OFFICIAL REPORT

OF THE

DEBATES

OF THE

HOUSE OF COMMONS

OF THE

DOMINION OF CANADA

SECOND SESSION—TWELFTH PARLIAMENT

3-4 GEORGE V., 1912-13

VOL. CXII.

COMPRISING THE PERIOD FROM THE TWENTIETH DAY OF MAY TO THE SIXTH DAY OF JUNE, INCLUSIVE.

OTTAWA
PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1912-13

House of Commons Debates

SECOND SESSION—TWELFTH PARLIAMENT.

HOUSE OF COMMONS.

TUESDAY, May 20, 1913.

The SPEAKER took the Chair at eleven o'clock.

FIRST READINGS.

Bill No. 214, respecting the Hudson Bay Insurance Company.—Mr. Knowles.

Bill No. 215, to incorporate the Roman Catholic Episcopal Corporation of Mackenzie.—Mr. Proulx.

Bill No. 216, to incorporate the Ruthenian Greek Catholic Episcopal Corporation of Canada.—Mr. Macdonald.

Bill No. 217, to incorporate the Canadian Northwestern Railway Company.—Mr. McKay.

Bill No. 218, respecting the Empire Life Insurance Company of Canada.—Mr. Bradbury.

Bill No. 219, respecting the Casualty Company of Canada.—Sir Edmund Osler.

Bill No. 220, to enable the city of Winnipeg to get water outside the province of Manitoba.—Mr. Bradbury.

Bill No. 221, to amend the Petroleum and Naphtha Inspection Act.—Mr. Nantel.

Bill No. 222, to amend the Adulteration Act.—Mr. Nantel.

Bill No. 223, to vest in the Van Buren Bridge Company the charter rights of the Restigouche and Western Railway Company to construct and maintain a railway bridge across the Saint John river.—Mr. Carvell.

WINNIPEG WATER SUPPLY.

Mr. BRADBURY: By permission of the House, I move that Bill No. 220, to enable the city of Winnipeg to get water outside the province of Manitoba, be now read a second time. The matter is very urgent, and it is desirable that operations be proceeded with immediately.

Mr. SPEAKER: This can be done only with the unanimous consent of the House.

Mr. BRADBURY: I ask for the unanimous consent of the House.

Motion agreed to, and Bill read the second time.

BANKS AND BANKING.

Consideration in committee of Bill No. 36, respecting Banks and Banking—Hon. W. T. White (Minister of Finance)—resumed from May 16. (Mr. Deputy Speaker in the Chair.)

On section 43—transfer and transmission of shares:

Mr. WHITE: This is the section which was under discussion at the instance of my hon. friend from Carleton, N.B. (Mr. Carvell). It provides that a person making a transfer of bank shares must leave enough to discharge his debts to the bank. I explained to the committee on Friday when this matter was under discussion in the Banking and Commerce Committee and that, after hearing the evidence on this point, the committee came to the conclusion that this legislation was in favour of the shareholders rather than of the banks themselves. Under the Bank Act, a bank is not permitted to loan upon the security of its own stock or of the stock of any other bank. But it is often found very convenient for shareholders to be able to obtain an advance from the bank which they would not otherwise be able to obtain really upon the security of their own shares under the authority of this legislation. In times of money stringency it is of very considerable advantage to shareholders, because the only alternative would be to sell the shares or to obtain a loan elsewhere, and at such a time a loan might be difficult to obtain. The committee, after hearing the evidence from bankers and others, I think, very generally came to the conclusion that the section should be allowed to stand as in the existing Bank Act. I said on Friday that it did appear at first blush that the exceptions taken by my hon. friend from Carleton were justified and that this was an anomaly not found in legislation affecting joint-stock companies, and so was

a special privilege to the banks. But I think the burden of the evidence went to show that the legislation was in favour of the shareholders and not of the banks.

Mr. CARVELL: Was there any evidence on this point before the Banking and Commerce Committee except from the bankers themselves?

