its representing a policy of the Immigration Department; although I said to the House at the time that it was initiated here because of pressure of business in another place. The passing of this section would have the same effect as if the special Bill introduced last year had been enacted. The basic principle is that a British subject is entitled to a trial in accordance with British law and justice in any part of the British Empire. I stand by that principle, and I hope that the Senate of Canada will not do as it did last year—will not say in that connection that a British subject is not entitled to a trial under the laws that prevail throughout the British Empire.

Hon. Mr. DANDURAND: How does the law stand to-day?

Hon. Mr. LYNCH-STAUNTON: The law stands now, as I have tried to explain, that any person except a Canadian-born sub-

ject may be deported if he is guilty under the charges that are in the Act. I have not the Act before me. We considered the matter thoroughly last year.

Hon. Mr. SCHAFFNER: Any other than a Canadian citizen may be deported if he is guilty?

Hon. Mr. LYNCH-STAUNTON: Yes.

Hon. Mr. SCHAFFNER: That is right.

Hon. Mr. ROBERTSON: My honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) has pointed out that, although a British subject may emigrate to Canada from England and become naturalized here, yet if he commits some act which is questionable or thought to be improper, his naturalization papers may be withdrawn. I say, honourable gentlemen, that is a very strange situation—that a man who has been made a naturalized citizen of Canada may have his papers cancelled, and be prevented from having a trial on the charge that is laid against him. If a man is once given naturalization papers in this country, surely, in the event of his being charged with an offence, he ought to be tried under the law of the land. He should not have his naturalization papers withdrawn and be kicked out without a trial.

The Hon. the CHAIRMAN: A British subject does not have to be naturalized.

Hon. Mr. ROBERTSON: Yes.

Hon. Mr. LYNCH-STAUNTON: No; it is only a foreigner who is naturalized. A British subject carries his citizenship throughout the British Empire.

Hon. Mr. ROBERTSON: A man must be in this country a certain time before he can gain residence.

Hon. Mr. LYNCH-STAUNTON: That is a matter of the Election Act.

Hon. Mr. ROBERTSON: He is not a Canadian citizen until he does.

The motion of Hon. Mr. Lynch-Staunton was agreed to.

Sections 13 to 17, inclusive, were agreed to.

The preamble and the title were agreed to.

The Bill, as amended, was reported.

Hon. Mr. LYNCH-STAUNTON

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

CAUSES OF UNEMPLOYMENT

REPORT OF SPECIAL COMMITTEE

Hon. J. A. McDONALD moved concurrence in the second report of the Special Committee of the Senate appointed to inquire into the causes of unemployment in Canada. He said:

Honourable gentlemen, on the 4th of May last I moved:

That a Special Committee of the Senate be appointed to inquire into the causes of unemployment in Canada and to report to the Senate before the close of this Session with regard thereto; that such Committee shall have power to call for persons and papers and that such Committee do consist of the Honourable Messrs. Blain, Bostock, Casgrain, Dandurand, Girroir, Harmer, L'Esperance, McCall, Mitchell, Murphy, Michener, Planta, Pope, Tanner, Turriff and the mover.

The Committee considered, as the time was short and the House would be rising within the next few days, that they would not submit any regular report, but would file the facts of the investigation; but I intend to present to the honourable gentlemen of this House a brief summary of what the witnesses brought forth.

Our Committee had several meetings, and great interest was taken, some of these meetings running well after midnight. In all, five witnesses were examined, from whom much valuable information was obtained.

The three most important factors who can make for the solution of this problem of unemployment—the Banker, the Manufacturer, and the Workingman—were represented before the Committee by those who could best speak with authority. The General Secretary of the Canadian Manufacturers' Association, Mr. J. E. Walsh, spoke from the point of view of the Manufacturer. Mr. Arthur Martel, the Vice-President of the Trades and Labour Congress of Canada, expressed the views and feelings of the Workingmen. Mr. Henry T. Ross, the Secretary of the Canadian Bankers' Association, threw much light on the general situation of unemployment and made several timely suggestions.

Most useful and instructive statistics were supplied and commented upon by the well-posted Deputy Minister of Labour, who, together with his Assistant, Mr. Odam, attended all our meetings.

The evidence before the Committee covers 150 pages, and may be considered a fair survey of the whole problem of unemployment, not only as it affects Toronto and Montreal, but extending from coast to coast. I will start with the facts that we procured from Mr. F. A. Acland, Deputy Minister of Labour, and also some from Mr. Arthur Martel, Vice-President of the Trades and Labour Congress of Canada.

By Mr. F. A. Acland:

Under the Employment Service Act, the Department of Labour gets weekly returns from employers who have more than ten men on their pay-rolls. It does not get returns from all of them, but from most of the firms doing business in Canada. In the second week of last month, returns were received from 5,291 employers. These returns give a fair view of the general situation. The estimate of 200,000 less employed in April, 1921, as compared with January, 1920, which the honourable Minister of Labour gave out in this House, was based on these returns. The Deputy Minister of Labour, in his evidence before the Committee, stated that he considered 200,000 a reasonable estimate, as they had allowed one-third for those not reporting. According to his evidence and to official diagrams which he produced, the worst situation in the last two years was reached at the end of March and in the first days of April this year. A marked improvement has since been registered. Mr. Acland also gave figures showing 36,261 unplaced applicants in March, 1921, as against 25,199 in March, 1920.

We were informed that, in compliance with a request of the honourable Minister of Labour, coal mines in British Columbia, Alberta, and Nova Scotia had been working part time instead of closing down, and this system of part-time work seems a valuable factor in preventing the situation from growing worse.

According to the Deputy Minister of Labour, Vancouver and Toronto are the two municipalities which have fared the worst with respect to unemployment. He estimates at $600,000 the amount distributed in Toronto in unemployment relief.

The number of cities taking relief are, however, not many. Up to May 7th, the Department of Labour had distributed $229,538.94 as the share of the Dominion Government under the new relief plan whereby the Federal Government, the Provincial Government, and the municipality have each to subscribe one-third of the total amount distributed in relief. I have here a list of the municipalities which had to take relief, and the honourable members might be interested in hearing it read although it is not complete.

These emergency relief measures show how acute the shortage of employment has become. In order to limit ourselves strictly to the question of unemployment, our Committee were careful not to let the subject of strikes enter under the head of unemployment.

According to statistics of unemployment among trades unions, the percentage last November of men unemployed in Canada was 10, as against 3.7 in the United Kingdom, 3.9 in Germany, 6.1 in Denmark. The comparison is not altogether encouraging for us, but these figures are often misleading, and we get a better idea of the situation if we compare our percentage of 10 with the percentage of 16.4 in the state of Massachusetts. As a matter of fact, the Deputy Minister of Labour was able to declare, on the 3rd of May last, in a public statement, that "conditions in Canada, as compared with those in the United Kingdom and in the United States—respectively the countries as to which fullest information is available—show that relatively to population Canada is, of the three countries, the least afflicted by unemployment."

By Mr. Arthur Martel:

A large portion of the men who register as unemployed are unorganized men. They are left to their own resources, and are more likely to appeal to public charity. There is more unemployment in Montreal to-day than there was last January. This is especially true of carpenters. Vancouver has the largest number of unemployed, Toronto comes next, and then Montreal.

I will now take up the causes:

1. As given by Mr. Acland:

Trade is suffering from a loss of confidence between one country and another.

There must be three or four hundred million people in Europe who are not in a position to deal with the rest of the world.

Differences between capital and labour in Canada are not acute at present. Just at this moment there are some differences, but which will quickly pass away.

Our system of distribution from the producer to the consumer has been the subject of a good deal of criticism.

2. As given by Mr. J. E. Walsh:

The rapid rise in all classes of manufacturing costs, which commenced with the outbreak of the war, may be said to have reached its apex in March, 1920. The result was a cessation of purchasing by the public, naturally followed by a cessation of purchases by the retailer and wholesaler. While the manufacturer was thus without a demand in his home market, conditions prevailing in foreign countries left him without any possible export trade. Such portion of the home market as remained was lost to the Canadian manufacturer through the dumping in this country of foreign goods, foreign manufacturers preferring to sacrifice their goods in other countries rather than disorganize the markets of their own countries. This was detrimental not only to Canadian manufacturers, but to all employees in our basic industries and occupations which supply our industrial concerns with their raw materials.

A manufacturer has no means of purchasing raw materials and of paying wages except out of the sale of his goods. If no sale is taking place his ability to pay wages soon ceases, as the banks would not advance him money to continue making goods which would merely swell the accumulation already on hand.

The marked increase which has taken place in freight rates is a most serious and important factor in the stagnation of business and the consequent unemployment. If freight rates are heavy on the raw material taken to the factory and on the shipment of goods to the consumer, the ultimate consumer will have to pay more and will buy less.

Manufacturers cannot provide employment for more workers than are necessary to make the goods for which they can find sale.

There is no question that unemployment in the large centres, such as in the whitewear manufacturing, has been due to the dumping of foreign goods in this country.

If the difference between the cost of manufacture and the cost of the manufactured article to the final consumer is so great, a great deal of it is due to our present method of distribution.

The general impression both in Canada and the United States seems to be that there is at present a regular buying strike; that is, people are waiting for a drop in prices.

Speaking broadly, Canadian manufacturers at present are not making profit. They have to take their losses, and they are taking them as quickly as possible. Some hands have to be laid off, but many manufacturers are running half time and making goods at a loss.

3. As given by Mr. Arthur Martel:

There is no doubt that the cause of unemployment is the appeal of large cities to farm labour during the last six years. They were attracted by the high wages paid in various places and in munition factories. Such strenuous appeals were made to the patriotism of the people during this awful struggle that all those who had any feelings responded and went to work in the munition factories. They got a taste for amusement in the large centers, and it is quite a job to get them back to the farms. Some of those men would rather remain in large centers where they can get only one meal a day than work in the country, where they could get three meals a day.

Many factors contribute to prevent men returning to the farms. The farmer had the reputation in the past of not feeding and lodging his employees as he should, and this reputation is still hanging over him. Although conditions have been bettered in recent years, men will do almost anything before they will take a job on the farm.

Lack of work is chiefly caused by shortage of money. There is plenty of money in Canada, but it is not being circulated.

The workingmen of this country have come to the conclusion that the reason why people are not buying as much as usual is due to the publicity campaign through which all were made to believe that everything was going to come down and had to come down. They are now waiting for prices to come down before they will buy. Under such conditions, firms cannot help closing down, and unemployment follows.

One of the chief causes of unemployment is the lack of credit for industrial and commercial undertakings. Some influence should be brought to bear on the large financial interests of this country, and make them release capital which they are holding back.

The arbitrary and unconciliatory attitude taken by a large number of employers in refusing to deal collectively with their employees in regard to adjustment of wages and working conditions is another cause of unemployment.

4. As given by Mr. Henry T. Ross:

The causes of unemployment are outside of Canada. The real source is in Europe. Under the present conditions in Europe, England, our chief market perhaps, is not able to carry on its usual commercial transactions and pay us as when England had the trade of all Europe right at its doors. This is what is behind the unemployment in Canada, the United States, and England itself.

The high cost of materials, the high cost of labour, the former being due in large part to the high freight rates, are the immediate causes of a great deal of the stagnation at present existing.

It is a common report, and he believed there is no doubt it is founded on fact, that the manufacturers have taken their loss, and sold to the wholesalers at low prices, and that the wholesaler has lowered his prices to the retailer, but the retailer is still keeping up the price.

Railway rates are affected by wage rates, and wage rates are causing stagnation.

Now we will take up the remedies as suggested by the Hon. Senator Robertson, Minister of Labour. He suggests that we should (a) endeavour to anticipate periods of unemployment; (b) induce all the spending departments of the Government to create employment at periods when it is most required. He also expressed the views of all our returned men actually unemployed when he said in his letter of last December to Mr. Rollo of the Ontario Government: "The situation should be met by the provision of work instead of the provision of relief." Our returned soldiers are not men to live at the soup kitchens; they want work.

Remedies suggested by Mr. Acland:

The Dominion Statistician receives returns from practically all the leading grocers in each city from a selected list as to the selling prices on the first of each month. At one time he used to get the cost of production as well as the retail prices, but the retailers protested and raised so much commotion that this had to be abandoned. It is consequently very hard to say whether the retailer is lowering his prices in proportion to the reduction of prices charged to him by the manufacturer and wholesaler.

Remedies suggested by Mr. J. E. Walsh:

It is alleged by some that, if the proper effort were made, export markets could be secured. But those who have investigated the subject carefully hold out little hope of any such change in the immediate future.

The Canadian Manufacturers' Association did everything they could to absorb the returned soldiers as fast as possible, but with no market for their goods they can no longer give them employment.

It would be quite easy to investigate whether or not stagnation has been caused by excessive prices charged to the consumer. An excessive profit from the wholesaler to the retailer, or from the retailer to the consumer would no doubt affect the general question of unemployment.

Certain lines have come down so far as the producer and manufacturer are concerned; still they have not come down very much for the consumer. This remark applies especially to the packing industry.

As to the reduction of labour and of wages, it is a question of the employers and employees coming together and agreeing on a reduction and changes.

Remedies suggested by Mr. Arthur Martel:

The slackness in the building trades cannot be attributed to high wages, because the high cost of material is really responsible for this slackness.

The rate of wages must come down when the cost of living has come back to normal figures, but it should not come down to the level of wages in 1913. Canadian workingmen were not receiving in 1913 the wages that should have been paid them in order that they might maintain a Canadian standard of living.

To start by reducing wages would mean starting the wrong way. The purchasing power of the wage-earners would be reduced, and it would have the effect of killing business, instead of helping it.

Wages were never increased, generally speaking, more than 100 per cent, while the price of commodities increased from 200 to 300 per cent.

Although the wholesale prices are coming down, the retail prices do not seem to be reduced in the same proportion.

The reduction of expense in maintaining a family has been absorbed by the increased rents.

If someone must make a sacrifice to stabilize conditions in our country, it should be the one who has something to lose. If you ask the labourer, who has hardly enough to live on, to tighten his belt a little more, you are asking him to do the impossible. He is not in a position to make any sacrifice. It is those who have capi-

tal that should make that sacrifice, because they can do it without affecting the lives of their wives and children.

Private employment offices should be abolished and all employment offices co-ordinated under the Employment Service of Canada. Labour could thus be systematically distributed and regulated, while the Canadian Government would at all times be in possession of exact information as to the employment situation in Canada.

Employment agencies in this country should be under provincial government control, co-ordinated under the Canadian Government, so that there would be a clearing house to distribute labour where it is wanted, and taken away from where there is a surplus. There would be no compulsory feature about this. All that is needed is more education and understanding, and mere common sense.

Instead of letting all contracts at the opening of the busy season, some system should be devised whereby tenders would be called for and contracts awarded in the fall of the year, instead of the spring. This would greatly relieve the situation during the winter months.

With an efficient organization, public undertakings could be regulated so as to absorb many of the unemployed during slack periods or periods when private corporations and individuals are not in a position to proceed with work.

A fair-wage clause should be inserted in all contracts awarded for supplies and public works which are directly or indirectly under government control. This would prevent unfair employers from paying inadequate wages, thereby causing unemployment by workers refusing to work under those conditions.

Nine-tenths of the public works actually done in summer could be carried on in winter.

A shorter work-day should be instituted throughout Canada, in order to offer an opportunity for employment to a greater number of workingmen. It would be better to reduce the number of working hours, and employ a greater number of men.

Some men get eight hours a day of work and others cannot get an hour. It would be better to have all men working six hours a day, and no one depending on public charity. This might afford a means of preventing unrest and the sowing of radical ideas.

Collective bargaining should be instituted throughout Canada, with a view to cultivating better understanding between employers and employees. Much unemployment could be eliminated in this manner.

It is too early to ask labour to agree to a reduction of wages, when there has been only a slight reduction in the price of commodities, practically offset by an additional increase in rents.

Workingmen do not like to create a precedent in accepting a reduction of wages. Once you start on that line, you never know where it will end. If there was more justice and conscience in business, the proposal might be considered differently. As it is, an employer may use this to try to lower further the wages of his employees. If one employer gets labour 10 to 15 per cent cheaper than another, the others will seek to reduce wages to the same level. Workingmen are bound to resist any reduction in wages which will affect their standard of living as Canadians.

Remedies suggested by Mr. Henry T. Ross:

If a manufacturer, or anybody else, is able to satisfy the bank that he can turn over his product in a short time and pay back his loan, the bank is ready to meet him.

With regard to building operations, it is not for bankers to finance permanent buildings or tie up capital in permanent buildings. If builders cannot obtain money from the loan companies with which to erect buildings, of course the bankers will not make the interim advance.

Anything which lowers the cost of production will improve the situation, because it will enable a better distribution of money.

Retail merchants are facing a falling market. They may be selling at prices which the public think high, but they are selling at a present loss in many instances.

From the bankers' point of view, it is of the utmost importance that the cost of production come down—that there should be a reduction in wages, in freight rates, and in the cost of raw materials.

If there is to be public money expended, it should be put into something that is useful immediately—something productive. We can think of nothing better than improving the roads. This is a great benefit to the agricultural interest.

Efforts should be made to use our Post Office and Customs officials to persuade men to get out of the cities and work in

the country. If necessary, it might be wise to pay their transportation if they would go and employ themselves on the land.

Local bureaus might be organized, which would make known the need of labour in each locality, co-operating with corresponding bureaus organized in the towns.

The beneficial effect on the trade of Canada of the payment of the reparations money by Germany will be very small and indirect.

There has not been a general increase of interest rates in this country. Increases have been rather the exception. Here and there a stiffening of interest rates was felt, but there has been less variation in Canada than in any other country.

I might say, honourable gentlemen, that as I see the general situation there appears to be a want of confidence. The manufacturer, producer, middleman, and consumer do not appear to have the confidence that is necessary to return to normal conditions. If we could get a sentiment behind our Canadian National railways, which without doubt is our greatest asset, patronize our own road instead of worshipping at the shrine of the C.P.R., I think we would soon feel the results. I cannot understand all this criticism directed against our railroad system. I have no brief to defend the present management, but I think we should be loyal to ourselves.

I intended to speak at considerable length on the railway situation, but I understand there is a strong committee from the Maritime provinces now in Ottawa to approach the Government on this question. Therefore I will not take up the time of honourable gentlemen on that topic.

I would like to say this, however. When I come into the House of Commons and into this Chamber, I cannot understand why there appears to be a kind of maudlin worshipping before the throne of the Canadian Pacific Railway. I do not understand why we cannot get behind our own railway systems, and have more confidence in them. I have no doubt there are many difficulties connected with the management; but while we own these railways—and these lines are the greatest assets we have in Canada—why does there appear to be all over the country a general decrying of our national railways? We have as good railway men in this country as can be found anywhere. Is there any business in the country that could have pitchforked on its management a mess of branch lines which needed complete reconstruction and expect in a few months to make a decent showing? The cry is, "Give the railways back to private control." I believe in public ownership, and the condition of these privately-owned roads shows that they are not always successful. I do not believe it needs a superman to conduct the Canadian Government railways. I believe there are many business men in this country who are well able to fill that position. It is a question of business—a question of big business. If we had confidence in our manufacturers, our business men and our producers, and perhaps a little better system of distribution, and would get behind our railways, get behind their management, get behind our Government, we would have a better country to live in, and there would be less unemployment and more satisfactory business generally.

Hon. G. D. ROBERTSON: Inasmuch as this report is somewhat lengthy, and covers a great deal of ground, and a number of honourable gentlemen may perhaps desire to make some comments on it to-morrow, it being now six o'clock, I would move that the consideration of this report be postponed until the next sitting of the House.

The motion was agreed to.

The Senate adjourned until to-morrow at 3 p.m.

THE SENATE

THURSDAY, June 2, 1921.

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers and routine proceedings.

PUBLIC SERVICE RETIREMENT BILL

FIRST READING

Bill 107, an Act to amend an Act to provide for the Retirement of certain Members of the Public Service.—Hon. Sir James Lougheed.

DOMINION ELECTIONS BILL

FIRST READING

Bill 130, an Act to amend the Dominion Elections Act.—Hon. Sir James Lougheed.

SIR JOSEPH FLAVELLE

HIS NOMINATION AS PRESIDENT OF THE GOVERNMENT RAILWAYS DIRECTORATE

On the Orders of the Day:

Hon. W. C. EDWARDS: Honourable gentlemen, what I am about to do is, I know, entirely out of order; but I will not proceed without the consent of the House. The statement which I desire to make is one which I consider of very great importance to Canada. The urgent importance of it is my excuse for asking the indulgence of this honourable House. I have been thirty-five years in Parliament. This is my thirty-eighth or thirty-ninth Session. Never before have I asked the privilege of making reference to any rumors or to articles appearing in newspapers, or to matters of that kind; but on this occasion, as I have said, the matter is of such urgent importance to Canada that I think a statement is desirable. My statement is suggested by two newspaper reports—one appearing in the Ottawa Citizen on Tuesday last, and the other yesterday morning, and both referring to Sir Joseph Flavelle.

I noticed a few days ago that Sir Joseph Flavelle had been nominated as a director and president of the coming Grand Trunk organization. Personally I was delighted to see it, because I am aware of the capacity of Sir Joseph Flavelle. There are those in various parts of Canada who have ridiculed him because of the allegation, which has been very improperly made, that during the war period he was a profiteer. Honourable gentlemen, I am in a position to say that such is not the case: Sir Joseph Flavelle did not profit to the extent of one dollar because of his chairmanship of the Imperial Munitions Board. It has been further suggested that he made an enormous fortune in his business during the war. I am in a position to know differently. I know that such is not the case. It is true that his firm did a large volume of business, and on a small margin of profit did at that time make an exceptional amount, as did all institutions of the same kind in Canada and in other parts of the world; but that the fortune which he possesses was made during the war period is not true. I may say here that his fortune is not the enormous fortune that so many Canadians suppose it to be. He is well off, I admit, but that is due to the fact that for many years he applied himself industriously and assiduously to the business which he managed, and, like many other men in Canada and other countries, he does enjoy the results of hard labour and close application. But he should not be singled out; he is not one of the toppers in Canada in so far as wealth is concerned—nothing of the kind. I could name, if I were permitted to do it, at least two gentlemen on the opposite of the House whose wealth is greater than that of Sir Joseph Flavelle's.

Hon. Mr. CASGRAIN: Name them, so that we may know them. Monsieur Blondin?

Hon. Mr. EDWARDS: I am in a position to make the statement here, honourable gentlemen, that I know what the annual profits of Sir Joseph Flavelle are, and that only a small portion of that which he possesses was made during the war period. I am, further, in a position to state that his old company, like many other companies that were supposed to be making enormous profits then, are losing money now—

Hon. Mr. CASGRAIN: That is right.

Hon. Mr. EDWARDS: —and that his company lost heavily last year, and will lose heavily this year. So that no reflection in that respect can be made, and no reflection will be made by those who do know the actual facts. It is easy to make irresponsible statements. It is a fact, honourable gentlemen, and you all know it, that the successful man is looked upon reproachfully by many of his n'er-do-well friends, men who do not apply themselves. The wealth of this world is in the possession, largely and almost wholly, of industrious men, men who have applied themselves industriously all their lives; it is not in the possession of speculators or any such class.

I think I have said enough on that subject. But I want to refer for one moment to the question of qualification. Some may say that Sir Joseph Flavelle, not being a railway man, is not qualified for the situation. I think it will be agreed, honourable gentlemen, that I myself, having spent fifty-five years in actual industrial life in the Dominion of Canada, in a comparatively large way, know something of the industrial conditions of Canada and of the business men of this country, and I do not hesitate for one moment to say this. He has not had the training in that direction, and I would not place him alongside of one gentleman in Canada whom we know, who climbed the ladder from the lowest rung to the top because of his ability and experience; but the first qualifications are executive ability, industry, and application, and I know of no man in Canada, nor have I

ever known of a Canadian, whom I would as soon put at the head of the entire railway system owned by the Government, as Sir Joseph Flavelle.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. EDWARDS: Do not be alarmed. Here is a point that I wish to make, and this is what I look upon as serious. The present is not a time to reflect upon that gentleman. What is the position of Canada to-day? Is not Canada in a crucial position? Is not Canada, in fact, in a serious position so far as her railways are concerned, as well as perhaps other things? Is it not desirable that in the circumstances we should have the very best man that is available in Canada for that position?

Some may criticise me for this statement. In the situation in which Canada is to-day it should not be a question of partyism or politics; it should be a question of qualification; and I say again that he has the quality, and it is desirable, in the interest of Canada to-day, that those speaking reflectively should do what they can to induce him to occupy the position. He has not finally determined that he will accept the position permanently; he has only accepted it conditionally. He is under a promise to his family that he will not enter into any obligation of the kind; and if Canada succeeds in getting him to accept the obligation, it will be against his own will and against the will of his family. When I said a moment ago that political conditions should not govern, I was about to say that if I were choosing a man to stand at the head of the affairs of this country as Premier of Canada, Sir Joseph Flavelle is the man I would choose, and he is on the opposite side of politics from myself. I am a Liberal, honourable gentlemen, but when there is a question of principle involved I have no politics. I am for Canada first and always; and in helping to secure Sir Joseph Flavelle for that important position, I believe I am doing the strongest thing that I can possibly do to promote the interest of Canada.

CAUSES OF UNEMPLOYMENT

REPORT OF SPECIAL COMMITTEE

The Senate resumed from June 1 the adjourned debate on the motion of Hon. Mr. McDonald for concurrence in the second report of the Special Committee of the Senate to inquire into the causes of unemployment in Canada.

Hon. G. D. ROBERTSON: Honourable gentlemen, the report of this Committee, as brought down yesterday, enumerated a great many opinions that were advanced by different gentlemen representing different interests as to the causes of unemployment, and suggested remedies therefor. It is not my purpose to go into the details of the report, except, perhaps, to add one or two thoughts that I do not think were contained in it, so that in considering the report the House may have in mind one or two other features.

It was my misfortune to have to be away from Ottawa during the time the Committee was taking evidence, and therefore I am not wholly familiar with it. But, having had some opportunity of being intimately connected with unemployment and the causes thereof during the past two or three months, I felt constrained to say a few words to the House upon this subject.

During the war period there was no unemployment in Canada; every man who was willing to work had several opportunities to do so. But since about last October the situation has been reversed, and we are looking about and inquiring as to what has caused the changed conditions. I submit, honourable gentlemen, that there is no one single cause for it all; but there are a variety of causes. First, may I mention what I regard as the most important one? When prices are ascending, whether prices of goods that people purchase generally, or prices on the stock market or where you will, everybody is out to buy for fear prices will go still higher. This was the case up to last July, when the top of the hill was reached. When prices began to decline there was almost immediately a slackening off in purchasing of almost every commodity that enters into the use of mankind in this country, on the part of the public, because of the idea that prices were going to go lower. There is one commodity that I may take as an example. People were buying and hoarding sugar, at 25 cents a pound; but when it dropped to 12 cents they would not buy a pound. That condition reflected itself on the unemployment situation, and helped to create unemployment. Confidence and stability are two essentials in our industrial life, without the existence of which our employment situation is apt seriously to suffer.

The second point I would like to mention that I do not think is dwelt upon at any length in the report is the question of Canadians buying Canadian-made goods.

At a time when we have between 100,000 and 200,000 men in the country out of employment during the winter, why is it necessary for Canada to purchase from our neighbours to the south $1,000,000 worth a day more than she sells to that country? During the past year Canada purchased in the neighbourhood of $900,000,000 worth of goods from the United States, and paid thereon in exchange alone more than $1,000,000. I submit that if all the articles which we can produce in Canada and which we purchased in the United States had been supplied by our own home manufacturers, our unemployed would have been largely absorbed.

Hon. Mr. EDWARDS: To what extent was that quantity manufactured goods and to what extent other articles?

Hon. Mr. ROBERTSON: I have not the figures before me in detail, but there are three main articles which we must necessarily buy from our neighbours, namely, steel, coal, and cotton.

Hon. Mr. CASGRAIN: Not steel.

Hon. Mr. ROBERTSON: Iron ore, coal and cotton.

Hon. Mr. MITCHELL: Why were we obliged to buy $200,000,000 worth of soft coal from our neighbours to the south of us during the past year?

Hon. Mr. ROBERTSON: I assume it was because it was economical to do so by reason of our supplies being so far away from the centres of consumption. I am not finding fault with the purchase of those articles which we do not produce in this country; but when an ordinary Canadian citizen goes into a retail establishment in this country and asks for an article, the dealer will lay upon the counter an American-made article, and it will be purchased in preference to a Canadian-made one. Go into any drug store in this city and see what will be handed out to you. I have been looking into this question, and I know that Canadians should ask for Canadian-made goods if the article desired is on the market and is equal to the imported one, but the people seem to be possessed of the idea that an imported foreign-made article is superior to the home-made one. If that idea can be got out of their heads, it seems to me it will do a great deal to relieve the unemployment situation in this country, and to enable our manufacturers to produce and market their goods at lower unit prices.

Hon. Mr. TURRIFF: Why does not the Government set us an example? Many of the things the Government buys are American-made.

Hon. Mr. ROBERTSON: I do not know of any single instance in which during the last two years the Government has bought an American article when the made-in-Canada article could have been obtained; and I should be glad to have my honourable friend point out an instance.

Hon. Mr. TURRIFF: The other day in the House of Commons one of the members pointed out that several of the articles distributed among the members were bought in the United States.

Hon. Mr. DANIEL: Only lead-pencils.

Hon. Mr. L'ESPERANCE: Why is the Grand Trunk railway buying American coal?

Hon. Mr. ROBERTSON: Because the Grand Trunk railway, of which the State is now the owner, possesses one of the largest coal areas in the United States, and is able to produce coal at much less than it would cost to produce it elsewhere.

Hon. Mr. MITCHELL: Why did the Government railway raise the rate for hauling coal from the lower provinces to Quebec city $3.80, and allow American coal to come in here to the extent of $200,000,000 in one year?

Hon. Mr. ROBERTSON: My honourable friend will have to make inquiry of the Board of Railway Commissioners for that information. I am afraid, honourable gentlemen, I shall not be able to conclude within the ten minutes allotted to me unless I am permitted to proceed.

One other point not referred to in the report, and which has a bearing on the unemployment situation in Canada, is the policy respecting labour which has heretofore been adopted by the agricultural interests of Canada. Our farmers generally and almost universally—and naturally enough—think only of their requirement for the season when they need help. The result is that every spring men are engaged for a few months for farm work, and when the fall season comes, and the summer's work on the farm is done, the stock is put in the stable and comfortably housed and fed for the winter, while the hired man is turned out to shift for himself, and naturally drifts to the cities, which find themselves burdened with the task of taking care of hundreds of thousands of unem-

ployed who are asking for relief which they should not require to obtain. That situation is gradually remedying itself as dairying and mixed farming are more and more practised. Our farmers are finding it necessary to provide reasonably comfortable house accommodation and to pay their men for the entire year. If this is done universally it will relieve the situation during the winter months. I may point to one province—it is not necessary to name it—in which during the past winter there were more than 60,000 unemployed men, and which at the same time had agents overseas to solicit and bring to this country several thousand to place on the farms. Those immigrants will work for probably $25 or $35 a month until next October, and then will find themselves out of employment, and will drift into the cities to be maintained by the municipalities. That is one cause of unemployment, and the remedy, perhaps, is obvious.

Another cause of unemployment not mentioned in the report refers to the immediate situation. We have a greater unemployment problem to-day and more unemployed men than perhaps ever before at this season of the year. One of the reasons for the situation is this. Last December, when it was obvious that we were going to be confronted with considerable stagnation in business and unemployment, our manufacturers kept employed as many men as possible, at least part time, if they were not able to keep them working all the time, so that the men would at least be able to supply themselves with the necessaries of life. One industry employing 2,000 men, which proposed to close down on the 1st of December, and to remain closed until March 15th, because of the representations made, realized that if everybody were to do the same thing we would have a terrible situation on our hands. What happened? That industry continued to manufacture and to put the stock on the shelves, and it worked the entire staff four days a week all winter. Hundreds of other employers did the same thing, all hoping that with the opening of spring a demand would arise and that they would be able to dispose of their goods, and they felt that they had done good service to the country by carrying on. But what occurred? Business did not pick up in March and April, as was anticipated, and many of those employers who made considerable sacrifices to carry on their manufacturing industries during the winter months, and kept their men employed as far as possible, found themselves unable to dispose of their goods and unable to get extensions of credits, because of having reached the maximum of their ability to borrow; and we find them in April and May laying off men who otherwise would have been laid off in December, January, and February. I think it would have been better to have had them employed during the winter and laid off for a month or two than have had the whole army laid off the entire season. But that is one of the contributing causes to the unemployment situation, and I submit that neither labour nor the employers are responsible for it; it is a general situation that is far wider than the confines of our own country. I think the economic aspect of the causes of unemployment was quite adequately dealt with by Mr. Ross, the secretary of the Bankers' Association, in his evidence before the Committee, and I will not dwell upon it; but the points that I have tried to bring out briefly were not dealt with in the Committee's report, and I thought it proper to bring them to the attention of the honourable members of this House, so that in giving consideration to the Committee's report they might consider also the points which I think might have been properly included in the report, but were not.

Hon. N. CURRY: Honourable gentlemen, periods of prosperity and periods of depression have followed each other for centuries, and probably will do so for centuries to come; and so far there has been no man and no body of men with vision enough, wisdom enough, or power enough to prevent those periods of depression. After such a period has been upon us for a length of time we can form a pretty good idea of its main causes. The present depression, I suppose we could say broadly, is the result of the war. That I think is actually the truth as far as Europe is concerned, but I do not think that is the main cause of the depression on this continent. We all know that the United States and Canada during the war supplied enormous quantities of raw materials and commodities of every kind to the Allies on the other side of the water, and received for them enormous sums of money, and no doubt to-day both Canada and the United States are richer by far than they were before the war. That being the case, it would seem that we ought not to have this depression. In my opinion we would not have had it if the United States Govern-

ment had not taken the railroads out of the hands of their owners, who understood them, knew how to manage them and did manage them well, and were carrying both freight and passengers at lower rates than were obtainable in Europe, notwithstanding that they were paying higher wages. Although the United States Government had previously refused even small additions to the freight and passenger tariffs of the roads—which additions were absolutely necessary, and had been so for some years—they no sooner had taken the roads over than they gave enormous increases of wages. Following this, they had to increase very largely the freight and passenger rates. Not satisfied with that, before many months had elapsed, owing to the clamouring from the various labour unions connected with the railways, an additional and very large increase was given, and was made retroactive—a very unnecessary thing to do. The effect of that retroactive measure cost the railways of Canada about $20,000,000, and the railways of the United States about $200,000,000. But they were not satisfied even with that. They have just put through a system of overtime and of boundaries under which shunting crews and train crews could work, and also bonuses. For instance, in the terminals of the big railways, and also in towns of any considerable size, they have yard-limits and yard-masters and shunting engine crews. If those crews go outside of their yards even for half an hour they get a full extra day. A shunting crew might start in Montreal to-day with a yard-limit of such and such dimensions. In a rush somebody might want a car or two or three cars placed at a factory outside of the limits. The yard-master, wishing to help his train crew, would send them off to do that shunting. If the crew were gone only half an hour, it counted as an extra day. In the afternoon they might be sent off for another half hour or hour, and that counted as another day; so that in many cases men who worked twenty-four or twenty-five days a month, and did not work hard, were able, through this abuse of overtime and yardage, to earn anywhere from thirty to forty days in a month instead of twenty-four or twenty-five days. The same thing applied, perhaps to a less degree, in the case of the regular trains.

Hon. Mr. ROBERTSON: Where did that occur?

Hon. Mr. CURRY: I can get you the particulars.

Hon. Mr. FOWLER: It occurred everywhere.

Hon. Mr. CURRY: On the special freight trains that abuse crept in to a very large extent, because they could dawdle along and come in a few hours later than they were expected, and get extra time. To some extent it applied also on the regular freight and passenger trains; if they arrive beyond a certain time they get extra time. When all this came about, it simply meant that all other classes of labour, both manual and clerical, set that up as a standard. The McAdoo wage scale was talked of everywhere, and if a man was a carpenter or a mason or a plumber, or whatever he might be, he wanted wages that would measure up to the McAdoo wage scale for railway men; and to a very large extent they carried their point. That even went farther than this continent; it was applied more or less on the other side of the water. That, of course, meant that the wage bill of our Canadian railways was increased enormously, and, owing to the increase of wages in the allied trades, everything the railways bought—the rolling stock, the steel, the coal, everything into which labour enters—went up in like proportion, and it was simply impossible for them to make both ends meet, notwithstanding that they got large increases in their freight rates. Those conditions are operating to-day. It is supposed that on the 1st of July the American railway wages will be reduced 12 per cent, which is very little, and we do not know that they are going to do away with those other abuses of overtime, yard limits, etc. But even the reductions they propose, meaning $400,000,000 to the United States, will probably mean $40,000,000 to Canada, which will be a very great help; but it is really not enough. I say that that position taken by the American Government in handling the railway situation is the real cause of the period of depression that we are now passing through. But, even with the higher prices, the labour unions are calling for further strikes, and I might say that to-day, when I went down to the hotel to get my luncheon, there was a big delegation there, with Mackenzie King at its head, ready to go in, but the waiters and cooks had walked out of the hotel in a body, so that I do not know whether the guests would get any lunch or not. But that incident shows the unfairness of these labour organizations, for I do not think there is a good waiter in the Chateau Laurier to-day who

does not make from $3 to $5 a day in tips alone, and he could live very well if he got no salary.

When things got to this point, the buying public made up their minds that labour unions were not the only people that could strike: they would strike themselves, and they simply struck against buying; and that is what has brought about the present situation. When costs got so high that the manufacturer could not sell his goods and the purchasers could not afford to buy, they simply ceased buying; which simply meant that one factory after another closed up, and a great many men were thrown out of employment. Of course, this was further affected by the numerous factory strikes in Great Britain. We depend very largely on Great Britain as a market for our lumber, and when their factories are going busily they take enormous quantities of our spruce for packing boxes alone. Production there has gone down to such a point that it is practically impossible now to sell a cargo of lumber to go to the other side of the water. That, again, has thrown a lot more labour out of employment. In fact, very few saw-mills have started operations this year, and a great many will not start; they will rather hold over their logs than their lumber.

Mr. Martel, in his evidence the other night before the Committee, when I was present, seemed to be very fair and very earnest and very candid, and seemed to believe what he was saying. But if he is one of the labour leaders, and really does believe what he says, and is supposed to know about it, the labour organizations ought certainly to get somebody to teach something about political economy to the men who are leading them. They should learn that capital cannot do everything, and that the banks cannot do everything. That gentleman talked very earnestly on the point that capital could go on and build houses and manufacture just as well as not; and that the banks could and should lend money to build houses. That is simply the talk of a child. He did not stop to think that the capital of this country is largely in the hands of men who have struggled and worked for it all their lives, and have now reached advanced years when, if they squander their capital, they cannot go on, nor can they replace it. In the end such talk will do labour no good. We know that our Canadian banks are substantial and we want them to stay so. I do not think that any depositor would agree for a moment that any bank in which he has funds should lend out money to build houses, particularly under present conditions, when perhaps in a year from now the bank would have to sell those houses for forty or fifty per cent of their construction cost.

Mr. Martel also stated that we should work shorter hours, and divide up the work so that every man would have a little. That might work very well if Canada had a 100-foot wall around it and did not import or export; we could then divide up our work as we liked. But in this age we are in competition with the whole world, and the only way we can hold up our end is not by cutting down hours, but by increasing production. If we work three or four hours a day, or five or six hours a day, and try to compete with Germany, which is working 12 hours a day, and operating her machinery 24 hours a day, it simply means that the Germans could pay the freight and the duty, and sell goods to our people at very much less than the figure at which we can produce them. When that is the case you cannot prevent the people from buying, any more than you can prevent them to-day from buying goods that are made in the United States. As far as that is concerned, there is the propaganda which has been going on for many months, and is on to-day, to try to educate our people to buy Canadian goods, and it is having some effect, but it will take a long time to persuade our people to go to stores and ask specially for Canadian-made goods.

I think it is generally understood that 80 per cent of the cost of nearly all commodities, when traced back to where they come from, is paid to labour. Iron in the mine, coal, standing timber in the woods, or other raw material, when finally converted to its purpose, represents about 80 per cent labour; and, unless labour will join with capital and take its share of the reduction, this depression is bound to continue. Sooner or later the law of supply and demand is bound to come into effect; it is just as sure to act as the tides of the Bay of Fundy are to ebb and flow, and the sooner labour learns that lesson the better. I believe that capital has made sacrifices, very great sacrifices, during last year, and in many cases, as my honourable friend here said, in order to help out the labour situation. If labour will get to work now and take a reasonable reduction with capital, and do an honest day's work for a fair day's pay, this depression will pass away.

Hon. WM. ROCHE: I believe there are a number of gentlemen who wish to take part in the debate, and I would also like to say something myself. Therefore I would move to postpone the debate and allow the gentleman above me to proceed with his motion, because it will be short, and will not take much time. I move the adjournment of the debate.

Hon. Mr. STANFIELD: I think there are some honourable gentlemen ready to speak on this matter.

Hon. Mr. ROCHE: I am quite ready myself.

Some Hon. SENATORS: Go on.

Hon. Sir JAMES LOUGHEED: No; adjourn the debate.

Hon. Mr. ROCHE: I am quite in the hands of the House to do whatever they wish.

Hon. Sir JAMES LOUGHEED: I think it was understood that the honourable gentleman from Amherst (Hon. Mr. Curry) would be permitted to speak on account of his wishing to catch a train, and it was understood that we would then proceed with No. 7 on the Order Paper, as we had postponed the remarks of the honourable gentleman from De Salaberry (Hon. Mr. Béique) for several days, and I think it would be right of the House to proceed with that order.

The motion was agreed to, and the debate was adjourned until the other orders should be disposed of.

CANADIAN NATIONAL RAILWAYS

THE PROPOSAL OF LORD SHAUGHNESSY

The Senate resumed from May 11 the adjourned debate on the notice of Hon. Mr. David:

That he will call the attention of the Senate to the letter of Lord Shaughnessy re solution of the Canadian National Railway difficulties and inquire whether the Government intend to take action in regard thereto.

Hon. F. L. BEIQUE: Honourable gentlemen, I hesitate to take the time of this honourable House in the closing days of the Session further to discuss the railway transporation problem.

I am afraid that we have not yet sufficiently recovered from our war-time mentality to be able to appreciate how much the future of this country may depend upon the solution of that problem. As was very properly said by His Excellency the Governor General, the other day at Toronto, this country has been lulled into a sense of security financially which is not at all justified. Who of us, for instance, has stopped for a moment to realize what portion of the tax he pays, directly or indirectly, on everything we buy, or, which should be much more striking, what portion of our individual income, varying from four per cent to 75 per cent, which we pay yearly into the Government exchequer, goes to fill up the gap which is made by losses in Government railway operation? If we do not stop to realize the situation, I am very much afraid, for my part, that before long not only the income will be required, but the principal itself will have to be mobilized: if the rate at which the hundreds of millions of dollars are voted by this Parliament and spent from the commencement of the year to the end is continued, I am very much afraid that the country will be unable to stand it much longer.

At page 1 of Lord Shaughnessy's memorandum, which was placed before Parliament, he says:

Canada has now about 40,000 miles of railway lines. Of the lines included in this mileage approximately 37 per cent earn annually sufficient money to pay all interest charges and to give a return on the share capital; 54 per cent fail to earn enough to pay their working expenses and are consequently operated at a loss; and 9 per cent earn interest on some of their major securities but have nothing to apply as dividend on the share capital. Included in the last mentioned is the Grand Trunk Railway System.

Further on he says:

With the ownership or control of the Intercolonial, National Transcontinental, Canadian Northern, and Grand Trunk Pacific lines vested in the Dominion Government, the Canadian people are now the proprietors of about 17,000 miles of railway, with a capital investment of say $850,000,000, and an annual interest charge of something like $34,000,000. In the annual interest charges nothing is included for the Intercolonial and Prince Edward Island Railways, because these have been with us for so long a period as unproductive and expensive property, nor for the National Transcontinental absorbed in the Consolidated Fund.

There is no rolling stock equipment nor are there terminal yards, freight facilities, repair shops or other requirements commensurate with a system of this magnitude, and the cost of providing them will be very great indeed.

Then he goes on:

According to the brief return submitted to Parliament a few days ago the operating revenue of the Canadian National Railways, including the Grand Trunk Pacific, for the year 1920 was as follows: from passengers, $23,713,834; from freight, $90,982,832. The train mileage required to earn this money was as follows: passenger trains, 13,322,587 miles; freight trains, 24,485,286 miles. In the same period Canadian Pacific earned from passengers

$49,125,738; and from carriage of freight, $145,303,399; with passenger train mileage 20,538,038, and freight train mileage 26,281,627.

It will be gathered from these figures that the train mileage on the Canadian National System is out of all proportion to the revenue, taking the Canadian Pacific as a standard. Were it possible to effect a reduction in train mileage on the National System to make the ratio of train miles to earnings same as that on the Canadian Pacific, the saving in transportation alone would represent upwards of $22,000,000 per annum. This, however, is out of the question because, while there might be a substantial shrinkage of train mileage without serious public inconvenience, the great mileage of the National System to be served and the limited traffic available prevent a proper relation between traffic and train miles.

It is to be observed, however, that the Canadian Pacific handled traffic representing revenue 71 per cent in excess of the Canadian National, with an additional cost of transportation of only 13 per cent. This is accounted for to some extent by the greater expense per train mile for transport on the National System. In this unit of operating expenses there would have been a saving of about $6,500,000 if the Canadian Pacific basis had been reached.

I cite that portion of the memorandum to serve as a basis of some arguments which I propose to offer to this honourable House. I take these statements not as implying a criticism on the part of Lord Shaughnessy of the Canadian Northern Railway system or the way the Government railways are operated, but merely as pointing out the inevitable result of the conditions in which the system has to be operated.

I obtained from the Government on the 17th of May a statement which throws a good deal of light on this matter. My motion was for a statement showing:

1. The amount of money paid each year by the Government of Canada subsequent to 1910 to, for, or in connection with:
(a) The Intercolonial Railway;
(b) The Canadian Northern Railway, and its subsidiaries;
(c) The Grand Trunk Pacific Railway;
(d) The Transcontinental Railway;
(e) The Grand Trunk Railway of Canada.

Here is the answer. I will not give the details for each year, because they would be too lengthy for this House and for our records, but I will give the principal figures and the totals. With regard to paragraph (a), the Intercolonial Railway, there was expended:

1911	$ 762,869
1912	1,710,000
1913	2,391,000
1914	4,529,000
1915	6,663,000
1916	7,665,000
1917	4,490,000
1918	5,860,000
1919	10,573,000
1920	4,337,000
9 months, 1921	2,752,984

The operating deficits were:

1918	$2,332,000
1919	1,806,000
1920	2,347,000
In the nine months following	3,051,000

The total amount of capital expended during the ten years was $51,507,000; and the operating deficit amounted to $9,537,000; a total of $61,045,000, for the Intercolonial Railway.

As to the Canadian Northern, I will commence with the figures for 1915, regarding loans:

1915	$ 5,000,000
1916	10,000,000
1917	15,497,000
1918	25,000,000
1919	34,881,000
1920	58,362,000
1921	63,969,000

The total for the ten years amounted to $213,401,000.

Hon. Mr. CASGRAIN: On capital?

Hon. Mr. BEIQUE: On loans; all these are loans.

Besides that, for the purchase of capital stock there was paid $10,000,000, and in subsidies $24,711,000. The grand total is $250,113,000.

Hon. Mr. CASGRAIN: Was any of that paid on the debt during that time?

Hon. Mr. BEIQUE: The statement does not show what was the application of the money.

Coming now to the Grand Trunk Pacific Railway, we find these figures regarding loans:

1915	$21,000,000
1917	7,081,000
1918	5,058,000
1919	7,471,000
A total of	$40,611,000

There was advanced to the receiver:

1919	$ 500,000
1920	9,209,000
1921	16,958,000
Total	$26,676,000

For the purchase of securities there was paid out by the Government:

1913	$11,133,000
1914	12,872,000

1917	9,087,000
1920	2,709,000
1921	1,254,000
Total	$37,074,000

The grand total amounts to $104,362,000.

There was expended for the Transcontinental during the ten years, on capital alone, a total of $95,878,000, and operating deficits amounted to $14,044,000; a grand total of $109,922,000.

Hon. Mr. SCHAFFNER: From what date is that?

Hon. Mr. BEIQUE: It commences with 1911 in all cases.

The other railway for which I have a statement is the Grand Trunk Railway of Canada. The following advances were made by way of loans:

1919	$ 593,000
1920	554,800
1921	25,554,000
1921-22, the current year	15,968,000
Total	$42,671,000

For the purchase of rails:

1918	$ 590,000
1919	649,000
1920	1,697,000
Total	$ 2,937,000

The grand total is $45,614,000.

If you add these different amounts together you will find $571,057,991 as the aggregate paid out by the Government for the purposes of these different railways during the ten years.

Of the amount which I have mentioned, $571,000,000, there was paid out during the last five years $382,000,000. It seems to me, honourable gentlemen, that these figures should not be lost sight of.

I have also other figures which may be interesting. They are taken from the annual report of the Canadian National Railway system for the year ended 31st December, 1920, from the annual report of the Department of Railways and Canals for the fiscal year ended 31st March, 1920, from the Public Accounts for the same fiscal year, and from the correspondence regarding the Grand Trunk Railway Company acquisition. They show what was the amount of the deficit of the Canadian Northern Railway system, of the Grand Trunk Pacific Railway, and of the Canadian Government Railways, for the same fiscal year. They show also the total amount of money paid out by the Government for these railways.

As regards the Canadian Northern Railway system, the deficit on operation for the year ending December 31, 1920, was $15,723,874; there was paid for interest charges $24,319,956; the total deficit being $40,043,830. The total indebtedness of the system amounts to $626,124,763, of which $233,800,738 is to the Dominion, on which no interest was ever paid, and $392,324,025 to outsiders.

As regards the Canadian Government railways, the deficit for the same year was $9,778,070. The Government is out of pocket $446,111,945 for these Government railways.

As regards the Grand Trunk Pacific railway, the deficit for the same year was $5,555,518; the fixed charges $8,524,424, making a total deficit of $14,079,942, with an indebtedness to the Government of $137,251,732. These figures give for the year ended December 31, 1920, a total deficit of $63,901,842, and up to that date a total outlay of $1,209,488,440, composed of $817,164,415 of Dominion non-active assets and $392,324,025 of outside debts. This is apart from $65,728,547 expended by the Government on Government railways for rolling stock, stores, and open accounts, and from advances made to the Grand Trunk Railway Company amounting to $77,297,000, according to the statement made by the Prime Minister on April 10; apart also from the very large indebtedness of the Grand Trunk Railway system to the public, amounting to $365,736,896, as of the 31st of December, 1917. I have been unable to make up the actual present indebtedness of the Grand Trunk Railway Company; but I find, from the figures given by the Company at the time of the acquisition by the Government, that the indebtedness as of the 31st of December, 1917, amounted to the sum I have just mentioned and exclusive of $216,253,111 owing by the Grand Trunk Pacific and including the $137,251,738 already mentioned.

Hon. Mr. SMITH: Does not that amount include the common stock of the Grand Trunk railway?

Hon. Mr. BEIQUE: No. It includes the debenture stock which carried a fixed dividend, but it does not include the common stock.

If honourable gentlemen will refer to the figures given by the Minister of Railways and Canals in the House of Commons last

night, they will find them very interesting. On page 4449 of the Debates he gave the operating deficit of the Canadian Northern system in 1919 as $6,471,846, and in 1920 as $16,258,579. The deficit on the Canadian Government railways in 1919 was $7,548,824, and in 1920 it had risen to $10,449,876. The deficit of the Grand Trunk Pacific in 1919 amounted to $6,292,949, and in 1920 it rose to $10,134,513. The total deficit for 1919 was $20,313,620, and in 1920 $36,842,970. The Minister of Railways and Canals said:

That was just the operating deficit, and to that you have to add the fixed charges on the Canadian Northern and the Grand Trunk Pacific, totalling in 1920 $33,488,764.71, and in 1919, $27,928,925. Now, if you add the operating deficit and fixed charges—and all this information will be found on page 1052 of Hansard—for the three systems; the Canadian Northern system, the Canadian Government and the Grand Trunk Pacific, the total for 1920 amounts to $70,331,734.88, as against $48,242,536.65 in 1919.

Mr. Fielding: Covering what lines?

Hon. Mr. Reid: These are the details: for 1920:

Canadian Northern system.. ..	$40,414,568 28
Canadian Government..	10,449,876 43
Grand Trunk Pacific..	19,467,290 17
Total..	$70,331,734 88

Mr. Fielding: That, I suppose, would include everything except interest on the original Intercolonial capital?