Mr. WHITE: I think it was all from the bankers, but I think they showed to the satisfaction of the committee that this legislation was in favour of the shareholders and I think it was not shown that there had been any abuse of it. Bank shares being what are known as 'book' shares, that is, transferable only on the books of the bank, the shareholder who obtains a loan from the bank would not be able to hypothecate his stock to obtain another loan outside without actually making the transfer into the name of the lender upon the books of the bank, nor to sell without giving a power of attorney to transfer into the name of the purchaser. So, I think the legislation is not liable to abuse, and cases of abuse have not been brought to my attention.

Mr. CARVELL: I have no strong feeling in this matter, nor have I any particular interest, for I do not own bank stock and I do not suppose I ever shall. I do not know to what extent the banks use this power. But everybody knows that bank stock is considered good security, and it seems unreasonable that the value of it should be reduced by a clause which allows a bank to have a first lien upon it for a debt which the owner might owe to the bank. I have never even heard of a case in which this right was abused except one, in which there was danger of loss to the bank lending on its shares. It may be a great advantage to the holder of bank stock to be able to borrow without giving security. It is a sort of underhand transaction, but the minister meets it so fairly that I cannot but admire his honesty, and I suppose the banks put it as fairly before the committee. As I say, I have no strong feeling upon the subject, and if the committee think it well to allow this clause to stand, I have no fault to find.

Mr. AMES: Before the Banking and Commerce Committee the evidence was given by four or five bankers each of whom stated that this right had not been abused. One said that he had never heard of a case, and another said that in an experience of forty years he had known of but one case. The bankers seemed to assume a rather indifferent attitude as to the retention of this clause. It is not for them it was put in, but really for the sake of the shareholders. The shareholders of a bank number, quite commonly, three, four or five thousand people scattered throughout the country. It is a great convenience to these shareholders to be able to negotiate small loans with the bank without collateral security. It tends to popularize bank shares, which is a good thing for the country, because we find it difficult to secure banking capital enough for Canada's commercial expansion. This is an attraction in bank shares which offsets to a certain extent the disadvantage of the double liability. I know how the shareholder feels in this matter, because I come into constant contact with them. I know it is a great convenience to a shareholder to be able to go to the bank and borrow to cover an overdraft without giving collateral security which he has to endorse over to and leave with the bank.

Mr. OLIVER: Is it not a fact that every bank disaster that has taken place has been caused by shareholders securing too great a share of the funds of the bank? Would it not greatly secure the deposits placed in our banks if shareholders were absolutely debarred from borrowing money from the banks in which they hold shares?

Mr. AMES: That would certainly be a drastic measure. No more effective way could be taken to make the securing of shareholders an absolute impossibility.

Sir WILFRID LAURIER: I do not exactly understand the whole of this subsection. This part of it is clear:

> Unless the person making the transfer has, if required by the bank, previously discharged all his debts or liabilities to the bank——

But what is the meaning of the rest of the clause?

> —which exceed in amount the remaining stock, if any, belonging to such person, valued at the then current rate.

I think it should be stated without qualification that no person should be allowed to transfer stock unless he has discharged the full amount of his liability to the bank.

Mr. WHITE: Section 77, which is connected with this particular matter, reads in part as follows:

> The bank shall have a privileged lien, for any debt or liability to the bank, on the shares of its own capital stock, and on any unpaid dividends of the debtor or person liable, and may decline to allow any transfer of the shares of such debtor or person until the debt is paid.

Sub-section b of section 43, to which my hon. friend has referred, says that no transfer of the shares of the capital stock of the bank shall be valid unless:

> The person making the transfer has, if required by the bank, previously discharged all his debts or liabilities to the bank which exceed in amount the remaining stock, if any,

belonging to such person, valued at the then current rate.

If a stockholder has fifty shares and desires to transfer twenty-five, before he can make that transfer he must previously have discharged all his indebtedness or liabilities to the bank, which exceed in amount the remaining stock, namely twenty-five shares. The theory is that the bank should be entitled to retain a lien upon sufficient stock to cover the liability of the shareholder to the bank.

Sir WILFRID LAURIER: It is not unfair to the shareholder, when he desires to transfer his stock, to be told without qualification or restriction: You must discharge all your liability to the bank; but some complications may arise if you allow the clause to remain as it is.

Mr. WHITE: No change has been made in this particular clause, and I think it will work out in the future, as it has done in the past, satisfactorily. It simply puts the bank in a position to say: You owe us $5,000; you propose to transfer all your shares, and we object to that. We will allow you to transfer a number of your shares, but you must allow a sufficient number to remain in your name to give us a continuing lien to cover the amount of your indebtedness.

Mr. OLIVER: I asked the hon. member for St. Antoine (Mr. Ames) a moment ago if it was not a fact that in all cases the wrecking of banks has been caused by the borrowing of money from the banks by the shareholders?

Mr. AMES: By no means.

Mr. OLIVER: Have not a large majority of the wrecks occurred as a result of that condition?

Mr. AMES: No.

Mr. OLIVER: Have any bank wrecks occurred for that reason?

Mr. AMES: Yes.

Section agreed to.

On section 146—managers or agents engaging in insurance business:

Mr. TURGEON: I have had several letters from managers of banks in the small country towns in northern New Brunswick, who claim that they should be allowed to retain the privilege of engaging in insurance business. I believe that as a rule a great deal of the insurance business in our small towns has been carried on by the bank managers, as our merchants have not the time to devote to it. A single individual cannot carry on the business with any reasonable degree of profit, and it naturally falls into the hands of the bank managers, who have time to devote to the business. I would move, therefore, that section 146 be amended by striking out sub-section 2 thereof.

Mr. OLIVER: I would make the suggestion that the banks pay their managers a sufficient salary, so that they will not require to engage in other business.

Mr. SHARPE (North Ontario): When this clause was under discussion in the Banking and Commerce Committee, the amendment offered by the hon. member for Carleton (Mr. Carvell) was flung rather hurriedly upon the committee; it was not discussed for a very great length of time, and the bankers and bank representatives did not oppose it very strongly. It struck me during the discussion that, while the banks were very jealous of all their rights, when it came to small managers in small districts, they were willing to let them suffer. I am free to confess that I voted for the amendment embodied in sub-section 2, but upon reconsideration of the matter I think it would not be in the best interests of the bank managers who are drawing small salaries in some of the outlying districts. I do not know that any persons in my constituency would be affected by its application, but I have had a number of communications from men outside of my constituency in reference to the matter. One of them is to the effect that one of the bank managers has built up an insurance business that means more to him than his salary as manager. Although he has been with the bank for twenty-two or twenty-three years, he would under the operation of the Act, and because the insurance is the best portion of his business, have to give up his managership, sacrifice his right to the pension fund, and continue the insurance portion of his occupation. This letter, which is dated May 13, 1913, says in part:

> Banks like the little Western, which could not pay big salaries, let their agents act as agents for insurance, and some of them have built up very substantial offices. One of them writes me that he will have to give up the bank, as the insurance is the best end, and that means a loss of salary and 28 years' service with the institution and the pensions that go with it.

I think it is a fact that there are very few bank managers throughout the country who are engaged in the insurance business, but it seems to me it would be a great hardship to deprive them of the opportunity of adding to their incomes in this regard. I think some good results would be obtained if the banks wrote to their managers at the local centres and asked them for a report with regard to the insurance business they were carrying on. The Finance Minister might ask the

bank to make a special report in connection with the matter, with a view to rectifying any abuse which may exist. Upon reconsideration, I am disposed to support the motion to strike out this clause.

Mr. WHITE: Personally, I think the principle underlying this legislation is sound, although I believe it is drastic, having regard to the conditions which exist, and to which I shall refer a little later on. The complaints that have been made are, in substance, this: A bank manager is the trustee of the bank's funds, having under his control the making of loans to customers. Of course that puts him in a position to compel a customer to effect insurance in the company with which he is connected, and that constitutes a very valuable franchise in his hands. If he were loaning his own money as a private banker, I think it would be proper for him to say: Now I will make you a loan, but only on the condition that you place your insurance with the company which I represent. But he is not in that position. He is in the position of loaning the funds of a bank. In other words, he is a trustee or agent. Now, some of the banks have absolutely prohibited their managers from engaging in the collateral business of insurance, and as I have said, I think that is a sound policy for the banks to adopt.