Hon. Mr. Reid: Yes, and on the Transcontinental.

Mr. Sinclair (Guysborough): When you speak of the Canadian Government system, do you mean the Intercolonial and the Transcontinental?

Hon. Mr. Reid: Yes, and the branch lines that are attached to the Intercolonial.

Mr. Fielding: Including the Prince Edward Island Railway?

Hon. Mr. Reid: Yes.

In the same number of Hansard, on page 4443, you will find that the House of Commons voted an additional amount of $89,687,633, and on page 4464 that they voted another amount of $26,000,000. If everything was taken into consideration the total figure would represent much more than two billion dollars.

In the face of the magnitude of the interest at stake it is no wonder that a man like Lord Shaughnessy, who is the best qualified to judge of the situation, felt it his duty to give the benefit of his advice to the Government and to the country. After saying at the bottom of page 7 of his printed memorandum:

The situation is a serious one and almost hopeless unless some plan can be devised that will promptly and effectively bring to this National Railway System additional financial strength and sustenance.

—His Lordship calls attention on the following page to the fact that with but one set of shareholders the Canadian Pacific Company forms really two separate entities, one constituting its railway system of over 14,000 miles, with lake, river and Pacific coast steamship lines, express and other accessories, and the other made up of its ownership in railway companies in the United States, its ocean steamship lines, lands, mining and other interests. And he proceeds:

If by some arrangement with the Company these assets could be segregated and the railway property added to the Government System that I have just described, the System would comprise 31,000 miles of railway with a considerable number of parallel lines unimportant or useless.

The consideration to be given the shareholders of the Canadian Pacific Company in exchange for the properties above defined would, I imagine, be in the nature of an undertaking by the Government of Canada to pay to the shareholders in perpetuity a fixed annual dividend on the share capital, to be supplemented by a further payment when the whole property was yielding a specified return.

There would be no motive for selfishness, if such a thing were possible in the circumstances. The income on their shares being fixed and unchangeable, excepting as above provided, the Canadian Pacific shareholders could receive no advantage from preferential treatment given to any particular portion of the Railway System. The Directorate would have every incentive for wise, prudent and business-like administration.

Of course there are many details that would have to be worked out, but it is not necessary to refer to them here.

It will be noticed that Lord Shaughnessy's suggestion is based on the necessity of avoiding duplication, of saving a very large amount of expenditure in the purchase of rolling stock equipment, in acquiring and building up terminal and other facilities already possessed by the C.P.R. Company, reducing the cost of operation; having in effect Government ownership without Government operation and thereby eliminating the danger of political interference, and extending to the whole railway system of Canada the benefit of the management of the C.P.R. It is obvious that a very large saving would be effected.

There is another point to which I wish to call your special attention: the demoralization of labour which is inevitably the result of Government operation. Experience in every country has shown that Governments will not receive from their employees the same service as private individuals or private companies will receive. I find from the railway statistics that in 1919 there were no less than

158,777 railway employees in Canada. If the larger portion of those employees are to be Government employees, not only will the efficiency of these be impaired, but it will tend to affect also the efficiency of like employees on the C.P.R.

Another important consideration which must not be lost sight of is the settlement of future labour troubles. The Government must be maintained in a position to intervene between capital and labour when necessary. How will it be able to do so with the necessary influence and authority when the strike is directed against the Government itself?

As to the advantage to be derived from the association of the C.P.R. management and staff, I submit that the advantage lies not so much in the fact that such or such persons may be members of the Board of management, but rather in the value of the staff, of the experience acquired and built up during the past thirty or forty years, and the incentive which will naturally remain in both the Board of management and the staff to maintain in the future the same standard of efficiency.

Of course, the larger the enterprise, the greater is the importance of having at its head the very best man that can be found. But in this instance, whatever may be the qualification of the person in charge or of the members of his Board, failure will be inevitable unless capital expenditure and cost of maintenance and operation are reduced to the minimum, which in the opinion of Lord Shaughnessy cannot be done if the Government railways are not merged with those of the C.P.R. and Government operation avoided.

One of the main objections which has been raised is that it would be creating a monopoly. My answer, for what it may be worth, is that it would be a monopoly in which the public would be the party mainly if not the only party interested; that the main danger of monopoly, the unduly raising of rates, would be prevented by the Board of Railway Commissioners of Canada. I may add that in public utilities experience has proved that after all monopoly, coupled with proper control by a Public Utility Commission, is better than competition. Competition may bring lower rates for a time, but if it involves as in this case an unnecessary duplication of plant, waste of capital and increased cost of operation, lower rates will not endure. The final result is always the disappearance of one of the competitors, or an amalgamation followed by an increase of rates to cover the losses suffered in the past. I could cite, if it were necessary, a number of striking experiences which we have had in Montreal, such as that of the tramways, the gas, and the power and light companies.

A second objection is entrusting the nomination of the board of management to the shareholders of the C.P.R. Company—not necessarily in perpetuity, but at least for a reasonably long period. This I understand is necessary mainly in order to ensure Government ownership without Government operation, also to give to the shareholders of the C.P.R. Company, who under the proposed scheme may be entitled to some share in the profits, a better guarantee of good management. Of course, if the management failed to properly carry out its public trust Parliament would be there to bring it to an end.

A third objection is the creation of an interest of such magnitude that it might become a menace to Parliament. For my part I would not apprehend any danger of that kind. I am satisfied that the management would realize that any abuse of power on its part or political interference would be sure to arouse the country and bring the trust to an end.

A fourth objection is the danger that the majority of the shares in the C.P.R. stock may pass into the hands of foreigners. That danger, it seems to me, could be removed either by entrusting the nomination of a majority of the board to the Canadian shareholders, or by providing that, if the majority of the shares were to pass into the hands of foreigners, Parliament would be at liberty to provide for another mode of election. These are of course matters deserving consideration and for which I do not attempt to offer a solution.

A fifth objection is the payment of a fixed dividend to the C.P.R. shareholders. The C.P.R. is in such condition of prosperity, and the association which it would be invited to accept is on the contrary so unprofitable, that the country can hardly expect that any other basis of arrangement would be acceptable. Let us suppose for a moment that the Government railway interest was owned by a private company instead of being owned by the state, could you imagine that the shareholders of that private company would hesitate to accept the association on the basis suggested? It is too obvious to need elaborating. The same benefit will accrue to the Government, with the additional advantage of having Parliament as a guarantee

against any abuse of trust. You have on the one hand a gigantic enterprise which, if operated independently of the C.P.R., will require a very large amount of new capital with the sure prospect of very large annual deficits for an indefinite period. You have on the other hand the C.P.R. Company with its past brilliant record and its equally brilliant future prospect; can there be any serious doubt as to the advantage of the former in being associated with the latter?

As an example of what benefit that Company may yet be to the country, let me refer to what I may call the valedictory address of Lord Shaughnessy to the shareholders of the Company at the annual meeting of May, 1918. He said in part:

> After 1899 the company's traffic commenced to show considerable growth, and the necessity for more rolling stock equipment and for traffic facilities and improvements of every possible description because imperative. Year by year, with the great expansion of business throughout the country, the demand for adequate facilities became more pressing, and the records show that in the years 1902-1914 inclusive the Company expended for second tracks, reduction of gradients, terminals, freight yards and facilities, workshops, machinery, and improvements of every character chargeable to capital, $206,300,000, and for cars, locomotives and other equipment, $130,000,000. That is a total of $336,300,000 for thirteen thousand miles.

If the railway system is to be kept separate, with a mileage of some 17,000 miles, what amount would be required in terminal facilities and equipment to answer the purpose? It would not be $300,000,000, but it would be more like $500,000,000 or $600,000,000.

Hon. Mr. TURRIFF: I understand that the Government state that if they take over the Grand Trunk railway they will have the necessary terminal facilities, and thus obviate the necessity of going to any expenditure in building terminal facilities if they retained the Canadian Northern system alone.

Hon. Mr. CASGRAIN: In Chicago, not in Canada.

Hon. Mr. TURRIFF: No, in Canada.

Hon. Mr. BEIQUE: I have not seen such a statement, and if I saw it I would not believe it. The Grand Trunk has facilities of a certain kind, to a certain extent, in certain places, but I know that the facilities of the Grand Trunk are not equal to the requirements of a system of such magnitude. Lord Shaughnessy's suggestion is based on the necessity of reducing the future capital expenditure, and of saving in operation by operating the two systems as one. From Montreal to Quebec or Ottawa or Toronto or any other place, they would run only such number of cars as would be necessary to accommodate the people who must be carried.

It was stated by the honourable member from Brome (Hon. Mr. Foster) that if Lord Shaughnessy were a young man it would be wise to put him in charge. Today we have the honourable member for Rideau (Hon. Mr. Edwards) submitting the name of Sir Joseph Flavelle. All that I know of Sir Joseph Flavelle is what I have seen of him when he appeared on two or three occasions before the Senate, and I must confess that I formed a very high opinion of the ability of the man, and I have nothing to say against the praise of that gentleman given by the honourable member for Rideau. But to my mind this is not a question of one man. The conditions are such that I believe that no one man can carry out the enterprise successfully if it is to be operated separately from the C.P.R. The main advantage that would be gained if Lord Shaughnessy's suggestion were acted upon would be securing the benefit of the efficiency of the staff which has been built up in the course of some twenty or twenty-five years—a staff which is unique.

Hon. Mr. DANDURAND: Has the honourable gentleman discussed the advantage that would accrue to Canada if there were not two companies formed—if the outside holdings of the C.P.R. in the United States, and the land, and the steamship companies, were all kept and operated for the advantage of the country? Would there not be a larger dividend paid?

Hon. Mr. BEIQUE: Of course, that is merely a matter of detail. I do not intend to enter into that question, because it does not really form part of Lord Shaughnessy's suggestion. Lord Shaughnessy's proposal is stated on broad lines. He did not state what would be a fair amount to be paid to the shareholders of the C.P.R. He did not lay it down as a necessary condition that part of the assets of the C.P.R. should be segregated. He suggested two things. He suggested that it would be better policy for the country and for all parties concerned to keep the Grand Trunk separate; and he was logical in suggesting at the same time that the railway lines owned or controlled by the C.P.R. in the United States should not come into the system. I know Lord Shaughnessy holds most strongly the con-

viction that from all points of view it would be very bad policy for the Government to own and operate railways situated—

Hon. Mr. CASGRAIN: In foreign lands.

Hon. Mr. BEIQUE:— in the United States; so he made that suggestion. But he stated that his plan was laid down merely on broad lines, the details being left to be worked out.

I was dealing with the question of the staff. I stated that it would be of great advantage to the country to have the association of the C.P.R. with its staff. Now, I would like again to refer to the same address by Lord Shaughnessy, on May 1, 1918, in order to show what benefits may be derived from the association of the C. P.R. Several years ago the Canadian Pacific had to accept, as part of the land granted to the company, 3,000,000 acres along the line west of Medicine Hat, in what was then known as the semi-arid district, where there was little or no water, a very uncertain rainfall, and other conditions that made the land practically valueless. To recover this tract it was decided to adopt a plan of irrigation, and an expenditure of over $15,000,000 was made in the construction of the requisite works and ditches in the eastern and western blocks, comprising about 2,240,000 acres. These lands, which were valueless, are today selling at over $50 an acre; therefore their value to the country is over $150,000,000.

Hon. Mr. CASGRAIN: Ten to one. They spent $15,000,000.

Hon. Mr. BEIQUE: I say, these lands are worth to-day $51, $53, or $55 an acre, and, as there are 3,000,000 acres, they represent a national value of $150,000,000, an amount much greater than the Canadian Pacific ever got from the country. It received in railway works $62,000,000; then it received $35,000,000 in cash, and 18,700,000 acres of land, including these 3,000,000 acres, the land being worth at the time $1 or $1.50 an acre. In that operation alone the C.P.R. saved the country much more than it ever received from it.

The company has done splendid work in other respects as well. It has spent many millions of dollars in research work, a good part of which had little practical result; in demonstration farms for the benefit of settlers on the company's lands, and others; in the introduction of better strains of cattle, hogs, etc., and in other works of a similar character. An outstanding accomplishment was the rehabilitation of the mining and smelting industry in southern British Columbia, at a time when the patience of the original investors had become exhausted and the mining industry was at a very low ebb. With its command of capital the company was able to step in—to re-open abandoned mines; to acquire and develop others; to enlarge enormously the facilities for the treatment of ores; and to inspire new life into communities like those of Rossland, Trail and other places in British Columbia. Of course, the C.P.R., in making those expenditures, was promoting its own interest; but the company felt also that its interest was common to that of the province, and when the company saw the crisis which had occurred in the mining camps, it stepped in, and, with its capital and influence, made a success of the undertakings of several companies that had come to grief.

Honourable gentlemen, in concluding these observations, which I am afraid have been too lengthy, I desire to say this. My suggestion is not that the proposal of Lord Shaughnessy be accepted or that Sir Joseph Flavelle's or anybody else's services be retained or not. The interest at stake is too great. What the country should do now is what it should have done years ago —get the best railway experts, from the States or from European countries, or wherever they can be found, place the whole situation before them, and ask them to make a thorough study of it, and report. Only then would the Government and the country be able to judge as to what is the best policy to adopt—Lord Shaughnessy's proposal or some other. It seems to me that Sir Joseph Flavelle—if, as I believe, he possesses the qualifications mentioned to-day—would not be disposed to take the responsibility of operating a system of that kind until what I have suggested had first been done. Before the final step is taken the country is entitled to obtain the best advice that is available.

Hon. W. C. EDWARDS: Honourable gentlemen, I thoroughly agree with the views of my honourable friend as to the desirability of carefully considering the Shaughnessy proposal. To my mind it presents the most feasible and very best plan, so far as Canada is concerned. I am firmly of the conviction, however, that if that suggestion is not carried out—and I fear it will not be carried out—and if Sir Joseph Flavelle can be influenced to take the posi-

tion, he will do exactly what my honourable friend (Hon. Mr. Béique) has suggested; and I am convinced he will take the position on no other consideration.

Hon. Mr. CASGRAIN: May I ask the honourable gentleman from De Salaberry (Hon. Mr. Béique) if he has taken into consideration the fact that the two systems, Government ownership and private ownership, cannot exist simultaneously for very long in any country.

Hon. Mr. BEIQUE: If I understand the question, it is whether or not the C.P.R. can be continued separately from Government operation?

Hon. Mr. CASGRAIN: Independently—whether the two systems, Government operation and private ownership, can exist simultaneously in the same country for very long?

Hon. Mr. BEIQUE: I would not say that it could not be done. As I have already stated, I am inclined to think it would affect the interests of the C.P.R. so far as the question of labour is concerned. However, I am quite satisfied that the C.P.R. can continue its operation profitably, even with Government operation of the other system. As a shareholder or as a director of the C.P.R. I am not at all afraid; I am satisfied that the C.P.R. will continue to operate its system of railways profitably.

Hon. F. L. SCHAFFNER: Honourable gentlemen, I had not the slightest intention of making any remarks in connection with this great subject so late in the Session. However, I read over with great interest the inquiries made by the honourable gentleman from De Salaberry with reference to railway matters, and I have watched day after day for the answers. I have been exceedingly interested to-day in learning the answers which the honourable gentleman has obtained and has this afternoon placed on Hansard. I was interested because of the personality of the man by whom the inquiries were made. I look upon him as a business man who has had a great deal to do with what is perhaps the most successful railway corporation that has ever been in this country.

I am not going to enter into a discussion of the question. As I said before, it is too late in the Session. But I would like to say right here that I do not know of any better way in which the experienced business men of this honourable House could be occupied next Session than in trying to solve this most important question that we have in Canada to-day.

The honourable gentleman said in his address that he was impressed last night, when listening to the discussion in another place, with the light-hearted manner in which millions were voted. It does strike any man, not only the member of Parliament, but the man on the street, that as the Session draws to a close vast amounts of money are voted without much discussion. I have had a number of years' experience, and have noticed in how short a time millions have been voted for public works in this country.

If I understood the answer which the honourable gentleman gave me when I asked him the date from which he was giving the expenditures in connection with our railways, he said 1911. As I have said, I do not intend to make any extended remarks, but I desire to point out that if we are to locate the responsibility for our railway problem and the difficult financial position in which we are to-day, we must go back a long way beyond 1911. There is an old saying that there is no use in crying over spilled milk, and it is true. It serves no good purpose to hark back to years gone by. Nevertheless, the responsibility dates away back beyond 1911.

The honourable gentleman from Rideau (Hon. Mr. Edwards) made another statement with which I absolutely agree—that this problem should be solved entirely outside of party politics.

Hon. Mr. EDWARDS: Absolutely.

Hon. Mr. SCHAFFNER: I agree with that. But let me remind honourable gentlemen opposite, and honourable gentlemen of this side of the House, that it is because of party politics that we are in our present position in connection with our railways; there is no question about that. And I may tell my honourable friends opposite that, however great the sinners have been on this side of the House—and perhaps this is because I am to some extent a party man—I believe the greater sinners have been on the other side. The men in another place passed those votes. I understand that something like $185,000,000 went through last night. That is a great deal of money, I admit; but what are they to do? The Government of the day, or the new Government, if the Government changed to-morrow, would be obliged to assume the responsibility, and it is a tremendous responsibility. We must

not too severely condemn the men in another place because they vote large sums of money to meet the expenses in connection with the railroads. Canada is face to face with a great problem, but Canada can and will grapple with it. Let us do what has been suggested by the honourable gentleman who has just taken his seat (Hon. Mr. Béique)—get the very best experts in the world to help us, and lay this matter before them and see if they cannot solve the difficulty. I thoroughly agree with that suggestion. I admit that I am no authority; that I speak as the man on the street; but I have given this question some thought, and it seems to me that if it were possible to link up all the railways in this country under one management and under one control of Parliament, it would effect a very great saving. I will give just one instance of a saving that could be effected. Between this city and the city of Montreal sixteen trains run each way every day. Everybody knows that such a practice is a waste of energy and a waste of money. I heard a gentleman the other day suggest that the powers of the Railway Commission should be so extended that it could control the number of trains running. The Railway Commission is an institution for which I have the very highest respect. It was established by Sir Wilfrid Laurier's Government; but, in my opinion, if any body has given good and satisfactory service to the country, that body has been the Railway Commission. I do not know whether it is within the power of Parliament to carry out the suggestion of this gentleman, but if it could be carried out I think it would help to do away with the present deficits, which I am convinced are caused by the running of too many trains. I could give other cases in which there are too many trains for the business that is to be done. I believe the number could very well be cut down. That is one point that might be taken up and considered.

In closing, I just wish to say that I have listened with a great deal of interest to the remarks of my honourable friend (Hon. Mr. Béique). I wish to thank him for the material that he has put before the House and before the country, and I hope that this matter will be taken up in this Chamber at the beginning of next Session so that we may get down to business immediately and solve the problem in a businesslike and proper manner.

Hon. Mr. CASGRAIN: What was the population per mile of railways in 1911?

Hon. Mr. SCHAFFNER.

Hon. Mr. SCHAFFNER: I cannot answer that question.

Hon. Mr. CASGRAIN: The Drayton-Acworth report, with which we are all familiar, contains the information. I only want my honourable friend to admit it.

Hon. Mr. SCHAFFNER: I cannot answer the question, and I do not know what good it would do if I could.

Hon. Mr. CASGRAIN: I will tell the honourable gentleman, because this harking back is out of place. In 1896 the population was 300 persons per mile, and in 1911 it was 284—only sixteen less per mile. What is it to-day? It is only 180 persons per mile.

Hon. Mr. SCHAFFNER: Is that any excuse for the building of thousands of miles of unnecessary railways?

Hon. Mr. CASGRAIN: Certainly. Up to a certain time the railways did not increase any faster than the population.

Hon. J. S. McLENNAN: Honourable gentlemen, the honourable gentleman from De Salaberry (Hon. Mr. Béique) has put so many facts before us, and put them before us so clearly, that there is very little occasion for me to deal with any phase of the subject which he has touched. The country is prepared to consider any remedy for the problem which is so seriously embarrassing Canada, not only in its finances, but also in that it is curtailing the amount of money the country has to spend in the development of its resources in the future.

The proposition which we are considering is, as far as my knowledge goes, unprecedented. In effect it is this: that it is suggested to trustees that they should divest themselves of the property forming the trust and place it, substantially without reserve, in the hands of a corporation, under circumstances the nature of which makes it impossible for that corporation to give adequate guarantees for proper care in administration.

It is further suggested that this should be done in the face of the fact that the cestui qui trust has become habituated to various collateral advantages from the administration of the property by the trustees—advantages personal, incidental, local, but all hurtful; and in the aggregate so detrimental to the effective administration of the property by the trustees that it is at present crippling the other activities of the trustees and threatens to become a burden too great to be borne.

Such proposition could only be made in the face of grave difficulty, and made to a corporation to which the good will, the capacity and the integrity of its guiding spirits had been completely proved. This, I think, is not an unfair statement of the present condition.

The Government of Canada is the trustee of the people of Canada for the railways which have come into its possession and belong to the people of Canada. The demand of the people of Canada on the Government for extension of these railways, for rates which are unprofitable, for appointments on other grounds than those of fitness for the position, have made it impossible for untrained men holding their positions by successes in elections, with the constant fear of the molehill of tomorrow, which obscures the mountain of next year, to so manage the railways of this country that these railways are not the gravest of menaces to the financial stability and the economic well-being of the Dominion.

It is not necessary at this stage of the debate to go into details as to the unsatisfactory condition with which the Parliament of Canada has to deal. The income tax depletes to its full extent the reservoir of savings from which is to be drawn all the Canadian money which can extend existing industries and establish those new ones for which there are so many opportunities, and yet all of the income tax and more goes to make up in part the deficit in the annual operation of these national roads. It is not only annual deficits, but the large sums required—150 millions on the Grand Trunk in last year and this.

There are hopes, scarcely so flamboyantly expressed as when was debated in these Houses the purchase of the Grand Trunk, that an increase of population would so greatly lighten the burden on Canada that it would become negligible, and the day does not seem near at hand when the hope of the leader of this House that we would soon have a completed railway system which would so attract the financial magnates of the world that they would make the Government of Canada a handsome offer for it and so relieve us of the burden, will materialize. Meantime all the revenues which Canada can raise are needed to meet the obligations of the country, and any surplus should be devoted to aid in its development.

It does not seem an overstatement to say that this problem of establishing the transportation system of the country on a sound basis is pressing for solution; and that solution, if it is to be a permanent one, must be based on sound principles. The sound principles I take to be that those who use the railroads should pay for their use an adequate amount, and that amount should be lessened, not by subsidies or deficits which are the equivalent of subsidies, but by such effective management that the economic prosperity of the country can be heightened by giving the utmost value for every dollar the people of the country pay for transportation. The proposition, again, is unprecedented by the fact that, as far as I know, no other corporation of a similar kind could be taken as seriously worthy of consideration as the agent of the people of Canada, in such a task as is suggested should be handed over to it.

In this I do not speak of the administrative success of the C.P.R. It is an extraordinarily well-managed road, but its reputation which would justify seriously considering such a proposition as that of Lord Shaughnessy is based on other qualities which its management possesses. Those qualities are moral ones. One must remember that the C.P.R. was a pioneer among the railroads of this continent in honest management, that is, in the fact that from its inception the interest of the shareholder was paramount. It came into existence at a time when many of the subsidiary operations of the railroad—its elevators, the express company, the telegraph company, and the steamships —were the property, not of the Railway Company, but of insiders connected with the Company; when it was considered legitimate to take railway lands and make money out of them. Nothing of this kind ever occurred with the C.P.R. A friend of his told me that when Sir William Van Horne was a young man in another railway he said that if he ever had charge of a road there would be no sideshows. When he came to manage the C.P.R. he found in his chiefs, Lord Mountstephen, Lord Strathcona, and Mr. Angus, men who gave him free rein in carrying out this object. He had then as his purchasing agent Lord Shaughnessy, and, if the gossip of forty years ago be true, the first resignation of a Director was because Mr. Shaughnessy, as he then was, insisted, and was supported by his superior officers, that all purchases must be made solely for the benefit of the Company. Lord Shaughnessy succeeded Sir William Van Horne, Mr. Beattie has succeeded Lord Shaugh-

nessy, and this sound principle has remained stable, and is now buttressed by the traditions of 40 years.

Hon Mr. CASGRAIN: It is not forty years; they only got their charter in 1882.

Hon. Mr. McLENNAN: I do not consider myself under examination; however, I will say two score years. I think the charter was granted in 1881.

It is well to pause and remember that it is to this railway, a Canadian one, that there has come about a reform in the practice of the railways of this continent.

The management of the road has also been able to inspire its employees with an esprit de corps which is one of that road's greatest assets. It was said that Napoleon placed the baton of a marshal in the knapsack of every French soldier. The system of the C.P.R. is such that everyone in its service may feel that his success, with reasonable good fortune, is entirely in proportion to the ability and industry he displays.

Hon. Mr. CASGRAIN: And honesty.

Hon. Mr. McLENNAN: And honesty. The Canadian Pacific railway has also been able to create a degree of loyalty among its clients. I have been struck over and over again by the way in which people will go to considerable trouble to travel on the Canadian Pacific railway or to send a telegram over its line, when it does not seem absolutely worth while. The service must be good, or the people would not do it; and they do it to an extraordinary extent.

Hon. Mr. CASGRAIN: Is it not a fact that on the old Grand Trunk railway freight was handled better than on the Canadian Pacific railway.

Hon. Mr. McLENNAN: I do not know enough about that to be able to answer.

A third and equally important factor in the history of that Company is that it has shown restraint in its relations to the public and in the returns to its shareholders. Lord Shaughnessy said in 1918 that from premiums on stock, from the turning of earnings into equipment, and into extensions, $143 in money was represented by every $100 in capital stock of the Company. And, again, with relation to the public, both freight and passenger rates are lower than on any transcontinental system in the United States.

Again, having regard to the public spirit displayed by the railroad, Sir Thomas White, in speaking of the war efforts of Canada from the financial standpoint, said that from first to last, through the entire war period, the Canadian Pacific railway, to the limit of its great financial power, aided the British Government and the Canadian Government in finding money for the vast purchases made by the Munitions Board.

Therefore one is justified in saying that the C.P.R. is so skilfully managed that, if any arrangement were made with them, the highest degree of technical skill and administrative ability could be placed at the disposal of the new system; that it is honestly managed; that it has been able to imbue all the men it keeps in its employment with loyal devotion to the efficiency of the road, and to its reputation. Again, that it has not been avaricious; that it continues to have in a needed degree, but that degree less than when it created traffic from a wilderness, the creative ability to reach out for new business, a valuable quality with any body of men undertaking to overcome the difficulties which face the successful solution of the Canadian railway problem.

This sounds like the language of panegyric. It is a restrained statement. It is borne out by current happenings. Proof is given in the markets of the world. You know how overflowing are the financial resources of New York. Honourable gentlemen know how severe is the strain on the financial resources of London; how flotations have sunk to the vanishing point; how industry is disturbed in the United Kingdom by the restrictions on industrial credits; how great is the necessity for Lombard Street to husband its resources. Yet, if what I hear in the last few days be true, the C. P. R. has been able to sell in London a large amount of its 4 per cent debenture stock—not only to sell it, but, mark you, to sell it to give a better yield than a premier American railway could obtain for a recent loan on the New York market.

Hon. Mr. CASGRAIN: What did they obtain?

Hon. Mr. McLENNAN: I hear about 6.40 as against 7.50. It was about one per cent better than was obtained by the American system to which I referred; also, I am given to understand, with this difference, that a large part of the American loan was a refunding, which therefore made it more favourable than the proposition of the Canadian Pacific, which re-

quired their money for future extensions.

As a shareholder of the C. P. R., I certainly am not anxious to have the management of the road take on any more problems than those which arise from the management and development of its own property. As a citizen of Canada I would be glad if some arrangement could be made by which that organization, with its fine ideals, its esprit de corps, its technical ability, its genius for discovering and developing profitable avenues of expansion, could be placed at the disposal of the people of Canada.

Two questions arise in connection with this. One is: would those qualities and capabilities stand dilution? In other words, could they be spread over the 14,000 miles belonging to the C.P.R. and the 17,000 miles belonging to the people of Canada? I think I have used a wrong term. There would not be any dilution, but I think there would be an accretion. The men taken over from the other roads, having new scope for their ambitions, knowing that they belonged to a successful and not an unsuccessful corporation, would measure up to the associates they joined. I am more confirmed in this by having, since 1881, constantly travelled over the Intercolonial railway. In that time I have never known a train hand otherwise than courteous and helpful to passengers. I have known splendid men in every department of that railroad. I believe there would be no danger from this source. The difference which men of this class have found between working for an enterprising road like the C.P.R. and the Government road, seems to be this: that the first consideration with the man of the enterprising private corporation is to do the best possible for the road, with the assurance that his action will be commended.

Let me give a couple of samples of what I mean. There is a junction point in Nova Scotia, with Halifax sixty miles away, with the Sydneys over two hundred, and, beyond the Sydneys, Newfoundland with a considerable population, a very considerable power of producing wealth, and a population which it is extremely desirable to bind closely in the ordinary affairs of daily life with the people of Canada. It would seem obvious that no successful private corporation would take any other view than to encourage, by making convenient, traffic over the longer part of the road rather than over the shorter, particularly as the volume of the traffic over the longer road is, I believe, much the greater. This has not been done by the management of the Intercolonial. I need not weary the House with specific details.

Take another example. Sydney is the third largest distributing centre of the Maritime Provinces. The number and importance of its wholesale houses are very considerable. A large part of their trade is import by rail, export by water; and yet for years the Intercolonial railroad, which is the highway between the whole of this continent and that district, has been without a wharf at which vessels could load. That wharf is about to be built after many years of waiting, and built in response to the applications of the public of Sydney.

One cannot imagine such a condition on the line of a prosperous railroad. The District Superintendent would have pointed out the opportunity for increasing traffic over the road if certain facilities, in this case a wharf and warehouse, were provided. He would have kept this before his superiors; and, on the other hand, as soon as his superiors had given him the facilities for which he had asked, he would be told implicitly, if not in actual words, that he was bound to keep vessels at that wharf and those warehouses filled. Successes of this kind are found over and over again in the life history of the successful railroad man, and I believe that a large part of the personnel on the Government railroads would display this same resourcefulness and this same enterprise, if they had the stimulus of working for a successful instead of for an unsuccessful organization, and the opportunity to show what was in them.

The only danger that I can see, provided reasonable terms were made, is whether the high standards of a system which gives scope to the able and the ambitious can continue to endure; that spirit and that scope in every walk of life is what has made Canada the country she is.

This is not a matter which must be hastily decided; and in this connection I may point out that the project of the one extremely successful railway venture of Canada, the C.P.R., was considered for a long time by the people of Canada before the company which carried it out was organized, and that all our failures have been rushed through.

There is, it seems to me, a parallel to the present situation in the history of Canada. In 1865 old Canada was face to face with a political crisis of surpassing importance. The whole of British North

America saw before them difficulties in carrying on as they were. The leaders of all parties, political antagonists, typified by Sir John A. Macdonald and Mr. George Brown, met together, and, sinking all local and all partizan experiences between them, co-operated and wrought out a constitution which has stood the test of half a century, and has been the model for the constitutions of other commonwealths. Under this constitution the spirit of self-reliance among Canadians has found itself unfettered by the British North America Act, which embodied the conclusions of that group of men.

I can see that the transportation problem of Canada—the sound solution of which is hampered by the vast spaces with which we have to deal, the effect of the climate in diverting to the ice-free ports of our neighbour so large a proportion of the traffic produced by our industries, the burden imposed on us by our extravagant expenditure on railways—constitutes an economic crisis scarcely less important to the future well-being of Canada than the condition with which the Fathers of Confederation had to deal. The sooner the Government and Parliament of Canada set about dealing with this transportation problem the better. Delay in dealing with it, or misdealing with it, cannot stop the ultimate progress of this Dominion, but a sound dealing with it will enhance immediately the prosperity of Canada. The highest success cannot be reached by a partizan treatment. The discussion of this question should be on the floors of Parliament, avoiding all old party battles, or old party cries; to find out how, by mutual concession, divergent interests could be harmonized to a great national end.

If the solution which such a treatment of the matter finds be sound, those who are responsible for it must be prepared to find dissatisfaction. It was so in 1867. A historian of Confederation says:

> On July 1st the new Dominion came into being. Ontario was jubilant; Quebec doubtful and expectant; New Brunswick sullen, and Nova Scotia rebellious. Many of the newspapers in the Maritime Provinces came out that day with their columns draped in black. Confederation had been carried, but the problem remained of holding it together.

If a sound solution of the transportation problem of the country be found, it may give no more immediate satisfaction than did the British North America Act in 1867. We know the history of Confederation, and I think we may safely challenge anyone to find in the history of Governments an instance where sound statesmanship and courage have failed to carry with them, in the course such leaders propose, a people as intelligent as are the people of Canada. It will be well for Canada if this Parliament and the next contain men with the constructive statesmanship and the sound courage which were the high attributes of the men who met in Quebec in 1865. The people of Canada will agree absolutely and entirely to any solution, which its leaders reach in a united way, of this transportation problem or any other great question.

Hon. Mr. CASGRAIN: May I ask the honourable gentleman a question? He says our Confederation has been a model one. I ask him, a model to whom?

Hon. Mr. McLENNAN: Australia was largely influenced by it, and New Zealand, though not entirely.

Hon. Mr. CASGRAIN: Just the reverse of our method in Australia, because there the separate states got the power to govern themselves. If the honourable gentleman will read their answer to the British Government, he will find that they refused absolutely to take a constitution like ours. They said: "You can keep it; we won't have it at all."

Hon. Mr. McLENNAN: Nobody was forcing our constitution on the other Dominions. I said that ours was very carefully studied.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, I do not propose making any discussion on this inquiry, but will simply answer it shortly. My honourable friend (Hon. Mr. David) placed the following question on the Order Paper:

> That he will call the attention of the Senate to the letter of Lord Shaughnessy re solution of the Canadian National Railway difficulties and inquire whether the Government intend to take action in regard thereto.

In reply, I would say that the Government is engaged in giving special attention to the solution of the Canadian railway problem, and will continue to do so as long as it is charged with the Administration.

Hon. Mr. CASGRAIN: Will you give the answer which you gave to Lord Shaughnessy?

Hon. Sir JAMES LOUGHEED: That is the answer.

The Senate adjourned until to-morrow at 11 a.m.

THE SENATE

FRIDAY, June 3, 1921.

FIRST SITTING

The Senate met at 11 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

HAY AND STRAW INSPECTION BILL

CONSIDERED IN COMMITTEE

The Senate again went into Committee on Bill 159, an Act to amend the Inspection and Sale Act (Hay and Straw Inspection).—Hon. Sir James Lougheed. Hon. Mr. Bennett in the Chair.

On section 1—presser of baled hay or straw instead of seller to tag same with his name and address and weight of bale:

Hon. Mr. DANDURAND: There was a consensus of opinion that the owner of the hay at the time of the pressing should be the one whose name should appear on the tag, so I have prepared an amendment which I have submitted to a number of Senators who seem to be interested in this question, and which I think will meet with approval. It reads as follows:

Sections 340F and 340G of the Inspection and Sale Act, Revised Statutes of Canada, 1906, chapter 85, as enacted by chapter 30 of the Statutes of 1918, are repealed, and substituted therefor the following:

340F. Every owner for whom hay or straw is pressed in Canada shall affix to every bale of hay or straw sold or offered for sale, a tag having thereon plainly written and his name and business address, the month and year of the pressing, and the weight of the bale. Such tag shall be securely fastened to the bale, and shall be of not less than one and one-half inches in width and three inches in length.

340G. Any owner of hay or straw, at the time of the pressing, who fails to attach a tag to each bale of hay or straw, as prescribed by this Act shall, on summary conviction be liable to a fine of five dollars for each such violation.

Hon. Mr. McMEANS: It should only apply to hay for export.

Hon. Mr. DANDURAND: It has nothing to do with export, and nothing to do with grading. The only obligation under the present Act and under this amendment is to give the weight of the hay and the name of the owner.

Hon. Mr. McMEANS: In the western provinces where people go out on Government lands and cut hay, paying the Government so much a ton, the hay is here and there and everywhere, and this is going to work a great hardship A great many of them press small quantities of hay.

Hon. Mr. FOWLER: What do you guarantee by that tag—the quality of the hay?

Hon. Mr. DANDURAND: No.

Hon. Mr. FOWLER: That it shall not contain bones or parts of carcases?

Hon. Sir JAMES LOUGHEED: Foreign substances.

Hon. Mr. FOWLER: What is a foreign substance?

Hon. Sir JAMES LOUGHEED: There might be stones, or bones, or other things in the hay—things which have been found in baled hay—and it is to prevent the introduction of these things into the bales, increasing the weight.

Hon. Mr. FOWLER: I will guarantee that all the foreign substances found in baled hay—carcases of animals and such like—would not in value come up to the cost to the country of this legislation so far as it has gone. If this is to guarantee the quality of the hay it seems to me so absurd as to be utterly trivial.

Hon. Mr. CASGRAIN: They put gravel and sand and stones into baled hay; I have got it myself.

Hon. Mr. McHUGH: To impose a penalty because some foreign substance has got into a bale of hay is absurd. Anybody who ever gathered up hay in the fields knows that a stone, may be raked into the bundle —or, as an honourable gentleman said the other day, the skull of an ox. The most natural thing in the world, if a dog carried it into the field, would be for it to get into the hay when the rake went through. But to suppose that such things are done from a dishonest desire is absurd. These things happen even if you are gathering up hay for your own use. If the land is new and there are sticks and such things spread over the field, they will be raked up. You may come upon them when the hay is being unloaded into the mow, but many of them will be overlooked. These are accidents, and it is absurd to think of imposing a penalty on a man because of things of that kind. The whole legislation, as the leader of the Government said the other day, is just from a crazy desire to get something spread on the statute book. It is ridiculous to think of putting on the day and the month of the year that the hay was pressed. Anyone who has anything to

do with the pressing of hay knows that, in Ontario at all events, 90 per cent of the hay is pressed in the winter months. What has that to do with the quality or anything else? It is done in the winter of the year, when the farmers have plenty of time, and they ship it in March or April to the foreign market.

I say the legislation is altogether out of place. All you have to do is to leave the matter between the buyer and the seller of the hay, and the buyer will have the right to go to court if he is imposed upon. It is all nonsense to talk of labelling the hay with tags, showing the day and the month of the year when it was pressed. Take a field of 20 acres of hay of uniform quality as it is growing. You cut that hay, and we will say half of it is first quality while the other half, if a shower of rain comes on, will not grade better than, say, third quality. It is nonsense to think that you can regulate these matters by legislation. It must be left to the buyer to tell the seller what he wants, and for the seller to say, "I have the quality or the article you want", and if it does not come up to the representation he has the right to go to court.

Hon. Mr. DONNELLY: As I understand the amendment, it does not require the packer or the owner to put on the day of the month. But it is necessary to put on the month, so that the buyer may know in what month it is packed and what year's product it is.

Hon. Mr. FOWLER: Suppose the tag comes off?

Hon. Mr. DONNELLY: That is an accident. This amendment does not require the packer to state the grade of the hay. We already have legislation in regard to the packing of the hay. This is not new legislation; it is simply an effort to improve the present Act. I think the amendment is quite satisfactory.

Hon. Mr. FOWLER: What penalty do you impose?

Hon Sir JAMES LOUGHEED: Five dollars for each violation.

Hon. Mr. DONNELLY: The object of having the name on the bale is so that the buyer will be able to trace it back to the original owner in case there is anything which would render him liable under the common law.

Hon. Mr. FOWLER: Suppose the tag came off in transit; who is liable then? Do you fine the railway company for taking the hay without a tag attached to it? Or what happens? I do not understand. Would my honourable and learned friend from De Lorimier, who has such a knowledge of farming and the hay business, please inform me on that subject?

Hon. Mr. DANDURAND: I am not responsible for the original legislation, and if the Bill brought in by the honourable leader of the Government is rejected, the Act still remains, with its obligation upon the seller to affix a tag, under a penalty of $5. That is not changed. You may wipe out this Bill, but you still have the Act unless this is repealed. The Bill now before us simply says that instead of the seller being responsible, it shall be the presser. Who is the seller? There may be three, four, five or six sellers; the hay may have passed through several hands. The Act provides that the seller shall be responsible, but the Government steps in and declares, "We find that that is not just—that it should be the owner of the hay that is pressed, who knows what there is inside the bale, and we desire to have the presser substituted for the seller." That is the amendment proposed, and I submit that, as the presser is not necessarily the owner, we should substitute for the word "presser" the words "the owner of the hay at the time it is pressed." That is all. The reason is to insure that the ultimate purchaser may trace the responsibility.

Hon. Mr. CASGRAIN: The consumer, you mean.

Hon. Mr. DANDURAND: The consumer, yes—the last purchaser, so that he may claim damages from the seller. The seller will know who is the person responsible for the pressing of the hay and for the condition in which it is found. There is no responsibility for grading, but the man who has to affix his name to the bale of hay he presses will begin to feel a certain responsibility for the manner of pressing and the quality of the hay. The purchaser sees only the exterior. I am not responsible for the legislation. My motion is simply that the word "seller" be changed to the word "owner."

Hon. Mr. WATSON: For what would you hold the owner responsible? The condition of the hay with regard to moisture, or bones, or stones, or sticks in the hay, or what?

Hon. Mr. DANDURAND: If I were consulted as a lawyer, I would say honesty pure and simple.

Hon. Mr. WATSON: But as a rule the greatest damage to hay is caused by moisture. If the hay gets damp and musty, would you hold the owner responsible?

Hon. Mr. MITCHELL: Certainly. Hay that has been pressed in the winter time, in very cold weather, and then shipped, we will say in the early spring, to St. John or New York, and is allowed to lie there a while, is apt to become entirely changed in quality. If the hay gets moist, the quality may be entirely changed in three months. Why hold the owner responsible for that?

Hon. Mr. McHUGH: Would the honourable gentleman (Hon. Mr. Dandurand) make the owner of the hay liable under the penalty clause in the amendment that he brings in, because a stone, or a stick, or the skull of a beast had accidentally got into that hay? It is by accident that such things get in. No farmer wants to gather up that kind of stuff and put it into his barn, but accidentally he may gather it up and roll it into the hay, and it may go into the presser.

Hon. Mr. DANDURAND: It is for the courts to decide as to the element of honesty.

Hon. Mr. FOWLER: What change in the weight of the hay would there be, if a skull, for instance, got in?

Hon. Mr. CASGRAIN: Whose skull?

Hon. Mr. FOWLER: Well, yours for instance. There would not be very much weight in it, I admit, but still—

Hon. Mr. CASGRAIN: It is pretty heavy.

Hon. Mr. FOWLER: The amount of hay of which the purchaser is deprived by reason of the skull being in it would be very small; it would not pay him to go after the original owner of the hay, or the man who got it pressed—

Hon. Mr. WATSON: It would not pay for the postage stamp.

Hon. Mr. FOWLER:—to have recourse for damages. The more restrictions you put upon the free interchange of commodities the worse you make it for business.

Hon. JOHN WEBSTER: Not in this case.

Hon. Mr. FOWLER: In this case, yes, and in every case. For my part—I do not want to take the time of the House—I am absolutely and irrevocably opposed to this sort of legislation.

Hon. Mr. TODD: I would like to ask the honourable Senator moving this amendment whether it applies to hay for sale only, or to all hay that is pressed.

Hon. Sir JAMES LOUGHEED: To all hay pressed.

Hon. Mr. TODD: I think that is rather stringent legislation. Down in New Brunswick—and I think the same applies more or less to Quebec—there are farms owned by a large number of concerns who press hay, but do not weigh it. It is not for sale at all.

Hon. Sir JAMES LOUGHEED: We are not amending the law in that regard.

Hon. Mr. FOWLER: Yes; it says "owner." Any person could come around and have you fined for not tagging your hay.

Hon. Mr. TODD: Is there in the Bill anything that makes this point clear? Under that amendment, would not a man who pressed hay but did not weigh it be liable to a fine?

Hon. Mr. DANDURAND: That is the law to-day.

Hon. Mr. TODD: The law should be changed, then. There are thousands of tons of hay in New Brunswick, and probably in Quebec, that is not weighed at all. The hay is simply pressed; it is not sold.

Hon. W. B. ROSS: I think we would be doing a public service if we were to strike out sections 340F and 340G altogether. I agree with the view taken by the honourable gentleman from Lindsay (Hon. Mr. McHugh). There is no good in this proposed amendment; it does not get you anywhere, apart from the matter of certifying the weight. The buyer can simply order that the hay be put on a scale. Moreover, the tagging of a bale of hay is not like the stencilling of a barrel or a box of fruit. How are you going to prevent the changing of the tag, if there is any importance in the tag? The only reason that I can suggest why these tags might not be changed afterwards is that it would not be worth while. The whole thing is a piece of nagging, useless legislation. If a farmer has hay to sell, let him say what the quality is, and give his guarantee, and let

the buyer beware. Let him stipulate what he wants, and see that he gets it. If he does not get it, he has his action for damages, that is all. I would move that instead of the proposed amendment we strike out sections 340F and 340G altogether.

Hon. Mr. WATSON: What are those sections?

Hon. Mr. BOSTOCK: The sections read as follows:

340F. Every seller of baled hay or straw in Canada shall affix to every bale of hay or straw sold or offered for sale a tag having thereon plainly written and legible, his name and business address, and the weight of the bale. Such tag shall be securely fastened to the bale and shall be of not less than one and one-half inches in width and three inches in length.

Hon. Mr. FOWLER: Does it ask for his religious denomination?

Hon. Mr. BOSTOCK: 340G provides:

Any seller of hay or straw who fails to attach a tag to each bale of hay or straw, as prescribed by this Act, shall, on summary conviction, be liable to a fine of five dollars for each such violation.

These two sections, the honourable member from Middleton moves to strike out.

Hon. Mr. FOWLER: Is there anything in those clauses about foreign substances?

Hon. Mr. BOSTOCK: There is nothing about foreign substances in them. Section 340d reads:

340d (1) All inspecting officers shall where necessary enter in their books their detailed reasons for grading any particular bale or bales of hay or straw.

(2) Hay or straw pressed in bales for sale in Canada shall be free from all foreign matter that would prejudicially affect the grade or add to the weight of the bale.

Hon. Mr. MITCHELL: Who is responsible for that—the inspector?

Hon. Mr. BOSTOCK: That is what the inspector has to report on.

Hon. Mr. MITCHELL: How can he? The clause is no good.

Hon. Mr. BOSTOCK (reading):

(3) The wire to be used in baling hay or straw shall be of a strength and quality not below number fourteen standard gauge annealed steel wire.

(4) When hay or straw that is baled is inspected, the inspecting officer shall enter in his book a statement of the character and condition of the fastenings of the bales.

(5) The scales used by pressers of hay or straw shall be inspected at least once every year.

These are the clauses dealing with that particular question. Then there is a clause dealing with hay imported into Canada, but I do not think honourable gentlemen are interested in that.

Hon. Mr. DANIEL: are there inspectors all over the country?

Hon. Mr. BOSTOCK: I have not the original Act with me, but I imagine the Department appoint their inspectors in different parts of the country.

Hon. Mr. DANDURAND: I see one advantage to the country in retaining those two clauses and in adopting the amendment which I propose. The advantage is this, that the owner or grower of the hay, by being required to announce the fact that he is the person who has grown it, is prompted to divide his hay into various grades.

Hon. Mr. FOWLER: But the owner might not be the person who grew the hay.

Hon. Mr. DANDURAND: In three cases out of four it is the farmer who gets the hay pressed.

Hon. Mr. FOWLER: No, it is the other way about: there are three out of four who do not press it.

Hon. Mr. DANDURAND: Sometimes it may be the purchaser who sends the presser along; but in the Province of Quebec, I think I may fairly say, in three cases out of four it is the farmer who gets the hay pressed.

Hon. Mr. FOWLER: I do not believe it.

Hon. Mr. DANDURAND: So the owner of the hay at the time it is pressed will be interested in obtaining as high a reputation as possible as a producer of hay. All that is asked is that his name shall appear on the bales. If he has two or three qualities of hay on his farm, he may be impelled to put them in different grades, so as to maintain his reputation. That is a point which occurs to me, and it is for this reason that I am inclined to vote against the sub-amendment.

Hon. Mr. MITCHELL: The effect of this whole legislation is to relieve the middleman, the hay dealer, and put more work on the farmer, by requiring him to get cards of a certain size, put his name on them, and put them on the bales of hay. I thought the world was trying to legislate to eliminate the middleman and let the producer and the consumer get the most they could out of their dealings. The farmer raises the hay and sells it. Generally speaking, a hay dealer, who gets

news that hay is going to advance in price, will telephone to forty or fifty farmers in a day, and secure their hay at $16 or $18 a ton, or whatever the price may be. These dealers, to buy the hay, will send out $100 the next morning with someone in an automobile, in order to clinch the bargain, if they know that hay is going up five or six dollars. Why compel the farmer to get printing done and to put tags on the bales?

Hon. Mr. DANIEL: I am opposed to both of the amendments. I think the better plan for us to pursue would be to pass the Bill as it comes before us. The amendment proposed by my honourable friend from Middleton (Hon. W. B. Ross) is one this committee is asked to pass without really knowing the sections of the Act that we are asked to repeal. They are not before us. The honourable member from Kamloops (Hon. Mr. Bostock) has just read them, but I doubt if there is any honourable member here who really knew what they contained, before the honourable gentleman read them. They show that there are throughout this country officials who inspect the quality of hay and straw. I do not know what other duties they may have. If you strike out those clauses you certainly take away from the inspectors all control over the products they are appointed to inspect. I think it is unwise and rash to strike out clauses with the effect of which we are not familiar. We ought to proceed a little more slowly in a radical matter like this. We really do not know where the matter would end. The Bill before us places on the presser the onus of marking the correct weight. I agree with that. I think he is the right man to put this on. Sometimes the owner himself is the man who presses the hay; and of course there would be in that case no question. At other times there are men who make a business of pressing hay, which is brought to them, and it is they who, under these circumstances, should put the tag on if it is necessary, so as far as I am concerned, I propose to vote against both amendments.

Hon. Sir JAMES LOUGHEED: We have already occupied more time on this Bill than on any important measure that has come before us this Session. The blunder that was made when the Bill was originally passed was made in the Senate; that is, the word "seller" was put in instead of the word "presser." The House of Commons has passed this Bill, and substituted the word "presser" for "seller," as was first intended. Of course, this House has a perfect right to differ from the Commons. If the Senate does not see its way to adopt the Bill as it has come down from the House of Commons, then I ask leave to withdraw the Bill. I move that if the House is not prepared to vote upon the question now, because, with prorogation in sight within a few hours—for I understand the House will prorogue today, at least the Commons will get through with its business to-day—I feel that we cannot advantageously spend further time on this Bill.

Hon. Mr. DANDURAND: Do I understand the position taken by the honourable leader to be that if my amendment were carried it would mean that my honourable friend would withdraw the Bill?

Hon. Sir JAMES LOUGHEED: Not necessarily, but I want it disposed of; I do not want it to occupy any further time.

Hon. Mr. WATSON: I agree entirely with what has been said by the Minister. The suggestion was made the other day that inquiry on the points in dispute should be made of the Minister of Agriculture, who probably knew more about hay than the Minister of Trade and Commerce. As far as I am personally concerned, I am opposed to all of these amendments, and also to the Bill. Has any person any reason to suggest why an amendment should be made? What abuses have taken place in the last three years while the Bill has been in force? We hear no complaints. We hear a lot of suggestions made that are not practicable; but if no complaints are made why should we take any action at all? No one is suggesting that any one has suffered in the last three years.

Some Hon. SENATORS: Question.

Hon. Mr. FOWLER: I am opposed to this Bill.

The Hon. the CHAIRMAN: As I understand, both amendments are withdrawn.

Some Hon. SENATORS: No. Question.

Hon. Mr. FOWLER: The question is that I have the floor; you cannot snuff me out like that, you know. I say that this Bill is a mischievous Bill. The honourable leader has complained that time has been wasted in this discussion. It is not the fault of the members of the Senate who are opposing this Bill that time has been taken up with it, because we consider it a

mischievous Bill. I consider all that sort of legislation mischievous, and there is altogether too much of it in the country. I am not trying to defend the farmers, but I believe in fair play and justice for all. We have here the agrarian leader in this House, and I would like to hear from him.

Hon. Mr. GORDON: Honourable gentlemen,—

Some Hon. SENATORS: Question, question.

Hon. Mr. GORDON: I have said nothing yet about this Bill, and as one who perhaps buys more hay than any person who has spoken on this subject I want to say that I believe this section should be passed not only in the interest of the farmers but in the interest of every person who purchases hay. It entails no work on the presser or farmer other than scratching on each bale with a pencil its weight and the name of the man, therefore I hope that this section will be passed.

The amendment of Hon. W. B. Ross was negatived.

The amendment of Hon. Mr. Dandurand was negatived.

Section 1 was agreed to: yeas 35; nays, 17.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

DOMINION LANDS BILL

CONCURRENCE IN COMMONS AMENDMENT

Hon. Sir JAMES LOUGHEED moved concurrence in the amendment made by the House of Commons to Bill X4, an Act to amend the Dominion Lands Act.

Hon. Mr. BOSTOCK: Would my honourable friend explain just what the amendment is?

Hon. Sir JAMES LOUGHEED: There was an amendment suggested to the Bill when it was introduced into this House. It is now found that that amendment was not necessary, as there is already a provision in the law for creating permanent officers in the category of officers mentioned in the Bill. That is all there is to it.

Hon. Mr. FOWLER.

Hon. Mr. BOSTOCK: So that the Bill will stand as it was first brought into this House?

Hon. Sir JAMES LOUGHEED: Yes, as it was first printed. This House simply overlooked the provision in the general law for the doing of what was provided for.

The motion was agreed to.

LAKE OF THE WOODS BILL

CONCURRENCE IN COMMONS AMENDMENT

Hon. Sir JAMES LOUGHEED moved concurrence in the amendment made by the House of Commons to Bill A6, an Act respecting the Lake of the Woods and other waters.

He said: Honourable gentlemen, the Commons has inserted the following clause in the Bill which was passed by this House:

The expense of administering this Act and the regulations made thereunder may be paid out of any unappropriated moneys of Canada.

Hon. Mr. BOSTOCK: I understand that this clause was really in the Bill, in italics, when it went through the House.

Hon. Sir JAMES LOUGHEED: Yes, I suppose it may have been.

Hon. Mr. BOSTOCK: So that we are not really making any change in the Bill at all?

Hon. Sir JAMES LOUGHEED: No, we did not deal with that clause.

Hon. Mr. BOSTOCK: I would like to ask a question in regard to that Board. Is that the board that has been in existence for some time?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: There is no intention of making any change in the board?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: It is just the same board?

Hon. Sir JAMES LOUGHEED: It is just the same board.

The motion was agreed to.

PUBLIC SERVICE RETIREMENT BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 107, an Act to amend an Act to provide for the Retirement of certain members of the Public Service.

He said; Honourable gentlemen, I think it was last Session we passed what was known as the "Calder Act," respecting the retirement of certain public servants over the age of 65 years, and also making provision for the superannuation or retirement of members of the public service who were incompetent or inefficient. A reasonable retirement fund was provided for under the provisions of that Act. This Bill to some extent extends that Act. Some misapprehensions or misinterpretations of the Act arose touching the retirement of public servants who were not employed continuously in the Government, or who were not employed under an annual salary. This Bill makes provision to cover a class of men, for instance, men as to whose employment there is an interruption, such as keepers of canals or lighthouses, and that class of men, who would not be continuously employed, and yet who may have been in the service of the Government for a number of years. That simply is the object of the Bill. It is made a little more elastic than the Act of last Session.

Hon. Mr. TURRIFF: Will the Bill go to Committee of the Whole House immediately?

Hon. Sir JAMES LOUGHEED: Yes, I would propose that.

The motion was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. Mr. Daniel in the chair.

Section 1—short title—was agreed to.

On section 2, paragraph b—"officer" defined:

Hon. Mr. BOSTOCK: Would my honourable friend say what is the difference in the definitions? This is a very much longer definition of "officer" than that in the old Act.

Hon. Sir JAMES LOUGHEED: Paragraph b covers the extended conditions which I have mentioned, under the definition of the term "officer." My recollection is that the statute of last Session dealt with one who was in receipt of an annual salary. As will be observed, this is to enlarge that interpretation, to permit the class of public servant whom I have mentioned to come within the provisions of the Bill.

Hon. Mr. BOSTOCK: But in line 16 of this section I notice it reads:

but shall not include any person appointed for a temporary purpose, or any person whose duties do not require his constant attention.

The same wording is in the Act of last year, chapter 67; the definition of "officer" given there is:

"Officer" means any officer, clerk or employee who is employed in the public service and who receives a stated annual salary, but shall not include any person appointed for a temporary purpose or on part time.

Hon. Sir JAMES LOUGHEED: Not for a temporary purpose; that is all right.

Hon. Mr. BOSTOCK: It means that it only includes an officer who is in the permanent service, who is receiving an annual salary; is that the definition?

Hon Sir JAMES LOUGHEED: No; it says:

For a period of not less than an average of six months in each year.

I do not think that is in the present Act. That is the main change.

Hon. Mr. BOSTOCK: So that the extension is that an officer who is receiving a salary for six months comes under this Retirement Act?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: Previously he had to receive a salary for the full year?

Hon. Sir JAMES LOUGHEED: Yes. The Act as it is to-day applies only to officers under an annual salary, but this Bill enlarges that very considerably, and makes provision for those employed from year to year for a period of not less than an average of six months in each year, or who, having been continuously employed, receives a daily, weekly or monthly rate of wage or salary.

Hon. Mr. TURRIFF: It seems to me that this clause does not go quite far enough. I am not going to discuss now the merits of giving a retiring allowance at all, but there is one class of men that it leaves out altogether. Take, for instance, the Sessional Clerk who has been employed every year for the last 20 years. He is not employed yearly, of course, but he is employed every year. This clause limits the Act to those who are employed for six months in each year.

Hon. Sir JAMES LOUGHEED: I might say to my honourable friend that the minister who had charge of the Bill in the House of Commons has just sent down to

me a proposed amendment striking out those words and making the section read as follows:

Who has been continuously employed from year to year for a portion of each year.

Hon. Mr. TURRIFF: That is just what I was wanting to bring about, in order to prevent injustice being done.

Hon. Mr. BOSTOCK: It would then read:

"Officer" means any officer, clerk or employee who is employed in the public service and who receives a stated annual salary, and any officer, clerk or employee in the said service who has been continuously employed from year to year for a portion of each year, or who, having been continuously employed, receives a daily, weekly or monthly rate of wage or salary, but shall not include any person appointed for a temporary purpose or any person whose duties do not require his constant attention.

Hon. Mr. DANDURAND: This leaves out all the sessional employees?

The Hon. the CHAIRMAN: It omits the words, "a period of not less than an average of six months," and instead of "six months" it makes it read, "a portion of each year."

Hon. Mr. WATSON: Except those who are employed from year to year for a short term.

The paragraph, as amended, was agreed to.

Section 2, as amended, was agreed to.

On section 3, subsection 2—rate of retiring allowance to officers between 45 and 60 years and over 60, proviso as to average salary for full term:

Hon. Mr. BOSTOCK: I do not exactly understand that proviso:

Provided that if the average salary of any officer retired under this Act for the last three years during which he was in the public service is less than the average salary of such officer for the full term of his service, such latter average shall be taken as the basis upon which to compute any retiring allowance to which such officer may be entitled under this Act.

What case does that affect?

Hon. Sir JAMES LOUGHEED: That simply means that should his salary have been reduced, and the average based upon the last three years be less than the average struck at a previous time, he is entitled to the larger average.

Section 3 was agreed to.

Sections 4 and 5 were agreed to.

The preamble and the title were agreed to.

The Bill was reported, as amended.

Hon. Sir JAMES LOUGHEED.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

FRENCH EXHIBITION TRAIN IN CANADA

Hon. C. P. BEAUBIEN: Honourable gentlemen, with your permission and the assent of the honourable leader of the Government, I beg to make a brief statement, which I hope will prove of interest to the House.

About the 25th instant an important French delegation will arrive in Canada. It will, I believe, be the first trade mission sent by the French Republic since peace has been restored. The delegation will comprise fitting representatives of the brilliant French Parliament, of its immortal army, and of the master minds of industry, trade and finance, who have accomplished so much in reconstruction work in France. The purpose of the mission is to inaugurate the made-in-France sample train, which will tour the Dominion a few weeks later. As the Senate has shown its interest in this project from its very inception, I thought that perhaps a brief word of explanation, as to the method in which such idea is intended to be carried out in Canada, would not be altogether without meriting the attention of my honourable colleagues.

The train in question will really constitute an exhibition on wheels, composed of eight different departments—manned with a competent personnel travelling with the train and living in the sleepers and diner provided for their comfort. The eight exhibition coaches will each present some special products of France prepared and exhibited under the patronage of distinguished personalities.

The first car, entitled, "La Pensée Francaise"—the French thought; comprising literature, science and arts—will be under the presidency of Mr. Raymond Poincaré, Senator and Ex-President of the French Republic.

The second car, entitled, "Industry, Commerce and Tourism," including transportation by land, sea and air, and civil and mechanical engineering, will be under the presidency of Mr. Dal Piaz, President of La Compagnie Générale Transatlantique, commonly known as the French Line.

The third car, entitled, "Fashion, Tissues and Laces, etc.," will be under the presidency of Mr. Auguste Isaac, Member of

Parliament, Honorary President of the Chamber of Commerce of Lyons, and Ex-Minister of Trade and Commerce.

The fourth car, entitled, "Leather Industries," and ranging from the raw material to the glove and highest grade product, will be under the presidency of Mr. Poullain, President of the General Association of dealers in skins, hides and leather, of France.

The fifth car, entitled, "Chemical Products, Drugs, Pharmacy, Perfumery, etc.," will be under the presidency of Mr. Amic, Senator, and Vice-President of Le Comité Français des Expositions.

The sixth car, entitled "Articles de Paris, scientific instruments, etc.," will be under the presidency of Mr. Emile Dupont, president of Le Comité Français des Expositions.

The seventh car, entitled, "Agriculture, Horticulture and Foodstuffs," will be under the presidency of Mr. Albert Viger, President of the National Association of Horticulture of France, ex-Minister of Agriculture.

The eighth car, entitled, "Jewellery, Objects of Art, etc.," will be under the presidency of Mr. Paul Templier, President of the Jewellers and Goldsmiths of Paris.

The goods and fittings of this moving exhibition are expected to arrive in Montreal in August, and will be immediately set up and the train started on its circuit at the middle or end of that month.

Practically every important centre will be visited and the public given full opportunity to view the exhibits.

A tentative itinerary has been arranged covering the following cities and towns: Montreal, Joliette, Shawinigan, Three Rivers, Quebec, Sherbrooke, St. Hyacinthe, Thetford, St. Johns, Valleyfield, Ottawa, Brockville, Kingston, Belleville, Peterborough, Toronto, Niagara Falls, St. Catherines, Hamilton, Brantford, Woodstock, London, Windsor, Chatham, Stratford, Kitchener, Galt, Guelph, North Bay, Sudbury, Soo, Port Arthur, Fort William, Winnipeg, Saskatoon, Edmonton, Banff, Kamloops, Vancouver, Victoria, Calgary, Lethbridge, Medicine Hat, Swift Current, Moosejaw, Regina, Brandon, Winnipeg, Cochrane, Cobalt, Ottawa, Montreal.

Concurrently with each stoppage in suitable theatres, moving pictures will display special goods and striking industrial processes, and especially the natural beauties of the land of the lillies and its treasures of art and historical landmarks. The circuit contemplated will cover over 8,000 miles, and extend over a period of more than two months.

Upon its completion the exhibits will be placed in the beautiful museum hall of the school for high Commercial Education, in the city of Montreal, and remain there upon a fixed exhibition for another six months, in order that the exhibitors after such a rapid journey through the land may have an opportunity to establish agencies, tie up solid commercial relations, and form the nucleus of a clientele which it is hoped will grow with time. This, it is confidently hoped, will be magnificient demonstration of the revival of the industrial life of France. It comes to us with the full endorsation of the French Government and the prestige of the men of very high repute who have undertaken its organization, and who, for a score of years as Le Comité Français des Expositions, have assured the success of every large international exposition by France.

In this country the care of attending to the proper reception of the distinguished guests shortly expected, as well as seeing to the carrying out of the sample train idea in Canada, will be assumed by the following gentlemen: Right Hon. Sir George Foster, Minister of Trade and Commerce; Right Hon. C. J. Doherty, Minister of Justice; Hon. P. E. Blondin, Postmaster General; Hon. R. Dandurand, Senator, Président Le Comité France-Amérique; Hon. Smeaton White, Senator, representing the Canadian Press; Mr. H. W. Beauclerk, President, Trans-Canada Theatres; Mr. Joseph Quintal, President, L'Ecole des Hautes Etudes Commerciales. To the above gentlemen will be added one representative of each of the three big railways of Canada, and myself.

It cannot be said with too much emphasis that this realization is due almost entirely to the generosity of the transportation companies of both countries. Indeed, the carrying of the exhibits across the water both ways is furnished gratuitously by La Compagnie Générale Transatlantique. Their storing is provided in the same generous manner by the Montreal Harbour Commissioners. The train itself, its equipment, and its circulation from the Atlantic to the Pacific and back again, has been assured, without cost, by the public spirit of our three big railways and the remarkable men who direct them. The Trans-Canada Theatre Company is furnishing a theatre for the moving picture displays in

practically every city traversed with the undertaking to turn over all net proceeds to France for her blind soldiers or other war charities. L'Ecole des Hautes Etudes, are emptying their large museum and turning it over with adjoining halls to the French Exhibitors for one half year, without recompense. This remarkable concourse of generosity is prompted by a highly patriotic sense. Indeed, the extraordinary facilities and privileges extended to France are predicated on a reciprocal understanding between the French and Canadian Governments, by which it is agreed that at any time that Canada should so desire the full equivalent of all these facilities and privileges would be assured to Canada by France. This, I venture to say, is of no small importance to our own industry and commerce.

Better perhaps than any other two countries in the world, Canada and France can exchange their products without fear of importing competition either way. If in the carrying out of this idea we greatly help the French Republic to advertise and sell her goods in Canada and popularize her land as an ideal country for travel, please bear in mind that we will open to her a market and the resources of some 8,000,000 people, whilst we in turn shall get access in like manner to her market of 38,000,000 people.

When the time has come—and it cannot much be delayed now, as the reaction in business calls for an effective and determined effort towards exportation—when the day selected by the Government and the Canadian producers and manufacturers has dawned, then we shall gather our exhibits, a splendid display of the whole scale of our natural productions, and fabricated goods and a marvelous selection of films showing the incomparable resources and beauties of our land. We shall then turn to France for transportation of our own exhibits both ways across the water, for their warehousing in a convenient port; for the full complement of cars, with crew and equipment for our own sample train, for its circulation throughout the French Republic; for the series of theatres required for our moving picture displays; and, finally, for the use of one of the most beautiful and suitable buildings in Paris for a fixed exposition during six months, wherein not only the population of the French metropolis but also the travelling public, which there congregates from the four corners of the earth, can see and appreciate Canada's real present value as a producer not only of raw materials, but of highly finished merchandise—where they can somewhat realize its great possibilities in the future as a factor in the trade of the world, where they can, upon the screen, admire a variety, and beauty and a grandeur of nature unsurpassed the world over. All these facilities and advantages will be granted to us on the full basis of reciprocal gratuity to which the French Government has readily agreed. The Canadian sample train will bring our goods practically to the doorstep of every Frenchman. It will advertise them to the entire population in a rapid, economical and striking manner. The fixed exhibition will allow our exporters the time and means of laying out their organization to capture their fair share of the French market.

Do not forget that France is easily our third best customer, notwithstanding the fact that our goods are practically unknown to the average Frenchman. Better commercial intercourse will help to preserve the relationship of respect, esteem, and sincere sympathy which unites both countries, and thereby will contribute very usefully to fortify the bond of friendship between the two great allies, Great Britain and France.

After five years of efforts, when this project is about to be carried out, I feel bound to express my gratitude to those who have so generously contributed to its realization. They comprise leading public men of all political views both in Canada and in France; and also in both countries, the heads of important newspapers of all creeds, boards of trade, industrial bodies, other associations, and more particularly the transportation companies and the corporations above referred to who have generously agreed to bear practically the entire expense required to carry it out.

I beg anew to express to this honourable House my deep appreciation for its unanimous support as far back as 1916.

When the program of the French Delegation and the itinerary of the made-in-France sample train have been definitely fixed, I shall see that they are brought to the knowledge of the honourable members of this House and of the House of Commons.

DOMINION ELECTIONS BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 130, an Act to amend the Dominion Elections Act.

He said: Honourable gentlemen, this Bill upon the face of it looks somewhat formidable, but when examined it will prove to be not as serious as its contents might indicate. This is peculiarly a Bill dealing with procedure in elections. It has been introduced at the instance of the Chief Electoral Officer. The different clauses contained in the Bill relate to procedure, and the major part of the Bill, as honourable gentlemen will see, is taken up with forms.

Hon. Mr. BOSTOCK: Honourable gentlemen, the Election Act is not a question that we discuss to any great extent in this House, as it does not affect the members here. But there is one clause of this Bill to which I think attention should be drawn. The third clause of the Bill contains a proviso which affects section 29 of the Election Act, which was enacted at a time when it was thought advisable that certain people should not have their names placed on the voters' list, and should be prevented from exercising the franchise. I do not understand exactly how far the proviso that is included in the Bill will modify the present Act, but I think it would have been wise on the part of the Government, to have gone further in this matter, now that the war is over, and conditions are becoming more settled in the country. Relief might have been granted to those people who voted previously to the war, but who felt aggrieved because they regarded as unfair the action of the Government in passing the Election Act of 1920.

I do not intend to say more upon the subject now, but when we go into committee this question can be discussed further.

Hon. Sir JAMES LOUGHEED: I cannot entirely appreciate the position taken by my honourable friend. I am informed that the Minister who has charge of this Bill, namely, the Minister of Immigration, has stated that every Western member is in favour of the particular clause to which my honourable friend refers. It considerably extends the right of voting, and, instead of being subject to criticism, it seems to me it should be the subject of commendation, so far as the Government is concerned.

Hon. Mr. BOSTOCK: My honourable friend means that the proviso in the Bill extends the franchise?

Hon. Sir JAMES LOUGHEED: Yes.

The motion was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. Mr. Planta in the Chair.

Sections 1 and 2 were agreed to.

On section 3—proviso:

Hon. Mr. BOSTOCK: Perhaps my honourable friend would now explain to us how far this proviso extends clause 29 of the Act.

Hon. Sir JAMES LOUGHEED: It reads:

> Provided also that the provisions of this subsection shall not apply to persons who originally came to Canada as minor children of parents who have subsequently become British subjects by naturalization, nor to women who became British subjects in consequence of marriage and who have hitherto been entitled to vote at an election for the House of Commons.

Under the War-time Elections Act, as my honourable friend knows, those were debarred. This extends the franchise to that class of people.

Hon. Mr. BOSTOCK: But it is not the War-time Elections Act that we are dealing with. It is the Dominion Elections Act of 1920.

Hon. Sir JAMES LOUGHEED: Precisely. It extends the right of voting to those people. Is not that the effect of it?

Hon. Mr. FOWLER: This does not prevent those people from voting?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. FOWLER: It permits them to vote.

Hon. Mr. BOSTOCK: As I understand the proviso, it extends the franchise to a certain number of people who were not entitled to vote under subsection 2 of section 29 of the Act of 1920.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: But I am trying to find out to what extent it increases the number of those who may vote under that clause. Subsection 2 of section 29 reads:

> For the purposes of this Act, the allegiance or nationality of a person, as it was at the birth of such person, shall be deemed incapable of being changed.

I take that to mean that anybody coming from Europe to this country does not get the benefit of naturalization; that in this respect their nationality cannot be changed under the Naturalization Act.

Hon. Sir JAMES LOUGHEED: But we extend the franchise to persons who originally came to Canada as minor children of parents who would have been debarred.

Hon. Mr. BOSTOCK: Yes; and in the case of a woman who is married to a man who is debarred under this Act, the woman is not debarred; is that it?

Hon. Sir JAMES LOUGHEED: Her rights are protected.

Hon. Mr. BOSTOCK: Those are the only two extensions made?

Hon. Mr. FOWLER: You only extend it—

Hon. Sir JAMES LOUGHEED: To minor children—

Hon. Mr. FOWLER:—of parents who have subsequently become British subjects by naturalization.

Hon. Sir JAMES LOUGHEED: Yes. Of course, it would be unnecessary for us to deal with the other class. We are simply dealing with those persons who by virtue of naturalization have the right to vote.

Hon. Mr. DANDURAND: Will the honourable gentleman explain to me the reason for these words in the proviso:

shall not apply to persons who originally came to Canada as minor children of parents who have subsequently become British subjects by naturalization.

These will be entitled to vote?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: This proviso allows the vote to those persons who came to this country as minor children of parents who have subsequently become British subjects by naturalization? Those minor children are not debarred from the franchise?

Hon. Sir JAMES LOUGHEED: No; they have a right to vote.

Hon. Mr. DANDURAND: Nor are the women who became British subjects in consequence of marriage. I would understand it if it stopped there, but I do not understand this last clause:

nor to women who became British subjects in consequence of marriage and who have hitherto been entitled to vote at an election for the House of Commons.

Why this restriction? If a woman is entitled to vote in consequence of marriage to a British subject, what does it matter whether or not she was entitled to vote in 1916 or 1917. If it was only in 1918 that by marriage she became entitled to vote, then she does not have the benefit of this proviso, which requires that she must have hitherto been entitled to vote at an election for the House of Commons. I do not see how my honourable friend is justified in drawing that line. The principal reason, if not the essential one, for granting her citizenship is her marriage to a British subject. If she acquired British citizenship in 1916 and was entitled to vote at the last election, she is all right; but if through marriage she acquired it in 1918 she is all wrong. Why is that?

Hon. Sir JAMES LOUGHEED: Because she is not naturalized she is not entitled to the franchise; but if she was entitled to the franchise hitherto, then she would have the right to vote, because under the previous Elections Act the franchise was extended to a certain class of women who otherwise would not have been entitled to vote. Now we are enlarging that class. When the class was created, owing to the conditions mentioned in the Act, there was a certain other class of women who were not entitled to vote. Until they become naturalized they will not have the right of the franchise extended to them.

Hon. Mr. DANDURAND: Does my honourable friend claim that a woman of foreign origin who marries a British subject needs personally to obtain naturalization papers?

Hon. Sir JAMES LOUGHEED: That is my understanding. She is not entitled to vote.

Hon. Mr. DANDURAND: But is it not obvious that she becomes a British subject through marriage?

Hon. Sir JAMES LOUGHEED: She has to comply with the conditions of the Naturalization Act. She is not by reason of her marriage a Canadian citizen or a British subject.

Hon. Mr. DANDURAND: I would say so, unless she is specially disfranchised.

Hon. Sir JAMES LOUGHEED: She has to get a certificate, etc., under the Act.

Hon. Mr. FOWLER: While she is under coverture she would have all the benefits of a British subject, if her husband were a British subject; but as soon as he died and she became a widow they would be lost to her.

Hon. Mr. DANDURAND: I am not discussing that point. I am simply drawing attention to the fact that women who became British subjects in consequence of marriage are entitled to vote; that would be the general law—

Hon. Mr. FOWLER: That ought to be the law.

Hon. Mr. DANDURAND: But there is a restriction; she is entitled to vote under this Act if hitherto she has been entitled to vote at an election for the House of Commons. So there is a distinction made between women who have married British subjects before 1917 and women who have become British subjects through marriage after 1917. The reason for that distinction I cannot understand.

Hon. Mr. FOWLER: I do not think any woman should be entitled to have a vote who acquires her citizenship only by reason of her marrying a British subject. I would give her all the protection and rights that a British subject would have under the law, but I would not give her a vote unless she were either born a British subject or had become so by her own naturalization. That mere coverture should not be sufficient, particularly when women are not subservient to their husbands as they used to be in the old days. Women are independent now. In many cases a woman has different views from her husband's. She might be an enemy of the country.

Section 3 was agreed to.

Section 4 was agreed to.

On section 5, paragraph d—provisions retroactive to June 30, 1920:

Hon. Mr. BOSTOCK: Does my honourable friend know the reasons for making those provisions retroactive in that way?

Hon. Sir JAMES LOUGHEED: It is simply to cure an omission made in the general Act. Some judges were omitted, whereas it should have included all the judges. It is simply a formality.

Hon. Mr. BOSTOCK: So that, in spite of what we were discussing the other day about the judges, we are in this Act providing that they may be paid fees for doing certain work outside their regular duties?

Hon. Sir JAMES LOUGHEED: There is nothing to prevent that from being done by statute. They are judges of a Federal court.

Section 5 was agreed to.

Sections 6 to 12, inclusive, were agreed to.

On section 13—hours of polling:

Hon. Mr. BOSTOCK: This reduces the hours, does it? They are to be from eight o'clock until six o'clock, instead of six to six?

Hon. Sir JAMES LOUGHEED: I think it increases the hours, does it not?

Hon. Mr. CASGRAIN: It is an increase of two hours, one hour in the morning and one in the afternoon. The hours used to be from nine o'clock until five.

Hon. Mr. BELCOURT: Should there not be some limitation to the powers of the Chief Electoral Officer to change the hours of polling? He is authorized in his discretion to change the hours for all polls in a municipality in order to accommodate electors, etc. There is no restriction as to what the hours shall be.

Hon. Mr. CASGRAIN: He may reduce them to one hour.

Hon. Mr. DANDURAND: Oh, no.

Hon. Mr. CASGRAIN: Yes.

Hon. Sir JAMES LOUGHEED: The members of the House of Commons seem to be satisfied with it, and they are the people chiefly concerned.

Hon. Mr. BELCOURT: If we adopt that principle, we need not look at the Bill at all.

Hon. Sir JAMES LOUGHEED: I simply point that out as an element. It does not necessarily restrict us.

Hon. Mr. BELCOURT: Of course, that applies to the whole Bill from the first word to the last. If we are not to discuss it because it was passed by the House of Commons, on the ground—

Hon. Sir JAMES LOUGHEED: My honourable friend must not take it that I am trying to restrict discussion. I am simply mentioning, as an element, that the members of the House of Commons seem to regard that in a favourable light; that is all.

Hon. Mr. BELCOURT: Quite.

Hon. Sir JAMES LOUGHEED: It is for the Senate to say whether they should regard it otherwise or not.

Hon. Mr. BELCOURT: I say that is no answer at all to the objection I am making, because—

Hon. Sir JAMES LOUGHEED: Well, I think it is.

Hon. Mr. BELCOURT: If it is an answer.

Hon. Sir JAMES LOUGHEED: I think it is. The answer is this, that the men who are most concerned in it are the men who approve of it, and the men who are not concerned about it at all are the critics of it.

Hon. Mr. BELCOURT: That applies to everything in the Bill, from the first section to the last, and if because it suited the members of the House of Commons we are not going to discuss these questions, we need not discuss any of the Bill. I do not see why my honourable friend is getting on his high horse—why he is getting excited and angry over it.

Hon. Sir JAMES LOUGHEED: Because my honourable friend insinuated that I am trying to restrict discussion of it. I am not doing that.

Hon. Mr. BELCOURT: I am making a suggestion that this clause should be altered, and I am met with the objection that that has passed the House of Commons and it suits the Commoners. In that case, I am not going to waste any time in discussing it.

Hon. Mr. CASGRAIN: Would it not be as well to add that in any case the polls shall be open from eight to six? As I read the clause in its present form, if the returning officer is dishonest and wants to favour some one in his district, he might change the hours and say, "I want only one hour."

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. CASGRAIN: You must guard against that. People are not all lawyers, any more than I am. That may be an exaggerated instance, to say one hour, but he could fix the time of polling at a very unsuitable hour.

Hon. Mr. SHARPE: We are not going to run any election on that.

Hon. Sir JAMES LOUGHEED: I might say, for the information of honourable gentlemen, that the question arose in connection with electors crossing over the boundary—for instance, from Windsor to Detroit—as to whether there should not be a certain amount of elasticity given to the electoral officer so that those men could vote on their return from work or on going in the morning. This is simply to meet conditions of that kind.

Hon. Mr. DANDURAND: And it will be the municipality that will make the application through the municipal council? It would not be done at all on the suggestion of the electoral officer; but on that of those who would be interested in meeting such conditions.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: The municipality could speak through its council?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: The municipality, as I understand, must be near the boundary line; it might have more effect on the Fraser River than in any other part of the country.

Hon. Sir JAMES LOUGHEED: My honourable friend will see, under 6A, that that condition has been specifically stated —"the application by any municipality situated upon or near the international boundary."

Hon. Mr. DANDURAND: I do not want to criticise, but it seems to me very amusing that this exception is made for people living across the international boundary. If they are living across the St. Lawrence, and returning across the bridge, it seems to matter little. We have people who leave the big city, or come in the morning to a big city to work, near Toronto, for example, having to run half-an-hour to reach their work, and returning after the closing hours. It seems to me that those people are as interested as the Detroit people.

Hon. Sir JAMES LOUGHEED: Provision is already made for them.

Hon. Mr. BLAIN: It must not be overlooked that there cannot be very much discretionary power given to the returning officer, for this reason, as will be seen further down in this section:

> The Chief Electoral Officer shall notify the Returning officer of any change in the hours of polling authorized by him, and the same shall be duly announced by the returning officer at the time appointed for the nomination of candidates.

Therefore whatever is done must all be done prior to the nomination day, and publicly announced at the nomination.

Hon. Mr. DANDURAND: Yes, and done by the municipality. But I do not see why we give that preference to those people only who are across the boundary line.

Hon. Sir JAMES LOUGHEED: For this reason. The Parliament of Canada would have authority to take a vote at the place where those men are living, but that could not be said to be in a foreign country; they could not go across the international boundary line and take the vote. That is the distinction.

Hon. Mr. DANDURAND: They did it in 1917; they held polls in the United States. But that was a funny election.

Hon. Sir JAMES LOUGHEED: We were Allies then.

Hon. Mr. DANDURAND: Are we not Allies still?

Hon. Sir JAMES LOUGHEED: No, I do not know that we are.

Section 13 was agreed to.

Sections 14 to 16 were agreed to.

On section 17—penalty for voting if disqualified, not qualified, or incompetent:

Hon. Mr. BOSTOCK: What is the penalty that is incurred there?

Hon. Sir JAMES LOUGHEED: I do not know what the penalty is; I fancy it will come under the general penalties in the Act.

Section 17 was agreed to.

Sections 18 to 23 inclusive were agreed to.

Schedule forms 7 to 54 were agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

OIL SHALES, FUEL AND IRON DEPOSITS

REPORT OF SPECIAL COMMITTEE

Hon. Mr. FOWLER moved concurrence in the report of the Special Committee appointed to inquire into the desirability of the development of oil shales, iron ore, coal and fuel deposits of Canada.

Hon. Mr. DANDURAND: Is that the final report?

Hon. Mr. FOWLER: No.

Hon. Mr. DANDURAND: Would the honourable gentleman tell us what is the conclusion of the report?

Hon. Mr. FOWLER: Just asking to extend it over to next Session.

Hon. Mr. POWER: This committee is a sort of hardy annual. We have had it up two or three times, and we do not seem to get very much farther than we were.

Hon. Sir JAMES LOUGHEED: Well, you know that shales are indestructible.

Hon. Mr. POWER: I hope the honourable Chairman of the Committee, at next Session, at any rate, will bring something final and decisive.

Hon. Mr. CASGRAIN: I have no objection to its standing over to next Session, because if they do not do any good they do not do any harm.

Hon. Mr. FOWLER: Like a great many of your speeches.

The motion was agreed to.

CANADA TEMPERANCE ACT PROCEEDINGS BILL

FIRST READING

Bill 219, an Act with regard to certain proceedings under Part IV of the Canada Temperance Act.—Hon. Sir James Lougheed.

INCOME WAR TAX BILL

FIRST READING

Bill 221, an Act to amend the Income War Tax Act, 1917.—Hon. Sir James Lougheed.

RETURNED SOLDIERS INSURANCE BILL

FIRST READING

Bill 222, an Act to amend the Returned Soldiers Insurance Act.—Hon. Sir James Lougheed.

PENSION BILL

FIRST READING

Bill 223, an Act to amend the Pension Act.—Hon. Sir James Lougheed.

COURTS OF CRIMINAL APPEAL

DEBATE CONTINUED

The Senate resumed, from May 17, the debate on the motion and inquiry of Hon. L. McMeans:

That in the opinion of the Senate it is essential for the better administration of the criminal law that a Court of Criminal Appeal should be established in the different Provinces, with jurisdiction similar to that possessed by the Court of Criminal Appeal in England, and will inquire whether it is the intention of the Government to create such Courts.

Hon. W. B. WILLOUGHBY: Though I am not in the confidence of the honourable gentleman who initiated this inquiry, I understand it was not his intention to press for an actual vote on his resolution; but, if I interpret his meaning correctly, I think he desires to have the considered opinion of those competent to speak in this House, as to whether we should move in the direction of having a court of criminal appeal in Canada.

The honourable gentleman from Winnipeg first introduced a resolution dealing with excessive and inadequate punishments, and we passed the same, but that was not acted upon by the Commons. We have now the happy conclusion that the House of Commons accepted our amendment to the Criminal Bill which has just been before us, and that resolution emanating from the Senate, is now a part of the criminal law of Canada.

When my honourable friend introduced his resolution regarding excessive and inadequate punishments, I intimated to him that if he had seen fit at that time to enlarge on the scope of his resolution so as to provide at the same time for a court of criminal appeal in Canada I would cooperate with him. The Act that would be contemplated by reason of the resolution on the Order Paper would of course go much further than the one already covered by the statute that we now have, or will have when the House prorogues, dealing with excessive and inadequate punishments, but the two do not altogether overlap in the same field. The Criminal Code, as it is now being amended, does give relief in a very large number of cases, undoubtedly, where the sentence of the court may be reviewed as to inadequacy or excessiveness. One of the difficulties, as those familiar with the administration of criminal law know, is that we have no uniformity in sentence, even in the various provinces of Canada, let alone individual provinces, as to a person sent to prison with a light sentence or a heavy sentence. It depends largely on the temperament of the judge, sometimes on the state of public opinion at the time, which is more or less inflamed or agitated in connection with a certain crime, and which has an unconscious reflex action on the judge himself; because under our criminal laws at the present time, in a very large degree, the extent of the punishment is left within the jurisdiction and discretion of the judge. We are pretty well departing from the old absolute fixed sentence method of punishment, and coming to leave it to the judge who heard the matter, without any offence restrictions whatever, to fit the punishment to the crime. There are certain cases in which it is all right to provide that there shall be a minimum sentence, and we have provided that, on the whole; but between the minimum and maximum there should be a very wide discretion left to the judge who heard the case. In the case of the technical offencer who has brought himself within the pale of its provisions by an actual breach of the law, and where no discretion is left to the trial judge other than to find him guilty, the extent of his punishment may often range to the widest degree, from a mere suspended sentence to a long sentence.

On motion of Hon. Mr. Willoughby, the debate was adjourned until the next sitting of the House.

The Senate adjourned until 3 p.m.

SECOND SITTING

The Senate met at 3 p.m., the Speaker in the Chair.

THE GOVERNOR GENERAL'S DEPARTURE

ADDRESS FROM THE SENATE AND THE HOUSE OF COMMONS

The Senate proceeded to consider a message from the House of Commons requesting the Senate to unite with that House in an Address to His Excellency the Governor General on the occasion of the approaching termination of His Excellency's official connection with this country.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, a few years ago the Parliament of Canada bade farewell to His Royal Highness the Duke of Connaught, who was the immediate predecessor in the high office of Governor General of Canada to His Excellency the Duke of Devonshire, to whom we are on the present occasion bidding a like farewell.

Coming officially to Canada at a time when the Empire was engaged in the greatest war of all history and in which

Canada played an important and distinguished part, we have had the opportunity of availing ourselves of the valuable services of His Excellency during the crucial period of the war, as well as in the peace which has so happily followed.

His Excellency represents a family which for generations rendered distinguished service in the interests of the Empire, and during the period he has filled the high office of Governor General in Canada he has added lustre to services already rendered by his family to the state.

Her Excellency likewise before coming to Canada was closely identified with us through her distinguished father, the Earl of Lansdowne, who for some years filled the office of Governor General in Canada so acceptably and popularly as not to be forgotten by the Canadian people. It was, therefore, with peculiar pleasure, some five years ago, that we welcomed Her Excellency to our shores as the consort of His Excellency in the high office assigned to him.

During the time Their Excellencies have been in Canada, they have filled this important office to the satisfaction of our people, in a way not exceeded by any of their predecessors. Their Excellencies have visited all parts of the Dominion and have been welcomed by our people wherever they have gone, and have created an impression in the popular mind that will long be remembered.

Their Excellencies have identified themselves with our many institutions by a sympathy and an interest which have deeply appealed to our people. During the five years they have been with us, they have gone in and out among our people as if to the manner born, and Canada has appreciated most deeply the sympathetic interest they have evinced in all the features of our National life.

His Excellency has been a wise administrator. He has recognized to the full the freedom of our representative institutions and the free expression of the popular will. The surest way of maintaining the good relations between Canada and the Empire is through the greatest possible freedom being recognized in the governing institutions of Canada and those of the Empire. It is needless to say that in the wise administration of His Excellency as Governor General of Canada that freedom has never been in the least degree fettered, but has been given that wide scope of expression which is best calculated for the development of our representative institutions.

The ties of the Empire have thus been strengthened during His Excellency's tenure of office in Canada. He has reflected in his own person that peculiar tie of kinship between the mother country and ourselves by which Canada's loyalty to the heart of the Empire is strengthened as time goes on.

As Their Excellencies have from time to time come in contact with our people, the gracious consideration and thought shown by Her Excellency, particularly in all matters relating to the social life of Canada, have peculiarly impressed our people. Thus, in taking a retrospect of the five years that Their Excellencies have been amongst us, we recall with the utmost satisfaction the very pleasant relations which have been maintained during their term of office.

It is, therefore, with the deepest regret that, upon the expiration of Their Excellencies residence in Canada, we are thus called upon to say farewell. We shall always cherish the most pleasing memories of His Excellency's administration in the high office which he filled with such distinction, and the grace and charm with which Her Excellency has surrounded official life in Government House. Canada will always feel assured, upon the return of Their Excellencies to England, that she has in the mother country—in the very heart of the Empire—amongst her staunchest and most loyal friends Their Excellencies the Duke and Duchess of Devonshire. Their Excellencies with their family in leaving Canada carry with them the deepest regret of our people in the severance of the official relations which united them to Canada for the last five years, and they carry with them the best wishes of our people for their future welfare and happiness.

I have very great pleasure, therefore, in moving, seconded by the Hon. Mr. Bostock:

That the Senate doth unite with the House of Commons in this Address to His Excellency the Governor General by filling up the blank space with the words "Senate and."

Hon. HEWITT BOSTOCK: Honourable gentlemen, it gives me very much pleasure to join with my honourable friend the leader of the Government in seconding this Address to His Excellency upon the termination of his term of office. His Excellency came to this country as Governor General at a time when the condition of the country was a serious one, and when we were all very much in doubt as to what was going to be the result of the war in which we were

then engaged. The serious position of the country at that time required the experience of a Governor General who had strength of character, good common sense, and judgment, to help us to face the situation which confronted us. Since he has been among us His Excellency has set everyone an example of devotion to duty and attention to everything that affects the interests of the country.

Coming of a family so well known in the history of England for their devotion to the interests of their country and a recognition of their duty to do their best to assist in the work of that country, it is no surprise to us that whilst His Excellency has been among us he has done everything that could be expected of him in helping the development of the interests of Canada. He has worthily upheld the traditions of a great family to which he belongs. His experience and his interest in everything that enters into the welfare of Canada—his interest in art, in science, in sport, in everything that helps towards the development of the country—has been appreciated by the people from one end of Canada to the other. They look upon His Excellency as a friend who sympathizes with them and their purposes.

My honourable friend made one statement of which I think he possibly hardly realized the effect. He spoke of His Excellency as a wise administrator. I think His Excellency would be the first to take some exception to being considered as the administrator of the affairs of Canada. His appreciation of the Constitution of Canada and of the views and aims of democracy would make him the very first to regret that he should be looked upon by the people of this country as an administrator in the office which he has held with so much credit to himself, and so acceptably to the people of Canada, during the last five years.

We appreciate very much the gracious presence of Her Excellency as the consort of His Excellency in all the work he has undertaken, and we remember with very great pleasure that the early days of Her Excellency's life were spent in this country, and we realize that she has always had a very strong feeling of love towards Canada.

To both Their Excellencies and to their family we desire very heartily and fervently to express our earnest wishes for their future happiness and future prosperity in the life that is before them. We realize, as my honourable friend has said, that, wherever they may be, whatever their duties or their position in life may be, in the future Canada will always have very warm friends in Their Excellencies and in the members of their family; and we join very heartily in presenting this Address to them and wishing them every happiness and success in the future.

Hon. L. O. DAVID: Honourable gentlemen, as a French Canadian, I think it proper to say that we concur in everything that has been said of Their Excellencies by the two leaders of this House. His Excellency the Governor General has been a worthy successor of the best Governors who have preceded him in this country. He has given evidence of tact, wisdom, impartiality, and kindness to everyone, without national or religious distinction.

Hon. F. L. BEIQUE: The honourable gentleman would have been warranted in going a step further and saying that the words he has spoken are the expression of the feeling of all the French Canadians in this country.

The motion was agreed to.

Hon. Sir JAMES LOUGHEED moved:

That His Honour the Speaker do sign the said Address on behalf of the Senate, and that a message be sent to the House of Commons accordingly.

The motion was agreed to.

CANADA TEMPERANCE ACT PROCEEDINGS BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 219, An Act with regard to certain Proceedings under Part IV of the Canada Temperance Act.

He said: Honourable gentlemen, in moving the second reading of this Bill, I need scarcely remind this Chamber that during the war there was placed upon the statute book legislation making provision for the submission to the different provinces of Canada of a plebiscite which would permit of the will of the people being expressed on the question of prohibition. In the different provinces of Canada those plebiscites have been submitted in pursuance of the legislation which was then enacted. A question has recently arisen as to an alleged irregularity in a proclamation which was issued by this Government in connection therewith. The whole tendency of legislation in regard to technicalities, not only in questions of this kind, but also in judicial and other matters, has been in the direction of curing the technicalities by legislation, or of not giving recognition to

the invalidity of legislation because of a technicality being raised in judicial proceedings. It must be remembered that the plebiscites which have been submitted in the different provinces of Canada were held at the expense of the Government of Canada. A very considerable amount of money has been expended in the taking of those votes, probably exceeding one million dollars. It is therefore not desirable that the result of this expenditure should be defeated by reason of any technicality having arisen as to the proclamation which was issued. No good purpose would be served by giving recognition to a technicality of that kind, because it would only necessitate another submission to a vote of the people of the province in which the validity of the proclamation in question is contested.

Hon. Mr. FOWLER: The result might be different next time.

Hon. Sir JAMES LOUGHEED: The vote might be different; but the law already provides for submission to another vote if public opinion expresses itself in that direction. The purpose of this legislation is therefore to cure any defect, without admitting that there has been an irregularity. There may be a conflict between the opinion given by the law officers of the Crown in connection with the proclamation and the judicial authority that may be called upon to decide the question. To obviate any conflict of that kind and to give validity to the issuance of the proclamation upon which the vote has been taken, it is proposed that this Bill should be passed.

Hon. Mr. CASGRAIN: May I ask the honourable gentleman, does that deal with the Scott Act in Quebec City?

Hon. Sir JAMES LOUGHEED: It has nothing to do with the Scott Act.

Hon. Mr. CASGRAIN: It does not settle that matter?

Hon. Mr. BOSTOCK: Honourable gentlemen, the Bill of which my honourable friend has just moved the second reading brings up, I think, a very important question, as to the right of Parliament to legislate on a matter that is actually before the courts. I quite appreciate what my honourable friend has said, that in this particular case the question raised may be only a technical one, and that we would not be justified in putting the country to the expense which would be entailed in having to take the referendum over again. I understand that the question affects the referendum in most of the provinces—in Alberta, Saskatchewan, Manitoba, Ontario and Nova Scotia; and of course we can readily understand that considerable expense has been incurred in taking those referendums. But we must consider the principle involved in our legislating with regard to a matter that is before the courts. As I read the Bill, it does not deal with any litigation that is now before the courts, but provides for the question of cost; but honourable gentlemen will remember that in the Canada Temperance Act, which we passed in the second Session of 1919, it was provided that anyone infringing its provisions should be subject to a heavy penalty, and, further, might be given a sentence of imprisonment. Now, if this proposed legislation is going to affect in any way the interests of parties before the courts at the present time, we should be very careful indeed before assenting to it. We should be establishing a principle which is exceedingly bad and not in the interest of the country generally. Further, we should be doing a great injustice to the individuals who are interested in the lawsuit, now before the courts, and who have in good faith taken an appeal against a decision rendered against them under this Act. I therefore think that when we reach the committee stage of this Bill we should very carefully consider the amending of some of the clauses, so that it may not interfere with the proceedings now before the courts.

The motion was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. Mr. Blain in the Chair.

On section 1—proclamation valid if it states prohibition shall go into force on day and date declared by Order in Council:

Hon. Mr. BOSTOCK: This section is the one that I think we should amend. It says:

No proclamation heretofore or hereafter issued under Part IV of the Canada Temperance Act, as enacted by chapter eight of the statutes of 1919, second session, shall be deemed to be void, irregular, defective or insufficient for the purposes intended merely because it does not set forth the day on which, in the event of the vote being in favour of the prohibition, such prohibition will go into force, provided it does state that such prohibition shall go into force on such day and date as shall by Order in Council under section one hundred and nine of the Canada Temperance Act be declared.

That is, as I understand, the principal clause of the Bill. It provides that, if there has been any irregularity in the issuing of the proclamation, the proclamation shall not be void. I presume it is on that very question that the action before the courts has been taken. I think that a proviso should be added at the end of the clause, declaring that this section should have no effect on matters now before the courts, in order that we may not in any way interfere with those questions. There could be drafted along those lines a proviso which would give the Government the benefit of what they desire with regard to the taking of the referendum, but we should certainly protect the interests of the parties who are now before the courts.

Hon. Sir JAMES LOUGHEED: I might as well freely confess that the object of the Bill is to cover pending litigation. I am not advocating the policy of always curing litigation by remedial statutes of this kind; but the present situation is one which the Government considers warrants the bringing in of the measure we are now considering. If the Government is committed to the policy of maintaining the Act, so far as it can consistently do so, against any attack which may be made upon alleged defects, it renders nugatory the litigation at present pending, which would simply mean that the question would have to be again submitted in a referendum and the country would be put to the enormous expense involved in that re-submission. Where would there be any particular advantage in doing that. Furthermore, if the law were left in a state of uncertainty between the present time and the re-submission of the question, it would profit no one. So, if no good purpose would be served, why not cure the defect at once?

Hon. Mr. FOWLER: Whose fault was it that the last legislation was defective?

Hon. Mr. BOSTOCK: The legislation was not defective.

Hon. Mr. FOWLER: Or was some official derelict in his duty in attempting to carry it out? Let us know who is to blame.

Hon. Sir JAMES LOUGHEED: My honourable friend has been practising at the bar for a great number of years, and I fancy he would not be prepared to admit that anyone who takes a different view of a subject from what a court might take is therefore wrong. That is precisely the situation that has arisen in this case. The law officers of the Crown contended, and hold to-day that, by reason of the language employed in the statute, they were warranted in omitting the date upon which the Act would come into force. It was considered difficult to say—in fact, it is difficult for anyone to think—how the date could be filled in. As I understand it, the Act was to come into force within a certain time after the returns were made. One therefore had to anticipate when the last return would be made, in order to fix the date. The law officers of the Crown thought it would be better to await the last return, and then to fix the date as prescribed by the statute. But apparently the view is entertained, although no judicial decision has been given upon the question up to the present time, that the proclamation should have mentioned a specific date upon which the Act should come into force. Now, that is just a difference of opinion, and both parties maintain their point up to the present time.

Hon. Mr. FOWLER: It is generally considered unsafe to pass legislation concerning a matter that is at the time sub judice.

Hon. Sir JAMES LOUGHEED: I quite agree.

Hon. Mr. FOWLER: This is what we are trying to do in this case. I understand the matter is on appeal in the Supreme Court of Canada. The Supreme Court has not given its decision. It would seem to me that there should be very strong reason, what we might call paramount reason, put forward for violating so good a rule as that, in passing legislation regarding matters that are sub judice. I do not think that we have heard that reason yet. The law officers of the Crown are presumed to know the law; otherwise they would not be the law officers of the Crown. They are supposed to be masters of their profession, and know as much as the Supreme Court. Until the Supreme Court has given its decision, how do we know but what all this may be a tempest in a teapot? The Supreme Court may hold that the proclamation was all right, that the Prohibition Act is safe, and that Ontario shall remain bone-dry. That is the consideration that is desired. I do not see why we should pass this legislation now. I think we had better let it stand over until next Session, so as not to violate so wholesome and wise a rule as that which I have mentioned, for the sake of a contingency which may not happen.

Hon. Sir JAMES LOUGHEED: Then no harm could be done.

Hon. Mr. FOWLER: Oh, yes. You will have set an example.

Hon. Mr. CASGRAIN: I am going to support the Bill, because I do not want to have the other provinces given a chance to vote again. They might change their minds, and I want to have the monopoly kept right in Quebec.

Hon. Mr. BARNARD: I should like the honourable leader of the House to tell us, if he can, the nature of the litigation that is before the courts. Is it in the nature of a criminal prosecution?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BARNARD: Or confiscation of property?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BARNARD: What is the nature of the action?

Hon. Sir JAMES LOUGHEED: I am not very familiar with it, but the outline of it I understand to be this. A proceeding was taken in the court of the Province of Alberta by a firm of liquor dealers to compel the Dominion Express Company to carry liquor in the course of its business of transporting parcels by express. The Express Company claimed that it was not able to do so under the law, and a question arose as to what the law upon the subject really was. This involved among other questions a consideration of the judicial interpretation by the court, of the matter now before us.

Hon. Mr. FOWLER: Is this to render null and void a prosecution in a private case? If it is, I will certainly vote against it.

Hon. Sir JAMES LOUGHEED: No. It is a case now before the Supreme Court.

Hon. Mr. FOWLER: Private parties?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. DANDURAND: The proclamation which the Governor in Council had to issue after being requested by the various legislatures to do, is to be found in chapter 8 of 10 George V. The proclamation is to set forth:

(a) the day on which the poll for taking the votes of the electors for and against the prohibition will be held;

(b) that such votes will be taken by ballot between the hours of nine o'clock in the forenoon and five o'clock in the afternoon of that day;

Among other things which the proclamation should contain is:

(g) the day on which, in the event of the vote being in favour of the prohibition, such prohibition will go into force.

This was apparently not in the proclamation. As my honourable friend has said, a vendor who wanted to ship from British Columbia into Alberta offered his goods to the Dominion Express, and the Express agent said: "There is a proclamation prohibiting us from carrying liquor into Alberta, and I will not take your goods." A writ was issued to force him, and the local court decided, though not unanimously, that there were paramount reasons why this obligation to fix the date, this neglect in the framing of the proclamation, should be disregarded, and the writ should be rejected. There was an appeal taken, which is now before the Supreme Court, and I quite understand the fear of the Department of Justice of the proclamation being declared insufficient and invalid. Hence this legislation, which would prevent the whole procedure under the proclamation being set aside, and the electors being called again to the polls.

My honourable friend says it is one of those extraordinary or special cases where the law could very well be made retroactive. Well, I will not enter into that field. I know how shy we should be about making laws retroactive, which would affect pending litigation; but I draw the attention of my honourable friend to section 3, which says:

Any court in which proceedings are pending at the time of the coming into force of this Act in which the validity of any proclamation referred to in section one hereof is questioned shall have discretion to make such order as it may see fit with regard to the costs of the proceedings having in view the provisions of this Act.

Well, if this Act passes, the Supreme Court will have to take cognizance of it, and, although it may hold that the action was well taken, and the Dominion Express Company was at fault because the proclamation and the whole procedure under it was invalid, yet in expressing that opinion it clearly cannot maintain the appeal because this Act is a clear, complete estoppel; but the court will give the costs against the respondent. That may be sufficient for the case as it stands before the Supreme Court; but I would like to ask my honourable friend a question. If there happened to be a case in Alberta—since we are speaking of Alberta—in which one violated the Act, and when brought before

the magistrate would plead that the Act was invalid, raising this same point, and his defence were rejected, and he would be condemned to either a fine of $1,000 or six months in jail, what would be his recourse, in the face of this remedial legislation validating, so to speak, a judgment which was ab initio wrong, since the Supreme Court would declare that the whole proclamation was invalid, but was estopped from registering a judgment against the defendant?

Hon. Sir JAMES LOUGHEED: I am informed, in the first place, that there are no such cases; but, in the second place, if there are such cases the Government will assume the responsibility of seeing that there is a remission of any fine that may be imposed under the circumstances mentioned by my honourable friend, namely, where the question should arise as to the irregularity of the proclamation.

Hon. Mr. FOWLER: What about the costs?

Hon. Sir JAMES LOUGHEED: Power is given as to costs here.

Section 1 was agreed to.

Sections 2 and 3 were agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

INCOME WAR TAX BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 221, an Act to amend the Income War Tax Act, 1917.

He said: Honourable gentlemen, this is a Bill chiefly for the purpose of reducing the penalties which were imposed for the infraction of the Income War Tax Act of 1917. It proposes reducing the penalty from 25 per cent which was imposed in the event of an infraction, to five per cent. Then there is an additional penalty for each day's default. I may say that the Bill deals entirely with penalties, and we can discuss it more advantageously clause by clause in Committee of the Whole.

The motion was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. Mr. Schaffner in the Chair.

On section 1—penalty for failure to file returns:

Hon. Mr. BOSTOCK: Is it the intention of the Government to continue the system of requiring the taxpayer to make out his own returns?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: Of course, it was a new idea when it was introduced, and my honourable friend can give us some idea of how it has worked. There have been many expressions of opinion in the country against the policy of the Government in forcing the taxpayer to make out his own return, and to pay the greater part of his tax at the time he sends in the return. As I understand this section, the penalty is reduced from what it was in the Act of 1919?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: Is it on account of the working out of the Act that the Government have thought it wise to reduce the penalty, in order to encourage the people to send in their returns more freely?

Hon. Sir JAMES LOUGHEED: No. It was felt that 25 per cent was too great a penalty to impose; and yet it became necessary to name a drastic penalty on account of the reluctance of the public to conform to the requirements of the Act. It is unnecessary to say that all countries that have imposed an income tax have realized the difficulty of collecting it. That has always been urged as the chief reason why the income tax should not be adopted as a method of taxation. But the imposition of the penalty of 25 per cent was quite an encouragement, I might say, to the payment of the tax, and up to the present time it has resulted very favourably. I think the collection of the tax by Canada has proven much more satisfactory than has been the case in other countries that rely upon their income tax. Cases have been pointed out, however, showing that the penalty was too drastic, and therefore we are reducing it to five per cent. So far as regards the casting of the duty upon the taxpayer of making his own return, that has been found to work very beneficially. In the first place, it impresses upon the taxpayer that he has a duty to perform to the state entirely irrespective of the initiative

being taken by the state; and once he recognizes that the duty is cast upon him of doing the particular acts referred to in the law, he becomes more or less familiar with those duties, and he complies very much more willingly in paying the tax than if he were to be notified by the Crown, and if that duty were confined exclusively to the Crown. I think there is a measure of psychology in the law which will appeal to most of us; if we rely upon somebody else setting us in motion, we are very loth to take any step in that direction until we are set in motion by the outside forces.

Hon. Mr. THOMPSON: I think probably the penalty appeals to people more than the psychology.

Hon. Sir JAMES LOUGHEED: Well, both may be said to be an encouragement to the performance of public duty. However the experience of the Finance Department has been most satisfactory of late in the matter of the collection of the tax, and it seems to me that the legislation embodied in this Bill is in the right direction.

Hon. Mr. FOWLER: There is one feature that I do not like. Supposing a man is ill and unable to make up an income tax return, no provision is made for that. The section says:

> Every person failing to deliver a return pursuant to the provisions of subsection 1 hereof within the time limited.

Hon. W. B. ROSS: Put such a provision in, and we will all get sick.

Hon. Sir JAMES LOUGHEED: The illness would become a public contagion.

Hon. Mr. FOWLER: The party would have to show that there were good reasons for his not being able to make up a return at the time. A man might be taken ill, and remain ill for two or three weeks, and thus be behind time and liable to this fine. Surely he ought to be excused.

Hon. Sir JAMES LOUGHEED: I would point this out, that where a fine on a five per cent basis would amount to a very substantial sum, such an individual would have a staff to look after so important a matter as his income, and his business would go on notwithstanding his illness.

Hon. Mr. FOWLER: But he may not be a business man; he may not have a staff.

Hon. Sir JAMES LOUGHEED: If he has a sufficiently large income to suffer by reason of the imposition of the tax, I should say he would have a clerical staff or somebody looking after his business in the event of his illness; and, where a taxpayer is paying a comparatively small income the tax is not very large. Furthermore, in a case where it would be obvious that a gross injustice was being done, the Governor in Council invariably intervenes to assist. I have known that to occur.

Hon. Mr. DAVID: Will the honourable leader explain to me the latter part of section 1:

> Shall be liable to a penalty of $10 for each day in default; provided, however, that such penalties shall not in any case exceed $50.

How can it be said that they will not exceed $50?

Hon. Sir JAMES LOUGHEED: $10 a day for every day of default in not making the return provided for in subsection 6; then the five per cent would come in with regard to the whole of his income.

Hon. Mr. ROCHE: I do not know what system of psychology the Minister has studied, but in my limited experience I have never yet found anybody who experienced pleasure in paying taxes. I know of a great many people who use certain expressions about taxes which are not in the Book of Homilies—I do not know whether the Minister has ever studied that very much.

Hon. Sir JAMES LOUGHEED: May I be permitted to say that I did not dilate on the pleasure of paying taxes, but rather referred to the duty of paying them.

Hon. Mr. ROCHE: Well, I never found a person yet who felt very much agitated by a desire to pay, as a question of duty. I may say the majority of people I have come in contact with have expressed detestation at the way in which the taxes are placed, and the difficulty of finding out expressly what is meant by the taxes. A good many people, those who have to keep books and others, have been very much puzzled over their inability to determine as between gross profits and net profits, and what should be included in the net profits and what should be left out in the gross profits. There is a wide divergency in the estimation of profits by all people in business, and I find very few who feel competent to make up an accurate return, even if they wish to do so, from the fact that there is a good deal of ambiguity in the law; that is, it deducts, and it increases, and it comes back again and surtaxes; and then, in addition to that, there is a supertax, and all that. But the main

reason that deters a great many people from making the returns themselves is that they cannot determine exactly the sums that ought to be given in as gross profits. I think the majority of people desire to do what is honest and fair, but they are perplexed, and often abstain because they are unable to determine exactly what the tax ought to be that they are to make up. Then some firms have to employ additional clerks to go through their books and estimate exactly what their profits have been. Furthermore, I could mention many instances of officials themselves being so puzzled that they are unable to determine exactly what the tax should be; and if those men who are experts and who have been instructed in connection with the Act cannot determine on the spot what a man should pay, how on earth can a man make up the return when he has no assistant and is not a lawyer?

Hon. Mr. DANDURAND: I think my honourable friend is quite right in speaking of the difficulty of a taxpayer making his way through the intricacies of the law which make him feel more and more the load he is carrying in money. Once he has succeeded, after three or four attempts, in reaching the figure, he has sworn so much at the intricacies of this law that he has but a moment left in which to sign his cheque.

Section 1 was agreed to.

Section 2 was agreed to.

On section 3—understating true amount of income:

Hon. Mr. BOSTOCK: This simply repeals?

Hon. Sir JAMES LOUGHEED: I think this is superseded by the former section.

Hon. Mr. BOSTOCK: It is subsection 8 of section 7 of chapter 49 of the statutes of 1920. Subsection 8 reads:

> Any person liable to pay any tax or surtax under this Act, who in return of the income liable to taxation, makes a return in which he states the income to be less than the true amount, shall pay to His Majesty the additional amount of tax and surtax due on the income omitted from his return and, in addition, interest at the rate of ten per centum per annum upon such amount from the last day prescribed for making such return until the same is paid.
>
> If the amount of the income omitted from his return exceeds ten per centum of the correct income but is under twenty per centum of the same, such person shall pay to His Majesty an additional amount equal to one-half of the amount of such deficiency, and, if the deficiency amounts to twenty per centum or more of the correct income, such person shall pay to His Majesty an additional amount equal to the amount of such deficiency.

So they are all struck out?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. FOWLER: Then there is no penalty at all.

Hon. Sir JAMES LOUGHEED: It is reduced to 5 per cent.

Section 3 was agreed to.

On section 4—failure to comply with demands:

Hon. Mr. BOSTOCK: Can my honourable friend state what that amendment is? I have not the Act of 1917 here, and I cannot make it out. There is nothing in the statute of 1919 that throws any light on it.

Hon. Mr. POWER: While the honourable leader of the House is forging the weapon that he proposes to use presently, I may be permitted to express my great gratification at the fact that the Government have decided that our income law needs to be revised and improved. Every honourable gentleman here, I think, and perhaps some very astute lawyers, will feel that it is a very important matter to be relieved of the necessity of carrying out the law as it stands at present. The truth is that the ordinary man—I could say an ordinary member of this House, and certainly the ordinary outsider who is not a skilled accountant—would require to employ an expert in order to enable him to make up his statement. One may be perfectly honest and anxious to tell the truth, the whole truth, and, of course, nothing but the truth; but it would puzzle, as they say, a Philadelphia lawyer to tell from looking at the law as it stands now just what one should put in. It is very gratifying to know that the Government have realized the position, and have submitted this Bill, which, I hope, will be much easier to interpret than the present law.

Hon. Mr. CASGRAIN: I do not think the trouble is to know what to put in, but what to leave out.

Hon. Sir JAMES LOUGHEED: The fine was $100 when certain default was made. This reduces it to $25.

Hon. Mr. BOSTOCK: So, when one gets at it, it is a very simple amendment. I

think this is one of those cases to which my honourable friend might draw the attention of the gentlemen who draft these Bills.

Hon. Sir JAMES LOUGHEED: I find it easier to struggle with the question here than to get them to do anything.

Section 4 was agreed to.

Section 5 was agreed to.

On section 6— date of coming into force:

Hon. Mr. BOSTOCK: What is the object of this section?

Hon. Sir JAMES LOUGHEED: It is to be retroative as to the penalties to be imposed.

Section 6 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

RETURNED SOLDIERS INSURANCE BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 222, an Act to amend the Returned Soldiers Insurance Act.

He said: Honourable gentlemen will probably remember that in the Session of 1920 provision was made for a cheap class of insurance for returned men, the principal feature of the Bill being that the Government would insure the returned soldier without exacting a medical examination. This Bill is for the purpose of extending the provisions of that Act, which are very much in the interest of the returned soldier, but of which he has not availed himself to the full extent to which he would have been warranted.

The motion was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. Mr. Watson in the Chair.

On section 1—provision respecting insurance and limits thereof amended:

Hon. Sir JAMES LOUGHEED: This extends the Act to soldiers domiciled outside of Canada.

Hon. Mr. BOSTOCK: Does that mean men who have served in the Imperial forces?

Hon. Sir JAMES LOUGHEED: No; Canadians who are domiciled outside of Canada.

Section 1 was agreed to.

On section 2—provision respecting payment amended:

Hon. Mr. BOSTOCK: What is the effect of that amendment?

Hon. Sir JAMES LOUGHEED: The original section 3 of the Act limited the amount of cash payment which might be made on the death of the insured to one-fifth of the sum insured. For instance, in the case of a $500 policy the amount of cash payment on death could not exceed $100, the balance being payable in instalments. In the case of a $1,000 policy the cash payment could not exceed $200. Complaint has been made by returned men that this initial cash payment in the case of smaller policies is insufficient to provide for ordinary funeral expenses of the insured, and the beneficiary, therefore, has nothing for her support out of her insurance policy until the first instalment falls due. It is believed that the minimum amount of cash payment on the death of the insured should be $1,000, except in the case of a $500 policy, when, of course, the full amount of the benefit will be the face of the policy. The effect of the amendment is that policies of $500 and $1,000 will be paid in full on the death of the insured and in the case of larger policies $1,000 of the amount will be paid at death and the balance will be payable in instalments.

Hon. Mr. BRADBURY: Can any man who is a returned soldier secure this insurance?

Hon. Sir JAMES LOUGHEED: Yes, without medical examination. That is the chief feature of it.

Hon. Mr. BOSTOCK: Can my honourable friend say what is the largest amount they are allowed to insure for?

Hon. Sir JAMES LOUGHEED: Five thousand dollars, I understand.

Hon. Mr. DANIEL: A man can be insured no matter what is the state of his health?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. W. B. ROSS: The actual experience is that the well men do not take this insurance.

Hon. Sir JAMES LOUGHEED: It is designed to cover a class of men who could not otherwise get insurance.

Hon. W. B. ROSS: I suppose that the soldiers are satisfied with this. I do not think it is very good legislation. I think that the whole $1,000 is too much to give on the death of the insured. Probably $100 was too little. People of that class are apt to be improvident and inside the first year the whole $1,000 may be gone, and you will have them coming back and asking for something else. However, if they want it that way, I am not going to object.

Hon. Sir JAMES LOUGHEED: They want it.

Hon. Mr. BOSTOCK: What premium is paid for this insurance?

Hon. Sir JAMES LOUGHEED: That depends, I fancy, upon the age of the applicant. I think the premiums are based very largely upon standard rates, and are a shade less than standard rates. I understand the premiums will be found in the Act of 1920.

Section 2 was agreed to.

Sections 3 and 4 were agreed to.

On section 5—provision respecting limit of benefits when death of insured due to war amended:

Hon. Mr. BOSTOCK: What is the amendment in this clause?

Hon. Sir JAMES LOUGHEED: I think this is to bring it into line with section 1, in which we extend the Act to men residing outside of Canada.

Section 5 was agreed to.

Section 6 was agreed to.

The preamble and the title were agreed to.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

Hon. Sir JAMES LOUGHEED.

PENSION BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 223, an Act to amend the Pension Act.

He said: Honourable gentlemen, this Bill is the outcome of the report submitted by the Special Committee of the House of Commons to consider questions relating to pensions, insurance, and re-establishment of returned soldiers. The amendments in the Bill consist principally of a slight readjustment of the pensions payable to dependents. I do not understand that they increase in any way the rate of pensions, but, as a result of experience, they make a somewhat different provision for the payment of pensions to certain of the dependents of the deceased.

The motion was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. Mr. Mulholland in the Chair.

On section 1—provision respecting rates of pension amended:

Hon. Mr. BOSTOCK: This is another of those cases of amendment the effect of which cannot be at all understood unless one refers to the Act. I do not know whether my honourable friend can explain this or not.

Hon. Sir JAMES LOUGHEED: I have an explanation with regard to that. Frequently the draftsman does not anticipate the questions which occur to the penetrating mind of my honourable friend.

The object in adding the words "as such" is to more clearly define the intention of section 11 of the Pension Act, 1919, as amended, namely, that pensions to or in respect of members of the forces can only be awarded when the death or disability was definitely caused by military service. The principle of "insurance during service," as applied to pensions, was, by the terms of the Pension Act, 1919, discontinued after the declaration of peace, and the amendment makes no change in practice.

Hon. Mr. BOSTOCK: I do not quite understand the meaning of what my honourable friend has read. Can he make it any plainer?

Hon. Sir JAMES LOUGHEED: The purpose is to make it clear that the pension can be awarded only when the death or disability was definitely caused by military service.

Hon. Mr. BOSTOCK: I see.

Hon. Sir JAMES LOUGHEED: There was some doubt as to whether or not a pension was payable when death or disability was caused otherwise. Assuming that the man was in the service, his death must have been caused by military service. The purpose is to clear up that doubt.

Hon. Mr. BOSTOCK: So that a man who was actually in the service—

Hon. Sir JAMES LOUGHEED: If the death was not the result of service, then he is not entitled to the pension.

Hon. Mr. BOSTOCK: He does not get the pension.

Section 1 was agreed to.

On section 2—provision respecting support of parents amended:

Hon. Sir JAMES LOUGHEED: The Pension Act, 1919, provided that deaths due to misconduct were not pensionable.

Hon. Mr. DANDURAND: Death?

Hon. Sir JAMES LOUGHEED: Yes, that deaths due to misconduct were not pensionable. By the amending Act, 1920, this was changed to allow of a pension being awarded when the death had occurred on service. That is, if death had occurred on service it was pensionable although there was misconduct. The anomaly thus arises that the dependents of a member of the forces now on service would in the event of death through misconduct be entitled to pension, whereas on death from any other cause not directly attributable to military service pension would be refused. The amendment is designed to correct what was obviously not the intention, and limits the date up to which a pension may be awarded to a dependent of a member of the forces whose death on service was due to misconduct.

Hon. Mr. DANDURAND: That explanation does not cover section 2?

Hon. Sir JAMES LOUGHEED: Yes. That is, the dependent gets the pension under those conditions. It has to do with that purely.

Hon. Mr. BOSTOCK: Then it seems that there is a right to the pension only if he died prior to the coming into force of the Pension Act. Section 12 of the Act of 1919 says:

A pension shall not be awarded when the death or disability of the member of the forces was due to improper conduct as herein defined; provided that the Commission may, when the applicant is in a dependent condition, award such pension as it deems fit in the circumstances.

Then, by the Act of 1920 we added o that clause:

and provided also that the provision of this section shall not apply when the death of the member of the forces concerned has occurred on service.

Now we propose to add at the end of this clause: "prior to the coming into force of the Pension Act."

Hon. Sir JAMES LOUGHEED: One has to travel through all the intricacies of many amendments which have been made. The object of this section is to limit the liability of the Crown to pension in cases where the man has died, not from misconduct, but from military service. The difficulty is that the present Act seems to be cloudy in meaning. There are deaths from venereal diseases and other causes of that kind, and it is now proposed to clear up the liability of the Crown by limiting the pensions to deaths from military service and excluding deaths from misconduct. That is the clearest explanation I can give.

Hon. Mr. DANIEL: Do I understand the Minister to say "including death from misconduct"?

Hon. Sir JAMES LOUGHEED: No; excluding. There is no liability in that case.

Hon. Mr. DANIEL: I think that is a mistake.

Hon. Mr. BOSTOCK: That hardly explains the words that this section adds: "prior to the coming into force of the Pension Act." But perhaps we can get no further with this, and we shall have to take it as it stands.

Section 2 was agreed to.

Sections 3 and 4 were agreed to.

On section 5—section giving additional allowance to widow and children repealed:

Hon. Mr. BOSTOCK: What is the object of that?

Hon. Sir JAMES LOUGHEED: Section 3 of the Pension Act is as follows:

When a pension is awarded to the widow or children, or both, of a member of the forces who is not a pensioner, on account of his death, an additional payment equivalent to two months' pension shall be paid.

The purpose of this section was to provide a bonus for the widow of a member of the forces dying prior to discharge. The conditions which brought about this provision no longer existing, it is proposed to repeal this section.

Hon. Mr. FOWLER: With regard to the administration of this Pension Act, I would point out that, while it is not perhaps the fault of officers at headquarters, there are men receiving pensions who are not entitled to anything like what they are receiving, and on the other hand there are men receiving pensions that are entirely too small. Sometimes the local boards are too careful and take altogether too light a view of the injury done to the pensioner. Some cases of that kind have come under my own notice. I know of two men who are in receipt of very considerable pensions and whose services to the state were worth little or nothing; whereas men who were excellent soldiers and rendered splendid service to the state and have been badly injured are not receiving what they should receive.

Hon. Sir JAMES LOUGHEED: If my honourable friend would at any time mention any case in which an obvious injustice has been done, the Government will be only too glad to have the case reviewed; for these cases can be reviewed at any time. If our attention is directed to it, I shall see personally to a review of the case.

Hon. Mr. FOWLER: I shall be very glad to do so. I have a case in mind now. I have to-day received a letter from a man who is apparently unable to work. An order was sent from headquarters here for him to be taken to the hospital at Lancaster; that is over at West St. John. The doctor turned him out, and he is receiving a pension of, I think, only seven dollars a month or something like that. A medical doctor at one place, on an order from headquarters here, sent him to the hospital, and then the doctor in the hospital said there was nothing to be done for him.

Hon. Sir JAMES LOUGHEED: Will my honourable friend give me the particulars? I shall have inquiry made.

Hon. Mr. FOWLER: I have a number of cases. I have always found, when I have spoken to officers at headquarters, that they were desirous of doing the right thing; they were courteous and kind, and took the right view of matters. But some of those local men, probably men who have never themselves served, do not appear to appreciate the situation. I make this statement merely because I want to do justice to the headquarters officers, who have been courteous, kind, and attentive always.

Section 5 was agreed to.

Hon. Sir JAMES LOUGHEED.

On section 6—pension of or in respect of persons wounded or killed while in training, etc., increased while recipients reside in Canada:

Hon. Mr. BOSTOCK: I notice that this clause says:

> The pensions which are now being paid to or in respect of members of Canadian Naval or Military Forces—

Does that not include the Air Force?

Hon. Sir JAMES LOUGHEED: Those who served in the Air Force during the war belonged to the Imperial Service. The Air Force was not the Air Force of Canada, although a great number of Canadians served in it. They are under the Imperial pensions.

Hon. Mr. BOSTOCK: They do not come under this?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: This Pension Act is a continuing Act, I suppose. Does it in any way apply to the men who are in the service at the present time? There are a certain number of Air Force men in the Departments at present. As I understand, there is a military branch of the Air Force and there is a civil branch.

Hon. Sir JAMES LOUGHEED: This Pension Act, as I understand, applies only to members of the Expeditionary Forces. This clause applies to pensions awarded prior to the outbreak of the war to those who took part in the Fenian Raid, the Northwest Rebellion, the South African War, etc.

Hon. Mr. FOWLER: Oh, this does not apply to the Great War?

Hon. Sir JAMES LOUGHEED: This is simply to extend the pensions under the Act to those who participated in those other wars.

Hon. Mr. BOSTOCK: It does not affect the situation at the present time?

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: There are no men in the permanent forces who are entitled to any pension under this Act?

Hon. Sir JAMES LOUGHEED: They have a Pension Act.

Hon. Mr. BOSTOCK: A separate Pension Act?

Hon. Sir JAMES LOUGHEED: Yes, it is a separate Act. They would come under the Pension Act if death were due to military service.

Hon. Mr. BOSTOCK: They would come under this Act?

Hon. Sir JAMES LOUGHEED: Well, if death were due to military service.

Hon. Mr. FOWLER: Now the Fenian Raid veterans are brought under this Act?

Hon. Sir JAMES LOUGHEED: Yes. I do not know whether there are many of them left who are entitled to a pension. It likewise applies to South African veterans.

Section 6 was agreed to.

Sections 7 to 9 inclusive, were agreed to.

On Section 2—provision respecting support of parents amended (reconsidered):

Hon. Mr. DANIEL: Honourable gentlemen, before finishing with this Bill I would ask the Committee to take up section 2 again. Reading Section 2, I find in the wording of it nothing whatever to explain to anyone, at all events anyone who is not a lawyer and acquainted with these various statutes, what is being done. It is only incidentally that one learns that the effect of this is to take away from a soldier who has been unfortunate enough to contract venereal disease any benefit from this Pension Act. I take it that a man who has venereal disease, while he may have had no right to get it, is thereby punished severely enough, and I think it is not good policy to punish him still more, and, further, to punish all his dependents; for this Act affects not only the soldier in taking away his pension, but it affects also all those who are in any way dependent on him. It may be his children. It may be his wife, after he dies. I do not think that it is wise or good policy to punish a man who has already been punished, by excluding his dependents from the benefit of the Pension Act; and I would move the reconsideration of that section 2. There is nothing in the section as it reads to give any one an idea what it refers to, and it was only incidentally that I ascertained that it refers perhaps to those who have been unfortunate enough to contract venereal disease and die in consequence of it.

Hon. Mr. FOWLER: I second that motion.

Hon. Sir JAMES LOUGHEED: Let us understand this if we can. Section 12 of the Act reads as follows:

> A pension shall not be awarded when the death or disability of the member of the forces was due to improper conduct as herein defined; provided that the Commission may, when the applicant is in a dependent condition, award such pension as it deems fit in the circumstances.

At that time, under the original Pension Act, he was not entitled.

Hon. Mr. DANDURAND: Now, under the clause as just read, he is not entitled, but he may get it.

Hon. Sir JAMES LOUGHEED: His dependents may. We amended that by adding:

> and provided also that the provisions of this section shall not apply when the death of the member of the forces concerned has occurred on service.

If he dies on service that does not apply.

Hon. Mr. BOSTOCK: It means that he can get a pension.

Hon. Mr. FOWLER: It means, as if he never had this disease.

Hon. Sir JAMES LOUGHEED: Yes, if he dies on service.

Hon. Mr. DANDURAND: Then he is forgiven.

Hon. Sir JAMES LOUGHEED: Well, his dependents get the pension. Now, we simply amend this section 4 by providing that he shall have died prior to the coming into force of the Pension Act. That is to say, if he died prior to the coming into force of the Pension Act his family would have been entitled to a pension and would be drawing a pension to-day. That is all that we say. We do not propose that this Pension Act shall be made applicable to the members of the Permanent Force and those who may contract disease and who may suffer from misconduct after the coming into force of the Pension Act; that is all it means.

Hon. Mr. BOSTOCK: That is, after July 7, 1919?

Hon. Mr. FOWLER: Then those who participated in the great war will not be affected?

Hon. Sir JAMES LOUGHEED: No, those who died prior to September 1, 1919.

Hon. Mr. FOWLER: But those who contracted the disease during their military service and have died subsequent to this date, what about them?

Hon. Sir JAMES LOUGHEED: They would not get it.

Hon. Mr. FOWLER: I think that would be wrong. Why should the dependents suffer?

Hon. Sir JAMES LOUGHEED: I think it is but reasonable to exclude those who through obvious misconduct placed their family in that position. Surely the Government of Canada is not pensioning those who through misconduct of this kind since the Pension Act came into force will die?

Hon. Mr. FOWLER: No, but my honourable friend speaks of misconduct. The conduct of those men, so far as their military duty was concerned, might have been above reproach. They might have been as brave as Marshal Ney for us, and yet contract venereal disease. It means that, in addition to being good soldiers, in addition to being brave fighters, they must be pure.

Hon. Sir JAMES LOUGHEED: No; if they died through that particular cause that is a different thing.

Hon. Mr. FOWLER: Died from that particular cause? Well, they may contract it easily enough. Of course, it is very wrong; but we have to meet human nature as it is, and to realize the frailties of the flesh, and men without knowing, without expecting that they are going to reap such a fruit, do indulge in pastimes which sometimes carry in their train just such diseases as this. Surely their dependents ought not to suffer. When a man has made a good record in the war, it does not follow that he has not been a good servant of the public because he has met with misfortune by reason of contracting venereal disease when away fighting.

Hon. Mr. DANDURAND: I have considerable sympathy with my honourable friend, and I do not like to add to his troubles. I know he is wrestling with facts that are intricate, and we should have consideration for him. The only point I want to make clear is that of two soldiers who have been stricken at the same moment with the same disease, on the same day, one will leave a pension to his children if he is lucky enough to die before a certain date, while the other one, if he lingers over that mark, will leave his relatives nothing. I understand that to be the situation.

Hon. Mr. DANIEL: If this Act refers to those who contracted this disease since the war has ended, I have nothing to say; but I understand that it refers to those who contracted disease when they were overseas and under unusual circumstances. I have no doubt that men contracted that disease who, if they had been at home attending to their business in the ordinary way, would not have contracted it at all, or have taken any line of action which would give them an opportunity of doing so. But, taking into consideration the fact that those men were all living under unusual and strange circumstances, if they were unfortunate enough to contract disease, and so unfortunate that that disease really took their lives, I do not think it is right or fair under any principle that their dependents should be deprived of any pension or anything of that kind which otherwise they would have been entitled to. That would be punishing the friends for an accident to the soldier, because there is no doubt that as between those who took venereal disease and those who did not, it was a mere toss-up—merely accidental. We can readily understand that very many of the men made themselves liable to that disease who were fortunate enough not to get it.

Hon. Sir JAMES LOUGHEED: I might point out that this distinction must be drawn: if a man died before discharge he got his pension, but this relates to men who were discharged long ago and who may have died since.

Hon. Mr. FOWLER: But they contracted it during the war.

Hon. Sir JAMES LOUGHEED: Well, we cannot tell that; that is one of the difficulties.

Hon. Mr. FOWLER: If they contracted it afterwards, I have nothing to say.

Hon. Sir JAMES LOUGHEED: The difficulty is to determine that. However, there it is.

Hon. Mr. FOWLER: Their medical history would show that.

Hon. Sir JAMES LOUGHEED: The Commons Committee on Re-establishment have gone lengthily into this matter; they have made very close inquiry, and this is the recommendation of that Committee, reported to the Commons, and it is the view taken by that Committee after sitting nearly the whole Session on the subject.

Hon. Mr. FOWLER: I would not care if that Committee sat for six months, it would not be infallible.

Hon. Sir JAMES LOUGHEED: That may be, but I mention that fact, and there it is. The House can take it or leave it.

Hon. Mr. FOWLER: I feel strongly on the matter of the dependents of those who went to the war, and who fought in the war, and I think we should do everything we can for them. As to the men who came back able-bodied and husky I have nothing to say; let them get to work like the rest of the civilians of this country; but for the dependents of the men who contracted disease—I don't care when they contracted it, if it was during their war service—I do not think this country should hesitate to take care of their dependents, and even if, as the honourable member for St. John says, one unluckily, though doing nothing worse than his fellow soldier, contracted disease whereas the other man escaped scot-free, surely his family should not be penalized for this.

Hon. Sir JAMES LOUGHEED: I would point out just at this point that we are discussing a subject that is entirely out of order, because we cannot impose or increase a financial liability, and we might as well recognize that at once; it is quite clear.

Hon. Mr. FOWLER: I think it is bad legislation.

The amendment of Hon. Mr. Daniel was negatived.

Section 2 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

DEPARTMENT OF CUSTOMS AND EXCISE BILL

FIRST READING

Bill 211, an Act respecting the Department of Customs and Excise.—Hon. Sir James Lougheed.

DAIRY PRODUCE BILL

FIRST READING

Bill 206, an Act to regulate the Grading of Dairy Produce.—Hon. Sir James Lougheed.

COURTS OF CRIMINAL APPEAL

MOTION AND INQUIRY

Hon. W. B. WILLOUGHBY resumed the adjourned debate on the motion of the Hon. Mr. McMeans:

That, in the opinion of the Senate, it is essential for the better administration of the criminal law that a Court of Criminal Appeal should be established in the different Provinces, with jurisdiction similar to that possessed by the Court of Criminal Appeal in England, and will inquire whether it is the intention of the Government to create such Courts.

He said: The leader of the House has courteously allowed the debate on this resolution, which has stood so long on the Order Paper, to be continued. I reiterate the promise made when I first rose, that I would not discuss it at any great length. This is due not only to the fact that we are at the end of the Session and that I might trespass on your time, but also because I think the primary object of the mover of the resolution was to ascertain the sentiment of this House and the feeling of the profession and perhaps of the judges of Canada as to whether they would favour the introduction of legislation foreshadowed in the resolution. One distinguished member of this House has already spoken on the matter—a distinguished member of the profession to which I have the honour to belong.

The mover of this resolution, in bringing it in first, gave the history of the establishment in England of the Court of Criminal Appeals. It had to meet the usual quiet obstinacy, if that is the proper word, shown against every reform, as being somewhat novel legislation. If you read the history of English jurisprudence in civil as well as in criminal matters, you are struck with the power of quiet resistance. It took many decades of active agitation in the English House of Commons to obtain the Judicature Act in 1873—the same Act that we have adopted on practically the same lines in Canada—an Act which, as we know, amalgamated common law and equity. It was a long, long struggle. It was the same with the criminal law. That law in its progress in England had to meet difficulties, due to old civilization and environment, and the hundred and one circumstances that surround the life of an old country, where criminal Acts did not frequently have force through the whole of England, and Acts were applicable to England that were not applicable to Scotland or Ireland. The honourable member from Winnipeg told you that the

first Act was introduced in England in 1844, and from that time there was a period of nearly 80 years before the present Act went on the statute book. Many judges had corroborated it, many eminent lawyers had spoken on it, eminent legislators who were not lawyers had championed the cause in the House; yet it took that long period of education before the court of Appeals finally found its place on the statute book.

We have in fact important legislation on subjects akin to that legislation, and have wisely followed the legislation of the old country, because the parliamentary draftsmen connected with the Houses of Parliament in the old country are most eminent lawyers, and those Houses have at all times among their members a percentage of the most eminent barristers in England as well as a percentage of eminent solicitors. And the culture and varied experience of the Bar of England are of enormous assistance aided by parliamentary counsel in passing legislation. They have been cautions in all kinds of criminal legislation, but we have proceeded more rapidly in Canada. We are not trammeled by traditions. Take the Criminal Code, with which this measure would be associated. You know that the Criminal Code of Canada is very largely founded on the English draft Criminal Code which I think has not yet found a place in the statute book of England. It only shows that in the newer country we are more ready, and make more rapid progress than they do in any old country.

Now I am going to gallop through the few things I want to say. The court of Criminal Appeals in England, constituted in 1908, was as I say established by Act of Parliament after long controversy and long examination. A great many people thought the Act was not required, that its provisions would never be invoked. The honourable member for Winnipeg has shown, however, that that is not the case. He has been good enough to furnish me with a list of the cases that were heard under the Act, which demonstrates that the Act has been of some active help in the administration of criminal law in England. Applications for leave to appeal in the year 1913 were granted in 111 cases. In addition, there were 33 appeals on grounds involving questions of law. In 73 cases sentence was confirmed, in 79 convictions were quashed, 47 sentences were reduced, and 5 appeals were abandoned. That is a good practical illustration of the fact that in England, with all the safeguards around this Act, it is serving a useful and necessary purpose.

My honourable friend from Winnipeg (Hon. Mr. McMeans), while dealing with many phases of the question, did not deal very fully perhaps with the actual provisons of the Act. Anyone can read it, and I suppose that is one reason why I should not deal with it at length. From the Act and text-books issued at the time the Act came into force, you will find that in the first place the appeal must be against a conviction; and that, in the second place, it can be on a point of law or a point of fact, or on a mixed point of law and fact. Heretofore in Canada we have had no appeals, that is, from the higher courts, except on questions of law. The trial judge sitting in assize can, at the instance of the accused, reserve a point of law for the consideration of the Court of Appeal, or he can refuse to do so, if he see fit, whereupon an appeal lies to the court immediately above for the right to appeal on that point of law. But in this country there is no appeal on a question of fact. In England they proceeded a little differently, but they are practically on a parity with Canada in the procedure. Formerly in England the judges, not by compulsion but voluntarily, conferred together in dealing with criminal appeals, to establish a similarity of procedure. That voluntary conference ended with the establishment in the early forties of the Court of Crown Cases Reserved, by 11 and 12 Victoria, chapter 78. That was the first court established in England for the purpose. That court had not jurisdiction to deal with questions of fact, but could only try points of law. It disappeared with the coming into force of the Judicature Act, under which the powers were vested in the Court of Appeal. Now, the new court can deal with a question of law or of fact, or a question of mixed law and fact. There is no appeal by the Crown except in a case in which it is certified by the Secretary of State that it is desirable in the public interest that an appeal should be brought, when it may be taken to the House of Lords. But to all intents and purposes, when the Court of Criminal Appeals has dealt with a case, it is finished. The judges of that court are given very plenary powers: they have power to amend a conviction or to impose another sentence in place of the one already imposed, so long as the evidence warrants it. They have also the power of hearing witnesses and taking new evi-

dence; and they can order the taking of evidence orally or on commission for use on the trial. They can assign counsel to the accused; they can remedy any defects if, on the evidence put in at the trial, the prisoner is convicted of a certain offence wrongfully, but the evidence justifies a conviction for a different offence.

Hon. Mr. BEIQUE: Does that apply to cases which are tried by jury?

Hon. Mr. WILLOUGHBY: Yes.

Hon. Mr. BEIQUE: So it is a review of the verdict of the jury on a question of fact.

Hon. Mr. WILLOUGHBY: They have the power to deal with the verdict of the jury, which is a very starting departure, and something which our courts cannot do very successfully even in civil cases. In the language of the Act dealing with the question, it has got to be what we consider in civil judicature as perverse.

Hon. Mr. BEIQUE: I take it that our procedure is very much the same as that of England as far as the question of law is concerned.

Hon. Mr. WILLOUGHBY: Very much.

Hon. Mr. BEIQUE: But, so far as the appeal on a question of fact is concerned, I should like to know to what extent the appeal lies in England when the trial has been submitted to a jury.

Hon. Mr. WILLOUGHBY: The right of appeal exists, but it is not an unqualified right. That is, they can only reverse the decision, much the same as is done in civil practice.

Hon. Mr. McMEANS: And there is no evidence to support the verdict.

Hon. Mr. WILLOUGHBY: The honourable gentleman from North Winnipeg (Hon. Mr. McMeans) has dealt fully and adequately with the mercy of the Crown, which in Canada is granted through the Remissions Branch of the Department of Justice, and, in the old land, through the Home Office. I shall not say anything further in connection with that. I shall only ask whether there are cases in Canada in which this court would be of service? I say that the court in England has had so many cases before it, and has in so many cases varied or quashed the decision of the trial court, that it is obvious, the Bench here not being any more distinguished than that of England, that there are bound to be many cases for review and many convictions which will be either altered or quashed.

The mover of this resolution has been good enough to hand me a letter which he received from a distinguished judge. I am not at liberty to give the judge's name, but I will read part of the letter:

> Your favour enclosing copy of Hansard duly received. I entirely agree with you as to the justice of establishing such a court. I have read your speech and all the debate with great interest and hope you will be successful. I could not adequately discuss the matter in this brief letter, but there are many inequalities in convictions and sentences throughout the country which render a reconsideration important. The longer I am at criminal work the more convinced I am that it requires specialists, experts, men whose attention is continuously given to such matters.

That is the opinion of a judge who has had a very wide experience in the administration of the criminal law. Another expression of opinion which deals more with the question of inadequate and excessive punishments, is an article from the Montreal Herald of May 13. Under the heading, "Two judicial sentences," it says:

> Two remarkable sentences were recorded in the courts in Montreal, one on Tuesday and the other on Wednesday. In the former case a youth of 18 was sentenced to five years in the penitentiary for theft; in the latter a man of 41 received a sentence of three years for rape.
>
> In the case of the boy he had been before the court on one previous occasion, but no one would pretend that this constituted a criminal record or indicated an ineradicable criminal tendency. Under the severe sentence he will herd with criminals during the most important period of his life. The province provides a farm prison for just such cases and detention there for six or twelve months might have the beneficial effect of preserving the boy to society.
>
> In the case of the brute in human form who had committed a most vicious crime that will cloud the whole life of a little child, the judge remarked that he deserved a life sentence and the lash, yet the man was let off with a sentence of three years on the ground that he was under the influence of liquor. Our courts have never recognized this as an excuse in palliation of criminal acts; else one-half of our convicts would be at liberty to prey on society. Indeed it has been held frequently not to extenuate but to aggravate the offence.

That deals with a specific case and shows the inadequacy of the punishment in one case and the excessiveness of the punishment in the other. Fortunately, by the time Parliament prorogues a law will be in force to remedy that.

I would suggest to the honourable gentleman from North Winnipeg (Hon. Mr. McMeans) that at the next Session of Parliament he should introduce this matter early in the Session so that we may have a full

discussion upon it, and bring in a draft Bill when we shall not be hampered by lack of time.

Just a word or two more as to the objection that has been made as to the phraseology of the motion. It says:

That in the opinion of the Senate it is essential for the better administration of the criminal law that a Court of Criminal Appeal should be established in the different Provinces.

It is no doubt true that Parliament cannot institute courts in the different provinces; but we can institute the right of criminal appeal; and I have no doubt that the provinces will concur in setting up the necessary machinery to carry out the law. We have the right to pass a law giving the right to appeal, and I have not the slightest doubt that if this Parliament provides for such a court—because to this Parliament is entrusted the enactment of the criminal law—the various provinces will readily establish the courts necessary for carrying this into effect.

Hon. Mr. GIRROIR: Honourable gentlemen, I just wish to say two or three words to bring to your attention a point of view which came under my observation this afternoon in connection with an appeal which I made to the Justice Department on behalf of two persons. It came out. particularly in one of these cases, that sometimes the accused person is so overcome and stunned by the fact that he is accused of a crime that he does not take the necessary steps to procure evidence, particularly evidence of previous good character, which, if it had been brought to the attention of the court, no doubt would have gone a great way towards obtaining his discharge.

In many of these cases which are appealed the sentence is lessened, I understand, not because the judge who tried the case made a mistake, but by virtue of the fact that under the law relating to appeal additional evidence can be procured. You can well understand that when a man of previous good character, and belonging to a respectable family in the community, is accused of an offence, he is overcome by the disgrace and the excitement of the moment, and neglects to take proper steps to produce evidence that might be of very great value to the judge considering the case. If there is an appeal new evidence can be presented. But it is not so easy to present new evidence when an appeal for clemency is made to the Justice Department, because the question is immediately asked, "Why was not this evidence produced in the court at the trial?" Reasons have to be given for the non-discovery of this evidence, and it has to be shown that every possible effort was made to procure all the evidence relating to the case before the trial was closed. For that reason it is almost impossible to succeed in gaining clemency on new evidence. You must very largely rest your case on the evidence taken in the court below, and the report of the judge who tried the case. The virtue of the new Act will be that new evidence can be produced; and, I imagine, it is largely upon this new evidence that the sentences in England have been lessened. This point just occurred to me because of what has recently come under my observation.

The motion was dropped.

DAIRY PRODUCE BILL

SECOND READING

Hon. Mr. ROBERTSON (Minister of Labour) moved the second reading of Bill 206, an Act to regulate the grading of Dairy Produce.

He said: Honourable gentlemen, this Bill has been introduced by the Department of Agriculture primarily for the purpose of improving the grade and reputation of Canadian dairy products in the export market. There is very little further to be said about it. The Bill is short, and perhaps, if there are any questions to be asked, they might be dealt with when we go into Committee.

Hon. JOHN WEBSTER: Honourable gentlemen, I should like to address myself to this Bill, for a few moments. First, I should like to inquire of the Government who is asking for this particular legislation. It is not the manufacturers or producers of these articles. It is not the wholesale dealers. Who is it that wants this legislation passed? That is a most important question. It is a well-known fact that Canadian cheese to-day the world over stands on the high rung of the ladder. The men who have built up this great industry, I think, are quite capable of providing for its future wants during the next five or ten years. This is a very serious interference with the dairy industry.

As I understand the Bill, there are to be graders appointed. Where are they to come from? Are they to be boys who have had six months' or a year's course in some agricultural or dairy school? Do they know the conditions of the export trade better than men who have been furnishing customers

for the past twenty years, who have spent their lives in the business, and have made it what it is to-day? I do not think so. We should have no interference regarding the quality of our export cheese or butter. I know of no other country in the world except New Zealand and Australia that has its cheese and butter graded before being exported. Why is grading done in those countries? Because the transportation takes so long a time and the product is exposed to such high temperature that it frequently deteriorates in transit; but the Government certificate regarding the quality of the product relieves the shipper of responsibility. The same conditions, I am happy to say, do not apply to Canada. If we have goods that require transportation in cold storage, we have facilities on the steamer.

I have been engaged in this great dairying industry since the year 1873. Only yesterday I paid out nearly $30,000 for cheese; and I have bought as much more for delivery next week. Surely I must have learned something regarding the dairy trade in that period of time; if not, I should not be engaged in it to-day. I know certain customers in England and elsewhere who can use a cheese that possibly might not be what is termed the finest, although it is good merchantable stuff. It can perhaps be bought at one-quarter or one-half a cent less than finest grade. But if that cheese has to go to the grader's store for a certificate, and is branded No. 2 and is exported under that brand, I have to take a cent or a cent and a half a pound less than its actual value as a food product.

I fail to see any necessity for this legislation at this time. Take, for instance, the cheese that is made in the month of July. I can remember certain seasons when it was almost an impossibility to get what might be termed finest or fancy cheese, owing to the high temperature—something over which the milk producer or the manufacturer has no control. Many and many a can of milk, I know, goes wrong in hot weather. The milk is refused at the factory. If it were made into cheese, the cheese would deteriorate immediately. Now, that can be used as a product; but if it is to be branded as second or third, whom are you going to help by that? You are going to injure the trade. You are going to injure the dealer.

I take great pleasure in moving that this Bill be not read now a second time, but be read this day six months.

Hon. Mr. ROBERTSON: In answer to the observations of the honourable member from Brockville, I would point out that the proposed grading of dairy products is not a new venture, as his remarks would lead the House to assume. It was done on a voluntary basis last year. At the port of Montreal alone 43,887 boxes of cheese, for example, were inspected and graded, of which 34,650, or 79 per cent, graded No. 1. That cheese has gone to the export market bearing the approval of the Canadian Government Inspector as being of A-1 quality. We know the importance of maintaining the reputation which Canadian cheese has gained in other countries, and it is quite as important that our reputation should be preserved and extended to other dairy products.

There is an inspection of canned goods and of all our abattoirs. The killing of meat and its preparation for market is all done under inspection. If after years of experience such inspection is proven to be justifiable and in the public interest, why is it not just as proper that the same general method should be adopted and the same principle prevail in connection with dairy products?

Hon. Mr. BEIQUE: I understand that it would not be compulsory upon anybody to have his cheese or butter graded; that this measure is only for the purpose of establishing a means whereby the grading may be done in case it is required by the owner of the goods. Is my understanding of the Bill correct?

Hon. JOHN WEBSTER: In reply to the honourable the Minister (Hon. Mr. Robertson), I might say that there is now a grader in Montreal who will settle all disputes over quality. If I buy a thousand cheese from a dealer, and they are shipped to Montreal, and if I find that 1, 2, 3 or 4 factories are of inferior quality, I go to that inspector and get a certificate as to how many 1's and 2's there are in the lot, and I can settle according to that certificate or can send back the stuff to the man who owned it. That is the situation, and that is what it should be.

Hon. Mr. BOSTOCK: How long has that been going on?

Hon. Mr. WEBSTER: For the last three years.

Hon. Mr. BOSTOCK: Is that under the Inspection Act?

Hon. Mr. WEBSTER: Yes. Mr. Scott was the inspector down there. He died last year, and the present inspector is Mr. Sadler.

Hon. Mr. BOSTOCK: It would seem, from what my honourable friend has said, that there might be some overlapping as between the Department of Agriculture and the Department of Trade and Commerce, under this Bill. This proposed statute comes from the Department of Agriculture, I understand. The objection that I see is that it is brought up here in the very last hours of the Session. We have not had time to look at it or learn anything about it, and, however good a measure it may be, it is going to be very difficult for us to understand what we are doing and to deal with it as we ought. I am not at the present moment prepared to state whether I would be opposed to the Bill or in favour of it. I do think it is very objectionable to introduce legislation of this kind at this late hour of the Session, when we are expecting prorogation to take place so soon, and nobody, so far as I know, has heard anything about the Bill. I have to use a copy of the Bill in the form in which it was introduced into the House of Commons. I do not know that the honourable minister (Hon. Mr. Robertson) who is in charge of it, can say whether any alterations have been made in it in the Commons or not. We are left in the position of not knowing what has happened to the Bill in another place. They may have amended it. All sorts of things may have been done with it. We have no information about it.

Hon. Mr. ROBERTSON: This Bill has been discussed carefully in the Commons. I have had the advantage of discussing it briefly and informally to-day with a gentleman who is, I think, the president of the Dairymen's Association of the Province of Quebec. He is not a supporter of the Government. He is in favour of the Bill. He represents the dairymen and the important dairy industries in Quebec, and it may reasonably be assumed that it is satisfactory to the dairy interest and should be passed. I am somewhat surprised to learn that my honourable friend from Brockville (Hon. Mr. Webster) is not in accord with the provisions of the Bill. It is true that upon the second reading of any measure we discuss and either adopt or reject the principle involved. The principle involved in this particular Bill is that dairy produce—

cheese and butter—should be inspected and graded just as meat, canned goods, and other articles have been inspected and graded for years, in order that the consumers' interests may be protected, and, further, that the interest of the Canadian producers may be protected by seeing to it, by means of inspection and grading, that nothing of inferior quality is marketed in a foreign country as a superior Canadian article, and thereby allowed to damage the reputation of our dairy produce. I trust, honourable gentlemen, that the Bill may receive its second reading. In committee all necessary details can be discussed.

Hon. Mr. CASGRAIN: Just before leaving I heard the honourable member from Brockville (Hon. Mr. Webster) make an inquiry, and I do not know that he has been answered. He asked who wanted this Bill. Well, I am informed that all the provincial Ministers of Agriculture, at a conference, were unanimous in asking for this Bill. I am also informed that the National Dairy Council asked for it. I understand, further, that the Dairymen's Association of the Province of Quebec want it. I have received that information from the president of the Association himself, who happens to be a member of the other House, and who spoke in favour of the measure this morning.

It appears, furthermore, that during the war the grading gave great satisfaction. An Imperial Commission, during the war, bought cheese and graded it as No. 1, No. 2 or No. 3 quality, and that grading gave great satisfaction to all concerned. If people have a good article to sell, they naturally want the full price. If the article is not so good, they must be prepared to accept less. If there is no grading, everybody naturally wants to sell his article at the best price, and the effect is that in other countries the reputation of our cheese is injured.

Hon. JOHN WEBSTER: In reply to the honourable minister, I might say that Mr. Thompson, member of the House from Hastings, who is a large buyer, feels regarding this Bill just as I do. In answer to the honourable gentleman who has just taken his seat, I would say that the cheese is not owned by the factory men when it reaches Montreal; it is owned by the merchant in Montreal. Then why should you give that man a certificate for quality that he is shipping to some customer in England whom he has supplied for the last twenty years, and who knows exactly what he wants?

Take, for instance, the situation throughout this country in the month of July, when the thermometer is registering very high. It is an impossibility for any man to make finest cheese. It cannot be done. Are you going to brand all the cheese as seconds? If you are, you are going to take millions of dollars out of the producers' pockets. It does not make a dollar's worth of difference to me; I am not interested in factories in any way; but this legislation is an interference with the trade and commerce of this country. It is making a soft job for some fellow.

Hon. Mr. FOWLER: Honourable gentlemen, I come from a county that has the largest cheese export business of any county in my province. In fact, it is the dairying county of the Province, and exports more than all the rest of the Province together. This Bill, I feel, will work serious hardship to the manufacturers of cheese in that county. It is of a kind with the legislation that I was objecting to to-day—putting obstructions in the way of business, putting impositions upon business, making cost to the people who are engaged in the trade, increasing the cost to the people who buy, and diminishing the profits to the people who sell. It is clearly wrong. You are going to appoint an army of officials. You cannot have this grading all done at one particular place. It will be necessary to appoint an army of officials. Heaven and earth! have we not enough persons drawing Government salaries in the country now? I would like to see the number lessened. We have thousands upon thousands, twice as many as we sent in the first contingent to the great war. And you are going to add to the number, and going to place, as I say, an imposition upon trade, which will seriously handicap and affect it.

What is the fact with regard to the cheese business? Canadian cheese stands high in the markets of the world, and its reputation has been built up by the integrity of the men who have been engaged in the export of Canadian cheese, and those who have been engaged in its manufacture. All that has been done without this grading that you propose by this Bill.

The Department of Trade and Commerce is to my mind—well, language fails me to express my opinion of the Department of Trade and Commerce. I will say no more about it, for fear I might say too much. But it seems to me that in the departments there are men who make a study of what kind of legislation they can invent for the purpose of hampering trade and interfering with other people's business, not for the protection of the people, but for the purpose of interfering with business. They think perhaps they are not earning their salaries, or that they will not convince the public that they are earning their salaries unless they are involved in this mischievous interfering legislation.

As the honourable leader of the Opposition has said, it is late in the Session. We have not had time to give proper consideration to this proposal. It is a serious matter to undertake to regulate trade. And let me say to you, honourable gentlemen, that, so far as I am concerned, the fact that a Bill was passed by the House of Commons does not, as is said vulgarly, cut any ice with me, because I have seen some of the rottenest legislation passed by the House of Commons. I say, it does not cut any ice with me, and it should not influence you, honourable gentlemen. You are here for a specific purpose. It is the particular duty of this House to supervise legislation and to stand between the public and their so-called representatives in the other Chamber. I trust that the motion of the honourable member from Brockville will pass, and that this Bill will not now be proceeded with. We have plenty of work on the Order Paper to be done in the short time that is left to us before prorogation, and we had better occupy ourselves with that and leave the poor producers of cheese and butter and other food products made from milk alone for this Session at any rate.

Hon. Mr. BEIQUE: I asked a question of the Minister, because I had not a copy of the Bill before me. The question was not answered, but I have since ascertained that the Bill, if it passes, will not compel any trader to have his cheese graded at all. It is only to provide for machinery so that anybody who desires to export cheese abroad may have the advantage of obtaining a certificate as to its grade from the Government inspector. I fail to see what objection there can be to that. The purpose is to maintain the quality and reputation of Canadian cheese in England or in other countries. This cannot do any harm to anybody, because nobody will be compelled to have recourse to the grading provided for by the Act.

Hon. Mr. DONNELLY: Before the honourable minister answers the question, may I say that I was somewhat interested in the same point, and I would like to obtain

Hon. Mr. ROBERTSON: I have mentioned more than once since this debate be the same information. The objection I see to this Bill is that we really do not know what it will involve. Section 3 says: "The Governor in Council may make regulations." I say we are really giving a blank cheque to the Governor in Council to make such regulations as the departmental officials recommend. I do not think we know just what we are doing under this Bill.

Hon. Mr. BEIQUE: Look at the penalty clause.

Hon. Mr. DONNELLY: I am referring, not to the penalty clause, but to the regulations.

Hon. Mr. ROBERTSON: In answer to the question raised by the honourable member from De Salaberry, as I read the Bill it does not definitely state that the grading would be compulsory, but if I am not mistaken it would be within the power of the Governor in Council to make regulations on that point.

Hon. Mr. BEIQUE: I draw the honourable minister's attention to the fact that he will not find in the penal clauses anything to prohibit the selling of cheese which is not graded.

Hon. Mr. ROBERTSON: No, there is not.

Hon. Mr. FOWLER: Yes, you will.

Hon. Mr. ROBERTSON: I want to answer one observation made by my honourable friend from Sussex (Hon. Mr. Fowler) in reference to the army of inspectors. There were 43,000 odd boxes inspected last year by one man. It is not the intention or expectation of the Department of Agriculture that it would take more than three men in all Canada to perform this work. There is also a provision in section 3 of the Act for the imposition of fees to cover the cost. My honourable friend from Brockville observed that cheese made in July, for example, might not be up to standard. I wonder if it is desirable that our Canadian cheese that is not up to standard should be sold as standard cheese? Last year 79 per cent of all the cheese graded was of grade 1; 13.5 per cent was grade 2; 7 per cent was grade 3; 6.8 per cent was specially fine, special grade No. 1. In my opinion—and I do not pretend to be a cheese authority, although I used to handle some cheese, milk, etc.—the purchaser will receive in graded and the grade is known. Then we would not have a bad batch of cheese injuring our Canadian trade, as the export apple business got a very black eye in Europe a few years ago, because of inferior grades going over to England in bad condition, as honourable gentlemen may recollect. I sincerely hope that this Bill may pass, because I know it has received the personal attention of the Minister of Agriculture, who is a practical man, and I am sure all honourable gentlemen will appreciate that it is desirable legislation

Hon. Mr. TURRIFF: It seems to me when there is so much opposition to the Bill, that its introducer should be able to give some reasons for it, saying where complaints have come from, whether from producers or from dealers. Personally I do not know enough about the cheese business to discuss it; but I know, in connection with the grading of wheat, that in the early days when we only had two or three grades, very often a farmer took in a load of wheat, and if it came just a little below No. 2, say, while it might be worth only one or two cents a bushel less than No. 2 quality, he had to accept the price of No. 3, which sometimes would be five cents or six cents below No. 2. If it did not quite come to No. 3 he had to take the next grade lower, and I have seen the spread from eleven to sixteen cents a bushel. If it is quite possible that in that respect the maker of a batch of cheese that was not quite up to the mark might get less, as my honourable friend from Brockville says, than if cheese was not graded at all, and he sold it for what it was worth—practically on a sample market, as we call the wheat market. All that I wish to suggest is that, coming at the dying hours of the Session, when we cannot give it proper attention, might it not be well to hold this Bill over till next year, so that we might find out just exactly what has been the trouble that is calling for this legislation?

Hon. Mr. FOWLER: Hear, hear.

Hon. Mr. TURRIFF: The cheese of Canada stands high in the old country market and this condition has been brought about without this legislation, and we ought to be sure that we are right when we undertake to change present conditions. As far as I can see, we cannot find out before this session closes whether we are right or not.

be given to the House in committee, but I think we are discussing details on the principle. The principle is surely right, as it has long been established in this country that meats, fruits, grain, if you like, should be inspected under Government supervision, and Government guarantee as to quality should accompany the article. It is proposed now to extend that principle to dairy produce. It has been practised for some time, and I would be surprised if this House would say that the principle was wrong.

Hon. Mr. CASGRAIN: If this grading is done, when once the seller has the Government inspection, he is then entitled to collect his money for that grade, and in selling to the other side he sells, like wheat and many other products, subject to that inspection. The minute there is Government inspection, that is the umpire between the seller and the buyer, and if it is wheat graded No. 2 he can only collect for No. 2. The Government inspection and grading settles the contract as between the seller and the buyer; that is why this Bill is desired, and desired now.

Hon. Mr. ROBERTSON: I have no desire to press this Bill to a decision at the moment if honourable gentlemen desire to have a little more time to think about it. I assume that the House may sit again this evening, and if the House desires to postpone further consideration of the Bill until after the dinner recess I have no objection.

Hon. Mr. DANDURAND: I would suggest to my honourable friend that we take up this matter where it now stands on resuming at 8 o'clock, and that he should bring to this Chamber the statements of those various associations referred to, which would carry conviction very far to those who know nothing about the trade.

Hon. Mr. GORDON: I am inclined to accept the opinion of the honourable member from Brockville, since he is so heavily interested in this industry. I know that cheese is a product that is going principally to a market where the people are so conservative that if a different mark, even in the way of colour, is put on goods there is difficulty in marketing them, at least for some time to come. I know that that is the case in respect to lumber. Some dealers are in the habit of marking lumber with a blue pencil, and if that is changed to a red pencil great difficulty is experienced in finding the same buyer to take the goods. Therefore I am inclined to accept the opinion of the member from Brockville, and believe that this legislation is not in the interest of either the consumer or the producer.

Hon. JOHN WEBSTER: I would like to ask the honourable Minister what he would do in the case of American cheese being exported from a Canadian port? You have no control over that cheese in regard to giving a man a certificate for it. You cannot pass legislation of that kind here; but you are going to put Canadian cheese up against the cheese that is not inspected. One half of the cheese that goes to Europe goes from Montreal, or is bought by Montreal dealers. If it is a good thing for the industry, why is it not applied to that great republic to the south of us? What became of the Ontario Government's advanced legislation passed four years ago regarding the manufacture of cheese, or the quality of milk to be delivered to cheese factories? Has it ever been put in force? No. Why? Because the people of the province refused to send their milk to the factories under those conditions.

Hon. Mr. DANDURAND: Perhaps the Minister of Agriculture could inform the honourable Minister of Labour whether, in such an advanced country as Denmark, whose dairy products rate so high in the world, cheese is graded under legislation similar to this.

Hon. Mr. ROBERTSON: I would be delighted to obtain all possible information for honourable gentlemen if they would care to leave this matter over until we meet again at 8 o'clock.

At 6 o'clock, the Senate took recess.

FRIDAY, June 3, 1921.

The Senate resumed at 8 o'clock.

DAIRY PRODUCE BILL

CONSIDERED IN COMMITTEE

Hon. Mr. ROBERTSON: Before 6 o'clock some honourable gentlemen were inquiring for certain information respecting Bill 206. One of the questions asked

was: "What interests in Canada are asking for this legislation?" I find from the Department of Agriculture that, first, all of the provincial Departments of Agriculture have advocated it and asked that it be enacted; second, that all the dairy associations—they do not exist in all the provinces, but they do exist in Ontario, Quebec, and Saskatchewan, where dairy products are extensively produced—are asking for it; and, third, I find that the National Dairy Council of Canada has joined with the others. So the dairymen throughout the whole country, plus the provincial Departments of Agriculture, plus the Dominion Department of Agriculture, all seem to be of one mind on the subject.

Hon. Mr. BENNETT: May I ask the Minister whether he has communications from these bodies?

Hon. Mr. ROBERTSON: I have not got them before me; but I had the pleasure of being at one of the meetings where this matter was discussed. I assume that this House will accept the statement of the Department of Agriculture on this subject.

With reference to another question asked as to the practice in other countries. It was pointed out that the United States might ship cheese through the port of Montreal, and it was asked whether it would be subject to this grading. I find that the United States does not export cheese in any large quantity, but, on the contrary, that it imports large quantities. Therefore it is not a factor in this matter. The only large cheese-exporting countries in the world are Australia, New Zealand, Sweden, and Canada.

Hon. JOHN WEBSTER: Will the honourable gentleman tell me how many American cheeses have already been exported through the port of Montreal this year?

Hon. Mr. ROBERTSON: I am not in a position to state.

Hon. Mr. WEBSTER: Will you tell me what the exports were last year?

Hon. Mr. ROBERTSON: I cannot.

Hon. Mr. WEBSTER: You are not familiar with the situation.

Hon. Mr. ROBERTSON: I say that the quantity exported from the United States is comparatively small when compared with the quantity imported into that country.

Hon. Mr. ROBERTSON.

Denmark and Holland are dairy-producing countries. They do not export cheese in large quantities, but they do export large quantities of butter. Denmark does not permit the export of butter unless it grades number 1. It must come up to that standard before it is permitted to be exported at all. Holland has an optional system, which is growing in favour, and it is anticipated that Holland will shortly be on a par with Denmark.

My honourable friend from Sussex (Hon. Mr. Fowler) this afternoon expressed the view that in the province of New Brunswick it would not be desirable to adopt the grading system. My information from that province scarcely indicates that to be the opinion held there. Practically all the cheese manufactured in New Brunswick during the past two years has been graded for the local market by an official of the provincial department of agriculture. The dealers agreed to purchase only graded cheese, and to scale the price as between first, second, and third grade. The quality of the New Brunswick cheese has shown marked improvement under this stimulus, and relatively a much better price has been obtained for it. I find that Saskatchewan, Alberta, and Manitoba have a grading system of their own for butter, and that butter is not exported from any of those provinces unless it has undergone Government supervision and has been graded by an inspector. So the principle adopted in this Bill is not new in Canada, and is in keeping with legislation on the same subject which is in effect in the three other large dairy-producing countries of the world.

One wonders, perhaps, just what the objection can be to this system; and that wonder grows, at least in my mind, when I find that the buyers or brokers at the port of Montreal at the present time have a grading system, and maintain a man at their own expense for that purpose. I cannot help thinking that a Government inspector could probably do the work just as well and as accurately as that gentleman, and that his inspection would be accepted in foreign countries with fully as great alacrity as the inspection of an employee of the buyers of cheese themselves. Therefore I am more strongly convinced than I was before obtaining this information that the Bill is a perfectly proper one and ought to prevail.

Hon. JOHN WEBSTER: I see that the honourable Minister is not familiar with the dairy industry.

Hon. Mr. ROBERTSON: May I interrupt the honourable gentleman? I think our discussion on the second reading is quite out of order. I have transgressed several times for the purpose of giving information. The honourable gentleman from Brockville has spoken two or three times; and I would suggest that if the Bill is to be discussed further, it ought to be discussed in Committee.

The Hon. the SPEAKER: Do you rise to a point of order?

Hon. Mr. ROBERTSON: Yes, I rise to a point of order.

The Hon. the SPEAKER: I think the point of order is well taken. The honourable gentleman has spoken three or four times. He may have occasion to speak in Committee; but on the second reading he has no right to speak any further.

Hon. Mr. CASGRAIN: Question.

The proposed amendment of Hon. Mr. Webster was negatived.

The motion for the second reading of the Bill was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Mr. Robertson, the Senate went into Committee on the Bill. Hon. Mr. Blain in the Chair.

Section 1 was agreed to.

On section 2—definitions:

Hon. JOHN WEBSTER: In reference to paragraph d, "grading store." Does that mean that all the cheese made in this country has to be shipped to a place where there is a grading store?

Hon. Mr. ROBERTSON: No. That clause means that any place designated by the Governor in Council as a grading store, and any warehouse where cheese is stored, which the Governor in Council may designate, is a grading store.

Hon. Mr. WEBSTER: Suppose I have a car of cheese in Belleville, and I want to ship it via Grand Trunk, by way of Portland. Where would it be inspected? It would mean unloading, extra cartage, and re-loading the cheese.

Hon. Mr. ROBERTSON: I think it is probably correct to say that these grading stores will be located at points of export, because this Bill deals with export.

May I ask the Deputy Minister of Agriculture to come within the Bar?

Hon. Mr. FOWLER: Do you not think it would be better to have the grading done at the factories? Otherwise it would be unsafe to buy the cheese. How would a man buy cheese? He would not know what price to pay for it. Can the Minister answer that question?

Hon. Mr. ROBERTSON: I find that the intention of the Department in the operation of this section is that there would be grading stores at various places, such as Belleville and Brockville, and that the grading officer would go from point to point as necessity required.

Hon. Mr. FOWLER: From point to point? Would he go from factory to factory?

Hon. Mr. ROBERTSON: No, from grading store to grading store.

Hon. Mr. FOWLER: Suppose I have a factory making cheese. What would I do with my cheese before I sold it? Would I have it graded, or would I sell it without grading?

Hon. Mr. ROBERTSON: It would be sold without grading.

Hon. Mr. FOWLER: Then how would the purchaser know how to fix a price?

Hon. Mr. CASGRAIN: May I answer that question?

Hon. Mr. FOWLER: Oh, no.

Hon. Mr. CASGRAIN: All right.

Hon Mr. FOWLER: You may be a walking encyclopædia of universal knowledge, but you won't suit.

Hon. Mr. ROBERTSON: There is not any obligation on the part of the owner of the cheese to have it graded, unless he desires to have it graded for export.

Hon. JOHN WEBSTER: He is compelled to do so then.

Hon. Mr. ROBERTSON: If the cheese is finally exported it must be graded before it leaves Canada.

Hon. Mr. FOWLER: Then it does not make any difference what sort of cheese you put on the poor Canucks, so long as you send the good cheese abroad.

Hon. Mr. ROBERTSON: They can have it graded if they want it.

Hon. Mr. CASGRAIN: As the honourable gentleman has had the Minister's opinion, may I say that any man who has a

factory and is selling cheese is very anxious to have it graded, because, as I had the honour of telling him this afternoon, the minute it is graded there can be no further argument. The cheese is sold as No. 1, No. 2, or No. 3, and there is a price for each of these grades, and there can be no argument as to the quality of the cheese. If that is not done the cheese can be culled. So every man doing business wants to have his cheese graded at once.

Hon. JOHN WEBSTER: I explained that situation to the honourable gentleman before dinner. The buyer goes through the country; he visits the factory and inspects the products; he makes a dicker with the salesman, and the cheese goes on to Montreal. If there is some inferior cheese found in that shipment, there is a man already in Montreal, in the employ of the Government, who will give him a certificate.

Before the product has left the manufacturer, it is not the property of the different salesmen. If I am the manufacturer, it is my property—the property of the individual. What right, then, has the Government to interfere and give a certificate for export that is different from mine. I find the grade myself. It is my money that is in the business. Why should my product be abused in that manner? It is Government interference by commercial legislation that makes people dissatisfied.

Hon. Mr. ROBERTSON: I should think that my honourable friend, as the owner of a substantial quantity of cheese, would be in exactly the same position as a man running a factory who owned a smaller quantity of cheese. If the grading were done in the first instance, the result to the owner would be exactly the same as in the other instance, except that there would be a larger quantity involved. I do not see that there can be any difference as between the two situations, and, inasmuch as cheese is now graded by mutual consent of the owners and the brokers in Montreal, the question seems to resolve itself into this: is it preferable that cheese being exported from Canada should bear the stamp of approval of the Government inspectors as to grade and quality, or is it preferable that it should bear the stamp of grade and quality of an inspector in the employ of the owner of the cheese?

Hon. Mr. McCALL: Mr. Chairman, this Bill calls for the inspection of butter and other products as well as cheese. I feel safe in saying that the inspection would be of the greatest value if made at the creamery or at the cheese factory.

Hon. Mr. WEBSTER: That is the only place for the inspection.

Hon. Mr. McCALL: With regard to other food products, such as canned goods, evaporated apples, and condensed milk, the Department of Agriculture have a large staff of inspectors. They cover all the slaughter houses. Those inspectors visit the factories regularly, perhaps once a week, and there can be no shipments made from those factories unless the inspector has made an examination and granted a certificate.

Hon. Mr. WEBSTER: The inspection is made at the place of production.

Hon. Mr. McCALL: At the place of production. It certainly seems to me that to have an inspection that will protect the buyer, whether the home buyer or the buyer for export, particularly in the case of an article like butter, it is necessary to have the inspection at the point of production, and that would require an army of inspectors. Butter and cheese are produced all over this Dominion. For every canning factory there are perhaps twenty or thirty cheese factories or apple evaporators. There are also large shipments of apples made in the fall of the year. I feel that before I could give this measure my support I should know what is to be covered by the regulations that are to be made from time to time —whether or not there is to be inspection at the point of production—the only kind of inspection, I claim, that would be of any value, or any protection to the consumer, except perhaps inspection at the cheese board or at the station from which the cheese is shipped. In some parts of Ontario, after the buyer has been at the cheese board, there will be perhaps a dozen factories, each having a half carload, and the teams bringing in the cheese for shipment will cover the road for miles. If there is an inspection at all, and if it is not made at the factory, it should be made at the station, at the point of shipment, while the cheese is still under the control of the buyer and the manufacturer is present to protect his product. I feel that the House should have more information, if it is available, as to what is covered by all the regulations provided for in section 3.

Hon. Mr. ROBERTSON: In answer to my honourable friend from Simcoe (Hon. Mr. McCall) I can only state that the regulations are not as yet worked out in detail. Neither do I think that it has ever been customary to go to the trouble of working out all the details under which an Act may be operated, until it is known whether or not that work is necessary.

Hon. Mr. FOWLER: In other words, you want a blank cheque.

Hon. Mr. ROBERTSON: I am sure that, in the regulations which govern the export of fruit, meat, and other foodstuffs, under laws similar to this, there has been no abuse; if there has been, I have never heard of it. The Department of Agriculture should surely be as well trusted to make regulations applicable to the situation as in any of the other cases. The point raised with regard to the regulations would hardly seem to be a reason for withholding consent to this legislation.

Hon. JOHN WEBSTER: Here is one of the unfortunate aspects of Government inspection. I know, of my own personal knowledge, of a gentleman who last year bought one hundred barrels of apples. When they arrived at his store he examined them and made selections from them. He shipped three of those barrels of apples down here to Ottawa to the inspector, by express. Eleven days afterwards he received a reply, that the inspector thought they ought to be classed as No. 2. When he got that reply he called me into his store and said: "You have been a very large packer and exporter of apples. I want to show you something. Here are some apples that I bought from Mr. So-and-So," in a certain city west of Brockville. "I bought them for No. 1 and No. 2. How do you classify them?" I said: "I am not inspecting them, but if I were buying I would class them as No. 3 and No. 4." He said, "That is just where they belong." Now, what satisfaction did that man get? He had to pay for those apples, every one of them, just as they had been marked by the fellow who shipped them to him. That is Government inspection.

Let me give you another instance. I know of a dealer who bought a carload of oats, inspected in Winnipeg. After a very short time he went to unload it, and he found six inches of good oats at the top, and the rest inferior in quality. He came up to my office and wanted to know if I would come down and inspect the oats and report to Ottawa. I said: "No, there is an inspector." I referred him to the inspector. He said: "I spoke to the inspector six weeks ago about a carload from another firm, and I have not yet received a reply." That is Government inspection for you.

I say that the inspection should be made, as the honourable gentleman from Simcoe has pointed out, at the factory. Close your deals there. Pay for the goods there, and let every man inspect his own product and pay his own money. The only proper place for the thorough inspection of the product is the cheese factory, where the goods are on the shelf.

Hon. Mr. MURPHY: Honourable gentlemen, as representing a province which produces a large quantity of cheese, I would like to know if it is the intention of the Government under this Act to appoint inspectors at various points in the province, or to have one inspector going from factory to factory.

There is a great deal in the contention of the honourable gentleman from Brockville (Hon. John Webster). Anybody who knows anything about cheese—and I claim to know considerable about it—knows that the buyer goes to the factory, takes the rind off the cheese, looks at it and buys it on its merits. Is it intended under this Act that an inspector shall be located at every place, or only at a central headquarters, like the cheese board clearing house which we have in Charlottetown, or what is the intention? I suppose, as the honourable Minister has said, the matter has not been worked out yet.

Hon. Mr. WEBSTER: It is not workable either.

Hon. Mr. MURPHY: I do not think it is.

Hon. Mr. ROBERTSON: As to the number of inspectors, I do not think it is the intention of the Department to engage a large number. There will probably not be more than three or four, and they will be located at points from which cheese is exported, and will be available to go to any central point where cheese is collected for shipment to ports of export.

With regard to the case to which my honourable friend from Brockville (Hon. John Webster) refers, regarding the inspection of apples, I may say that I am no expert in that respect, although I have hauled many apples into the station and rolled many barrels into cars. It just occurs to me that the three barrels which

were sent to Ottawa to be inspected might very well have been No. 2, and those not sent to Ottawa might have been No. 3 and No. 4. Unless the inspector had the opportunity of examining the lot, I do not think it would be considered to be a fair inspection.

As to the delay in the inspection of the oats, of course I have no knowledge.

Hon. Mr. FOWLER: Does the honourable gentleman suggest that the owner, at his own expense, should have sent all the apples to Ottawa.

Hon. Mr. ROBERTSON: The Government inspector should have gone there, and would have gone if he had been requested to do so.

Section 2 was agreed to.

On section 3—regulations:

Hon. Mr. FOWLER: The honourable member from De Salaberry (Hon. Mr. Béique) seemed to think there was no penalty attached to violation of these regulations.

Hon. Mr. BEIQUE: On looking at the Bill again, I observe that there may be compulsory grading under paragraph a of section 6.

Hon. Mr. FOWLER: There certainly is. There is a fine of $200.

Any person who—

(a) violates any provision of this Act or of any regulations made thereunder . . .shall be liable, upon summary conviction, to a fine not exceeding two hundred dollars and not less than fifty dollars, or to imprisonment for any term not exceeding three months.

It is a pretty serious offence to contravene this Act when it once comes into force. We do not know what the regulations are going to be. We are giving a blank cheque to the Department of Agriculture; we are giving them authority to impose whatever regulations they may see fit, subject of course to control by the Governor in Council. But Parliament ought to have something to say about these matters, and it seems to me that Parliament is giving up its rights and its privileges when it presents a Department of the Government with a blank cheque such as this. We are imposing upon many people in this country a liability for a very heavy penalty.

Hon. Mr. ROBERTSON: May I ask my honourable friend if he objects to a penalty being imposed upon any person who obliterates the grader's brand?

Hon. Mr. FOWLER: Oh, no, I am not saying that at all; that is all right.

Hon. Mr. ROBERTSON: That is what is provided.

Hon. Mr. FOWLER: Oh, but there is more than that. Under paragraph a of subsection 1, section 3:

The Governor in Council may make regulations (a) for the grading of dairy produce intended for export.

Hon. Mr. ROBERTSON: Yes.

Hon. Mr. FOWLER: Well, if a man violates any of those regulations, if he does not have his stuff graded, he is subject to a fine.

Hon. Mr. DONNELLY: Or if he disobeys any future regulations.

Hon. Mr. FOWLER: Or any future regulations that may be made—not necessarily the regulations that are outlined here, but any regulations.

Hon. Mr. ROBERTSON: May I point out to my honourable friend that that is a very clear justification of the proposal of having the inspection at points of export, because the manufacturer of the cheese at the factory has no idea as to whether the cheese will be exported or used locally, and therefore it is quite proper that the person owning the cheese and exporting it should be the person to whom the law would apply.

Hon. Mr. FOWLER: He has to buy a pig in a poke. He is going to buy cheese without knowing whether or not it will stand the inspection at the point of export. If he buys the cheese from the dealer and pays him for it, he becomes the owner of the property.

Hon. Mr. ROBERTSON: I think it is customary, if I am not mistaken, to buy cheese by grades, and, if this system is in effect, it is then graded, and the producer is paid on that basis.

Hon. JOHN WEBSTER: If I understand the Minister aright, the cheese must be shipped to Montreal to get the grade certificate. The certificate is not given at the factory.

May I explain to the House how this inspection must be made? Suppose I ship a carload of cheese to Montreal, to the grader's store. They are all boxed up and coopered. How in the name of common sense is any grader, by taking a cheese here and a cheese there, and another a little farther on, going to be able to give

me a certificate of the quality? Why, honourable gentlemen, it is absurd. It cannot be done. He would miss three or four different batches of cheese between those he picked out. The Government inspector of weights, in his inspection, takes a cheese here and there. From fifty boxes he will take five; from one hundred boxes he will take ten, and he issues a certificate that two on five, or four on five, or eight on ten, or whatever the case may be, are light weight. But when it comes to this inspection, is the inspector going to strip, say, half of those cheese in order to give a certificate of quality? It cannot be done. It is an impossibility. It is ridiculous to think of it. Any man who is familiar with the situation knows that.

Hon. Mr. FOWLER: That is the trouble, that the people who are devising these schemes are not familiar with the situation. They are theorists, and they are theorizing with regard to these things. They would not know a good cheese when they saw it unless they smelt it. That is the difficulty.

Hon. Mr. ROBERTSON: I think that honourable gentlemen will all agree that the officials of the Department of Agriculture, Mr. Ruddick in particular, are authorities on this question. But I recollect the system that we used to have in our cheese factories years ago. All the cheese made on a certain day were marked alike as that day's output. It would not be necessary for the inspector to inspect every one of those cheese. If the factory were turning out, say, fifty cheese in a day the output all comes out of the same vats.

Hon. Mr. WEBSTER: No, no. There are only six cheese made in one vat.

Hon. Mr. ROBERTSON: Well, it all comes out of the same factory.

Hon. Mr. WEBSTER: Let me say, in reply to the honourable minister, I would go into a factory and find one kind of curd here, and another kind of curd there, and possibly the third one would be floating, and the maker would not know what to do. I would take off my coat and make the cheese for him. But you cannot do that.

Hon. Mr. ROBERTSON: I quite agree with my honourable friend that I never made cheese. Nevertheless I think that the department's officials have undoubtedly examined into this matter very carefully. As I stated before, this Bill has been approved by all of the interests named—the dairy producers, the dairymen's associations of the various provinces, and the provincial Departments of Agriculture; and it has been worked out with the greatest care. The regulations, I have no doubt, will be acceptable—they must necessarily be acceptable—to those directly concerned in them. I suggest that the section be adopted.

Hon. Mr. WEBSTER: I may say, for the information of the Minister, that at the dinner hour I spoke to the Chairman of the Committee on Agriculture, and he told me that it was owing to our being so close to prorogation that he did not fight this Bill in the other House. He said: "If it had not been for that, I would have taken five hours and detained the House." He said: "I hope the Senate will throw it out."

Hon. Mr. DONNELLY: This question deals with a very important branch of agriculture. I am disposed to agree with the honourable member from Kings and Albert (Hon. Mr. Fowler) that we should not pass the Bill and give the Department power to make certain regulations and impose certain penalties for the violation of such regulations—regulations that at present we know nothing about. I was unfavourable to the Bill when it was brought down this afternoon. Since six o'clock I have made an effort to inquire from the member for South Oxford, who represents the most important dairy district in Western Ontario, and he expressed himself as strongly opposed to the Bill. I think the matter is of such importance that the Bill might be held over for another year. To authorize the making of regulations, as is provided for in this Bill, is really, as the honourable gentleman from Kings and Albert (Hon. Mr. Fowler) says, giving a blank cheque. It may be all right, but in my opinion the matter is too important to be dealt with in this way.

Hon. Mr. McHUGH: May I ask the Minister if the passage of this Bill and the establishment of the system of inspection proposed by it are going to do away with the purchasing on cheese boards, as it is done in the part of the country where I live? There are cheese boards in the different centres, the cheese is inspected at the factory and reported upon, and the cheese buyers from Brockville and other parts of the country come to the boards and buy. They will take the factory product on the standard that the inspector has given it, and will pay one price to one factory,

another price to another, and a third price to still another factory. How is this Bill going to affect that method of doing business? The farmers who turn in their milk to those factories that are co-operative appoint a salesman to go to the cheese boards, and he either accepts or refuses the offer made by the buyers of cheese there. They may hold over the cheese and sell after the expiration of the board, making a private agreement with purchasers for the best prices they can get. If the purchaser has to wait to have the cheese inspected at the port of export, I cannot see how he is going to fix the price.

Hon. Mr. ROBERTSON: There is no compulsory inspection required at the factory. The owner, when he goes to the cheese board, will sell his cheese just as he has always done, but if he desires to have his price fixed as a result or part of the grading, that will be done. When he gets to the place where it is graded he may decide to sell his cheese on that basis. This will not necessarily interfere in any way with the present practice.

Hon. JOHN WEBSTER: I know from experience what the effect of this legislation will be. I am a buyer; I visit the factories; I see the cheese; suppose there are 200 cheeses in the factory, and perhaps 20 of them are not up to the standard. The seller says to me, "Will you take my cheese?" I reply, "Not at the price of the finest, because you have a few cheese there that the Government may mark as seconds." The result will be that the seller will take from a quarter to a half cent less for his cheese than he would if this legislation were not on the statute book.

Hon. Mr. MURPHY: All round?

Hon. Mr. WEBSTER: Yes.

Hon. Mr. ROBERTSON: I think the seller of the cheese would say, "I will ship my cheese to the grading station, and, whatever it grades, I will take compensation on that basis."

Hon. Mr. FOWLER: In order to make this section so that I think we shall all appreciate it, I offer the following amendment to section 3:

After the word "may" in the first line insert the words, "subject to the approval of Parliament."

It would then read:

The Governor in Council may, subject to the approval of Parliament, make regulations for the grading, etc.

Hon. Mr. McHUGH.

Hon. Mr. MURPHY: That would mean throwing it over till next year.

Hon. Mr. FOWLER: I do not think there is any such pressing haste for this that it cannot be left over until next year. There is a very good old motto, "Festina lente," which means, make haste slowly. Sometimes we make haste rapidly, and the results are serious. "Subject to the approval of Parliament" would bring the regulations before us; we would not be giving a blank cheque. It seems to me that would make everything right, and then we shall have till next year to think this over and talk with the people whom we represent. I come from a county which is entirely devoted to the dairy industry, and I would like to discuss this matter with the cheese men in my county so that I could vote more intelligently on it than I can with the information I now have. The honourable Minister has made a fair defence of what I think is a very bad case; but I would like to have further information with regard to this. Therefore I move this amendment.

Hon. Mr. ROBERTSON: Speaking against the amendment, may I point out that to me as a layman—I do not desire honourable members to think for a moment that I am attempting to give a legal opinion—it appears that those words would be entirely superfluous. Surely Parliament has the power to do anything it likes at any time. What would be the sense of Parliament passing a law providing that the Governor in Council might make regulations subject to the approval of Parliament? The Governor in Council has authority to do that at any time, and I would think that the honourable gentleman's amendment would not add anything that could possibly be useful to the Bill—indeed, would hardly be in keeping with the dignity of legislation at all.

Hon. Mr. DONNELLY: I would like to ask the Minister why there is any urgent necessity for passing this Bill at this stage of the Session? Why was it not brought down earlier so as to receive consideration by Parliament?

Hon. Mr. ROBERTSON: My information is that this Bill was brought down more than two months ago, and it stood for six weeks before it went to the Committee of the House of Commons. Honourable gentlemen are as familiar as I am, perhaps more so, with all the reasons that could be advanced as to why this Bill has given precedence to what was regarded

as more urgent legislation up to the present time. Some Bills have necessarily to stand over till near the close of the Session, and it happens that this was one of those.

Hon. Mr. DONNELLY: In what Committee was this matter considered?

Hon. Mr. ROBERTSON: The Committee on Agriculture and Colonization, I believe.

Hon. Mr. SMITH: Has this Bill been examined by the various dairy associations, and endorsed by them?

Hon. Mr. ROBERTSON: It has, and this legislation has been sought, or at least is proposed, as a result of requests from the National Dairyman's Association, the Dairyman's Associations of Ontario, Quebec, and Saskatchewan, and of all the Provincial Agricultural Departments of the various Provinces.

Hon. Mr. FOWLER: Has the Bill itself, in concrete form, been submitted to those associations and received their approval?

Hon. Mr. ROBERTSON: I think not.

Hon. Mr. FOWLER: No, I think not.

Hon. Mr. MURPHY: The intent of the Bill is to make a standardized product that will have the imprimatur of the Government of Canada on it, so that it will stand as grade 1, 2 or 3. So far as that goes, it is a move in the right direction. I did not hear the discussion this afternoon, but I have been informed that my good friend the honourable member from Brockville (Hon. John Webster) made a statement concerning a fact about which I know something myself—that in the months of June and July—

Hon. Mr. WEBSTER: July and August.

Hon. Mr. MURPHY: July and August—it is the same thing—where there were not proper cold storage facilities the curds went wrong, and the cheese factories made an inferior product, and therefore had to take one-half or one-quarter of a cent less than they could otherwise have got for the cheese. If the honourable gentleman from Brockville is able to pay half a cent more for that cheese, and has put it off on England or Europe or any other country, I don't think that is right. I think that this Bill is a move in the right direction, and for that reason it has my support. Whether it is expedient at the present time or not is another matter.

The amendment of Hon. Mr. Fowler was negatived.

Sections 3, 4 and 5 were agreed to.

On section 6—penalties:

Hon. Mr. BOSTOCK: There is one curious thing about the drafting of this Bill. I do not know that it is important, but in section 2 we have a definition of what "grader" means, yet in all the other sections of the Bill the term used is "dairy produce grader." I am unable to see the object of defining "grader" in the way this Bill is drafted.

Hon. Mr. ROBERTSON: I assume that it is to prevent confusion, as with a grader of canned goods or an inspector of meats. I am informed that in the regulations under which this Act will be administered it would be made clear that the term refers to dairy produce grader.

Section 6 was agreed to.

Section 7 was agreed to.

The preamble and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Mr. ROBERTSON moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

DEPARTMENT OF CUSTOMS AND EXCISE BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 211, an Act respecting the Department of Customs and Excise.

He said: Honourable gentlemen, in 1918, by an Order in Council, the Department of Customs and the Department of Inland Revenue were combined under the name, Department of Customs and Inland Revenue. Notwithstanding that, the Customs Act and the Inland Revenue Act each contain the sections constituting two departments. It is desirable now that the two departments, by the Bill before us, should be consolidated and made into one department. 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

purposes in view are enumerated in the different sections, and we shall save time by going into Committee and dealing with each section as we proceed.

Hon. Mr. BOSTOCK: My honourable friend has introduced this Bill as if it were a very harmless, ordinary kind of Bill. The Bill has been brought down in the last hours of the Session, and if honourable gentlemen have had time to read it they will find one or two clauses in it that are anything but harmless; they are far-reaching, and may have very wide effects when put into force.

As regards the sections of the Bill that deal with the amalgamation of the Customs and Inland Revenue Departments and the formation of a new department under the name of Customs and Excise, that is an ordinary matter, and I do not suppose any one would raise any question about that being done if it is thought that in the interest of the country it should be done.

But when we come to the other sections of the Bill, we find that they raise a very wide and important question. My honourable friend has not made any mention of them. He has not told us what his own view is, but section 8 of the Bill deals with a matter which I think we dealt with in the Senate in another form some short time ago. This section 8, if I understand it rightly, deals very specially with the question of trade and commerce. It provides that on invoices of goods coming into this country the value of the currency of the country from which the goods come shall be taken at a certain rate; that is to say, if the value of the currency of the country whence the goods are invoiced to Canada has dropped very much below the par value of that currency before the war, under no circumstances shall that currency be valued at less than 50 per cent of its par value as it was before the war. Now, every honourable gentleman knows that the value of the currency of a large number of European countries at present is exceedingly low; and the effect of this legislation, if it goes through, will be that the value of the goods in the invoice will be raised very considerably, and the duty charged will amount in some instances to 10, 20, 50, 100, even as high as 200 per cent, which of course, in the latter case, would be a prohibitive duty. At the present time Canada wants to trade with other countries. We do not want to be injuring and interfering with the trade of the country and preventing other people from trading with us, or hindering Canada from trading with other countries.

As honourable gentlemen will remember, some time ago Canada made a loan to Rumania, and I presume we hope to get that loan repaid; at any rate, we hope some time to get some interest paid on that loan; but I do not see how we are going to get that if we pass legislation of this kind, which will very seriously affect the trade between Rumania and Canada. The currency of Rumania to-day is down to a very low level, and the effect of this legislation will be that we shall be putting a duty of something like 150 per cent on goods coming into Canada from Rumania. The same thing will apply to Greece; any trade we can do with that country will be affected in the same way.

In regard to Italy the same rule will apply. The Italian lire is to-day worth about 6 cents in our money; at its par value, it is worth about 19 cents. Under this section of the Bill an invoice made out in Italian lire would be calculated on the basis of 6 cents, but when the value of the invoice has to be arrived at for the purpose of arriving at the customs duty to be paid, the value of the lire would be raised to 9½ cents, or a 50 per cent increase of the invoice before the duty was charged. Honourable gentlemen can see that that is going very seriously to affect the trade of this country, and that it must and will do considerable damage to Canada.

Canada to-day wants to get into as many of the markets of the world as possible. As we know, recently in the United States legislation has been put through which is going seriously to affect the trade of this country with the United States; and if we are going to pass such legislation as this Bill proposes, we shall make the conditions throughout Canada worse than they would be if we did all we could to encourage trade between Canada and those other countries.

Another country whose trade is of course going to be seriously affected by this legislation is Germany. The German mark, at its par value, stands somewhere between 23 and 24 cents, but to-day its value is a little under 2 cents. If we take it at 2 cents, it means that on goods from Germany coming into this country the invoices would be increased to six times the value that they had when they left Germany. When the honourable member from Hamilton (Hon. Mr. Lynch-Staunton) brought in his Bill to exclude German

goods from this country, the Senate, after discussing it, did not approve of that legislation; but I think that was a very much more open way of dealing with the question than the method proposed in this Bill, of giving an arbitrary value to the German mark.

If we are going to pass legislation of this kind, I would like to ask the honourable leader of the Government what is the use of members of the Government addressing people in this country and trying to explain to them the value of the League of Nations? If we are not prepared to carry on business with these other countries, if we are going to do everything we possibly can to prevent trade with them, personally I do not see any use for the League of Nations. The whole idea of that league is to bring the various nations of the world into closer relations with one another so that they may understand one another, and in that way we may make progress and prevent wars coming about in future. The very best possible way in which we can go about promoting wars and creating trouble in the world is by passing legislation of this kind to prevent countries communicating and trading with one another.

Of course, if the people of this country do not wish to trade with Germany on account of the feeling that they still have against the German people, because of the way in which they acted during the war and have been acting since the war, it is quite open to them to refuse to buy German goods; but, on looking into the figures, I find that last year we bought from Germany $1,547,000 worth of goods. Of this amount $1,014,000 came in duty free, and $533,000 worth was dutiable. On the other hand, we sold Germany $8,200,000 worth of goods. So our sales were $6,653,000 in excess of our purchases. Of the goods that we sold to Germany last year $5,340,000 were in the form of vegetable products, and $2,238,000 in the form of animal products. Honourable gentlemen will see from these figures that if we are going to stop the trade between Canada and Germany, we shall be striking a very severe blow at the farming community. One of the items that Germany bought from Canada was asbestos, to the extent of $600,000 worth. Probably Germany would have bought that from us anyhow, because nowhere else in the world that I know of could she get it. But I think the Government, in placing this clause in the Bill, is very badly advised, and when we get into Committee I hope that honourable gentlemen will examine the matter very carefully, and that we may be able to make some change in it.

The motion was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. Mr. Thompson in the Chair.

Section 1 was agreed to.

On section 2—department constituted:

Hon. Sir JAMES LOUGHEED: May I bring within the Bar the Deputy Minister of Customs, Mr. Farrow?

Hon. Mr. BOSTOCK: I should like to ask my honourable friend in regard to sub-clause 4. As I read it, it leaves the appointment of the Commissioner and the Assistant Commissioner in the hands of the Governor in Council. Is that the practice in the other departments, or is that a departure from the ordinary rule?

Hon. Sir JAMES LOUGHEED: The Deputy Minister has always been the appointee of the Governor in Council.

Hon. Mr. BOSTOCK: The Assistant Commissioner may also be so appointed.

Hon. Sir JAMES LOUGHEED: It does not say by whom. He would be appointed by the Civil Service Commission. The Civil Service Act makes that clear, because we have only the authority to appoint the Deputy Minister.

Subsection 2 was agreed to.

Subsection 3 was agreed to.

Section 2 was agreed to.

Sections 2 and 5 were agreed to.

On section 6—entry not perfect unless invoice produced, and on foreign shipments of $100 or more bears a certificate of trade or consular officer:

Hon. Mr. BOSTOCK: I noticed that there was an amendment made to that section in the House of Commons, so that it does not come into operation except by proclamation of the Governor in Council.

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: What is the effect of that?

Hon. Sir JAMES LOUGHEED: That is to permit of the appointment of those who will constitute the consular service and will issue the certificates.

Section 6 was agreed to.

On section 7—valuation for duty at not less than wholesale prices:

Hon. Mr. TURRIFF: Who fixes the reasonable profit?

Hon. Sir JAMES LOUGHEED: The Customs authorities—the Minister of Customs.

Hon. Mr. TURRIFF: Will there be any regular rule that a certain rate of profit will be allowed?

Hon. Sir JAMES LOUGHEED: The profits a wholesaler or manufacturer would expect or would receive. That might vary with different products; but it is a matter that will necessarily come within the knowledge of the Department of Customs, and they have the machinery for ascertaining and determining it.

Hon. Mr. TURRIFF: I hope it will not be what the manufacturer might expect.

Hon. Sir JAMES LOUGHEED: No; what he usually receives.

Hon. Mr. BOSTOCK: Can my honourable friend say what is usually considered a reasonable profit?

Hon. Sir JAMES LOUGHEED: That is a matter of trade; it is pretty well determined by trade. I could not mention any arbitrary percentage, because where there is a very large turnover the percentage of profit is very much less than where there is a very much smaller turnover. That will depend on the nature of the goods.

Hon. Mr. BOSTOCK: But the officer of the Department or the Minister would not know what the turnover on this particular business was.

Hon. Sir JAMES LOUGHEED: It would depend upon the character of the product. That is to say, there is a class of product which represents a very large turnover—products of general consumption that all the community may consume. On the other hand, there may be special articles which have a very limited consumption, and upon which the profits would consequently be larger.

Section 7 was agreed to.

On section 8—valuation of currency:

Hon. Mr. BOSTOCK: Will my honourable friend explain this section?

Hon. Sir JAMES LOUGHEED: My honourable friend has gone fairly largely into that subject. I may say that it is felt that in some foreign countries, where the paper currency has become greatly depreciated, prices of domestic raw materials and labour costs stated in terms of the standard currencies of the countries have fallen much below the normal. The limiting, as proposed, of the allowance of depreciation of the paper currencies will have the effect of correcting this to some extent, and will cause the duties on importations into Canada to correspond more closely to the duty return on normal values.

My honourable friend spoke of the depreciation of the mark, and illustrated it as falling to about 2 cents, and of our bringing into operation this principle upon that reduced or depreciated currency. That cannot happen under this clause, because we are limited to 50 per cent. In no case is the reduction to be below 50 per cent of the par value. Therefore, no injustice will be done, and no excessive duty will be levied by reason of that. It must be manifest that if the value is to be taken in a depreciated currency and set over against our dollar, it would mean practically free admission into Canada. That would not only handicap our manufacturers, but would defraud the Canadian exchequer of the duty that should be legitimately paid.

Hon. Mr. DANDURAND: It means that what you have bought in Germany for 2 cents will be valued at not less than 12½ cents.

Hon. Sir JAMES LOUGHEED: We will not buy at 2 cents.

Hon. W. B. ROSS: You buy in Germany. If you paid gold there you would pay 2 cents per mark, and when you brought the article here you would pay duty on 12 cents.

Hon. Mr. DANDURAND: That is what this clause means.

Hon. W. B. ROSS: Yes; but if you do not do that, you close up every factory in Canada.

Hon. Sir JAMES LOUGHEED: You might as well take down all your barriers and let Germany come in.

Hon. Mr. CASGRAIN: Has the Government taken into consideration the fact that many more marks have to be paid for the article there? Say you want to get a meal—I do not say you are going to import meals—but if you want to get a meal you have to pay ten times as many marks as formerly. The invoices will show a great number of marks.

Hon. Sir JAMES LOUGHEED: Oh, no.

Hon. Mr. CASGRAIN: If you want to buy wine in France to-day, you have to pay about double the number of francs, or two-and-a-half times as many as you used to. The price has risen to such an extent that I actually cancelled a consignment of brandy. It would have cost in our money about $75 a case in France. They have simply raised the price as the money depreciated.

Hon. Mr. SMITH: They have not raised the price in proportion. The mark is worth 2 cents. But they have raised prices only three or four times, not twelve times.

Hon. Mr. TURRIFF: I do not understand this yet, and I should like to have it cleared up. My understanding of the matter is this. If I took $1,000 in gold over to Germany to buy goods, I could buy marks at 2 cents per mark or under, and, as my honourable friend has just stated, while the mark has gone down considerably the goods have not gone up in proportion. The result would be that I would pay $1,000 in Canadian money for those goods, and when I would bring them to Canada and enter them at the Customs I would pay a duty, not on the $1,000 which I paid for the goods, but on about $6,000. I would be paying six times the rate of duty because of this law being in force.

Hon. Mr. MURPHY: There is no reduction over 50 per cent.

Hon. Mr. SMITH: If you bought the goods at the old price, the mark would be worth 24 cents.

Hon. Mr. TURRIFF: My honourable friend states that I would pay perhaps twice as much, or possibly three times as much.

Hon. Mr. CASGRAIN: Six times as much.

Hon. Mr. TURRIFF: If I paid three times as much when I brought the goods into Canada, I would pay duty on about $3,000, instead of $1,000. So, on goods ordinarily carrying a duty of 35 per cent, I would be paying about 100 per cent. I have heard a great deal of argument in this Chamber during the past year on the necessity of getting an export market for the goods manufactured in Canada. How can any one think that we shall get an export market for goods made in Canada if we shut out goods from other countries by putting 100 per cent duty on them?

Hon. Mr. CASGRAIN: It has been figured out among the business men that the duties will amount to more than the price of the article.

Hon. Mr. ROBERTSON: Might I give the House a concrete instance of just how the present law works out by reason of the debased currency? We have a substantial number of lithographing establishments in Canada. At the present time they are practically out of business—why? The minimum wage they pay their workmen, and have been paying them for some time, is $6 per day. The lithographers in Germany to-day are working for 40 cents a day in our money. Therefore the Canadian buyer of calendars, almanacs, bill-posters, or anything that he wants in that line, can purchase those goods in Germany and bring them here, paying duty at the present time on one-twelfth of the actual value of the goods in Canadian money. He may bring them in here at a valuation far below the lowest possible cost of production in Canada. That is only one of many lines, and, because of the debased currency, the competition that is coming to our Canadian manufacturer is contributing very seriously and substantially to our present unemployment situation in Canada. If a man takes to-day $100 in gold and purchases $100 worth of goods in Germany, at the present rate of the market, what does he get? Twelve hundred dollars worth of goods.

Some Hon. SENATORS: No.

Hon. Mr. ROBERTSON: Yes. This Bill states that he must pay duty on at least fifty per cent of that. The valuation for duty must be at least fifty per cent of the value in German currency.

Hon. Mr. CASGRAIN: Twelve cents for each mark.

Hon. Mr. ROBERTSON: It ought to go even much further than that; but surely we ought not to permit a situation to exist whereby, because of the debased German currency, goods can be bought under such conditions and brought over here and sold in Canada just below the cost of production in Canada. Mind you, the consumer does not get the benefit. Our manufacturing is closed down, and the consumer pays the shot just the same.

Hon. Mr. CASGRAIN: The Minister surely does not mean to say that in Germany men are now working at 40 cents a day. That is 27 marks. How do they buy shoes? A pair of shoes costs 200 marks.

Hon. Mr. ROBERTSON: Perhaps the fact has been overlooked that there is a domestic and a foreign value on German currency.

Hon. Sir JAMES LOUGHEED: May I point out to this Chamber that, under the tariff legislation now before the United States Congress, it is proposed to admit German goods only upon the value of the goods in the United States. That is much less favourable than what we intend doing.

Hon. Mr. CASGRAIN: That would be much fairer.

Hon. Sir JAMES LOUGHEED: The German mark is at—

Hon. Mr. CASGRAIN: A cent and a half.

Hon. Sir JAMES LOUGHEED: It is at 1.6; that is, about one-thirteenth or one-fourteenth of its par value. It seems to me we are dealing very generously with Germany when we place the value for duty at fifty per cent, which would represent practically 11 cents and a fraction, or nearly 12 cents, on the mark, whereas the value of the mark is below 2 cents. It seems to me we restrain ourselves in not going below 12 cents, or 11 and a fraction.

Hon. Mr. BOSTOCK: My honourable friend speaks of Germany, but it is not Germany alone that we are hitting in this matter.

Hon. Sir JAMES LOUGHEED: We are dealing with all countries with depreciated currencies.

Hon. Mr. BOSTOCK: Yes; and the trouble that I see in the matter is that we have advanced money to some of those countries. We are in a curious position. We advance money to a country, and we want to trade with it, but immediately we put an obstacle in the way of trade between that country and ourselves. As I said before, if it is Germany that the Government wants to hit, the proposal made by the honourable gentleman from Hamilton (Hon. Mr. Lynch-Staunton) in this House last session would seem to be a more intelligent way of doing it; because, as I see the matter, if this legislation goes into effect, all German goods will come through Holland or some other country which has not such a duty against German goods as we are placing against them, and whose currency is at par, or the same as Canadian currency to-day. The consequence will be that all the German business with this country—such business as is desired to be done—will be done through Holland; but Italy will not be helped in the same way, because its business is done in a totally different manner, and it could not take advantage of the situation of Holland.

Hon. Sir JAMES LOUGHEED: Oh, well, we shall have to take our chances with that.

Hon. Mr. TURRIFF: The honourable the Minister of Labour (Hon. Mr. Robertson) pointed out that a certain class of workmen in Canada received $6 a day, whereas men doing corresponding work in Germany got 40 cents a day, in our money, and he proposed that that situation be regulated by this legislation. I would like to ask my honourable friend this question. Is it the policy of the Government, when in other countries competing with us the wages paid for the making of certain goods are much lower than in Canada, because the labour men in this country, through their unions, are able to keep up their wages, that the Customs Act is to be amended so as to enable such goods to be made in Canada, regardless of the cost of labour or of what is being done in those other countries? If that is the case, what hope can we have of trading with other countries? Can we trade with them if we deliberately, through the Customs Act, undertake to shut out their goods because they can be made more cheaply there than in Canada?

Hon. Mr. ROBERTSON: The policy of the Government is to protect Canadian industries and Canadian workmen as far as is necessary to prevent the destruction of the industries and the throwing of the workmen out of employment. In this particular instance the proposed action is not due to any trade unions in either country; it is due to the debased currency in Germany, where $1 of our money is at the present time worth almost $14. The German manufacturer and the German workingman, if paid in our currency, would thus have the tremendous advantage of something like 1,200 per cent. This most

serious situation is to some extent rectified, and protection is given—not as far as I think it should go—to our Canadian workmen and Canadian industries.

Section 8 was agreed to.

On section 9—entry of goods outward by land conveyance:

Hon. Sir JAMES LOUGHEED: This is to correct an error appearing in the fourth line. The word "landing" should have been "lading."

Section 9 was agreed to.

On section 10—Customs house brokers may be licensed at any port by Collector, subject to approval by Minister:

Hon. Mr. BOSTOCK: Has the Government been licensing these brokers heretofore, or is this a new provision?

Hon. Sir JAMES LOUGHEED: This is an entirely new provision.

Hon. Mr. BOSTOCK: What is the reason for it?

Hon. Sir JAMES LOUGHEED: So that we may have more control over the matter. Heretofore we had not control.

Hon. Mr. CASGRAIN: Anybody could be a customs broker before, if he wanted to be.

Section 10 was agreed to.

Sections 11 to 14, inclusive, were agreed to.

On section 15—beer casks, barrels and bottles to be stamped with name and address of brewer or bottler, also per cent of crude spirits in bottled beer:

Hon. Mr. BOSTOCK: I presume this has not been in before.

Hon. Sir JAMES LOUGHEED: No.

Hon. Mr. BOSTOCK: This is new legislation?

Hon. Sir JAMES LOUGHEED: This is for the purpose of identifying violators of the law. It has been very difficult up to the present time to identify them.

Hon. Mr. DANIEL: Does that relate to near beer?

Hon. Sir JAMES LOUGHEED: No.

Section 15 was agreed to.

On section 16—offence of sale of tobacco or cigars except in original stamped package:

Hon. Mr. CASGRAIN: Does that mean that you cannot go into an ordinary shop in town and get your tobacco pouch filled?

Hon. Sir JAMES LOUGHEED: Oh, no. It refers to the man who sells.

Section 16 was agreed to.

The schedule, the preamble, and the title were agreed to.

The Bill was reported without amendment.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

PATENT BILL

FIRST READING

Bill 140, an Act to amend the Patent Act.—Hon. Sir James Lougheed.

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of the Bill.

He said: Honourable gentlemen, I fear that this Bill has not been printed, although my honourable friend (Hon. Mr. Bostock) has been furnished with a copy of it. I suppose that if the clauses are read at the Table honourable gentlemen will readily comprehend them.

Hon. Mr. DANDURAND: But we should have the Bill as it was passed by the House of Commons.

Hon. Sir JAMES LOUGHEED: I have the Bill as passed by the Commons, certified to by the Clerk.

Hon. Mr. DANDURAND: Has it been very much amended?

Hon. Sir JAMES LOUGHEED: The purpose of the Bill is to grant relief to patentees and inventors who, through disturbances caused by the war, have either lost their patents by violence through failure to manufacture and non-payment of fees, or have failed to obtain patents for their inventions by not applying within the prescribed time. The Bill is in line with legislation enacted by most countries engaged in or affected by the war, which is generally referred to in patent circles as "cleaning up" legislation, as it removes as to patents all the traces of the war remaining after the operation of the

treaties and previous war legislation. There was a suspension during the war, by agreement; in fact, it was agreed under the Treaty that that suspension should be recognized by the various parties to the Treaty.

The Bill is also for the purpose of securing for Canada the benefit of what is known as the Nolan Bill, passed in the United States on the 3rd of March last, which extends for six months from its passage the time for filing belated applications for patents, but only in favour of such countries as pass reciprocal legislation within that period. It also makes certain changes as to payment of fees.

It is necessary during the present Session to take advantage of the reciprocal provisions in the Nolan Bill, by passing this legislation. It is simply to place the Patent Act where it should be after the cessation of the disturbances caused by the war. As honourable gentlemen will probably remember, Canada, like the other Allies, passed certain Orders in Council, or certain war legislation, dealing with patents.

The motion was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. Mr. Laird in the Chair.

Hon. Sir JAMES LOUGHEED: May I ask permission to bring in Mr. O'Halloran, the Commissioner of Patents?

Hon. Mr. DANDURAND: Would the honourable gentleman inform the House as to the value of the German patents which were set at naught during the war?

Hon. Sir JAMES LOUGHEED: I am informed that none of the patents were set at naught. We issued licenses on a royalty basis during the war. We did not in any way interfere with the ownership, and they will revert to the owners.

Hon. Mr. CASGRAIN: But the countries in continental Europe have taken possession of all the German patents.

Hon. Sir JAMES LOUGHEED: I understand that the course which we pursued is that which was pursued by the other Allies in regard to German patents.

Hon. Mr. CASGRAIN: Then we own them. I think I could show you.

Hon. Sir JAMES LOUGHEED.

Hon. Mr. DANDURAND: The question which occurred to me was this: Have those rights of the Germans throughout the world been forfeited?

Hon. Sir JAMES LOUGHEED: Oh, no.

Hon. Mr. DANDURAND: Have they lost the rights which they had under the patents?

Hon. Sir JAMES LOUGHEED: They were simply held in suspense—

Hon. Mr. DANDURAND: —during the war.

Hon. Sir JAMES LOUGHEED: —and anyone availing himself of the advantages of the patent did so by license issued by this Government, through the Commissioner of Patents.

Hon. Mr. BEIQUE: Are these licenses to be continued, or cancelled?

Hon. Sir JAMES LOUGHEED: The licenses are continued, of course subject to the intervention of the Government at any time to cancel them. Now it is proposed to repeal the first two sections of this Bill, which deals with fees. The fees for patents are very varied, and it has long been the attitude of the Senate, under a number of Bills that have come up from time to time for renewal of patents that had lapsed, that the Government should adopt a different policy with regard to fees. As honourable gentlemen will recall, the fees were payable in instalments, and where the patentee neglected to pay the fees the patent lapsed. Now we are trying to get over that difficulty by fixing a fee which will avoid lapses.

Hon. Mr. DANDURAND: Only one fee for the whole term, as in the United States?

Hon. Sir JAMES LOUGHEED: Yes. With the permission of the House I will read the clauses that we propose to repeal; they form part of section 23:

But, at the time of the application therefor, it shall be at the option of the applicant to pay the full fee required for the term of eighteen years, or the partial fee required for the term of six years, or the partial fee required for the term of twelve years.

2. If a partial fee only is paid, the proportion of the fee shall be stated in the patent, and the patent shall, notwithstanding anything therein or in this Act contained, cease at the end of the term for which the partial fee has been paid, unless before the expiration of the said term the holder of the patent pays the fee required for the further term of six or twelve years, and obtains from the Patent Office a certificate of such payment in the form which

is, from time to time, adopted, which certificate shall be attached to and refer to the patent, and shall be under the signature of the Commissioner or of the Deputy Commissioner.

3. If such second payment, together with the first payment, makes up only the fee required for twelve years, then the patent shall, notwithstanding anything therein or in this Act contained, cease at the end of the term of twelve years, unless at or before the expiration of such term the holder thereof pays the further fee required for the remaining six years, making up the full term of eighteen years, and obtains a like certificate in respect thereof.

47. The following fees shall be payable before an application for any of the purposes herein mentioned shall be received by the Commissioner, that is to say—

It is unnecessary for me to read the particular items of the tariff; they number twelve or thirteen items.

Section 1 was agreed to.

On section 2—tariff of fees:

Hon. Mr. BOSTOCK: These fees are very much lower.

Hon. Sir JAMES LOUGHEED: Yes, I would say the fees we now charge are probably more reasonable. There is one fee for the whole term.

Hon. Mr. BOSTOCK: The fee for the whole term before was $60; now it is only $35.

Hon. Sir JAMES LOUGHEED: Just by way of illustration: On filing an application for patent, $15 is paid; on grant of patent, $20; that is $35 for the whole term of the patent; whereas there was a full fee for 18 years of $60, a partial fee for 12 years of $40, and a partial fee for 6 years of $20. But we are exacting other fees, which will represent an additional income in favour of the proposed Bill of $112,625.

Hon. Mr. DANDURAND: There is no question but that $35 for the whole term will give a much larger return, for, as the Deputy Minister could tell us, a large proportion of inventions are never renewed.

Sections 2 and 3 were agreed to.

On section 4—no patent void by failure to make or by import between 1st August, 1914, and 10th January, 1922.

Hon. Mr. BOSTOCK: Has my honourable friend any information as to the extent of that?

Hon. Sir JAMES LOUGHEED: This clause is for the purpose of removing any uncertainty as to the meaning of section 82 of the Treaty of Peace order, 1920. The Justice Department has given an opinion that it applies to patents in force in August, 1914. There is greater reason why it should apply to later patents.

Section 4 was agreed to.

On section 5—time extended for paying fees:

The Hon. the CHAIRMAN: The following has been added as subsection 2 to section 5:

(2) The privileges set forth in this section in so far as regards payments of fees on patents already obtained and lapsed by reason of non-payment of such fees are hereby granted only in favor of nationals and residents of Canada, but the Governor in Council may extend the same in favor of citizens or subjects of all countries which have extended, or which now extend, or which within the period of six months from the passage of this Act shall extend substantially reciprocal privileges to citizens or nationals of Canada.

Hon. Sir JAMES LOUGHEED: That is to bring it into conformity with the Nolan Bill passed in the United States.

The amendment was agreed to.

Section 5 as amended was agreed to.

On section 6—time extended for exercise of rights for filing applications:

Hon. Sir JAMES LOUGHEED: That is exactly in the terms of the Nolan Bill. They must apply within six months from the 3rd of March last.

Hon. Mr. BOSTOCK: It gives them a little longer period?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BOSTOCK: Can my honourable friend give us exactly the meaning of that proviso? It is rather confused.

Hon. Sir JAMES LOUGHEED: That is taken exactly from the Nolan Bill. It is practically similar to a clause which we invariably insert in our Bills—that, in the hiatus which occurred between the lapsed time and the life of the patent, those who took advantage of the patent shall be protected.

Hon. Mr. DANDURAND: A saving clause?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. BEIQUE: Our saving clause goes further than that, because this clause protects only those who have acquired the right to manufacture: it does

not protect those who have commenced to manufacture. Our saving clause protected those who had commenced in good faith to manufacture.

Hon. Sir JAMES LOUGHEED: That is in a later section—No. 8 of the Bill.

Hon. Mr. BEIQUE: This should be complete.

Hon. Sir JAMES LOUGHEED: No, this is the clause which has been taken from the Nolan Bill, which is reciprocal legislation, and we have to use the same language.

Section 6 was agreed to.

Section 7 was agreed to.

On section 8—saving rights of persons who have commenced lawfully to make, use or sell invention while patent was void:

Hon. Mr. BOSTOCK: So that if a man has started he is protected?

Hon. Sir JAMES LOUGHEED: Yes, even though he has not entered on the manufacture.

Section 8 was agreed to.

On section 9, subsection 2—orders and regulations in force for one year:

Hon. Mr. BOSTOCK: Why is it necessary to keep the order in effect for one year?

Hon. Sir JAMES LOUGHEED: The orders read that they shall continue in force during the continuance of the war and for one year after, and the war is still on: in the opinion of the Justice Department, we are still at war.

Hon. Mr. BOSTOCK: Whom are we fighting to-day?

Hon. Sir JAMES LOUGHEED: We are academically at war.

Sections 9, 10 and 11 were agreed to.

The preamble and the title were agreed to.

The Bill was reported as amended.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time, and passed.

The Senate adjourned until to-morrow at 10.30 a.m.

Hon. Mr. BEIQUE.

THE SENATE

SATURDAY, June 4, 1921.

FIRST SITTING

The Senate met at 10.30 a.m., the Speaker in the Chair.

Prayers and routine proceedings.

CIVIL SERVICE BILL

FIRST READING

Bill 122, an Act to amend the Civil Service Act, 1918.

THE NEXT GOVERNOR GENERAL

REPORTED APPOINTMENT OF VISCOUNT BYNG

On the Orders of the Day:

Hon. HEWITT BOSTOCK: I would like to ask the honourable leader of the Government if he can confirm the report that appeared in last evening's newspapers as to the appointment of a successor to His Excellency the Governor General. It was stated that Lord Byng had been chosen. I noticed also a certain criticism of the fact that that announcement comes from England to the newspapers here. The point is made that, inasmuch as Canada now occupies such a prominent place in the affairs of the Empire, the announcement should have been made simultaneously in Ottawa and in London, and that it is somewhat of a reflection on Canada that the announcement should have been first made in London and then sent to Canada.

I would also like to ask the honourable leader if the Government were consulted on the question of who should be chosen as the next Governor General, and whether they think that in the present condition of affairs the interest of the country is best served by having as the next Governor General a man whose whole training, so far as I know, has been in military affairs. At the present period we are dealing with the question of reconstruction, hoping that war is over; and the solution of the many difficulties we are liable to meet in the future will be, we hope, along economic lines, and not along the lines of militarism and war. It is quite true that my honourable friend (Hon. Sir James Lougheed) stated yesterday that we were still at war; but the country hopes

that such is not the case; that, as far as Canada is concerned, we have entered on the period of reconstruction after the war, and can face the questions and difficulties that confront us with confidence that we shall not have to be involved in military matters for a long time to come. Therefore I would like the honourable gentleman to give us some reason as to why a gentleman has been chosen whose whole training is in military affairs.

Of course, I thoroughly appreciate that Lord Byng has thoroughly endeared himself to the men who served under him during the war; that he has a very high reputation in all military affairs and has accomplished great things; but the question is whether his training is a training for the work which will devolve upon him in the future if he comes here as Governor General.

Hon. Sir JAMES LOUGHEED: In answer to what my honourable friend has stated, I may say that I have been so engaged in this Chamber during the last couple of days that I have not had an opportunity to attend the meetings of the Privy Council and familiarize myself with what has transpired touching this question. I have no doubt, however, that, if an appointment has been made, the Imperial Government would have communicated that information to His Excellency the Governor General, with a view of having it transmitted to this Government before giving it to the public.

As to the Imperial Government consulting with the Canadian Government regarding any appointment of this character, that is not at all necessary. In the first place, the appointment is peculiarly one appertaining to the Imperial Government.

Hon. Mr. CASGRAIN: Hear, hear—a nation!

Hon. Sir JAMES LOUGHEED: In the second place, I am satisfied that the Canadian Government would not wish to participate in an appointment so made. The responsibility rests entirely with the Imperial Government, and we are not assuming any responsibility therein, having the fullest confidence that the Imperial Government will make a wise and sagacious choice, as they have always done in the past.

In regard to the qualifications of Viscount Byng, if he has been appointed to this position, may I say that the achievements with which that gentleman's name has been associated in the late war have lent lustre to his name. It seems to me that, if he possesses the qualifications which have been mentioned by my honourable friend, they should commend him strongly, not only to the Imperial authorities, but to every loyal and patriotic citizen of this Dominion, and I am sure that, if appointed, the association which he has had with Canadian soldiers on those historic fields of battle in France, will not only add distinction to his name, but give to him the confidence, respect, and loyal support of every Canadian citizen.

Hon. R. DANDURAND: It is universally recognized that the British constitution is not built on very logical lines. It has developed from century to century, and, although the respective powers of the Crown, the House of Lords, and the House of Commons have been gradually modified, we have clung to certain formulæ and certain expressions that now mean nothing.

I was interested in hearing my honourable friend yesterday speak of the present Governor General as having been a wise administrator. That was merely a form of speech, because, as every one knows, the Governor General does not administer the affairs of this country. Like the King, he is a figurehead, an emblem representing the Sovereignty.

Now, as we are gradually becoming a sister nation of the Empire, I would suggest that the next conference in London strive to adjust names to realities, and attempt to find another title than that of Governor General for Canada, or for the other Dominions, because we all know that the gentlemen who come here representing directly His Majesty are anything but Governors. Yet, in our elder sister nation, Great Britain, a great many people are still under the impression that Governors are sent abroad to Crown Colonies or to Dominions to govern. It seems to me that the time has come to find another term which would express to our brethren across the sea the idea of our equality. What would be the most fitting title I cannot say; but, as the direct representative of His Majesty in Canada, I think it would be more logical to call him the Viceroy than the Governor, which, after all, is a misnomer.

CANADIAN AMBASSADOR TO WASHINGTON

On the Orders of the Day:

Hon. Mr. CASGRAIN: Could the leader of the Government tell the House whether the Ambassador to Washington has been appointed, or is going to be appointed?

Hon. Sir JAMES LOUGHEED: What ambassador?

Hon. Mr. CASGRAIN: The Canadian Ambassador? We voted $50,000 for that purpose last year, and this year it was increased to $60,000. That money is going begging.

Hon. Mr. SHARPE: Would the honourable gentleman accept it?

Hon. Sir JAMES LOUGHEED: We will see that the honourable gentleman is duly advised of the appointment.

CIVIL SERVICE BILL

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of Bill 122, an Act to amend the Civil Service Act, 1918.

He said: Honourable gentlemen, the Bill before us is an amendment to the Civil Service Act, 1918. I am sure that a perusal of it by honourable gentlemen will result in its commending itself to their consideration. At one time there seemed to be threatened a kind of wholesale attack upon the Civil Service Commission, and a return to patronage; but honourable gentlemen will observe, on reading this Bill, the sagacity which has been displayed by the House of Commons in not departing from the principles which have already been crystallized, I might say, in the Civil Service Act.

Hon. Mr. FOWLER: Lack of sagacity.

Hon. Sir JAMES LOUGHEED: Well, it is a matter of opinion, I suppose, as to what we may call it.

I may say that the Bill in no sense departs from the principle of the Act. It simply makes a departure to some little extent in giving wider powers to the Civil Service Commission as to the appointment of disabled soldiers. From a close perusal of the Bill I fail to see that there has been any substantial change made in the Act.

Hon. Mr. BOSTOCK: Honourable gentlemen, I have had only a few minutes in which to look at this Bill; but, as my honourable friend has said, there does not seem to be very much in it, although I understand that in another place considerable attention was given to the question. I understand that the Bill was introduced into the other House and referred to a committee, and that after the committee had considered the matter for a long time, another Bill was brought down; and the question then arose as to which Bill was to be proceeded with. Eventually, I believe, both Bills were cut down to the Bill that we have before us. I do not know that there is anything objectionable in this Bill. The question of principle is not before us, and it seems to me that any further discussion could better take place in committee.

Hon. GEORGE W. FOWLER: Honourable gentlemen, I had hoped that there was something in the rumour that the Bill known as the Spinney Bill, which was to be introduced into the House of Commons, would change somewhat the Civil Service arrangements in this country. But from the character of the Bill before us, as outlined by the leader of the Government, it seems that the Bill now before us will not have that effect.

I remember when the Civil Service Commission was first inaugurated. We were told that economy and efficiency were the objects aimed at, and that they could only be accomplished by the abolition of what was designated by the social and other uplifters as the terrible evil known as patronage. I had been a member of the House of Commons, and for a number of years previous to that a member of the legislature in my native province, and I may say that I had never seen any very great evils attaching to the patronage which came to members of legislative bodies. I had not observed that the men who were appointed to positions in the Civil Service under that system were not efficient. I had not observed that there was any great lack of economy in the carrying on of the public service in those days. But these uplifters, these social reorganizers and reformers, were able to get hold of a certain section of the newspaper press and to impress upon them the idea that it was absolutely necessary, if this country were to be saved from final destruction, that this evil of patronage should be wiped out, and that an independent body—independent of everybody, independent of the people, independent of the press—should be appointed in order that these men who, I suppose, they expected would get divine inspiration in making their selection of those who were to form the Public Service of this country, should organize that Public Service in such

a way as to bring about the much-desired efficiency. Well, the first vote for this purpose was, I think, for some $25,000—a nice, gentle, opening wedge. The vote for last year makes the expenditure nearly $700,000.

Hon. Mr. CASGRAIN: Shame.

Hon. Mr. FOWLER: Honourable gentlemen, the country does not realize what this divinely-inspired Civil Service Commission is costing at the present time. I think I have a memorandum of the cost here. The vote in last year's Estimates was $453,105, with $150,000 to cover the reorganization of the departments at Ottawa, and, in addition, in the Supplementaries, $64,920, making the total for the year just closed $698,025. From $25,000 to $700,000 is a pretty long step in the way of economy—economy on the wrong side of the ledger.

Now, has the Civil Service Commission reduced the cost of Civil Government in this country? Let us see what the figures show as to that? In the last three years there has been an increase of over $3,000,000 in the cost of Civil Government at Ottawa—that is another economical step which these gentlemen have taken. That is in the Inside Service, and does not include Soldiers Civil Re-establishment, Soldiers Land Settlement, Pension Board, Air Board, or Health Department. In spite of the fact that the heavier expenditure due to enlarged staffs during the war has been largely reduced, and in spite of the fact that the services that I speak of are not included in this expenditure, in the last three years there has been an increase of $3,000,000 in the cost of Civil Government at Ottawa. The cost of the Civil Government is fearful. In the last ten years the expenditure has grown from $25,000,000 to $60,000,000; and yet, during a great portion of that time, this Civil Service Commission that was heralded as bringing the dawn of a new day, that was heralded as the harbinger of economy, has been in power, and very much in power. You get a sample of tea to judge of the quality; so I am going to give you a sample of how some people fare under this Act.

Hon. JOHN WEBSTER: Have you the sample with you?

Hon. Mr. FOWLER: No, I have not got it with me, but I think I can tell it from memory. One gentleman—and this is only one sample of many—received last year $8,400, and he is but a first-class clerk in one of the departments.

Hon. Mr. CASGRAIN: Name him.

Hon. Mr. FOWLER: His original salary for the year before was $3,600. He got a raise of $1,200, which brought his salary up to about $4,800; he got $1,200 of back pay. He got an increase, as I say, of some $1,200; but he was not satisfied with that, and went to the Board of Hearing. This Board of Hearing is a sort of institution used for the purpose of boosting up people who do not consider themselves quite well enough boosted. This gentleman was a member of the Board of Hearing, and therefore the other members of the Board were somewhat sympathetic; and, although he was already receiving a fair remuneration, they increased it on his petition some $300 more.

Hon. Mr. BOSTOCK: Three hundred dollars per annum?

Hon. Mr. FOWLER: Yes, per annum. But he has also another job in connection with the Government which brings him $1,000, making his salary in all for last year $8,400—and I will guarantee that he does not give full value for that amount. That is one sample brick to show you something of the quality.

Hon. Mr. ROCHE: How much work did he do?

Hon. Mr. FOWLER: I will guarantee that he did not do $8,400 worth in the whole time.

Hon. Mr. WEBSTER: Can you give the name?

Hon. Mr. CASGRAIN: He had no time to work.

Hon. Mr. FOWLER: Certainly not; he was working all the time getting his increase.

Hon. JOHN WEBSTER: Will this new grader that is to be appointed at Montreal be selected by the Civil Service Commission and paid by the Government on the same terms?

Hon. Mr. FOWLER: Having to do with a job that requires exceedingly great skill and knowledge, and this man receiving $8,400 not having skill or knowledge along any line, I imagine that a man who can tell a good cheese from a bad one should get at least $12,000.

Now, the Civil Service Commission were not satisfied that they had within them-

selves sufficient ability to organize the departments so as to reach the greatest degree of efficiency. They went to the United States and brought up a lot of unlicked cubs—persons who, if they possessed knowledge and ability, certainly had one faculty very highly developed, and that is the faculty of concealing any appearance of the fact that they had knowledge or ability. Not only had they the faculty of concealing all appearance of knowledge, but they also had the faculty of concealing the effects. They were not able to get the effects. I venture the assertion, and it will not be contradicted by men who know, that the Inside Service was never less efficient than it is at the present day. What do we find? We find here to-day a disorganization, instead of an organization, among the Civil Service of the Capital. We find the Civil Service attempting to dictate to the Government of the day, their employers, what they shall and what they shall not do. They think that they are independent; that Parliament has no power over them; that the whole thing is in the hands of this Commission—a sort of Frankenstein monster reared by the Government to destroy it. So far as the treatment of the Civil Service by this Government is concerned, let me say, honourable gentlemen, that I do not think it will commend itself to the electorate of this country.

I hoped that there was going to be a change, and that this Spinney Bill was going to bring about the change. What is the harm of patronage? What is the evil? I think I have sufficiently shown that there has been no change in the way of economy or efficiency. What is the evil of patronage? Is it correct to say that a man who is elected by the people, who represents the people, and who must go back to the people for re-endorsement, is not a fit person to recommend a man for a position? Are you going to have democratic government in this country? or are you going to put this matter in the hands of a bureau which is responsible to no one?

Hon. Mr. STANFIELD: That is the way it is now.

Hon. Mr. FOWLER: That is the way it is now, my honourable friend says. You are putting it in the hands of a bureau of three men—controlled by a fourth, as is popularly thought—to say who shall and who shall not fill the positions in the Public Service of this country. And are you going to say that the men who are responsible to the people and who are elected by the people shall not have the right of recommendation to these positions? It seems to me that it is subversive of the ideas of Democracy and Responsible Government.

For many years I represented a constituency in the other House, and I never saw anything of these evils that we are contending against. When an appointment was to be made, during the time the party I supported was in power, I had the privilege of recommendation, and I was very careful to recommend good men for the positions that were vacant, particularly in my own constituency—why? Because, as a man possessing some slight degree of common sense, I know that in my representative capacity I could make no greater blunder, I could do nothing that would do me more harm in my next candidature, than to recommend an inefficient person to be appointed to the Public Service. There was an object-lesson for everybody to look at, and everybody could see it. I am speaking now of the outside service entirely; I do not care anything about the inside service, and would not care whether any member had anything to do with it or not; and I ask, who is so well qualified to say who would be suitable for a job such as a postmaster in a country district, or a lighthouse keeper, or anything of that kind, as the member for the county, who is acquainted with everybody and with all the conditions in the county, and who makes these matters his study, and properly so? But a recommendation from the member is the worst thing that a man can have if he is applying for a position under the Civil Service Commission. They avoid the member as though he were a pestilence, as though they would be liable to catch the plague if they spoke to him and asked him who was the right man to appoint. To say that a man sitting here at Ottawa could tell who would be a proper postmaster for a country district such as the parish of Waterford in my county, a remote parish, is ridiculous and absurd. Oh, but they get the recommendation of the post office inspector. That inspector lives in one part of the province, and probably never saw that district, and knows nothing about it. The man on the street, the man least qualified, is the one chosen as the source of information by the Civil Service Commission. That has been proven again and again. I am utterly impartial in this matter; I have no axe to grind; we in this House have no patronage, and desire none. I am speaking in the interests of the country, and I sup-

pose I shall be hounded to-morrow if the newspapers see fit to notice what I have said here to-day; I shall be hounded by the Civil Service Association through the newspapers for expressing these views; but every word I have said here is the absolute truth.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FOWLER: I do not make a practice of reading from newspapers, but I have an article from a newspaper which has a very strong influence in the country, and whose pronouncements are treated with respect.

Hon. Mr. CASGRAIN: What paper is it?

Hon. Mr. FOWLER: The Montreal Gazette. In its issue of April 25, 1921, it had an article on the Civil Service, in which it said:

The general public know little and care less about the constitution of the Civil Service, the importance of the reform of which was probably magnified to politicians who when not pleased at having secured an appointment for a friend or a friend's friend, were perturbed by the complaints of disappointed applicants, and so in either case had little leisure to forget the subject. We have now had in Canada four or five years of a reformed Civil Service without conclusive evidence that the advantages of the new system exceed those of the old, nor that former abuses have passed away. It is trite to say that unless the reformation has produced economy and promoted efficiency it has failed in purpose, since this was the avowed object in depriving politicians of patronage; and the assertion may be made with a good deal of confidence that practice has not proved the virtue of theory in this case. An independent body managing the Civil Service to which entrance can be obtained only by way of competitive examination sounds admirable and may be an excellent mechanical method, but men and women are more than machines.

A mere examination of that kind does not get you very far in the matter of efficiency and of fitness for the post.

A cardinal fault of the present system is that it ignores the human quality and runs to the selection of candidates crammed for scholastic examinations forgotten as soon as fulfilled, and disregards aptitudes and qualifications of higher value.

The papers are full of advertisements of people offering to cram candidates for the Civil Service. Just as you stuff a turkey in the fall to hasten his fattening and fitness for the market, so these people go to those crammers and get stuffed with a little knowledge just to pass the examination, and then, as the paper says, forget it as soon as it is learned. A person who has passed such an examination, perhaps with the highest marks, may be totally unqualified and unfit for the post to which he is appointed. They forget the human equation, just as our friends the Germans in the late war forgot the human equation; but it accounts for much in civil life as well as in military tactics. The Gazette goes on:

There is no evidence of greater efficiency in the Civil Service since the Commission was given control, because efficiency would be manifested in reduction of numbers, instead of which the number of employees is larger than ever. Nor has economy been effected. The Service has never cost so much as now, and this apart from the necessary increase in salaries to meet the higher cost of living since 1914. Square plugs are constantly found in round holes under the existing method of appointment and promotion, a condition that will inevitably continue so long as selection is made mechanically by an uninformed Commission instead of by the heads of Departments familiar with the merits of their officers.

I say that if I were a Minister I would call in my Deputy Minister and say to him: "Organize your staff; get efficiency; if you are not capable of doing that, you are not fit for the job of Deputy Minister."

That is what I would say, and I think that is the way the departments should be reorganized. Some departments, however, have not permitted the Civil Service Commission to interfere with them; and how do they contrast? The best department administered in this whole Civil Service was the Department of Soldiers Civil Re-establishment, administered under the leadership of a keen, clever business man, who said to the Civil Service Commission, "Hands off!"—and there was no interference, and that department has been the most satisfactory of all the departments.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CASGRAIN: Which department is that?

Hon. Mr. FOWLER: The Department of Soldiers Civil Re-establishment; the head of that department was strong enough to say, "I will have no interference."

Hon. Mr. CASGRAIN: Hear, hear; bouquets to our chief this morning.

Hon. Mr. FOWLER: It is not a bouquet; it is a plain statement of fact. The Income Tax Department also said to the Civil Service Commission, "We will have no interference from you, gentlemen," and there has been no interference with that department, and more satisfactory results are being obtained than were expected when that department started.

I do not propose, honourable gentlemen, to take up any more of your time; but I

do say this: I regret very, very deeply that the members of the House of Commons have not been strong enough to grapple with this matter; that they have feared the type of newspaper man who, being a mere theorist without any practical knowledge whatever, sits in his little den and writes an article which, if he had spoken it to you on the street, you would have treated with contempt. But such is the strange constitution of the great majority of minds that if we see anything in a paper we place a great deal more credence in it, put more faith in it, listen to it, and are sometimes guided by it, even against our own better personal opinion and judgment, than if we heard it spoken by some man. We would treat it with a snap of the finger and say, "Pooh, nonsense!" if it were said to us, and yet in cold type it has an effect. Now, those articles that have appeared from time to time in the newspapers, telling of the wonderful work the Civil Service Commission has done for Canada, have scared the members of the House of Commons. They know by practical experience that there has not been the efficiency that was looked for. They know, when they examine the accounts of the Auditor General, that instead of greater economy there has been an enormous increase of expenditure. Why, honourable gentlemen, if all the faults of the old system that we read about were real, and all those faults were corrected by the new methods; if all the inefficiency was wiped out, and all things that were wrong were made right, yet the actual cost to the country of this present Civil Service Commission would be greater than the gain effected by those reforms. On the contrary, however, instead of reforms, instead of economy and efficiency in the Public Service, I say that the Public Service was never in a more unsettled and restless condition than it is to-day—I am speaking of the Inside Service.

Hon. Mr. CASGRAIN: Disorganized.

Hon. Mr. FOWLER: With these Boards of Hearing men never know where their salaries are. There is constant unrest, and if we are going to have real efficiency the whole system must be changed. I may be wrong, but as I understand the matter the Government has left it largely to the control of a Minister who, whatever his qualifications may have been, time, with its all-effacing fingers, has effaced those qualities that made this Minister valuable, and he is no longer so; and it is an unfortunate thing both for the Goverment and for Canada if it be true that this Minister whom I have in mind is the master with regard to the Civil Service and has been allowed to have his way.

Hon. Mr. CASGRAIN: Honourable gentlemen, really the honourable member for Kings and Albert is asking too much altogether from one man. Here was a man getting $3,600 a year, but he had to work to get all those increases, and, with his perseverance and his industry, see how he had to work to get that Board of Hearing together, how he had to convince those members. I would like to see any man in ordinary private life who could get increases from $3,600 to over $8,000 a year just through his obstinacy, through his buttonholing those who might give him an increase. That man had a busy year, if he never did a stroke of work for the Government, working to get those increases.

An Hon. SENATOR: Who is this man?

Hon. Mr. CASGRAIN: Ask the member for Kings and Albert.

Hon. Mr. CLORAN:: Who is the man?

Hon. Mr. FOWLER: I will go this far, and say that this man is a well-known official. He gets this pay; he is a member of the Board of Hearing, and he also is the Secretary of a Commission that is paid by the Government.

The motion was agreed to, and the Bill was read the second time.

CONSIDERED IN COMMITTEE

On motion of Hon. Sir James Lougheed, the Senate went into Committee on the Bill. Hon. John Webster in the chair.

On section 1—Act not to apply to employees on railways or ships; positions, how excluded from operation of Act:

Hon. Mr. BOSTOCK: I want to draw the attention of the honourable leader of the Government to certain things in this Bill. He will see that the first section begins by saying that section 38A of the Civil Service Act, 1918, is repealed. On turning to the Civil Service Act of 1918, there is no section 38A at all; there is only section 38. There is added in chapter 10 of the statutes of 1919 a section 38A, which is being repealed. Then section 2 of the Bill reads:

Section 39 of the said Act, as amended by the said chapter 10, is repealed.

If he looks at chapter 10 of the statutes of 1919 he will not be able to find any refer-

ence to section 39. I just draw my honourable friend's attention to these matters, because I think the way some of these Bills have been brought down to the House is most objectionable, and that the matter should be more carefully attended to by whoever is responsible for the drafting of these measures.

Hon. Sir JAMES LOUGHEED: I do not assume responsibility for that.

Hon. Mr. BOSTOCK: No, I do not suppose my honourable friend is responsible.

Hon. Sir JAMES LOUGHEED: It is for the House to correct it, if that is the case. We propose by the first section to repeal 38A and 38C, and to re-enact them. The only new provision in this is 38B; consequently that is practically the only thing that may need our consideration.

Hon. Mr. BOSTOCK: Section 38A, as I understand it, provides that this Act shall not apply to the Government railways or to any railway under their control. The honourable member from Kings and Albert (Hon. Mr. Fowler), in his address to the House, mentioned the Income Tax Branch of the Finance Department as not coming under the Civil Service Act. Is that branch kept out of the control of the Civil Service Commission by this provision made in 38B? Of course, it is not covered in 38A.

Hon. Sir JAMES LOUGHEED: The work being carried out by that branch is simply temporary; that is to say, its present strength is only temporary; consequently it does not come under the Civil Service Commission. This new section 38B gives the Commission authority to exclude certain work that may be carried on—say, of an emergent temporary character—from the operation of the Act. It is simply to permit the Commission to exercise its authority in that particular direction. That is all it has relation to.

Hon. Mr. BOSTOCK: Of course, I can understand that the Soldiers Civil Re-establishment is only a temporary Department, and one which is being gradually wound up; but I think it will be news to the country to learn that the Income Tax is only a temporary measure, or that the branch of the Service whose duty it is to see that the taxation is properly carried out is temporary.

Hon. Sir JAMES LOUGHEED: I did not mean to leave upon the House the impression that that was a temporary work. I said temporary so far as its present constitution is concerned. The introduction of the Act, the placing in operation of so comprehensive a measure as the Income Tax, necessitated a very large staff; but it is not anticipated that that staff will be maintained at its present strength for all time to come. When the Act becomes recognized by all the people of Canada the staff will be considerably reduced. But this measure does not refer particularly to that work. It simply permits the Commission to exercise its authority from time to time to give recognition to an emergent class of work, and permits of the Governor in Council to exclude that work from the Civil Service Act.

New sections 38A and 38B were agreed to.

On new section 38C—Act not to apply to appointment of Commissioners, etc., or Deputy Head:

Hon. Sir JAMES LOUGHEED: That is the present Act.

New section 38C was agreed to.

On section 2, new section 39, subsections 2 and 3—special list of pensioners; preference for person who served in war:

Hon. Sir JAMES LOUGHEED: The new enactment in clause 39 is subsection 2, paragraphs i, ii, and iii. The object of that is to give a preference to disabled soldiers. At the present time, while a preference is given to returned men, yet the disabled soldier is not singled out as enjoying a preference over an able-bodied returned man, and it is simply to give that preference that this subsection is inserted. This entire clause practically establishes three classes; first of all, the disabled man; secondly, the returned man who is not disabled; thirdly, the civilian; and, I might say, the members of the Naval Forces have been added, as appears in subsection 3.

Subsections 1, 2, and 3 of new section 39 were agreed to.

On subsection 4 of new section 39—age limit and physical requirements not to apply to persons with war service mentioned in 2 and 3:

Hon. Sir JAMES LOUGHEED: It is proposed to amend that subsection by adding the following:

If the Commission certifies that he is of such an age and in such a satisfactory physical condition that he is then able to perform the duties of the office and will probably be able to continue to do so for a reasonable period after his appointment.

That means simply that the Commission is satisfied that the disabled man has the physical ability to perform the duties for which he is appointed.

Hon. Mr. DANDURAND: That applies to the question of age limit and physical requirements?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. Mr. DANDURAND: With respect to any appointment in the Civil Service?

Hon. Sir JAMES LOUGHEED: The object is to correct a clerical error. The words are in the Act now, and were left out of the Bill by mistake.

Hon. Mr. DANDURAND: "shall not apply to any persons with the military or naval service," etc.

Hon. Sir JAMES LOUGHEED: That applies to all appointments. The appointees must have the physical ability.

Hon. Mr. DANDURAND: Is that amendment added to subsection 4, or is it separate?

Hon. Sir JAMES LOUGHEED: It is added to subsection 4. Subsection 4 now reads:

(4) The provisions of any statute or regulation prescribing the age limit and physical requirements with respect to any appointment in the civil service shall not apply to any persons with the military or naval service mentioned in subsection two or three of this section.

The amendment is to add:

If the Commission certifies that he is of such an age and in such a satisfactory physical condition that he is then able to perform the duties of the office and will probably be able to continue to do so for a reasonable period after his appointment.

The amendment of Hon. Sir James Lougheed was agreed to, and subsection 4 as amended was agreed to.

On section 3—promotions to be made for merit; Commission may restrict competition to employees or employees of certain class of specified seniority:

Hon. Mr. BOSTOCK: Is there much change in that clause?

Hon. Sir JAMES LOUGHEED: No, there is practically no change, except that to "reports, tests, records, and ratings," the word "recommendations" is added. Otherwise the clause is just the same as it is in the present Act, except that the phraseology has been slightly changed. I can find no other change in it.

Hon. Mr. BOSTOCK: What change does subsection 3 make? It is apparently a new subsection.

Hon. Sir JAMES LOUGHEED: Yes, but I cannot see that it makes any change.

Hon. Mr. BOSTOCK: It seems to restrict the selection in certain cases to a certain class of employees.

Hon. Sir JAMES LOUGHEED: Yes, of specified seniority.

Section 3 was agreed to.

The preamble and the title were agreed to.

The Bill, as amended, was reported.

THIRD READING

Hon. Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

CAUSES OF UNEMPLOYMENT

REPORT OF SPECIAL COMMITTEE

The Senate resumed from June 2 the adjourned debate on the motion of Hon. Mr. McDonald for concurrence in the second report of the Special Committee of the Senate to inquire into the causes of unemployment in Canada.

Hon. WILLIAM ROCHE: Honourable gentlemen, when the report was brought in by the Committee I purposed making a few remarks. The consideration was postponed and I was put down as the mover of the postponement. This would call upon me for perhaps a more elaborate treatment than I intended, but the time is short and I rely upon the suggestions of those honourable gentlemen who will follow me to fill in the vacancies or the omissions that I may make, particularly on the subject of the remedies.

The honourable gentlemen who composed the Committee are to be thanked for the efforts they have made in investigating the causes of the deficiency of employment, and for the statements they have presented; but I think that their report was not broad enough. They took the opinions of representatives of the bankers, representatives of labour, and representatives of capital—the manufacturers. I think they should have gone further and taken the testimony of labouring men, merchants, retailers, and, above all obtained some opinions from the great body of consumers in the country, as to the causes of unemployment and the

remedies. They might have made a summary and a pronouncement which might have been to some extent a settler of the question. That was not done.

Following that report was a statement made by the Minister of Labour, and, as I think the Committee were not broad enough, I think the Minister of Labour was not deep enough. He spoke of several superficial and obvious remedies. All, I think, admitted that the statement of the situation was correct—that there was a large amount of unemployment in the country. But the Minister of Labour did not go deep enough in this respect, that he did not allude to that which is the foundation of the law of supply and demand, namely, the proportion between the cash and means of the consumer and the product which he wishes to purchase.

Perhaps, in the first place, it would be just as well to state briefly how the labouring man, the mechanic, the trades unionist and the organizations of which they are members have contributed to the lack of employment in the country. In their lodges, in their arguments, and also, I think, in their beliefs, they have divided the population into two classes, the workingman and the capitalist, leaving altogether out of the calculation the great mass of consumers, the public. They have had no regard for them. What means did they adopt? First of all, in an arbitrary manner they fixed high rates for labour and, through their numbers, their operations and their influence upon their "enemy," as they supposed the capitalist to be, they have maintained and increased from time to time the high rates for labour. Of course, when I speak of high rates I mean relative rates. They can be estimated and judged only by their proportion to money and to other essentials. Then from time to time they threatened the capitalist or the manufacturer with a strike if their views and demands were not complied with. They used that threat as a terrorism. Not only did they do that in what may be termed a selfish way, but in their own interest specially they kept out of employment a great number of men, some of whom may now be in the list of unemployed. They would not allow those who were not members of their organization or society to have employment at all. If any non-union men were employed, they would threaten to strike, and the employer knew that a strike would occur—that there would be an entire suspension of his work, and perhaps his ruin might result; so they had their way, and there were a number of people unemployed, and the list was gradually growing.

Again, the employer of labour knew that his product was at a very high rate. Thinking men, careful and cautious men, who have in their keeping the funds of others—for instance, the bankers—saw that the high prices could not be maintained. The bankers confined their loans to objects which would not be liable to the great fluctuation which was supposed was going on. The security companies, the loan companies, those who represented mortgages, all those engaged in money lending, were afraid there would be a great slump in real estate. They restricted their loans, and when the prices of houses and other buildings were very high, they did not want to become the possessors of them at the very high rate because, perhaps, they would be unable to dispose of them at more than 50 or 75 per cent of what was required to be advanced; and they cautiously withdrew.

Other employments followed suit. A man who wished to buy a house contrasted his money with the sum that was demanded by a contractor. Contractors could not get people to buy their houses or to employ them; and the effect was gradually to contract the number of hands employed.

Then, again, every householder or other person who received a bill opened his eyes with astonishment to find that so little work could be done for so large an amount of money; and no person was inclined to have any work done which he could avoid or postpone. And again, the amounts required were out of proportion to the means of those who had to pay.

This condition began to have an effect upon the people generally. It induced a concensus of opinion that labour was too high; and everyone began to look upon the labourer with aversion, because the high demands that he made diminished the resources and comforts of the persons who had to pay for labour. All this began to work upon the community; all these contributory causes tended to diminish the use and occupation of labour.

But that was not all that the labourers did. Without knowing it, they created a distrust and an aversion. Distrust began to pervade the community, and when that tidal wave sets in there is no force that can operate against it, there is nothing that can control it, and it has its way.

So, in the first place, I am afraid that we shall have to charge the labourer with being the promotive cause of the want of occupation of labour.

But we are not to blame the whole of it upon the workman. Others were extortioners; others demanded fabulous rates; others contributed to this general fund of unemployment. The Government started it. They are always to blame. The Government during the war required almost every commodity, every supply—provisions, munitions, appliances of all kinds, and in every direction—and they lavished money right and left. Everyone had a hatful. Then the Government issued loans. The newspapers found the advertising of loans very remunerative. Those good people, the brokers, and others, advised everyone who had a little money to invest in Government bonds, saying, "They will be issued at par, and in a few years they will be worth a great deal more"—some said 5 per cent, some said 10 per cent; I do not know what the limitation was. This was the causa causans of the unemployment, because it took up the surplus money of the people generally. People who had small investments, or money in the bank, at home, or elsewhere, hastened to invest their money in Government bonds.

Then, everybody was an extortioner. The farmers were extortioners in the prices they asked for their products; the merchants were extortioners, because they could readily sell their goods; the retail merchants were extortioners, because they put on 200 or 300 or 400 per cent; employees of all kinds, down to washerwomen and charwomen, were extortioners, because they all wanted increased wages. The consequence was that there was extortion all round. The only classes exempt from this category were the lawyers and the plumbers, and the reason for that was that they had taken everything that was in sight before.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. LYNCH-STAUNTON: How about shipping agents?

Hon. Mr. ROCHE: They were all at sea. But the hard fact remains that the ready money of the people was absorbed, and householders and others realized that their money was inadequate to procure for them even the necessaries of life, let alone the luxuries and the ornaments of life; and consequently the volume of sales was diminished. People curtailed their purchases and did not buy anything that was not absolutely necessary. In place of buying ornamental and other articles, their money was absorbed in the purchase of the necessaries of life; so those who were employed in the production of other articles found the demand for the products of their labour diminished to a great extent, and consequently they were out of work.

Workmen and others thought they would restore conditions by limiting the hours of labour. That was no palliative; it was only a very slight expedient to remedy the evil, because it kept up the prices of the commodities produced. If a man worked only three days in the week, receiving a wage per day, the employer had the expenses of his workshop and his clerical staff going on, and the price of the article was not diminished and the labourer got no more money.

Then, again, there is a large class of people who have no representative: they are not represented in this House, they have no spokesman, they cannot come before the public and state their case, and they must naturally suffer—those who perhaps are living on the income from a little invested money, or the rent of a house, or something of that kind, and who have no employment. These are the real sufferers—not the abject poor, and those who live on charity, whom we call poor. Those people, who perhaps formerly belonged to a higher class in society, and whose means were diminished by every change, were suffering; and their minds were all turned to the object lesson of the high pay of the labouring man. For instance, I have heard of ladies in moderate circumstances who went to buy an article of household use, of common necessity, and were amazed at the high price charged; but a labourer's wife would come in, and without demur would buy the article and walk off with it. That created a vein of envy in the feminine mind. These women thought: "We were well off once; we could buy these things; now they are artificially boosted by a certain class of public opinion."

The tidal wave was created and started, and it now overwhelms the whole community. For instance, some labouring men obtained $60 a week, for time and overtime, and they were able to flourish, while a large class of the community were in a state of comparative poverty and had to abstain from the use of ordinary and perhaps necessary articles. All this produced the opinion that the cost of labour was too high and should be diminished; that there should be a new level estab-

lished between the means of the great mass of the consumers and the demands of the labourers; and that it was to be obtained only by a general levelling down of prices.

I think the honourable gentleman from Amherst (Hon. Mr. Curry), who addressed the House, said that the war was not the cause of or did not contribute to this unemployment. Well, I think it was the promotive cause. It was due to the lavish expenditure of money by the Government—necessitated, it is true, by the war—and also to the fact that a large number of young men and others were taken from their employment and sent to the war. They came back; they were unemployed; they waited on the liberality of the Government. In the meantime, a large number of them were supplanted by women—and the women have come to stay. The women filled situations that men occupied before. They worked for less pay, they were civil, and I have not heard of any general strike amongst them. They have retained the confidence of their employers, and the result is that a large number of people who worked in situations similar to those now occupied by women have lost their employment. This has all contributed to the general mass of the unemployed.

Now, I must shorten my remarks. I could go on much further. I must apply myself to the remedy. The Minister of Labour, who perhaps knows more of this question than anyone else in the House, suggested some superficial and obvious remedies. In the first place, he said that the farmers were to be urged to keep on their employees in the winter when they had no employment for them. The farmers are not built that way. They do not wish to pay out money when there is no return in work. They do not want ornamental hands around their farms,to drive into the neighbouring towns in automobiles and to come back at midnight or later. They want a fair return in products for the money they expend; and the money of the farmers is as well guarded as that of any other class of people.

Then the Minister said that there would be a movement of labour from places where there was a plethora of it to places where there was a scarcity. If the information and statistics upon these points were ready and available, some palliation of the situation might be obtained. But these are only temporary expedients; they are not enduring; they are not comprehensive. In certain cases temporary relief is the only method of removing distress, and in such cases it must be availed of, because when a man is starving it is no use to tell him to go to a neighbouring city—that he can get work there; he must be relieved by some fund, or by money from somewhere.

Those were the remedies suggested by the Minister of Labour; but an extensive and effective remedy can only be secured by a general reduction of prices all round. Prices and costs must be adjusted to the resources of the people. Formerly there was a safety valve of relief in the fact that the excess of labour could go to the States; but a very costly and damaging remedy that was. Perhaps some of the best of our mechanics and vigorous young men went to the States and remained there. But now they cannot go to the States. The press of the United States, and all sorts of men there, have seen with dismay the advent of people from all parts of the country to the great cities, with a general excess of labour over employment. They want those people to go back to the farms to produce more. That unfortunate situation has been augmented by the constant stream of immigrants coming into the United States, so that there is an excess of people over the employment that can be offered to them. To-day there is no resort to the United States on the part of our employed.

One remedy not alluded to by the Minister of Labour is to keep on the farm the people who belong to the farm, and to give more encouragement to the young men already on the farm. Do not allow them to crowd into the cities. Inform them that there is already an excess of unemployed people in the cities, and tell them not to come. That would be a remedy.

But there is an evil to be contended with, one which has been much applauded in the press and by clergymen and other professional men, and that is the constant tendency of mothers of families in the country to give their sons professions. They say: "We have struggled all along in poverty, labouring hard, and exhausting ourselves; such-and-such a person is in Parliament; a very fortunate man has got into the Senate; the professional men are largely rewarded, they become rich, and we would like to have our sons advance and no longer be drudges on the farm." How are you going to correct that evil? I would suggest a remedy. It is that people should be willing to give fair remuneration for the cost and labour of producing farm products; to make comfortable the homes of those who have sons; to give them some of the amuse-

ments, some of the comforts, and some of the benefits of life. The world owes every man a living—that is the doctrine of the labouring man—and the world is provided with a living for every man. But what kind of a living? We all cannot be professional men; we all cannot be parasites, as they are termed, upon the exertions of others. Some must be the starters; some must be the originators; some must be the producers in order to support the fabric of society.

Now, I believe that people generally would be willing to pay for commodities produced on the farm, not pre-war prices, but say 50 per cent addition to the prices prevailing before the war. If that were done, I think it would to a great extent stay the exodus from the farm to the city. I believe that the cities should not be given so much representation in Parliament, but that the representation should be more widely distributed throughout the country. I think there should be more inducements in that respect to remain on the farm.

Another great evil is that the public are too much devoted to sport. Take up a newspaper and what do you find? There is a little item in the corner about the vagaries of Parliament, or the extortions of the Government if the paper happens to be on the other side, or about the ministers not properly expending the public revenues by way of salary or otherwise, while three-quarters of the paper are devoted to sport and divers automobile activities and contrivances. Now, that should not be; neither should the whole mind of the public be occupied with sport to the exclusion of everything else. Sport and amusement are proper in their place; but remember that we have new exigencies, that the late war has changed our whole social fabric, and that the people must devote themselves more to labour and production, to economy, and to the restoration of what has been disturbed and wasted by war.

Then, again, a comprehensive remedy is for all classes—the farm producer, the merchant, the mechanic, the labourer, all classes, including the professional class—to reduce their costs and expenses, to reduce the price of all that we produce by every process. Labour being the very large ingredient in the aggregate, the reduction must begin with the labouring man. He must be prepared to reduce the cost of labour in the interest of the labouring man himself and in the interest of the public.

Hon. Mr. ROCHE.

Hon. JOHN STANFIELD: Honourable gentlemen, at this late hour in the Session I do not intend to occupy more than a very few moments. I am sure the House will agree with the remarks just made by the honourable member from Halifax. I do not, as a rule, believe in post mortems, but there are times when they have to be held.

Hon. Mr. MURPHY: They are necessary, too.

Hon. Mr. STANFIELD: In the past and in the present, we have been too fond of "passing the buck," to use a slang phrase. To a certain extent the manufacturer is to blame, and labour is to blame. If leaders of organized labour, instead of holding out for the high wages they are getting to-day, would advise the labour men to get together and have a show-down—I do not mean a strike, but a talk between the manufacturers and the labour men—I think they would readily see that labour has to come down somewhat in order to enable this country to prosper.

I intend only to touch, and very shortly, on the railway situation, more especially in regard to freight rates, which have more to do with unemployment, perhaps, than a great many other causes. In my judgment, reduction in freight rates is more important to the Western farmer than a reduction of the tariff. But in order to bring freight rates down there must be a reduction of wages. What do we find to-day in connection with the Canadian Government railway? Unorganized labourers employed as temporary men are having their wages reduced; men are being laid off; engineers are being reduced to foremen; foremen are laid off until they become workmen; but has there been any reduction among the officials? I received a telegram yesterday from the matron of the station of the town in which I live, stating that she had received orders that her services would be no longer required after the 15th of this month. That woman has done good work for, I think, $40 a month. That action has been taken on the ground of economy. I do not blame the District Superintendent for that, but I blame the head men in Toronto.

Hon. Mr. LYNCH-STAUNTON: Why, if they do not need her?

Hon. Mr. STANFIELD: Why do I blame them? Because, on looking over the workmen's time-table, I find a new official, called a Relieving Superintendent, between Mont-

real and Halifax. During the war the railway men had more work than they could attend to—not only officials but operators —and what did the Superintendent do when he wanted a vacation? Why, the Assistant Superintendent carried on. Well, honourable gentlemen, when business conditions are so bad, surely the Assistant Superintendent could carry on while the Superintendent took a few days' vacation. There is no doubt that the railway men's wages must be reduced, but I suggest to the nabobs in Toronto that they start in and lay off all the officials that are unnecessary—there must be a lot of them who could be spared —until such time as they are needed again. Then let them reduce their own wages, right from the top down, and I feel sure that the men at the bottom will say: "Well, the high-up officials have taken their reduction; we will take ours gracefully."

I could say a good deal more, but there are several gentlemen to follow, and I will give way.

Hon. GEO. W. FOWLER: Honourable gentlemen, there has been no effective remedy suggested for unemployment and the high cost of living. Everybody seems to think that the labourer should be the one to sacrifice himself—in other words, to put it in a common, vulgar way, that he should be the goat. Now, I can quite understand his reluctance to offer himself as a vicarious sacrifice for the rest of us. I suggest that we sweeten the pill for him—that there be a general reduction all round.

Honourable gentlemen in this House enjoy a certain indemnity which was increased about a year ago on account of the high cost of living. Let honourable gentlemen in this House start the ball rolling, set the fashion for the other people; let them say: "The high cost of living is being reduced; butter was selling the other day at 16 cents a pound in Saskatchewan; prices for farm products everywhere have come down, and will come down very much; now we will reduce our indemnity."

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FOWLER: Let the members of the Government say to the country, "We will take a reduced amount of money for our services." Let the judges take a reduced amount of money—this will be a very serious and very difficult thing to do.

Now, I would propose this seriously. I intended to introduce a resolution, and I am not joking; I am strictly in earnest; because if you set the example to the man down below, to the cheapest class of labouring man, he will follow it, and follow it willingly; but when he sees men enjoying higher pay than himself, no matter how well they earn it, and still retaining their emoluments, he feels that he should not be the only person to make the sacrifice, and therefore he resents it. I would suggest this—to apply to salaries of $10,000 and upwards—and I am only speaking, mark you, in regard to that over which the Government and Parliament can exercise a certain amount of control—that is, the Government railways and canals, the members of the Houses of Parliament, and the judges of the land—everybody but the Governor General—it would hardly be fair to cut the salary of the new man just as he is coming here.

An Hon. SENATOR: Why?

Hon. Mr. FOWLER: Because he would have to set up housekeeping, and I would not like to cut his salary.

Hon. Mr. DANDURAND: It is not a salary.

Hon. Mr. FOWLER: It is an indemnity.

Hon. Mr. MURPHY: Ours is not a salary, either.

Hon. Mr. FOWLER: I know. My proposition would be that all salaries and indemnities of $10,000 and upwards should be cut 40 per cent. I am sorry for the Minister of Labour; he seems to grin at that.

Hon. Mr. MURPHY: The Minister of the Interior—are you not sorry for him?

Hon. Mr. FOWLER: Cut salaries from $5,000, say 30 per cent; $4,000, 25 per cent; and so on down till $1,000 or $1,500 are cut say 5 per cent, but the balance are not cut at all. I will guarantee that if that were done the labouring men on the railways would not object to having their wages cut in accordance with the present cost of living. On a railway train, about a month or two ago, an official of one of the labour organizations and I got into a discussion on this question of overtime. I was very severe in my condemnation of the system of extra pay and a half for overtime, while he was violently supporting it, when suddenly a brakesman who was sitting in the compartment with us spoke up and said: "Overtime is the curse of the whole thing; trains are delayed; extra time is made unnecessarily, for the sake of getting a price and a half for overtime." That ended the controversy. My good

friend the labour gentleman had not a word further to say, and changed the subject and talked about the weather as being a more congenial topic.

Now, I say if we want seriously and reasonably to do something by way of remedying the situation, let us begin at home; let us begin at the top with those members of the Government who are receiving these high emoluments. Your Honour who sits in the chair there, receiving a very handsome recompense for the very easy labour which you perform, be content to take your reduction of 40 per cent. I am content to take my reduction of 25 per cent.

Some Hon. SENATORS: Hear, hear.

Hon. Mr. FOWLER: We are really better off with a 25 per cent reduction than we were in pre-war times with the $2,500 that we got then. We were able to carry on with that. We must all expect to make a certain amount of sacrifice for the good of the country; let us be willing to make it. I trust that the Government during the recess will consider this matter —I charge them nothing for the suggestion. I hope that they will consider it, and put it in charge of the Minister of Labour. He is an expert at getting through legislation in this House, as witness his great success yesterday with a most iniquitous Bill, the Cheese Bill. I am sure that if the Minister of Labour were to introduce a Bill, and bring to it the power of his captivating words, he would get it through this House, and probably the public pressure would force it through the other House. The Bill would properly come from the Minister of Labour; it would not be for a capitalist such as the leader of the Government to introduce it, because people would not believe in his sincerity. If such a Bill were passed, we would have set an example to the labour men and the workers of the country—I should say, to the other workers of the country—which I am sure they would gladly follow.

Hon. GEO. LYNCH-STAUNTON: Honourable gentlemen, one has heard here all sorts of advice given to other people as to how to reduce the high cost of living and the increased cost of employment; but when my honourable friend who has just sat down pointed out to us how the high cost of employment should be reduced, I venture to say he did not strike a responsive chord in every bosom in the Chamber; which shows that men in every walk of life are eminently greedy and selfish. Self-

sacrifice is the noblest virtue in the world, and we only desire to see it practised by other people, although we admire it so intensely.

Hon. Mr. FOWLER: At a distance.

Hon. Mr. LYNCH-STAUNTON: Now, you cannot get any reforms except by necessity, and the only way by which you will bring down the cost of labour and the cost of everything else is by starvation. That is the only argument that will prevail. Men are all alike, from the king to the peasant; every man is looking out for himself, and every man is going to keep all he can. If you should walk out, when you are receiving $4,000 a year for three months' work, and tell the people who are chiselling the stones to build this edifice that because they are getting $10 or $15 a day they are getting too much money and they ought to set an example to Canada, you would be speaking to ears as deaf as your own when you are spoken to in this House. I consider that all these rules of political economy that we are asked to apply are utterly and absolutely useless, for the simple reason that they are always ignored.

My honourable friend is absolutely right. All those salaries should be reduced; in fact, they never should have been increased. An unconquerable desire to increase one's gains and an equal indifference regarding other people's money is manifest in all walks of life. I venture to say that, by employing a man for $20,000 a year, I could save a million dollars in each year around Ottawa without dismissing a single person by preventing extravagance. There is not a committee that looks after any of these things. Stationery is sent out to the members here in trunks that cost four dollars each, and that are not worth a snap of the fingers to anybody; yet no one even takes the trouble to ask them to send the trunks back again. There are a hundred trunks at four dollars apiece given out here, and they are stuck in every member's house, and nobody cares a rap for them.

Hon. Mr. FOWLER: They are not worth expressage.

Hon. Mr. LYNCH-STAUNTON: Members need not pay expressage; they could send them back here on the Government road; but new trunks will be bought every year at four dollars each. It is the same with everything: nobody takes any interest in anything but himself.

Hon. R. DANDURAND: Honourable gentlemen, according to the ethics of my honourable friend, it would be apparently useless to give advice to the public: we should begin by trying individually to practice virtue. Yet there are facts that can be stated for people to examine and draw their own conclusions. We have this morning heard two very interesting disquisitions on the causes of unemployment and some remedies that should be applied.

I sat on the Committee, which heard the four or five witnesses representing the various activities that go to make up the economic life of this country, and one could not help realizing that one of the principal causes of unemployment, apart from the general economic situation of the world, was the wage question. The French have a saying, which is as old as France: "Quand le batiment va, tout va"—when the building trade is booming, everything is booming. The building trade is not booming just now. We hear that in the city of Ottawa it is almost paralyzed by a strike of the wage-earners in that industry; and why is it paralyzed? Because the wage-earners will not consent to a readjustment of their wages. Yet we are presented with a resolution unanimously adopted here in Ottawa last month by the building and construction industries of Canada, which declares among other things:

The General Committee of this Joint Conference of Employers and Employees in the Construction Industries begs to report that it has had three meetings during the sessions and has considered without hesitation some of the vital questions of our industry, with a view to aiding this conference in arriving at a satisfactory conclusion. The chief questions on which no agreement has been reached at this time either in committee or in the Conference itself are those of wages and the methods which have been used to obtain wage reductions.

After the most serious and careful consideration and with the full knowledge that we are not in any sense a legislative or authorized body, but a voluntary one, and therefore without jurisdictional powers, beg to recommend the following:

"Whereas there now exists a condition of either strike or lockout in our industry in several of our Canadian cities because of the so-called arbitrary reductions demanded by employers; and

"Whereas this condition is the result of a general abnormal situation, over which we could not possibly have any control; and

"Whereas the post-war unnatural high peak in cost of living and therefore in wages was passed last year; and

"Whereas in many important centres throughout Canada and adjacent U.S. points wage adjustments have been reached by mutual agreements or arbitration; and

"Whereas the chief deterring factor which prevents a real substantial reduction in cost of living is undoubtedly high rent; and

"Whereas it is realized by us that only the building of many thousands of dwellings can alleviate Canada's deplorable housing shortage; and

"Whereas we are as an industry to a slight degree responsible for this situation; and

"Whereas it has been conclusively shown in this Conference that building material prices have already been substantially reduced;

"Therefore be it resolved by this Conference, acting as individual builders and workers and not in our capacity as officers of any particular organization, and with the full realization that each locality must of necessity deal with its own peculiar situation, as follows:

"That in our best judgment a moderate asd reasonable adjustment of wages should be agreed upon without further delay in such large centres, where an abnormally high peak has been reached and where no settlement has been accepted, and that such agreement should be fixed upon for a period of twelve months; and, further, that we strongly urge the immediate resumption of negotiations with a view to mutual agreement, and that failing mutual agreement, voluntary arbitration should be entered into.

"In conclusion, your General Committee feels that this action will tend to stabilize conditions by preventing an undue and abnormal drop in wages, and remove strikes, strife and distrust, and that a new post-war normal will more speedily be determined."

This resolution is signed by representatives of organized labour, one of the principal ones being Mr. A. Martel. Mr. Martel with others recognizes that the high cost of living is gradually, day by day, coming down. Yet that gentleman, when before our Committee, although he admitted the conditions, refused to state that he was willing to recommend, or that these organizations were ready to accept, a lowering of wages. He gave as his reason for that attitude the fact that rent and fuel were still going up. This gentleman admitted that the cost of labour represented 80 per cent of the cost of building. In this resolution he has admitted that the high cost of materials and labour prevent activity in the building trade. Yet he tells us that, so long as there is a shortage of houses and a consequent high rate of rentals, wages should not be diminished. This is obviously so illogical that I think it suffices to mention it for the ordinary labourer, who has some intelligence, to realize that he himself is the cause of the high rentals and of the unemployment in the building trades; for if he accepted a reasonable reduction in wages, not only when the material is assembled for the erection of a house, but also at the various mills where the material is prepared, then prices would come down and people would start to build. To my personal knowledge buildings are

urgently needed in Montreal, for which individuals and corporations are ready to supply money to the extent of many millions, but which are not started because when the specifications are made out and tenders opened it is found that the cost would be from 150 to 200 per cent more than it was before the war. These figures are absolutely prohibitive, and the people are waiting. I can state that between McGill street and the Post Office properties have been bought in the last two or three years for the purpose of the construction of large and imposing buildings, but these buildings will not be put up while costs are 150 to 200 per cent more than what they should be. Therefore I cannot understand why the leaders of organized labour do not place these facts clearly before their members, in order that they may realize that they are themselves to a large extent the cause of the unemployment in the large cities of Canada.

The other reason given by Mr. Martel was that the price of coal was soaring. That, again, is to a large extent due to the high wage paid to the miner. The skilled miner in the western part of Canada is to-day receiving an average of $9.54, if I am not mistaken, and the ordinary labour $5 and a fraction. The cost of transportation, owing to the high wage paid to railway employees, has been increased to an exceptional degree. So we find at the root of the difficulty the question of wages.

My honourable friend from Kings and Albert (Hon. Mr. Fowler) has said: "Let the people who have large salaries show the example; let us all show the example." I have no objection to that example being shown, but I contend that it has already, in a certain measure, been shown in the Income Tax which high-salaried officials are paying. There is more than one way of showing an example. I think that when the Income Tax returns are made, the wage-earners, who are free from that burden, will find that the people with large incomes are doing their bit for the carrying on of the affairs of this country. I have, as I have stated, no objection to an example being shown in various ways, such as that suggested by my honourable friend from Kings and Albert; but it would only be an example; it would not solve the economic problem. A reduction in salaries —the salaries of the higher railway officials, for instance—would be but a drop in the ocean. There are but few at the top who receive large salaries. It is the immense army of wage-earners who represent the factor which weighs in the economic situation. A reduction of 10, 15, or 20 per cent in the wages of that immense army would practically solve the problem of costs. So that, while the suggestion of my honourable friend from New Brunswick (Hon. Mr. Fowler) is one which would perhaps appeal to the imagination of the masses, and satisfy them that those in the top ranks of society are not profiteers, yet the economic problem can only be solved by a reduction in wages. I am convinced that this resolution of the joint conference of the building and construction industries, if it were followed out, would have an immediate effect on the unemployment situation.

I do not suggest that labour should revert to pre-war rates. I am sure that the people at large who cannot be called wage-earners and who are not represented in labour organizations, are in favour of labour receiving a living wage.

I have no other suggestion to make, except to recall a recommendation made by the Secretary of the Bankers' Association, which was alluded to by my honourable friend from Halifax, namely, that an effort should be made to bring about a return of people to the land. My honourable friend from Halifax does not believe that this effort can be very effective unless we better the conditions of the farmers and their sons. This, again, is governed by general principles which must be recognized. So long as labour in the cities receives high wages and works short hours, it will be attracted to the cities. The young man of the farm, who in reading the papers observes what wages are paid for labour in the towns and cities, and that eight hours constitute a day's work for those wages, will naturally be induced to drop the twelve-hour work on the farm and will be attracted to the city. We cannot hope to keep the young men on the farms until conditions are brought back to normal, and that will not be until the city wage-earners agree to a reduction of the inflated wages they have been receiving since the beginning of the war.

The Secretary of the Bankers' Association made a suggestion which the Government should take into consideration, namely, that the Government, through its agencies, should notify the farming communities, who for a number of years have been complaining of a shortage of labour, that now is the time to apply to the provincial employment bureaus for labour from the cities. The best agency which has been mentioned is the Post Office. It has been sug-

gested that posters be put up in the post offices, which are to be found in every nook and corner throughout the country, advising the farmers to apply for labour at certain provincial centres. It has been aptly remarked by the honourable gentleman from Halifax (Mr. Roche) that the farmer has as much business acumen as any other individual in the country, and that if he needs labour for only three months he will not pay for it for twelve months. Yet, if he makes application at a town where unemployment exists to-day, and where it is likely to continue to exist, the advantage will be that those unemployed will be informed where work is to be had during the summer, and the call will doubtless appeal to thousands among them who were on the land up to four or five years ago, and a certain proportion of whom would feel that, instead of starving or begging in the streets of our towns and cities, it would be opportune and necessary for them to return to the land, either singly or with their families. I think this is an excellent idea. Many of these people, who have felt the pinch of poverty in the towns and cities, will be attracted anew to the land, and will perhaps decide to remain there and follow their old vocations. I cannot too strongly urge upon the representatives of the Government in this Chamber the suggestion that a campaign be carried on by means of posters in the post offices, notifying the farmers that by making application to the various provincial employment bureaus they can get labour.

Hon. Mr. ROBERTSON: Does my honourable friend know that that was done two and a-half years ago?

Hon. Mr. DANDURAND: I am not aware of that, but I am sure my honourable friend will realize that the ground is now far better prepared for such a campaign as has been suggested when thousands of men are walking the streets of our towns and cities looking for employment.

The honourable gentleman from Halifax said that many of the people who might be recalled to the land would find in the autumn, after the crops were gathered in, that they would be left to shift for themselves; but surely a large proportion of them would rather remain about the villages and the countryside, doing little odd jobs during the winter, than go back and fall into the queues in order to reach a soup kitchen in Toronto or Montreal.

Hon. Mr. BOSTOCK: Honourable gentlemen, I do not propose to take part in this discussion. I merely want to draw the attention of the Chairman of the Committee to the last two lines of the Committee's report. It says:

and request that the next Session they be empowered to continue their inquiry to the extent that conditions will then call for.

That is not the regular form in which reports are brought in, and, if the honourable gentleman would consent to strike out those words, the report would be much more in keeping with our ordinary procedure.

Hon. Mr. McDONALD: I am perfectly willing, because I understand that we cannot in one Session bind ourselves as to the proceedings during the next Session.

Hon. Mr. DANDURAND: May I be allowed to draw the attention of the Government and of the Labour Department to one fact? It is alleged that the manufacturers have materially reduced their prices, and have written off their losses by drawing on their reserves or credits in order to sell goods at prices based on the present cost of raw materials. It is alleged that in very many lines the wholesalers have reduced their sale figures similarly. But it is alleged that the retailers—and the biggest ones at that, the departmental stores—have not made similar reductions in their prices to the consumer. I may for their justification say that, while they are taking a large profit on these lines, they are trying to adjust their losses on other lines in which the costs have not come down, or on those parts of their stock which they bought at high peak prices. Yet I will mention one line which the public purchases largely, and that is cotton. In cotton, prices have come down materially; the old stocks have been sold, and the new stocks are on the shelves; but, according to my information, the prices to the consumer have not been reduced. I mention that because it seems to me that cotton is a commodity which the people need, and I should like to know what justification there is for the action of these departmental stores in keeping up prices on that commodity.

The motion was agreed to, and the report was concurred in.

The Senate adjourned until 2.30 p.m. this day.

SECOND SITTING

The Senate met at 2.30 p.m., the Speaker in the Chair.

Hon. Sir JAMES LOUGHEED: Honourable gentlemen, there are no Orders of the Day, and I would suggest that the Senate should adjourn during pleasure, and when the Supply Bill comes down we shall have a bell rung, and we can reassemble at that time. The probabilities are that the Supply Bill will not be down for an hour or so.

The Senate adjourned during pleasure.

The sitting was resumed.

PROROGATION OF PARLIAMENT

The Hon. the SPEAKER read a communication from the Governor General's Secretary, announcing that His Excellency would proceed to the Senate Chamber at 6.30 o'clock p.m. this day, for the purpose of proroguing the present Session of Parliament.

APPROPRIATION BILL NO. 2

FIRST READING

Bill 220, an Act for granting to His Majesty certain sums of money for the public service of the financial years ending respectively the 31st March, 1921, and the 31st March, 1922.—Hon. Sir James Lougheed.

SECOND READING

Hon. Sir JAMES LOUGHEED moved the second reading of the Bill.

He said: Honourable gentlemen, in moving the second reading of the Supply Bill, it is customary to give to the Senate a statement regarding the different items included in it. The Bill comprises the Supplementary Estimates of 1920-21 and the Main and Supplementary Estimates of 1921-22, the fiscal year upon which we have entered:

Further Supplementary Esti- 1920-21:	
Consolidated Fund expenditure	$ 13,401,506 41
Capital Fund expenditure	30,000 00
Unprovided items, 1919-20	1,250,303 73
Total	$ 14,681,810 14
Estimates, 1921-22:	
Main Estimates	$582,062,698 20
Bonus Estimate	9,375,000 00
Supplementary Estimates	23,959,842 14
Further Supplementary Estimates	370,149 60
Total	$615,767,689 94
Less item 316 Main Estimates replaced by item 538½ Supplementary Estimates	10,456,800 00
Grand total of Estimates to be provided for in Supply Bill	$605,310,889 94
Details:	
Consolidated Fund expenditure	$569,040,127 95
Capital Fund expenditure	28,245,881 99
Demobilization	8,024,880 00
	$605,310,889 94
Consolidated Fund expenditure includes the following items for advances to Railway Companies:	
Vote 126 (particulars of which will be found in the Supply Bill):	
Loans to Canadian Northern Railway Co	$ 50,000,000 00
Loan to Grand Trunk Railway Co	89,687,633 39
Loan to Grand Trunk Pacific Railway Co	26,000,000 00
	$165,687,633 39

There is also, under vote 341, an item to cover deficits on Canadian Government Railways, amounting to $7,000,000.

I have no intention, honourable gentlemen, of making any observations upon the Supply Bill. It is not customary for me to do this. I simply give the figures, and it is for my honourable friends opposite, if they so desire, to enter upon a discussion.

Hon. HEWITT BOSTOCK: Honourable gentlemen, the amounts which the honourable leader of the Government has read to the House are certainly large, considering the condition in which the country is placed to-day. The items that we are voting by this Supply Bill, as I took them down, total $605,000,000. The honourable gentleman has not mentioned how the Government intend to obtain the money needed to meet these expenditures.

The figures that the Minister of Finance gave some time ago in another place showed the estimated revenue and expenditure as follows:

Revenue for 1921-22	$372,600,000
Expenditure:	
Consolidated Fund	$343,021,594
Capital expenditure	27,459,127
Demobilization	7,777,380
Total	$378,258,101

According to those estimates there would be a deficit of about $6,000,000. To that must be added these items regarding loans which my honourable friend has mentioned.

I have here to take exception again, as I have had to do on former occasions, to the method of including appropriations for loans to railway companies in the general Supply Bill. The Supply Bill should be, I maintain, the voting of money for the carrying on of the general, every-day business of the country. I regret that, in spite of protests that have been made for several years past against the practice of voting in the Supply Bill large amounts of money for such purposes as loans to railway companies and loans to the provinces, it is repeated on this occasion. I think that the Senate should take this matter into serious consideration, perhaps not at present, but on some future occasion, and enter a very strong protest against this method of bringing down such items in the Supply Bill. As a rule the Senate does not deal with supply; it is only in very serious cases that this House would think of taking action in this respect. But if the present method is continued, we ought to take some action regarding such items as these loans to railway companies being put through in this way. It does not afford the Senate a proper opportunity of discussing the matter or of dealing with the Supply Bill as it ought to be dealt with.

There is one question with regard to the loans to which I would direct the attention of the House. The amount of the loans to the railways has been increasing from year to year. We have had to make loans to the Canadian Northern for four or five years past, and the amount has gradually increased from $15,000,000 to $25,000,000, then to $35,000,000, and now to $50,000,000. This year we have to provide also for the loan of $89,687,633 to the Grand Trunk railway, and the item of $26,000,000 to the Grand Trunk Pacific, making a total of $165,687,633 for railway loans. If honourable gentlemen have by them a copy of the Estimates, they will see that it is provided that these railway companies shall pay to the Government 6 per cent for this money. I fear that the Government will have to borrow in this country, in the United States, in England, or wherever it can be obtained, practically all this money in order to be able to lend it to the railways, and the Government will find it very difficult indeed to raise the money. Every honourable gentleman in this House knows the condition of the financial markets of the world to-day. It is very doubtful that the Government will be able to raise this money at 6 per cent. The probabilities are that they will have to pay more than 6 per cent, and that therefore, in addition to providing this large sum of money to lend to the railways, we shall have to provide next year for the difference between the interest the railways are expected to pay to the Government and the interest which the Government must pay on the money they will have to borrow. I think that our expenditure will be considerably increased in that way.

The Railway Commission last year granted to the railway companies an increase in rates, which must, of course, come out of the pockets of the people. Notwithstanding that increase, we have to provide an enormous sum of money for the railways to enable them to carry on for the ensuing year. The present situation is that the railway companies are virtually waiting for this money, in order to pay their present debts. If it were possible for us in any way to prevent the granting of these loans, and if we did prevent it, we should be tying up a great deal of business in this country; for there are many persons throughout the country who are to-day awaiting the voting of this money in order that their accounts may be paid by the Government.

The country is in a very serious position. I do not want to take up much of the time of the House, but I do think we ought to enter a very strong protest against the enormous amount of money that we are now asked to vote in this Supply Bill. As I have already pointed out, it will be necessary for the Government to raise a considerable sum—I have heard it estimated to be as high as $200,000,000—for the purpose of carrying on the country's affairs this year. The country cannot afford to continue spending money in the way it is being spent, as shown by these Estimates. I think that in this matter sufficient consideration has not been given to the present condition of Canada. The returns I have before me with regard to the trade of the country show that our trade, instead of increasing, is at the present time decreasing. A return published recently by the Government shows that the total imports of Canada for the twelve months ending April, 1921, amounted to $1,207,178,994; whereas in the previous year, 1919-20, the imports amounted to $1,108,563,629. During the same period ending April, 1921, our exports amounted to $1,179,088,050, whereas in 1920 they amounted to $1,228,-359,325. From these figures honourable gentlemen will see that the imports of the country have increased in that period to

the extent of $98,615,365, while, during the same period the exports have decreased to the extent of $49,271,275. If our exports continue decreasing from month to month as time goes on, as I fear they will, and if the Government has to go to foreign countries to borrow money in order to carry on the affairs of the country, we are going to be placed in a very serious position.

I am afraid that we do not fully realize the seriousness of the position which we occupy at the present moment. I do not want to take up the time of the House in discussing this question now, as a great deal has already been said about it, and as I do not think that discussion would have any effect on the Government at the present time. I have simply made these remarks because I want to enter a protest against the extravagant way in which this money has been voted, and to point out the danger to the country of placing Estimates to such an amount before us at the present time.

Hon. J. P. B. CASGRAIN: Honourable gentlemen, are we not to have one word of justification from the other side of the House—not a word? Is everybody ashamed of this Budget? Evidently they are. Well I will proceed. The leader of the House only needs to make a sign to let me know that His Excellency the Representative of our Sovereign approaches. It would not be good manners to keep him waiting.

Hon. Mr. MURPHY: The time is up.

Hon. Mr. CASGRAIN: If His Excellency is waiting, I will give way; if not, we might as well occupy our time, especially when we are favoured with such a fair audience as we have to-day. It would be a pity not to entertain them.

A very prominent member of this House said to me this morning that we in the Senate had no responsibility in regard to the Budget—that we had nothing to do with it. I disagree entirely with the honourable gentleman; and, if I had a majority of this House behind me, I believe that I would refuse to pass these subsidies. Then there would be a conference, and in that conference the Senate would be able to say, "Take some of these items out of the Bill." There is one item that I would take out, namely, that $89,000,000 railway loan. On the 7th of April of this year the Grand Trunk Railway was asking for $88,000,000. Why should that amount be raised by $1,000,000? Of course, $1,000,000 is of little moment to honourable gentlemen opposite; but why should we loan more to the Grand Trunk than they were asking? We might as well have made it $90,000,000 while we were at it, to keep it in round figures. But this $1,000,000 is just a fleabite when compared with the $605,000,000 that we are asked to vote. We have just learned that of this amount the Finance Minister expects to get only $372,000,000 from revenue, leaving a deficit before we start of $233,000,000. Where is that money to come from? The Income Tax cannot be increased. After all, honourable gentlemen, even when the people of this country have gone down into their pockets, and the whole of the tax has been collected, it is not sufficient to meet the deficit on the railways. And I defy contradiction—

Hon. Mr. MURPHY: Will the honourable gentleman allow me a question?

Hon. Mr. CASGRAIN: There should be a little decorum. To use the expression of the inimitable member for Jacques Cartier, I would say, "Please, if you want to interrupt me, wait until I have finished."

Now, how can the Government ever hope to make these railways pay? At this very moment Canada has twice as much railway mileage per head of population as the United States. If you look at the figures you will find that Canada has one-sixth of the railway mileage of the United States, and that that country has over thirteen times as many people as we have. And even in the United States the railroads are actually not making money. The exact figures as to mileage are these: in Canada we have 218 persons for every mile of railway, while in the United States, with its huge population, there are 404 persons per mile, or nearly twice as many.

I wonder if honourable gentlemen know that during the last railway year there has been a shrinkage of the mileage of railways in the United States. While 300 miles of new railway have been built, 700 odd miles have been abandoned, making an actual shrinkage of over 400 miles. Think of that. With 404 persons per mile the United States cannot keep up its railways. How are we expected to keep up our railways with only 218 persons per mile?

Hon. Mr. MURPHY: What does that prove?

Hon. Mr. CASGRAIN: This is a fine time to buy a railway! At this very moment, when every man in this House and in the country knows that the Grand Trunk Railway is a bankrupt concern, and that we

should be paid to take it, there is an arbitration sitting in the good city of Montreal to decide how much money we will pay for it.

On the 13th of April last the Grand Trunk railway, by being dilatory, actually lost the option to sell the railway; and when that was known there was joy throughout the land of Canada. We expected that the Government would have taken advantage of their opportunity, and would have permitted the law to take its course, and that this question, like that of any other bankrupt railway, would have been taken to the Exchequer Court, in accordance with the excellent law which we have on the statute book, put there by the honourable gentleman from De Salaberry (Hon. Mr. Béique), and that the preferred creditors would have been paid whatever the road would bring when sold under the public hammer. There is no doubt that nobody would have bid very much. I do not believe that the road would have brought enough to pay its bonds and debts. Still, there is an arbitration sitting in the city of Montreal to determine what the taxpayers of this country are to pay for a railroad which is a public charge, and of which 1,600 miles are in the United States.

How is His Majesty the King going to operate a railroad in a foreign land when, in the legislature of every State which it traverses, there will be people who are inimical to England and to the British Empire? I see the Minister of Labour looking at me. No one knows better than he how difficult it will be to operate that railway; how, at every turn, the operation of the road will be hampered. Thank God, we are good friends with the United States. The vast majority of the people of the United States are in sympathy with the British Empire; but friction may arise at any moment, and there are two large elements in the United States that are far from friendly, both of which have representatives in every State.

I say it is dangerous to this country to undertake the operation of railways in the United States. In my view, honourable gentlemen, these railways have not been paying their way. The Vermont Central railway, for one, has had a huge deficit, and most of the other roads, including the one running to Grand Haven, in the State of Michigan, have not paid their way. Many of the railroads in the United States to-day are not paying their way, and the ones that I have mentioned are not the best of them.

Why the Government should persist in buying the Grand Trunk railway is more than I can understand. Some years ago—it will be four years next fall—the Canadian Pacific Railway Company were told that they should intervene and prevent the purchase by the Government of the Canadian Northern railway. They were told that surely they must have friends in this House, even if they had lost all their friends in the other House; and that if they had only two or three friends here they should prevent the Canadian Northern deal going through. The taking over of that railway is one of the reasons why we are in such financial straits to-day. The Canadian Pacific railway have only got themselves to blame. If they had exercised their influence at that time things might be different, and that nefarious transaction might have been prevented. That Bill was run parallel with the Conscription Act, and so anxious were the promoters of the scheme that, in spite of the great necessity there was supposed to be for conscription, in spite of the fact that men were dying in France, the Railway Bill was run through both Houses of Parliament in less than a month, while the Conscription Bill took three months. Our boys were being killed, but before help could be sent to them we had to buy the Canadian Northern railway. That policy, honourable gentlemen, has been more disastrous financially than the Great War. The Great War has come to an end, and the interest on our war debts is not as large an amount as the deficits on that railway; and when we add the Grand Trunk the burden will be 150 per cent greater. The Canadian Pacific Railway Company have no one to blame but themselves. If they had used their influence at the time they would have been able to prevent that deal going through.

While talking about the Canadian Pacific railway I might allude to Lord Shaughnessy's plan. Lord Shaughnessy's plan unfortunately did not create a ripple of excitement in another place, and in this House we gave it, two days ago, a very quiet funeral. Oh, it was a lovely little burial. The pallbearers were few, but select. There were no mourners. The friends had not been invited, and at the grave the attendance was meagre. There were no flowers, and it went and passed away. Let the dead rest in peace—requiescat in pace—Amen.

The other day, I think it was yesterday, the honourable member for Rideau (Hon. Mr. Edwards) sang the praises of the new temporary Chairman of the Grand Trunk Railway Board. Well, God forbid that I should make an uncharitable remark against Sir Joseph Flavelle; but I could not help thinking that Sir Joseph Flavelle was very friendly to the Canadian Bank of Commerce, and that the honourable member from Ottawa was also very friendly to that bank. One would think since 1911 that only the friends of the Canadian Bank of Commerce were entitled to occupy any positions; and I say right now that the singing of the praises of Sir Joseph Flavelle by the honourable Senator from Ottawa reminded me of Messalina singing the praises and virtues of Cleopatra. When it came to forming this Government it was a friend of the Canadian Bank of Commerce who was entrusted with the key of the strong chest. He had not been a member of Parliament—no, not even a candidate. Sir Robert Borden looked amongst all his followers up to that time for one whom he could trust with the money of Canada, but not one of them would he trust. He looked in New Brunswick, which had been the home of Sir George Foster, who had been the Finance Minister, but on account of past history he was passed over. In Nova Scotia nobody was found. He did not look very hard in the Province of Quebec, or he would have found plenty of honest men there. But he looked in Ontario. He had some 75 followers in Ontario; not one of them would he trust. He went to Manitoba; Bob Rogers offered himself, but he would not have him.

Hon. Mr. MURPHY: Who told you that?

Hon. Mr. CASGRAIN: He went to Saskatchewan and Alberta, nay, even to British Columbia, and amongst all his followers, looking them all over, he seemed to have said: "I don't see any of you that I would trust with the key of the chest; I have to take a man who was a Grit as long as Laurier was in power; I have to take that Grit and make him Finance Minister." And who was he? He was the Manager of the National Trust Company, of which Sir Joseph Flavelle is the President. It seems all to work in the family: it is always some one of the Bank of Commerce connection; and to-day what is he? He is the arbitrator for this Government. He even sat in the House of Commons as member for Leeds. He has resigned his seat. At last he had some conception of the propriety of not being paid and fed at public expense while a member of Parliament. I must say to his credit that he did not take his seat there; but he should have resigned that seat at the opening of the Session, or before, in order that the county of Leeds might have been represented as it is entitled to be. However, he is sitting to-day in the city of Montreal as an arbitrator to saddle us with the Grand Trunk, and his ancient chief, Sir Joseph Flavelle, is the Chairman of the Board.

Now, the other 14,000 or 17,000 miles of Government railway—who is operating them to-day? Mr. Hanna. Who is Mr. Hanna? He is a friend of mine, and I will not say a word against him, but at the same time he was the chief man of Mackenzie and Mann, as everybody knows.

Therefore what hope is there that this budget will not be much greater next year than it is to-day? There is no telling what expense we will be put to. The extravagance is something enormous; nothing seems to stop or stay this Government. To-day, when railroads cannot be given away in the United States, to think that we are buying them! I think the most charitable thing I can say is that it is a case of insanity, because it would be much worse if they knew what they were doing. We must be like our Saviour on the Cross, who said, "Lord, forgive them, they don't know what they are doing." That is the only explanation I can see; that is the most charitable construction that I can put on their conduct.

Now, I do not want to detain this House very long, but I just want to say—

Some Hon. SENATORS: Hear, hear.

Hon. Mr. CASGRAIN: Well, honourable gentlemen can answer if any one of them wants to. Do not let that detain you; the Governor is not at the door yet; there is plenty of time.

Hon. Mr. BRADBURY: We are not through yet.

Hon. Mr. CASGRAIN: If those honourable gentlemen who have less affection for the Canadian Bank of Commerce, Sir Byron Walker, Sir Joseph Flavelle, Sir Thomas White—they are all knighted now—if those gentlemen know that there is no use changing this Government, that any other Government would do the same thing, I would tell them that no Government can change as fast as the Bank of Commerce can. Why, right up to the last minute they were the pillars of the Laurier Govern-

ment in Ontario, and when there was a change of Government they seemed to have come down here and dictated their terms. You know the old slogan; if the honourable member for Kings and Albert is here he will remember it—he said it: "Cox can't wait." That was the language of the Canadian Bank of Commerce. That was the time my honourable friend was taking the Government to task—"Cox can't wait"; and he had another great phrase: "This Government is swayed by women, wine, and graft." We all remember those words; they were beautiful words. If I were to paraphrase them to-day, I could not say anything in the presence of the ladies; and, as to wine, that has disappeared; we have prohibition, and, as you see, I am drinking water. All that remains is graft, graft, graft. Therefore I am afraid that this country is in a very bad predicament.

We have a deficit facing us; we are having unemployment increasing. Only last night I was reading in the Montreal Star—a good Conservative paper, owned and edited by Lord Atholstan, one of the best supporters and one of the creators of this Government—the statement that people are actually starving now, at the beginning of the month of June, in the city of Montreal, and after a very hard winter the doctors who have been examining the people and their families find that through mal-nutrition the men are not fit to work even if they could get work. That is what is taking place to-day in Montreal, and at the same time millions galore are being squandered, and carelessly squandered.

The Government stated that they were going to change the administration of those railways, but we have not had even the promise that there will be a change, and what has taken place? As every honourable gentleman in this House knows, the Minister of Finance has admitted a deficit of $70,000,000. There is a great deal more than that, but taking his own figures they amount to $5,000 a mile of deficit—more than the total earnings of the C.P.R. while that company was paying 10 per cent on its stock a few years ago. I say that is a deficit that looks to me most mysterious, and it will have to be explained some day. There is no possibility of a railway being run honestly and having such a deficit. At Saskatoon, for instance, where the C.P.R. does 60 per cent of the business and the National Railway 40 per cent—to illustrate the situation and make it easy to understand—suppose there are a thousand cars, and the C.P.R. moves 600 of those, while the Grand Trunk only moves 400, still the C.P.R. does all the shunting and moving of those 600 cars with two shunting engines, while the beautiful administration of Government railways uses 17 shunting engines with 17 crews to do 40 per cent of the work, as against the 60 per cent done by two shunting engines on the C.P.R. I see the gentlemen from the Northwest who to-day profess to be in favour of Government ownership. I said to them some sessions ago: "Don't come back and whine at the high rates; you want Government operation." Well, you have it, gentlemen, practical Government operation, and you are paying through the nose for it. I am sorry for you, but I cannot help you, and you have only yourselves to blame for it.

The present position is a sad one indeed; and what is still sadder is to find that my honourable friends opposite will not say one word in justification of that scandalous budget and those estimates—not one word. If they could send us home with some words of consolation, even to say that they hope it will be better in the near future; if they could dress this up and make themselves believe that we were all right, that these deficits were going to cease; or give us another ray of hope by saying that they would not take the Grand Trunk, and that they would let the law take its course. But no, I am afraid I will meet nothing but silence, and notwithstanding all the provocations I may give I will not get a response—unless, perchance, my honourable friend from Kings and Albert will come to the rescue and say something in defence of the Government. He did not always speak in favour of the Government this morning; perhaps to-night he might make his peace with his friends by saying a good word for them.

Reverting to the Shaughnessy plan, I forgot to mention that that plan, by which the C. P. R. would have received dividends in secula seculorum, for ever and ever, would be a very nice thing, a comfortable thing for the shareholders; but there must be lurking in the minds of some of the Directors of the Canadian Pacific the thought that, with the disorganization of labour through the length and breadth of this land owing to Government operation, it is going to be more and more difficult for them to get a reasonable day's work for a reasonable day's pay on their railroad. Lord Shaughnessy thought that by putting this up to the people there might be a chance of the

Government biting to the cleverly baited hook, and saying: "All right, you can take our railways and run them; you can have deficits on them; but your railway, the C.P.R., will always get the same dividend as it is getting to-day." That would have been very comfortable, and I am sure the C. P. R. stock would have gone up somewhat, though probably not as much as when Laurier was in power. Honourable gentlemen will remember that when Sir Wilfrid came into power the C. P. R., which is the financial barometer of this country, was at a low figure, but as soon as the sun of Laurier began to shine over Canada, then at once the C. P. R. stock commenced to rise with the sun, and it rose to 150, 175, 200—nay, it went, I believe to 280, if not to 300 at one time; but as soon as my honourable friends opposite came into power the C. P. R. stock commenced to tumble, like everything else; immigration to this land stopped. At the time Sir Wilfrid Laurier left office immigrants were coming into Canada at the rate of a thousand a day or more; but as soon as the honourable gentlemen opposite came into power the immigration stopped, our population was at a standstill, and C. P. R. stock commenced to tumble to where it is to-day. Therefore the plan of Lord Shaughnessy was buried, and the old saying was proved that the good die young. It might have been a good proposition; it certainly was such for the C. P. R., and that proposition might have been considered, but being so good it died young. It reminds me of the verse we used to learn in the old Seminary of Quebec, when Malherbe was writing to Dupérrier, to dilate upon the death of the latter's daughter:

Mais elle était du monde, où les plus belles choses
Ont le pire destin;
La rose elle a vécu ce que vivent les roses
L'espace d'un matin.

The motion was agreed to, and the Bill was read the second time.

THIRD READING

Sir JAMES LOUGHEED moved the third reading of the Bill.

The motion was agreed to, and the Bill was read the third time and passed.

The Senate adjourned during pleasure.

After some time the sitting was resumed.

PROROGATION OF PARLIAMENT

His Excellency the Governor General having come and being seated on the Throne:

Hon. Mr. CASGRAIN.

The Hon. the SPEAKER commanded the Gentleman Usher of the Black Rod to proceed to the House of Commons and acquaint that House that: "It is His Excellency the Governor General's pleasure they attend him immediately in the Senate Chamber."

Who being come with their Speaker:

The following Bills were assented to, in His Majesty's name, by His Excellency the Governor General:

BILLS ASSENTED TO

An Act to amend The Migratory Birds Convention Act.

An Act to amend the Royal Canadian Mounted Police Act.

An Act to amend the Post Office Act.

An Act respecting The James MacLaren Company, Limited.

An Act respecting the Dominion Express Company.

An Act to incorporate Fidelity Insurance Company of Canada.

An Act to incorporate Metropolitan Trust Company of Canada.

An Act respecting the "Crédit Foncier Franco-Canadien."

An Act to amend the Canada Shipping Act (Public Harbours).

An Act for the relief of John Edward Kelly.

An Act for the relief of Annie Belle Westbeare.

An Act for the relief of Christina Wilson Stephens.

An Act for the relief of Alice Andrews.

An Act for the relief of Esther Annie Vanzant.

An Act for the relief of Werden Grant Parker.

An Act for the relief of James Edward Nixon.

An Act for the relief of Joseph Sorton.

An Act for the relief of Gladys Frances Annie Wheeler Bernard.

An Act for the relief of William Carr.

An Act for the relief of Ida Florence Keenan.

An Act for the relief of Gertrude May Turner.

An Act for the relief of James Henry Bigrow.

An Act for the relief of Emelina Dunsmore.

An Act for the relief of Alfred William Wells.

An Act for the relief of Elizabeth Gertrude Conner.

An Act for the relief of Louise Sullivan.

An Act for the relief of Lily Appleton.

An Act for the relief of Harry Hirshenbain.

An Act for the relief of Percy Christopher Paul.

An Act for the relief of John Graham.

An Act respecting the Maritime Coal, Railway and Power Company, Limited.

An Act respecting the Western Dominion Railway Company.

An Act to amend and consolidate the Acts respecting the Inspection of Gas and Gas Meters.

An Act to authorize the ratification and carrying into effect of the Protocol of the sixteenth day of December, 1920, accepting

the Statute for the Permanent Court of International Justice of the thirteenth day of December, 1920.

An Act respecting "Les Révérends Pères Oblats de Marie Immaculée des Territoires du Nord-Ouest."

An Act for the relief of John Wilson.

An Act for the relief of Albert Harding.

An Act for the relief of Thomas Furneaux.

An Act for the relief of Matthew John Scott.

An Act for the relief of Dora Lucy Bell.

An Act for the relief of Henry Kropp.

An Act for the relief of Arthur Daughton.

An Act for the relief of Annie Maud Bell.

An Act for the relief of Thomas Henry Foster.

An Act for the relief of Edward George Taylor.

An Act for the relief of Margaret Swanston Neville.

An Act for the relief of Ernest Lillie Montgomery.

An Act for the relief of Ethel Gordon Wright Ball.

An Act for the relief of Ivan Ignatius Brazill.

An Act to amend the Animal Contagious Diseases Act.

An Act to amend the Prisons and Reformatories Act.

An Act for the relief of Lily Maude McCormack.

An Act for the relief of Herbert Henry Brown.

An Act for the relief of Rose Seigler Schatsburg.

An Act for the relief of Eudora Edith Webster Perry.

An Act for the relief of John Howard Ferguson.

An Act for the relief of Edith Myrtle Barnes.

An Act for the relief of Sherman Talmage Smith.

An Act for the relief of John Hurst.

An Act for the relief of Florence Gibb.

An Act for the relief of Norah Beatrice McDonald.

An Act for the relief of Mabel Alice Allport.

An Act for the relief of Abbie Jane Harris Wigle.

An Act for the relief of Walter Edwin Sloan.

An Act for the relief of James Leslie Glover.

An Act for the relief of William Gordon Gordon.

An Act for the relief of Anna Elizabeth Walker.

An Act for the relief of Arthur Wilfred Rigby.

An Act for the relief of Albert Sidney McPherson.

An Act for the relief of Ernest Alfred Ballard.

An Act for the relief of William Gladstone Cook.

An Act for the relief of Frederick Orford.

An Act for the relief of John Deluce.

An Act for the relief of John Samuel Bain.

An Act for the relief of Addie Irene Gilbert.

An Act for the relief of Ethel Edna Denning.

An Act for the relief of Audrey Cleeve Bennett Gibbons.

An Act for the relief of Laura Newson.

An Act for the relief of Tom Eccles.

An Act for the relief of John Chalk.

An Act respecting The Great West Bank of Canada.

An Act respecting The Central Railway Company of Canada.

An Act to incorporate Edmonton and Mackenzie River Railway Company.

An Act respecting certain Patents of Autographic Register Systems, Limited.

An Act to incorporate The Fort Smith Railway Company.

An Act to amend The Bankruptcy Act.

An Act to amend the Ottawa Improvement Commission Act, 1919.

An Act to amend The Statistics Act.

An Act to amend the Canada Evidence Act.

An Act to amend The Juvenile Deiinquents Act.

An Act to incorporate Ensign Insurance Company.

An Act to amend and consolidate the Acts respecting Quebec Steamship Company.

An Act to repeal The Conservation Act and Amendments.

An Act to amend The Opium and Narcotic Drug Act.

An Act for the relief of Agnes Robertson.

An Act for the relief of Hilda May Freeman.

An Act for the relief of Sarah Ann King.

An Act for the relief of Richard John Whitley.

An Act for the relief of Herbert Morgan Davies.

An Act for the relief of James Charles Allward.

An Act for the relief of Ernest Joseph Wismer.

An Act for the relief of Carman Adams.

An Act respecting Armistice Day.

An Act to amend the Chinese Immigration Act.

An Act to amend The Customs Tariff, 1907.

An Act to amend the Inland Revenue Act.

An Act to amend The Special War Revenue Act, 1915.

An Act to amend The Oleomargarine Act, 1919.

An Act to amend The Dominion Lands Act.

An Act respecting The Calgary and Fernie Railway Co.

An Act for the relief of Susan Lee Johnson Bell.

An Act to amend the Northwest Territories Act.

An Act respecting the Lake of the Woods and other Waters.

An Act to amend the Judges Act.

An Act to amend and consolidate the Law relating to Copyright.

An Act to amend The Immigration Act.

An Act to amend the Criminal Code.

An Act to amend the Inspection and Sale Act (Hay and Straw Inspection).

An Act to amend the Dominion Elections Act.

An Act with regard to certain Proceedings under Part IV of the Canada Temperance Act.

An Act to amend The Income War Tax Act, 1917.

An Act to amend The Returned Soldiers' Insurance Act.

An Act to amend The Pension Act.

An Act to regulate the Grading of Dairy Produce.

An Act respecting the Department of Customs and Excise.

An Act to amend an Act to provide for the Retirement of certain members of the Public Service.

An Act to amend the Patent Act.

An Act to amend The Civil Service Act, 1918.

An Act for granting to His Majesty certain sums of money for the public service of the financial years ending respectively the 31st of March, 1921, and the 31st March, 1922.

After which His Excellency the Governor General was pleased to close the fifth Session of the thirteenth Parliament of the Dominion of Canada with the following

SPEECH

Honourable Gentlemen of the Senate,

Gentlemen of the House of Commons:

I am glad to relieve you from further attendance in Parliament after a Session which has been marked by legislation of an important character.

Steps to increase the trade of the country have been taken by the ratification of commercial agreements with France and the British West Indies. It may be hoped that the latter agreement will result in strengthening the ties which bind together His Majesty's dominions.

Consequent on Canada's position as a member of the League of Nations, Acts have been passed to define Canadian nationals, and to authorize the ratification and carrying into effect of the Protocol accepting the Statute for the Permanent Court of International Justice.

The attempt to arrange for joint control by the Dominion and the Province of Ontario of the levels and flow of the Lake of the Woods water system having become abortive, by reason of a Bill concurrent to The Lake of the Woods Control Act failing to pass the Legislature of Ontario, legislation has been enacted declaring certain works in that system to be for the general advantage of Canada and providing for control by the Dominion in the public interest of all parts of the country having rights therein.

A Committee on Pensions, Insurance, and Reestablishment has given thorough reconsideration to these problems and their recommendations have been embodied in legislation which will make more adequate the assistance which the country owes to its ex-service men.

A Bill to regulate the grading of dairy produce has become law. This legislation should conduce to the more systematic and satisfactory marketing of a very important Canadian product with better results to both producer and consumer.

The Act to repeal the Conservation Act and to make provision for the carrying on by the appropriate departments of government of the necessary services hitherto conducted under the Commission of Conservation will result in a reduction of public charges which is so important at the present time.

A further step towards the solution of the problem of the National Railways has been taken in the passage of an Act by virtue of which possession and control of the Grand Trunk Railway System has been acquired and provision made for reviving the arbitration proceedings to ascertain the value of the stocks. A special committee has conducted an enquiry into certain phases of the problem of the operation of these railways.

The proposals as to revenue contained in the Appropriation Act will it is confidently hoped meet the necessities of the year with a minimum of burden on the people and on the conduct of industry.

Gentlemen of the House of Commons:

I thank you for the liberal provision you have made for the public service.

Honourable Gentlemen of the Senate,

Gentlemen of the House of Commons:

This is the last occasion I shall have the honour of addressing you as my term of office will have expired before you meet again.

May I assure you that I shall always retain a very real affection for Canada and its people and I shall watch your progress with the greatest interest in the sure belief that an ever increasing measure of happiness and prosperity will be the lot of the Dominion.

INDEX TO SENATE DEBATES

FIFTH SESSION, THIRTEENTH PARLIAMENT, 1921

ABBREVIATIONS:—1r, 2r, 3r = first, second, or third reading. Com = Committee. M = Motion. Ref = Referred. Rep = Report.

Address in reply to the Governor General's Speech
Motion for, 2, 10, 32, 57, 62, 75, 98
Adoption of, 118

Agriculture
Animal Contagious Diseases Bill. *See that title.*
Animals, treatment of, 716
Cheese. *See* Dairy Products Bill.
Hay and Straw Inspection Bill. *See that title.*
Wheat. *See* Canadian Wheat Board Bill.

Animal Contagious Diseases Bill. 1r, 415. 2r, 461. Com, 539. 3r, 544

Appropriation Bills
No. 1. 1r, 244. 2r, 245. 3r, 252
No. 2. 1r, 824. 2r, 824. 3r, 830

Archives Report, 1918 (French), 323

Armistice Day Bill. 1r, 615. 2r, 641. Com, 644. 3r, 644

Bankruptcy Bill. 1r, —. 2r, 490. Com, 520, 529. 3r, 539. Error, 622

Barnard, Hon. G. H.
Bankruptcy Bill, 533
British Columbia highways, Federal aid for, 213
House of Commons, accommodation for Senators in, 123

Beaubien, Hon. C. P.
Commercial agents in foreign countries, 267
Copyright Bill, 652-658, 666, 693, 694
Court of International Justice Bill, 449
French exhibition train, 758
French Trade Agreement Bill, 327, 337, 338, 374
Gold and Silver Marking Bill, 258
International Unions and Cabinet Ministers, 684
Judges Bill, 488, 560
Most Favoured Nation Clause, 542
National Catholic Labour Unions, 684
National Research Bill, 629, 635
Post Office Bill, 176
Railway employees, wages of, 231

Beique, Hon. F. L.
Address in reply to the Governor General's Speech, 98
The Postmaster General and the Province of Quebec, 98
Bankruptcy Bill, 521, 524, 538
Commercial agents in foreign countries, 269
Copyright Bill, 641, 651, 656, 658, 692-697
Criminal Appeal Court, establishment of, 482
Dairy Products Bill, 787, 794
Dominion Life Assurance Company Bill, 183
Governor General, departure of—Address, 768
Grand Trunk Arbitration Bill, 353, 367-373
Judges Bill, 559, 562, 642
National Research Bill, 629, 635
Post Office Bill, 157, 167
Railways, payments on account of, 485
Senate adjournment, 211
Shaughnessy, Lord, proposal of, 355, 738

Belcourt, Hon. N. A., P.C.
Address in reply to the Governor General's Speech, 101
The Postmaster General and Quebec, 101
"Isolation" of Quebec, 102
Archives Report, 1918 (French), 323
Bankruptcy Bill, 532-535
Bills, drafting of, 550, 551, 552
Canada, constitutional status of, 336
Canadian Nationals Bill, 287-289
Copyright Bill, 648-661, 689-696
Criminal Code Amendment Bill, 715-722
Criminal Code Forms Bill, 292
Dominion Elections Bills, 52, 55-57, 763, 764
Exchequer Court Bill, 174
French Trade Agreement Bill, 336,373
Grand Trunk Arbitration Bill, 349, 367-372
Inquiries, unsatisfactory answers to, 420
Judges Bill, 378, 400-402, 487, 489, 556, 561, 668-670
Lake of the Woods Bill, 588-590, 592
National Research Bill, 572-586, 595, 599, 636
Opium and Narcotic Drug Bill, 548, 610-613
Ottawa Improvement Commission Bill, 600, 616
Post Office Bill, 165, 168, 170, 175-177
Quebec, disorders in, 72
Weapons Bill, 392, 416-418, 715
Winding-up Bill, 291

Bennett, Hon. W. H.
Appropriation Bill, 249
Commercial agents in foreign countries, 270
Export trade routes, 189
Income Tax collections, 249
Judges Bill, 282, 311, 376, 381, 403-405
Post Office Bill, 164, 167
Revision of Punishments Bill, 131

Bills. *See their titles.*

Birds. *See* Migratory Birds Convention Bill.

Blain, Hon. Richard
Bankruptcy Bill—error, 622
Dominion Elections Bill, 764
Dominion Express Company Bill, 212
Gold and Silver Marking Bill, 258
Highways—aid to Provinces, 506
London and Lake Erie Railway and Transportation Company, 290

Blondin, Hon. P. E., P.C.
Address in reply to the Governor General's Speech, 69
The French and English languages, 69
Position of Hon. Senator Dandurand, 70
Representation of Quebec in the Cabinet, 70
The Liberal party in Quebec, 71
Dynamite outrages, 72
The election of 1917, 73
Party records, 74
Drummond-Arthabaska election—denial, 34
Post Office Bill, 156-159, 162-170, 175, 176

Bolduc, Hon. Joseph, P.C. (Speaker)
Benoit, Albert, position of, 97
Bills, drafting of, 552
House of Commons, accommodation for Senators in, 124, 125
Parliamentary procedure
Divorce Bills, procedure on, 125, 437
Grand Trunk Arbitration Bill amendable by Senate, 372
Press reporters in Senate, accommodation for, 135

Bostock, Hon. Hewitt
Address in reply to the Governor General's Speech, 10
The new Senate Chamber, 10
Changes in the Cabinet, 11
The League of Nations and disarmament, 11
Railway freight rates, 12
Abolition of Conservation Commission, 12
The Board of Commerce, 13
Unemployment, 14
Finance and trade, 14
The exchange situation, 15
Foreign trade, 15
Appropriation Bills, 245, 824
Armistice Day Bill, 641

Bostock, Hon. Hewitt.—*Con.*
Bankruptcy Bill, 421, 538
British Columbia
Liquor, importation of, 181
Canada Temperance Act Proceedings Bill, 769
Canadian Nationals Bill, 275, 287-289
Canadian Naval Service, 54
Civil Service Bill, 812-814
Conservation Act Repeal Bill, 468,514
Copyright Bill, 638, 647, 686, 690, 697
Court of International Justice Bill, 451, 475
Criminal Code Amendment Bill, 645, 709
Currency Bill, 304
Customs Tariff Bill, 706
Dairy Products Bill, 786, 797
Department of Customs and Excise Bill, 798-803
Divorce—penalties for the offender, 431
Divorce Petitions—procedure on reports, 132
Dominion Elections Bills, 51, 133, 761-763
Exchequer Court Bill, 160, 173-175
Finance—reports to Parliament, 54
French Trade Agreement Bill, 373
Gas Inspection Bill, 439, 471-474
Governor General
Appointment, 179, 806
Departure—Address, 767
Grand Trunk Arbitration Bill, 340, 345, 365, 371
Hay and Straw Inspection Bill, 617, 618
Immigration Bill, 723-725
Income War Tax Bill, 772-774
Inland Revenue Bill, 646, 707
Judges Bill, 375, 546, 559, 669
Lake of the Woods Bill, 590, 591
Lake of the Woods Control Bill, 136, 141, 143, 151-153, 286
National Research Bill, 504, 567-570, 574-584, 597
Northwest Territories Bill, 549, 550
Oleomargarine Bill, 647, 707
Pacific Coast Fisheries Treaty, 180
Parliament
Business of Session, 709
Distribution Office, 134
Pension Bill, 776-778
Post Office Bill, 156, 168
Printing, public, 412, 434, 435
Prisons and Reformatories Bill, 440, 540
Public Accounts, 180
Public Service Retirement Bill, 757
Railway problem in Canada, 233
Railways
Canadian National
Kamloops-Kelowna-Lumby branch, 17
Coal seized, 155, 565
Government railways, reports of, 180
Grand Trunk
Loan, 324
Papers, 212

Bostock, Hon. Hewitt.—*Con.*
Railways—*Con.*
Grand Trunk Pacific debenture stock, 552
Shaughnessy, Lord, proposal of, 423
Wages, rates of, 264, 293, 623
Royal Canadian Mounted Police Bill, 374
Senate
Adjournment, 406
Chamber, the new, 10, 53
Debates, translation of, 127
Deceased Senators
Crosby, the late Hon. A. B., 178
Dennis, the late Hon. Wm., 122
Douglas, the late Hon. J. M., 122
McSweeney, the late Hon. Peter, 123
Prince, the late Hon. B., 123.
Shatford, the late Hon. L. W., 123
Press reporters, accommodation for, 135
Public documents, 218
Rules, suspension of, 490
Sessional indemnity—newspaper reflections, 603
Staff, classification of, 624-626
Unemployment, 409
Weapons Bill, 417
West Indies Trade Agreement Bill, 316, 387-391

Boyer, Hon. Arthur
Autographic Register Systems Bill, 405
Canadian Merchant Marine, 84
Commercial agents in foreign countries, 270
Currency Bill, 275, 322
De Martigny Divorce Bill, 294
Divorce Bills, 437
Gold and Silver Marking Bill, 262
Grand Trunk Arbitration Bill, 362
Post Office Bill, 162, 166
West Indies Trade Agreement Bill, 321

British Columbia
Fraser river improvements, 294, 436
Highways, Federal aid to, 213
Liquor, importation of, 181

Canada, constitutional status of, 48, 160. *See* Canadian Nationals Bill, Court of International Justice Bill, French Trade Agreement Bill

Canada Evidence Bill. 1r, 544. 2r, 602. Com, 617. 3r, 617

Canada Temperance Act Proceedings Bill. 1r, 765. 2r, 768. Com, 769. 3r, 772

Canadian Battlefields Memorial Commission, 325

Canadian Nationals Bill. 1r, 253. 2r. 275. Com, 287. 3r, 299

Canadian Wheat Board Bill. 1r, 254. 2r, 283. Com, 292. 3r, 299

Casgrain, Hon. J. P. B.
Address in reply to the Governor General's Speech, 42
Protection in Quebec, 42
Our depreciated currency, 43
The Government expenditures, 44
The railway situation, 45
The League of Nations, 48
Appropriation Bill, 826
Bankruptcy Bill, 490
Canada, constitutional status of, 48, 337
Canada Temperance Act Proceedings Bill, 771
Canadian Ambassador to Washington, 49, 808
Civil Service Bill, 812
Dairy Products Bill, 786, 789, 791
DeMartigny Divorce Bill, 298
Department of Customs and Excise Bill, 800-803
Dominion Elections Bill, 764
Export trade routes, 193
French Trade Agreement Bill, 337, 338
Grand Trunk Arbitration Bill, 360
Hay and Straw Inspection Bill, 751
House of Commons, accommodation for Senators in, 123
Inquiries, unsatisfactory answers to, 419
International Labour Unions and Cabinet Ministers, 670, 686
Judges Bill, 307-313, 489, 557
Lake of the Woods Control Bill, 144-151
League of Nations, 48, 155
Liquor, importation of, 182
National Catholic Labour Unions, 672
National Research Bill, 454, 493, 566, 570, 573, 579-586
Oleomargarine Bill, 708
Ottawa Improvement Commission Bill, 600
Post Office Bill, 159, 165-170
Public Harbours Bill, 339, 418
Railway problem in Canada, 45, 196, 244, 360, 373, 826.
Railways
Canadian National
Deficits in operation, 217
Loans in United States, 75, 120
Grades, Winnipeg-Quebec, 406
Guarantees by Provinces, 305
Mileages and population, 293

Chapais, Hon. Thomas
Quebec railway terminals and export trade routes, 172
Copyright Bill, 642, 652, 658, 695, 696

Cheese. *See* Dairy Products Bill.

Chinese Immigration Bill. 1r, 615. 2r, 641. Com, 644. 3r, 645

Civil Service Bill. 1r, 806. 2r, 808. Com, 812. 3r, 814. *See* 155

Cloran, Hon. H. J.
Senate Chamber, the new, 53

Conservation Act Repeal Bill. 1r, 406. 2r, 461. Com, 510. 3r, 520

Copyright Bill. 1r, 615. M for 2r, 637; 2r, 642. Com, 647, 686. 3r, 698

Corrupt Practices at Elections Bill. 1r, 253. 2r, 277. Com, 290. 3r, 299

Court of International Justice Bill. 1r, 415. 2r, 440. Com, 475. 3r, 508

Criminal Appeal, Courts of, 476, 765, 781

Criminal Code Amendment Bill. 1r, 622. 2r, 645. Com, 709. 3r, 722

Criminal Code Forms Bill. 1r, 254. 2r, 284. Com, 292. 3r, 299

Crosby, Hon. A. B.
Address in reply to the Governor General's Speech, 57, 62
Canada-United States relations, 63
The election of 1896, 65
Reciprocity in 1911, 65
The War-time Elections Act, 66
Recent elections, 67
Death of, 177
Halifax as a registration port, 97

Currency Bill. 1r, 274. 2r, 303. Com, 321. 3r, 325

Curry, Hon. N.
Unemployment, 735

Customs Tariff Bill. 1r, 622. 2r, 646. Com, 706. 3r, 706
See West Indies Trade Agreement Bill

Dairy Produce Bill. 1r, 781. 2r, 784. Com, 791. 3r, 797

Dandurand, Hon. R., P.C.
Address in reply to the Governor General's Speech, 23, 32
The Government's mandate, 23
The War-time Elections Act, 24
Quebec and the Cabinet, 26
Canada-United States trade relations, 28, 32
The Postmaster General in Drummond-Arthabaska, 34
The Nationalist campaign of 1911, 38
Bankruptcy Bill, 533-535
Bills, drafting of, 551, 552
Canada, constitutional status of, 162, 326, 330, 336, 374, 441
Canada Temperance Act Proceedings Bill, 771
Canadian Nationals Bill, 276
Commercial agents in foreign countries, 268

Dandurand, Hon. R., P.C.—*Con.*
Copyright Bill, 648, 653-666, 688-692, 697
Court of International Justice Bill, 441, 508
Criminal Appeal, Courts of, 483
Criminal Code Amendment Bill, 709, 714, 718
Currency Bill, 275, 322
Dairy Products Bill, 789
Dominion Elections Bill, 762-765
Export trade routes, 187
Firearms, international control of, 509
French Trade Agreement Bill, 326, 330, 336, 374
Gold and Silver Marking Bill, 259-264
Governor General, status of, 807
Grand Trunk Arbitration Bill, 359, 370, 372
Halifax graving dock expropriation, 528
Hay and Straw Inspection Bill, 602, 618-621, 699-705, 751-755
Income War Tax Bill, 774
Judges Bill, 279, 306-309, 312, 400, 553, 555, 562, 641, 669, 670
Lake of the Woods Bill, 590, 592
National Research Bill, 571, 575-587, 592, 595, 596, 636
Opium and Narcotic Drug Bill, 610-613
Ottawa Improvement Commission Bill, 601, 616
Patent Bill, 804, 805
Pension Bill, 780
Post Office Bill, 157, 163-170
Parliamentary procedure—Grand Trunk Arbitration Bill not amendable by Senate, 372
Quebec (city), liquor laws in, 508
Senate
Adjournments, 155, 407
Debates, translation of, 128
Sessional indemnity—newspaper reflections, 604
Unemployment, 821

Daniel, Hon. John W.
Conservation Act Repeal Bill, 470
Copyright Bill, 655-658
Export trade routes, 192
Hay and Straw Inspection Bill, 755
Inquiries, unsatisfactory answers to, 437
National Research Bill, 597
Opium and Narcotic Drug Bill, 547, 613
Pension Bill, 779, 780
Pilots, retired, 436, 484
Public Harbour Bill, 419
Senate
Adjournment, 408
Debates, translation of, 128
Error in Minutes, 62
Staff, classification of, 624-626

David, Hon. L. O.

Canada's relation to the Empire, 160
Commercial agents in foreign countries, 266
Conservation Act Repeal Bill, 516
Copyright Bill, 651
Governor General, departure of—Address, 768
Income Tax collection, 97, 155
Judges Bill, 281, 488, 546, 557
Opium and Narcotic Drug Bill, 614
Revision of Punishments Bill, 128-132
Sessional Indemnity Act, 127
Shaughnessy, Lord, proposal of, 421
Soldier settlement statistics, 97

Department of Customs and Excise Bill. 1r, 781. 2r, 797. Com, 799. 3r, 803

Deportation, 725. *See* Immigration Bill

Divorce

Penalties for the offender, 429
Statistics, 621, 642

Divorce Bills

Acton, Margaret T. 1r, 218. 2r, 252. 3r, 254
Adams, Carman, 1-2-3r, 591
Alexander, Elizabeth. 1r, 144. 2r, 159. 3r, 162
Allport, Mabel A. 1-2-3r, 491
Allward, James C. 1-2-3r, 525
Andrews, Alice A. 1r, 253. 2r, 284. 3r, 287
Ansell, Lilian F. 1r, 218. 2r, 252. 3r, 254
Appleton, Lily. 1r, 323. 2r, 391. 3r, 412
Bain, John S. 1r, 475. 2-3r, 525
Ball, Ethel G. W. 1r, 406. 2r, 434. 3r, 438
Ballard, Ernest A. 1-2-3r, 491
Barnes, Edith M. 1r, 437. 2r, 490. 3r, 493
Bell, Annie M. 1r, 391. 2r, 416. 3r, 434
Bell, Dora L. 1r, 391. 2r, 416. 3r, 434
Bell, Susan L. J. 1-2-3r, 624
Bell, William J. 1r, 144. 2r, 159. 3r, 162
Bernard, Gladys F. A. W. 1r, 264. 2r, 299. 3r, 305
Bigrow, James H. 1r, 264. 2r, 299. 3r, 306
Brazill, Ivan I. 1r, 406. 2r, 434. 3r, 438
Brown, Herbert H. 1r, 434. 2r, 471. 3r, 486
Campbell, Evelyn. 1r, 218. 2r, 252. 3r, 254
Carr, Wm. 1r, 264. 2r, 299. 3r, 305
Chalk, John. 1-2-3r, 506
Connor, Elizabeth G. 1r, 294. 2r, 338. 3r, 373
Cook, Margaret M. 1r, 218. 2r, 252. 3r, 254
Cook, William G. 1-2-3r, 491
Coulson, William H. 1r, 144. 2r, 159. 3r, 162
Doughton, Arthur, 1r, 391. 2r, 416. 3r, 434
Davies, Herbert M. 1-2-3r, 525
Deluce, John. 1r, 475. 2-3r, 525
DeMartigny, Alphonse LeM. 1r, 231. 2r, 254. 3r, 294

Divorce Bills.—*Con.*

Denning, Ethel E. 1-2-3r, 506
Doyle, William G. 1r, 144. 2r, 159. 3r, 162
Dunsmore, Emelina. 1r, 264. 2r, 299. 3r, 306
Eccles, Thomas. 1-2-3r, 506.
Ferguson, John H. 1r, 437. 2r, 490. 3r, 493
Flower, Thomas E. W. 1r, 179. 2r, 207. 3r, 212
Foster, Thomas H. 1r, 391. 2r, 416. 3r, 434
Freeman, Hilda M. 1-2-3r, 525
Furneaux, Thomas. 1r, 390. 2r, 416. 3r, 434
Galbraith, Hazel. 1r, 156. 2r, 173. 3r, 178
Gibb, Florence. 1r, 437. 2r, 490. 3r, 493
Gibbons, Audrey C. B. 1-2-3r, 506
Gilbert, Addie I. 1-2-3r, 506
Glossop, George E. 1r, 144. 2r, 159. 3r, 162
Glover, James L. 1-2-3r, 491
Gordon, Albert E. 1r, 231. 2r, 254. 3r, 255
Gordon, Wm. G. 1-2-3r, 491
Gourley, George. 1r, 179. 2r, 207. 3r, 212
Graham, John. 1r, 323. 2r, 391. 3r, 412
Greenwood, Ellen 1r, 218. 2r, 252. 3r, 254
Harding, Albert. 1r, 390. 2r, 416. 3r, 434
Hirsherbain, Harry. 1r, 323. 2r, 391. 3r, 412
Holt, Jean G. 1r, 231. 2r, 254. 3r, 255
Hood, Rosetta. 1r, 231. 2r, 254. 3r, 255
Hopkinson, Willie 1r, 231. 2r, 254. 3r, 255
Hurst, John. 1r, 437. 2r, 490. 3r, 493
Jackson, Stella A. 1r, 218. 2r, 252. 3r, 254
Keenan, Ada. 1r, 264. 2r, 299. 3r, 306
Kelly, John E. 1r, 253. 2r, 284. 3r, 287
King, Sarah A. 1-2-3r, 525
Krapp, Henry. 1r, 391. 2r, 416. 3r, 434
LaRue, Alex. 1r, 173. 2r, 183. 3r, 207
Leonard, Mary E 1r, 173. 2r, 183. 3r, 207
Marshall, Mabel. 1r, 218. 2r, 252. 3r, 254
Maynard, Henry W. 1r, 144. 2r, 159. 3r, 162
McAree, John V. 1r, 231. 2r, 254. 3r, 255
McCormack, Lily M. 1r, 434. 2r, 471. 3r, 486
McDonald, Norah B. 1-2-3r, 491
McKee, Fergus. 1r, 253. 2r, 255. 3r, 275
McKillop, Mamie. 1r, 231. 2r, 256. 3r, 255
McPherson, Alfred S. 1-2-3r, 491
Montgomery, Ernest L. 1r, 406. 2r, 434. 3r, 438
Morel, Maria M. 1r, 173. 2r, 183. 3r, 207
Morrison, Royland S. 1r, 179. 2r, 207. 3r, 212
Neville, Margaret S. 1r, 406. 2r, 434. 3r, 438
Newson, Laura. 1-2-3r, 506
Nixon, James E. 1r, 253. 2r, 284. 3r, 287

Divorce Bills.—*Con.*

Orford, Frederick. 1r, 475. 2-3r, 525
Osborne, Beatrice. 1r, 231. 2r, 254. 3r, 255
Oxley, Duncan M. 1r, 218. 2r, 252. 3r, 254
Parker, Werden G. 1r, 253. 2r, 284. 3r, 287
Paul, Percy C. 1r, 323. 2r, 391. 3r, 412
Perry, Eudora E. W. 1r, 437. 2r, 490. 3r, 493
Rabb, Edna G. 1r, 218. 2r, 252. 3r, 254
Rigby, Arthur W. 1-2-3r, 491
Robertson, Agnes. 1-2-3r, 525
Schatsburg, Rose S. 1r, 437. 2r, 490. 3r, 493
Score, Dorothy M. 1r, 144. 2r, 159. 3r, 162
Scott, Matthew J. 1r, 390. 2r, 416. 3r, 434
Sims, Arthur E. 1r, 179. 2r, 207. 3r, 212
Sloan, Walter E. 1-2-3r, 491
Smith, Sherman T. 1r, 437. 2r, 490. 3r, 493
Smith, Rose W. 1r, 218. 2r, 252. 3r, 254
Sorton, Joseph. 1r, 125. 2r, 143. 3r, 144
Stephens, Christina W. 1r, 253. 2r, 284. 3r, 287
Studholme, Frederick R. 1r, 231. 2r, 254. 3r, 255
Sullivan, Louise. 1r, 294. 2r, 338. 3r, 373
Taylor, Edward. 1r, 406. 2r, 434. 3r, 438
Tolhurst, Harry. 1r, 231. 2r, 254. 3r, 255
Turner, Gertrude M. 1r, 264. 2r, 299. 3r, 306
Vanzant, Esther A. 1r, 253. 2r, 284. 3r, 287
Vernon, Gertrude G. 1r, 218. 2r, 252. 3r, 254
Walker, Annie E. 1-2-3r, 491
Walton, Frederick H. 1r, 171. 2r, 180. 3r, 183
Wells, Alfred W. 1r, 285. 2r, 306, 3r, 325
Westbeare, Annie B. 1r, 253. 2r, 284. 3r, 287
Whitley, Richard J. 1-2-3r, 525
Wile, Ada J. H. 1-2-3r, 491
Wilson, John. 1r, 390. 2r, 416. 3r, 434
Wismer, Ernest J. 1-2-3r, 591

Dominion Elections Bills

No. 1. 1r, 2. 2r, 50. Com, 54. 3r, 57. 548. 3r, 553. Concurrence in Commons amendment, 756.
No. 2. 1r, 731. 2r, 760. 3r, 765

Dominion Lands Bill. 1r, 458. 2r, 541. Com, 548. 3r, 553. Concurrence in Commons amendment, 756.

Donnelly, Hon. James J.

Animals, treatment of, 720
Dairy Products Bill, 787, 795, 796
Hay and Straw Inspection Bill, 619, 699, 704, 752
Judges Bill, 379
Senate adjournments, 141

Edwards, Hon. W. C.

Address in reply to the Governor General's Speech, 22
Canada's trade with the United States, 23
The Conservation Commission, 23
Canada, constitutional status of, 443
Commercial agents in foreign countries, 268
Conservation Act Repeal Bill, 510
Court of International Justice Bill, 443
Flavelle, Sir Joseph—proposed appointment, 732
National Research Bill, 506, 506

Exchequer Court Bill. 1r, 154. 2r, 160. Com, 173. 3r, 178

Finance

Currency Bill. *See that title.*
Government borrowings, 1920-21, 142
Public Accounts, 180
Reports to Parliament, 54
See Appropriation Bills

Firearms, 509, 709, 715. *See* Weapons Bill

Fish and Fisheries

Pacific Coast Fisheries Treaty, 180

Fisher, Hon. John H.

Divorce—penalties for the offender, 430
Senate adjournments, 142

Flavelle, Sir Joseph—proposed appointment, 732

Foster, Hon. George G.

Grand Trunk Arbitration Bill, 347
National Research Bill, 594
Quebec (city), liquor laws in, 507

Fowler, Hon. George W.

Address in reply to the Governor General's Speech, 39
The new Senate Chamber, 39
The speech of Hon. Mr. Dandurand, 40
The two great races in Canada, 41
Animals, treatment of, 716
Bankruptcy Bill, 536, 538
Canada Temperance Act Proceedings Bill, 770
Canadian Nationals Bill, 288
Civil Service Bill, 808
Conservation Act Repeal Bill, 517
Copyright Bill, 661-668, 687-691
Criminal Code Amendment Bill, 712-720
Dairy Products Bill, 787-797
Dominion Elections Bill, 763
Export trade routes, 195
Hay and Straw Inspection Bill, 699, 751-755
House of Commons, accommodation for Senators in, 126.
Income War Tax Bill, 773

Fowler, Hon. George W.—*Con.*
Judges Bill, 278, 282, 380, 386, 401-405, 555
Lake of the Woods Control Bill, 139
Latchford and Riddell, Justices, 325
National Research Bill, 566-570, 579, 580
Oil Shales, iron ore, and fuel deposits, 183, 765
Opium and Narcotic Drug Bill, 548, 614, 615
Pension Bill, 778-781
Post Office Bill, 169
Railway problem in Canada, 240
Revision of Punishments Bill, 130.
Senate
Adjournment, 406
Chamber, the new, 252
Staff, classification of, 625
Victoria Day sitting, 551
Unemployment, 819
West Indies Trade Agreement Bill, 387, 388
White, Judge A. S., 324, 380

Fraser River improvements, 294, 436

French Exhibition Train. *See* Trade

French Trade Agreement Bill. 1r, 253. 2r, 325. Com, 373. 3r, 391

Gas Inspection Bill. 1r, 414. 2r, 438. Com, 471. 3r, 486

Girroir, Hon. Edward L.
Appropriation Bill, 251
Criminal Appeal, Courts of, 481, 784
Judges Bill, 315, 382, 558
Nova Scotia highways, Federal aid to, 213

Gold and Silver Marking Bill. 1r, 62. 2r, 118. Com. 255, 391. Ref to special Com, 412. Withdrawn, 458

Gordon, Hon. George
Dairy Products Bill, 789
Canadian National Railways—Eastern Lands Department, 231
Hay and Straw Inspection Bill, 619, 620, 656
Judges Bill, 384

Governor General
Appointment, 179, 806
Departure—Address, 766
Speeches
Opening Session, 1
Closing Session, 832
See Address

Grain. *See* Canadian Wheat Board Bill.

Grand Trunk Arbitration Bill. 1r, 294. 2r, 339. Com, 364. 3r, 373

Halifax
Graving dock expropriation, 526
Registration port, 97

Hay and Straw Inspection Bill. 1r, 544. 2r, 602. Com, 617, 698, 751. 3r, 756

Highways
Aid to Provinces, 506. *See also* 213, 232, 415

Immigration Bill. 1r, 622. 2r, 645. Com, 722. 3r, 726

Income War Tax Bill. 1r, 765. 2r, 772. Com, 772. 3r, 775

Inland Revenue Bill. 1r, 622. 2r, 646. Com, 706. 3r, 707

Insurance
See Returned Soldiers Insurance Bill

Judges Bill. 1r, 253. 2r, 278. Com, 306, 374, 399, 412. 3r, 414. Commons disagreement, 436, 486, 545, 553. Conference, 622, 641, 668; rep concurred in, 698.

Juvenile Delinquents Bill. 1r, 544. 2r, 602. Com, 617. 3r, 617

Labour
International Unions and Cabinet Ministers, 670
Judges on Boards of Conciliation, 313, 345
National Catholic Unions, 672, 678, 684
Nova Scotia, employment offices in, 274
Railway employees' wages, 216, 225, 233, 240, 264, 285, 293, 623
Unemployment. *See that title*

Lake of the Woods Control Bill. 1r, 120. M for 2r, 135; 2r, 141. Com postponed, 143. amendments, 756.

Lake of the Woods Control Bill. 1r, 120. M for 2r, 135; 2r, 141. Com postponed, 143. Com, 144. 3r, 154. Concurrence in Commons amendments, 285.

Latchford and Riddell, Justices, 325

Lavergne, Hon. Louis
Address in reply to the Governor General's Speech, 36, 74

L'Esperance, Hon. D. O.
Canadian National Railway—Quebec terminals and export trade routes, 183, 214

League of Nations, 6, 8, 19, 48, 60, 155. *See* Address.

Lougheed, Hon. Sir James, P.C.
Address in reply to the Governor General's Speech, 16
The Government's record, 17
Railway rates, 18

Lougheed, Hon. Sir James, P.C.—*Con.*
Address in reply—*Con.*
The Conservation Commission, 18
The League of Nations, 19
The Tariff question, 19
The new Senate Chamber, 22
Animal Contagious Diseases Bill, 461, 539, 544
Appropriation Bills, 245, 824
Archives Report, 1918 (French), 323
Bankruptcy Bill, 490, 520-525, 529-539
British Columbia
Fraser river entrance, 294
Highways, Federal aid for, 213
Liquor importation, 182
Canada Constitutional Statutes of, 332, 451
Canada Evidence Bill, 602
Canada Temperance Act Proceedings Bill, 768-772
Canadian Nationals Bill, 275-277, 287-289
Canadian Wheat Board Bill, 283
Chinese Immigration Bill, 641, 644
Civil Service Bill, 808, 813, 814
Commercial agents in foreign countries, 272
Conservation Act Repeal Bill, 461, 470, 516
Copyright Bill, 637, 648, 649, 654-660, 686-697
Corrupt Practices at Elections Bill, 277, 290
Court of International Justice Bill, 440, 451, 475
Criminal Code Amendment Bill, 645, 709-722
Currency Bill, 303, 321
Customs Tariff Bill, 646, 706
Department of Customs and Excise Bill, 797-803
Divorce—penalties for the offender, 432
Dominion Elections Bill, 50-53, 54-57, 133, 760-765.
Dominion Lands Bill, 541, 549
Exchequer Court Bill, 173-175
Foreign Commercial Commission, 135
French Trade Agreement Bill, 325, 332, 374
Gas Inspection Bill, 438, 471-475
Gold and Silver Marking Bill, 119, 262-264, 391
Government borrowings, 1920-21, 143
Government railways, reports of, 180.
Governor General
Appointment, 179, 807
Departure—Address, 766
Grand Trunk Arbitration Bill, 339, 364-373
Halifax graving dock expropriation, 528
Hay and Straw Inspection Bill, 602, 617-621, 698-705, 751, 755
Highways—aid to Provinces, 506
Immigration Bill, 645, 722-725
Income Tax collections in Manitoba, 142
Income War Tax Bill, 772-775
Inland Revenue Bill, 646, 707
Inquiries, answers to, 420, 437
Judges Bill, 278, 282, 306-309, 375, 386, 399-402, 413, 436, 486, 489, 545, 553, 561-564, 641, 668-670, 698

Lougheed, Hon. Sir James, P.C.—*Con.*
Juvenile Delinquents Bill 602, 617
Lake of the Woods Bill, 588-592
Lake of the Woods Control Bill, 135-141, 143, 144-154, 285
Manitoba highways, Federal aid for, 232
Migratory Birds Convention Bill, 232
Montreal Harbour Commissioners Bill, 303, 321
Most Favoured Nation clause, 542
National Research Bill, 454, 567-587, 598-600, 626, 637
New Brunswick highways, Federal aid for, 214
Northwest Territories Bill, 542, 549, 550
Nova Scotia highways, Federal aid for, 213, 415
Oleomargarine Bill, 647, 708
Opium and Narcotic Drug Bill, 453, 547, 605-615
Ottawa Improvement Commission Bill, 600-601, 616
Parliament
Business of Session, 709
Distribution Office, 134
Patent Bill, 803-806
Pension Bill, 776-781
Pilots, retired, 436, 484
Postmaster General—denial of statement, 35
Prince Edward Island
Freight rates, 460, 492
Supreme Court vacancy, 416
Prisons and Reformatories Bill, 439, 540, 541
Public Service Retirement Bill, 756-758
Quebec (city), liquors laws in, 508
Railway problem in Canada, 243, 373
Railways
Canadian National
Coal seized, 565
Deficits in operation, 218
Eastern Lands Department, 231
Kamloops-Kelowna-Lumby Branch, 179
Loans in United States, 120
Wages, 231, 293, 623
Grades, Winnipeg-Quebec, 406
Grand Trunk loan, 324
Grand Trunk Pacific debenture stock, 553
Guarantees by Provinces, 305
Mileages and population, 293
Shaughnessy, Lord, proposal of, 750
Subsidies, loans, etc., 485
Returned Soldiers Insurance Bill, 775
Royal Canadian Mounted Police Bill, 374, 392
St. John and Quebec Railway Bill, 282
Sessional Indemnity Act, 127
Soldier settlement statistics, 97
Special War Revenue Bill, 646
Statistics Bill, 601, 616

Lougheed, Hon. Sir James, P.C.—*Con.*
Senate
Adjournments, 154, 177, 406, 542
Bills, drafting of, 551, 552
Chamber, the new, 22, 53
Daylight saving time, 391
Debates, translation of, 127
Deceased Senators, 121
Crosby, the late Hon. A. B., 177
Dennis, the late Hon. Wm., 121
Douglas, the late Hon. J. M., 121
McSweeney, the late Hon. Peter, 122
Prince, the late Hon. B., 121
Shatford, the late Hon. L. W., 121
Press reporters, accommodation for, 135
Rules, suspension of, 490
Sessional indemnity—newspaper reflections, 604
Sittings, 525
Weapons Bill, 399, 416, 417, 715
West Indies Trades Agreement Bill, 299, 303, 387-391
White, Judge A. S., 324
Winding-up Bill, 283, 291, 305

Lynch-Staunton, Hon. George
Address in reply to the Governor General's Speech, 117
German trade, 117
Protection and depreciated currencies, 118
Canada, constitutional status of, 445
Canadian Bar Association Bill, 178
Canadian Nationals Bill, 287
Court of International Justice Bill, 445
Criminal Appeal, Courts of, 483
Criminal Code Amendment Bill, 715, 721
Criminal Code Forms Bill, 292
Deportation, 725
Gold and Silver Marking Bill, 118, 255-264, 391, 412
Exchequer Court Bill, 174
Firearms, 715
Immigration Bill, 723-726
Judges Bill, 310-313, 375-379, 400-405, 412-414, 486-489, 545, 557
National Research Bill, 593, 595
Opium and Narcotic Drug Bill, 607-615
Post Office Bill, 169
Shaughnessy, Lord, proposal of, 425
Unemployment, 820
Winding-up Bill, 291

Manitoba
Highways, Federal aid for, 232

Marine
Canadian Merchant Marine, 83, 245
Canadian Naval Service, 54
Pilots, retired, 436, 484

McCall, Hon. Alexander
Dairy Products Bill, 792
Export trade routes, 187
Hay and Straw Inspection Bill, 702

McDonald, Hon. John A.
Introduction to Senate, 53
Unemployment, special committee on, 408, 412, 726

McHugh, Hon. George
Dairy Products Bill, 795
Hay and Straw Inspection Bill, 620, 701-705, 751-753
Judges Bill, 564
Senate adjournment, 207

McLennan, Hon. John S.
Canada, constitutional status of, 445
Court of International Justice Bill, 445
National Research Bill, 626
Shaughnessy, Lord, proposal of, 746

McMeans, Hon. Lendrum
Benoit, Albert, position of, 97
Criminal Appeal, Courts of, 476, 483
Criminal Code Amendment Bill, 713-722
Hay and Straw Inspection Bill, 704, 751
Income Tax collections in Manitoba, 142
Judges Bill, 281, 314, 379
Lake of the Woods Control Bill, 139
Penitentiary sentences, remissions of, 284
Railway employees, wages of, 285
Revision of Punishments Bill, 61, 128-130. *See* 722
West Indies Trade Agreement Bill, 301

Migratory Birds Convention Bill. 1r, —. 2r, 232. Com, 254. 3r, 255

Military
Soldier settlement statistics, 97
Wives of soldiers, unmarried, 429
See Pension Bill, Returned Soldiers Insurance Bill

Milne, Hon. John
International Unions and Cabinet Ministers, 683
National Research Bill, 594
Unemployment, 410

Michener, Hon. Edward
Senate adjournments, 211

Mitchell, Hon. William
Grand Trunk Arbitration Bill, 359
Hay and Straw Inspection Bill, 753, 754

Montreal Harbour Commissioners Bill. 1r, 274. 2r, 303. Com, 321. 3r, 325

Murphy, Hon. Patrick C.
Dairy Products Bill, 793, 797
Divorce petitions—procedure on reports, 125
Hay and Straw Inspection Bill, 620, 621
House of Commons, accommodation for Senators in, 124, 126

Murphy, Hon. Patrick C.—*Con.*
Inquiries, unsatisfactory answers to, 438
Opium and Narcotic Drug Bill, 605-609, 612
Prince Edward Island
Freight rates, 459
Railway system, 120
Railway problem in Canada, 219
Senate sittings, 526
Sessional Indemnity Act, 127

National Research Bill. 1r, 415. M. for 2r, 454; 2r, 493. Com, 565, 592, 626

New Brunswick
Highways, Federal aid for, 213

Nicholls, Hon. Frederic
Autographic Register Systems Bill, 405
Conservation Act Repeal Bill, 512
Export trade routes, 186
Foreign Commercial Commission, 134
Lake of the Woods Control Bill, 139, 147
Senate adjournment, 406
Unemployment, 411

Northwest Territories Bill. 1r, 458. 2r, 542. Com, 549. 3r, 550

Nova Scotia
Employment offices in, 274
Highways, Federal aid for, 213, 415

Oil Shales, etc., Committee, 183, 765

Oleomargarine Bill. 1r, 622. 2r, 647. Com, 707. 3r, 708

Opium and Narcotic Drug Bill. 1r, 414. 2r, 453. Com, 547, 605. 3r, 615

Ottawa Improvement Commission Bill. 1r, 544. 2r, 600. Com, 616. 3r, 616

Parliament
Buildings, 10, 22, 39, 53, 252
Business of Session, 709
Distribution Office, 134
House of Commons, accommodation for Senators in, 123, 125
Royal Assent, 140, 253, 395, 830
Sessional Indemnity Act, 127

Parliamentary procedure
Committee of the Whole—appeal, 565, 571
Divorce petitions, 124, 132, 437
Error, correction of, 622
Grand Trunk Arbitration Bill amendable by Senate, 372

Patent Bill. 1r, 803. 2r, 803. Com, 804. 3r, 806

Patents. *See* Exchequer Court Bill.

Penitentiary sentences, remissions of, 284

Pension Bill. 1r, 765. 2r, 776. Com, 776. 3r, 781

Pilots, retired, 436, 484

Pope, Hon. Rufus H.
Address in reply to the Governor General's Speech, 90
The Progressive and Liberal Parties, 90
The rate of Exchange, 90
Protection and industry, 91, 96
The Grain Growers and the Progressive party, 92
French Canadians and parties, 94

Post Office Bill. 1r, 142. 2r, 156. Com, 162, 175. 3r, 178

Power, Hon. Lawrence G., P.C.
Address in reply to the Governor General's Speech, 58, 62
The Government and elections, 58
Policy and performance, 59
The Board of Commerce, 59
National railways dining service, 60
Old-age pensions and unemployment insurance, 60
The League of Nations, 60
The Sessional program, 61
Soldiers Civil Re-establishment Department, 62
Criminal Code Amendment Bill, 710
Divorce
Penalties for the offender, 429, 433
Procedure on reports, 124, 132
Gold and Silver Marking Bill, 259
Halifax graving dock expropriation, 527
Income War Tax Bill, 774
International Labour Unions and Cabinet Ministers, 682
Judges Bill, 546
Juvenile Delinquents Bill, 602
National Research Bill, 597
Prisons and Reformatories Bill, 439, 540
Revision of Punishments Bill, 131
Senate
Adjournments, 141
Press reporters, accommodation for, 135

Prince Edward Island
Freight rates, 458, 491
Railway system, 120
Supreme Court vacancy, 415

Printing, public, 412, 434

Prisons and Reformatories Bill. 1r, 414. 2r, 439. Com, 540. 3r, 545

Private Bills

Autographic Register Systems, Limited. 1r, 322. 2r, 405. 3r, 490

Calgary and Fernie Railway Company. 1-2r, 525. 3r, 603

Canadian Bar Association. 1r, 171. 2r, 178. 3r, 207

Canadian Pacific Railway Company. 1r, 217. 2r, 252. 3r, 287

Canadian Transit Company. 1r, 217. 2r, 232. 3r, 287

Central Railway Company of Canada. 1r, —. 2r, 434. 3r, 510

Commonwealth Bank of Canada. 1r, 294. 2r, 238

Crédit Foncier Franco-Canadien. 1r, 294. 2r, 338. 3r, 416

Dominion Express Company. 1r, 183. 2r, 212. 3r, 287

Dominion Life Assurance Company. 1r, 177. 2r, 183. 3r, 252

Edmonton and Mackenzie River Railway Company. 1r, 434. 2r, 471. 3r, 491.

Ensign Insurance Company. 1-2r, 508. 3r, 603

Essex Terminal Railway Company. 1r, 171. 2r, 179. 3r, 212

Fidelity Insurance Company. 1r, 177. 2r, 183. 3r, 416

Fort Smith Railway Company. 1r, 414. 2r, 434. 3r, 539

General Synod of the Church of England in Canada. 1r, 180. 2r, 207. 3r, 252.

Gilmour and Hughson, Limited. 1r, 171. 2r, 178. 3r, 254

Great West Bank of Canada. 1r, 434. 2r, 471. 3r, 510

James MacLaren Company, Limited. 1r, 244. 2r, 254. 3r, 412

Kettle Valley Railway Company. 1r, 171. 2r, 179. 3r, 212

London and Lake Erie Railway and Transportation Company. 1r, 254. 2r, 290. 3r, 373

Manitoba and Northwestern Railway Company. 1r, 171. 2r, 179. 3r, 212.

Maritime Coal, Railway and Power Company. 1r, 252. 2r, 255. 3r, 373

Mayo Valley Railway Company. 1r, 177. 2r, 183. 3r, 287

Metropolitan Trust Company. 1r, 294. 2r, 338. 3r, 416

Montreal Central Terminal Company. 1r, 253. 2r, 284

Montreal, Ottawa and Georgian Bay Canal Company. 1r, 171. 2r, 178. 3r, 212. *See* 284

Oblats de Marie Immaculée des Territories du Nord Ouest, les Révérends Pères. 1r, 414. 2r, 434. 3r, 509

Private Bills.—*Con.*

Oshawa Railway Company. 1r, 171. 2r, 179. 3r, 212

Ottawa, Northern and Western Railway Company. 1r, 17. 2r, 179. 3r, 212

Quebec Central Railway Company. 1r, 171. 2r, 179. 3r, 212

Quebec, Montreal and Southern Railway Company. 1r, 144. 2r, 160. 3r, 212

Quebec Steamship Company, 1-2r, 508. 3r, 603

Quebec Union Telephone Company. 1r, 484. 2r, 525

Thousand Islands Railway Company. 1r, 171. 2r, 179. 3r, 212

Western Dominion Railway Company. 1r, 294, 2r, 338. 3r, 416

Proudfoot, Hon. William

Bankruptcy Bill, 490, 520-525, 529-539.

Canada, constitutional status of, 447

Chinese Immigration Bill, 641

Committee of the Whole—appeal, 565, 571

Copyright Bill, 661-668, 687-692

Court of International Justice Bill, 447

Criminal Code Amendment Bill, 712-716

DeMartigny Divorce Bill, 297

Divorce

Procedure on reports, 125, 132

Statistics, 621, 642

Dominion Elections Bill, 51, 55

Gas Inspection Bill, 471-475

Hay and Straw Inspection Bill, 618

Judges Bill, 309-311, 403-405, 436, 486, 641, 669, 670

National Research Bill, 504, 565, 571-583, 595

Opium and Narcotic Drug Bill, 611, 615

Post Office Bill, 158

Sexual offences, 712

Winding-up Bill, 291

Prowse, Hon. B. C.

Prince Edward Island

Freight rates, 458, 491

Supreme Court vacancy, 415

Public Harbours Bill. 1r, 294. 2r, 339. Com, 418. 3r, 434

Public Service Retirement Bill. 1r, 731. 2r, 756. Com, 757. 3r, 758

Quebec (city)

Liquor laws, 507

Railway terminals, 171, 183, 214

Quebec (province)

National Catholic Labour Unions. *See* Labour

Political disorders in, 72

Representation in the Cabinet, 26, 70

Railways

Borrowings, 1920-21, 142

Canadian National

Railways.—*Con.*
Coal seized, 155, 565
Deficits in operation, 217
Eastern Lands Department, 231
Kamloops-Kelowna-Lumby Branch, 179
Loans in United States, 75, 120
Quebec terminals, 171, 183, 214
Wages, 231, 264, 285, 293, 623
Flavelle, Sir Joseph—proposed appointment, 732
Government railways, reports of, 180
Grades, Winnipeg-Quebec, 406
Grand Trunk
Loan, 324
Papers, 212
Grand Trunk Arbitration Bill. *See that title*
Grand Trunk Pacific debenture stock, 552
Guarantees by Provinces, 305
Mileages and population, 293
Payments on account of, 485
Prince Edward Island railway, 120
Railway problem in Canada, 45, 196, 219, 232, 273, 421, 738, 826
Shaughnessy, Lord, proposal of, 421, 738
Subsidies, loans, etc., 485
Wages, 231, 264, 285, 293, 623

Ratz, Hon. Valentine
Hay and Straw Inspection Bill, 619

Returned Soldiers Insurance Bill. 1r, 765. 2r, 775. Com, 775. 3r, 776

Revision of Punishments Bill. 1r, 10. 2r, 61 Com, 128. 3r, 135

Riddell and Latchford, Justices, 325

Robertson, Hon. Gideon D.
Address in reply to the Governor General's Speech, 98, 102
The Tariff Inquiry, 102
Unemployment, 103
Reorganization of the Public Service, 107
The Board of Commerce, 109
Labour efficiency, 109
The registration of labour in 1918, 110
Disorders in Quebec, 111
Boards of Conciliation, Judges on, 313
Canadian Merchant Marine, 84, 85
Copyright Bill, 692
Dairy Produce Bill, 784-797
Department of Customs and Excise Bill, 801, 802
Deportation, 725
Exchequer Court Bill, 160
Grand Trunk Arbitration Bill, 356
Immigration Bill, 725, 726
International Labour Unions and Cabinet Ministers, 676, 685
Judges Bill, 313

Robertson, Hon. Gideon D.—*Con.*
League of Nations—cost to Canada, 155
National Catholic Labour Unions, 678
Nova Scotia, employment offices in, 274
Railway employees, wages of, 225, 264, 285
Railway problem in Canada, 222
Unemployment, 103, 409, 733

Roche, Hon. Wm.
Canadian Nationals Bill, 276, 277
Commercial agents in foreign countries, 268
French Trade Agreement Bill, 338
Halifax graving dock expropriation, 526
Income War Tax Bill, 773
National Research Bill, 501
Opium and Narcotic Drug Bill, 605
Unemployment, 814
West Indies Trade Agreement Bill, 302

Ross, Hon, W. B.
Criminal Code Amendment Bill, 709-714
Dominion Elections Bill, 56
Grand Trunk Arbitration Bill, 366
Halifax graving dock expropriation, 528
Hay and Straw Inspection Bill, 700, 704, 753
Judges Bill, 279-282, 307-314, 378, 487-489, 554, 668
Lake of the Woods Control Bill, 136, 141, 143, 148-154
National Research Bill, 573, 584-587, 596, 599
Opium and Narcotic Drug Bill, 607-610
Post Office Bill, 168
Prisons and Reformatories Bill, 541
Returned Soldiers' Insurance Bill, 776
Sexual offences, 710
Wives of soldiers, unmarried, 429

Royal Assent. *See* Parliament

Royal Canadian Mounted Police Bill. 1r, 294. 2r, 374. Com, 391. 3r, 412

St. John and Quebec Railway Bill. 1r, 253. 2r, 282. Com, 291. 3r, 299

Schaffner, Hon. Frederick L.
Copyright Bill, 664
French Trade Agreement Bill, 336
Gold and Silver Marking Bill, 261
Hay and Straw Inspection Bill, 618
Judges Bill, 306, 313
Lake of the Woods Control Bill, 146
Shaughnessy, Lord, proposal of, 745

Senate
Adjournments, 141, 154, 177, 207, 211, 252, 406, 542
Benoit, Albert, position of, 97
Bills, drafting of, 550, 551
Chamber, the new, 10, 22, 39, 53, 252
Daylight saving time, 391

Senate.—*Con.*
Debates, translation of, 127
Deceased Senators
Crosby, the late Hon. A. B., 177
Dennis, the late Hon. Wm., 121
Douglas, the late Hon. J. M., 121
McSweeney, the late Hon. Peter, 122
Prince, the late Hon. B., 121
Shatford, the late Hon. L. W., 121
Error in Minutes, 62
Inquiries, unsatisfactory answers to, 419, 437
New Senators introduced, 53, 75
Press reporters, accommodation for, 135
Public documents, 218
Rules, suspension of, 490
Sessional indemnity—newspaper reflections, 603
Sittings, 525
Staff, classification of, 624
Standing Committees, appointment of, 32
Victoria Day sitting, 550

Sexual Offences, 710. *See* Criminal Code Amendment Bill

Sharpe, Hon. W. H.
Manitoba highways, Federal aid for, 232

Shipbuilding, 83, 246

Smith, Hon. E. D.
Hay and Straw Inspection Bill, 700
West Indies Trade Agreement Bill, 388

Soldiers. *See* Military

Special War Revenue Bill. 1r, 622. 2r, 646. Com, 707. 3r, 707

Stanfield, Hon. John
Introduction to Senate, 75
Unemployment, 818

Statistics Bill. 1r, 544. 2r, 601. Com, 616. 3r, 616

Supply. *See* Appropriation Bills.

Tanner, Hon. Charles E.
Appropriation Bill, 248
Dominion Elections Bill, 52
Nova Scotia
Employment offices in, 274
Highways, Federal aid for, 415
Railway subsidies, loans, etc., 485
Shipbuilding, 248

Taxation
Income Tax collection, 97, 142, 155, 249
See Customs Tariff Bill, Income War Tax Bill, Inland Revenue Bill, Special War Revenue Bill

Taylor, Hon. James D.
Fraser river improvements, 294, 436

Tessier, Hon. Jules
Canadian National Railway—Quebec terminals, 171
DeMartigny Divorce Bill, 296, 298

Todd, Hon. Irving R.
Hay and Straw Inspection Bill, 753
New Brunswick highways, Federal aid for, 213
West Indies Trade Agreement Bill, 388

Trade
Agents in foreign countries, 266
Export trade routes, 171, 183, 214
Foreign Commercial Commission, 134
French Exhibition Train, 758
French Trade Agreement Bill. *See that title.*
Most Favoured Nation Clause, 542
United States, trade with, 23, 28-32
Valuation of imports. *See* Department of Customs and Excise Bill
West Indies Trade Agreement Bill. *See that title*

Transportation. *See* Trade

Turriff, Hon. J. G.
Address in reply to the Governor General's Speech, 75
Personal party allegiance, 76, 79
The tariff question, 76, 80, 87
Canadian-American exchange, 77
Unemployment, 77
The Conservation Commission, 78
Dominion taxation, 79
The Prime Minister and the Progressives, 79
Iron and Steel bounties, 83
Shipbuilding, 83
The loans to Rumania and Greece, 85
Civil Service reorganization, 85
The farmers and political parties, 89
Appropriation Bills, 246
Canada, constitutional status of, 444
Canadian Battlefields Memorial Commission, 325
Conservation Act Repeal Bill, 470, 517, 520
Court of International Justice Bill, 444
Dairy Products Bill, 788
Department of Customs and Excise Bill, 800-802
Export trade routes, 214
Government borrowings, 1920-21, 142
Griffenhagen Company, 155
House of Commons, accommodation for Senators in, 123
Judges Bill, 385
Lake of the Woods Control Bill, 138

Turriff, Hon. J. G.—*Con.*
Montreal, Ottawa, and Georgian Bay Canal Company, 284
National Research Bill, 505, 570-580, 634
Oleomargarine Bill, 647
Post Office Bill, 167, 170
Public Service Retirement Bill, 757
Railway problem in Canada, 240
Shaughnessy, Lord, proposal of, 427
Shipbuilding, 246
West Indies Trade Agreement Bill, 319, 389

Unemployment, special committee on, 408, 726, 733, 814.

Watson, Hon. Robert
Canadian Transit Company Bill, 232
Canadian Wheat Board Bill, 283
Hay and Straw Inspection Bill, 621, 700, 705, 753-755
Lake of the Woods Control Bill, 138, 147, 286
National Research Bill, 578, 580

Weapons Bill. 1r, 285. M. for 2r, 392. 2r, 416. *See* 709, 715

Webster, Hon. John
Address in reply to the Governor General's Speech, 114
Canada's record in the Great War, 114
Our policy for the future, 116
Animals, treatment of, 716
Criminal Code Amendment Bill, 716
Dairy Products Bill, 787-797
Hay and Straw Inspection Bill, 701, 704
Senate adjournments, 177

Webster, Hon. Lorne C.
Address in reply to the Governor General's Speech, 2
The French Canadians, 2
The new Premier, 3
Effects of the World War, 3

Webster, Hon. Lorne C.—*Con.*
Address in reply—*Con.*
Financial and industrial conditions, 3
Inter-Imperial trade, 4
Tariff revision, 5
The League of Nations, 6
Export trade routes, 184

West Indies Trade Agreement Bill. 1r, 274. M. for 2r, 299. 2r, 316. Com, 387. 3r, 391. *See* Customs Tariff Bill

White, Judge A. S., 324, 380

White, Hon. Gerald V.
Address in reply to the Governor General's Speech, 6
District of Pembroke's war work, 6
The change of Prime Minister, 6
Canada's finances and trade, 7
Industry and unemployment, 7
The League of Nations, 8
The Government's care of returned soldiers, 8
The protective tariff, 9

White, Hon. Richard S.
Printing, public, 435

Willoughby, Hon. W. B.
Bankruptcy Bill, 522-524, 530, 535-539
Canadian Wheat Board Bill, 284
Conservation Act Repeal Bill, 510
Copyright Bill, 639, 650, 652, 663, 666, 688-691, 695
Criminal Appeal, Courts of, 766, 781
Divorce—penalties for the offender, 431
Export trade routes, 207
Judges Bill, 309, 311, 314, 374, 385, 489
Senate adjournment, 408
West Indies Trade Agreement Bill, 318

Winding-up Bill. 1r, 254. 2r, 283. Com, 291, 305. 3r, 306