Mr. CARVELL: Can the minister give me the name of any bank which is doing that?

Mr. WHITE: According to the evidence given in the committee, the Bank of Commerce has prohibited its managers from engaging in any kind of insurance business. I think that the banks of this country, making the money they do, might very well afford to put their bank managers in such a financial position by the salaries paid to them that it would not be necessary for them to engage in the business of insurance. The principle that underlies this subsection is, in my opinion, a sound one. In addition to what has been mentioned by my hon. friend from North Ontario (Mr. Sharpe), there is the further consideration that, in some districts in the West, the bank manager, as insurance agent, serves a very useful purpose to the community, because there is no one else engaged in the business within easy distance. Having regard to the fact that these branches have existed for many years, and that vested rights so to speak, although that is not a particularly happy expression, have been acquired in agencies of insurance by many bank managers; having regard also to the amount of revenue which such an agency yields them, and to the other consequence which, as mentioned by the hon. member for North Ontario, would flow from this legislation, I am of the opinion that this clause should be struck out of the Act. If we were commencing anew, that is to say, if there were no bank managers actually engaged in the business of insurance, I think this would be desirable legislation, but I have had representations made to me that it is going to work hardship. I would therefore suggest that the clause be struck out, and I will take up the matter with the Bankers' Association, and, so far as the future is concerned, see if they cannot adopt the policy, now adopted by some banks, of prohibiting their managers from engaging in fire or other insurance. That conclusion I have reached in view of the representations that have reached me from the outside, and from many hon. members of this House.

Mr. OLIVER: I would like to give my view of the conditions in the West. However enterprising the banks have been in establishing branches in small places, I have not seen yet a place, having a bank branch where there was not somebody prepared to do insurance business outside of the bank. The insurance agent is just as pushing in the matter of business as a bank, perhaps a little more so, as he has not to carry so much baggage.

Mr. CARVELL: Before this clause is voted out of existence, I should like to say a little more about it. It seems to me that the very fact that such pressure has been brought to bear upon the Minister of Finance, and evidently upon other members of the House, for I see that the hon. member for Gloucester (Mr. Turgeon) has fallen under this evil influence as well as the hon. member for North Ontario (Mr. Sharpe), indicates that the system must be more prevalent than hon. members thought it was. I have been somewhat surprised at the correspondence I have received since the matter went through the committee. I am bound to say that my correspondence has been all on the other side; it has been congratulatory. I have had letters from the provinces of Quebec, Ontario, New Brunswick and Nova Scotia, congratulating me on the stand I have taken, and the only fault found with me in the letters is that I did not go far enough. One gentleman in the western portion of Ontario claims that a bank manager should be prohibited from going into the business of real estate. Another man writes to me that there is a bank in his town in which it is almost impossible to do business, because the manager is in the bank office all the time putting through real estate transactions, or something of that kind. In my own county, so far as I know, no bank has ever inter-

fered with the insurance business, but I do know of a place in New Brunswick where the thing has almost reached a scandal, that is about the mildest word with which I can characterize it. I know of cases where bank managers, who are insurance agents, are compelling people to insure for more than their properties are worth, or for more than it is necessary to carry under reasonable conditions. There is one estate, for which I am the solicitor, a lumber business, that has been insured almost out of existence, simply because the estate is unfortunate enough to owe the bank, and the bank manager runs the insurance end of it. It is a case of policy after policy without our consent or advice; we do not know anything about it, and we are paying thousands of dollars a year on insurance. That is a condition of affairs of which I know something. I do not want to take the bread out of any man's mouth; I would be the last man in the world to interfere with any man's legitimate business. I quite agree with what has been said by the Minister of Finance, it might be a hardship in many cases. But surely the great banking institutions of this country can afford to pay their managers a sufficient salary on which to live without taking away the legitimate business of other people, because every bank manager doing insurance business is taking away business from other men. It is just as necessary to have an insurance agent in the town as it is to have a bank; we cannot get along without insurance, and I think the legitimate insurance business should be encouraged, not only by everybody throughout the country but by Parliament as well. Our ordinary business intelligence teaches us that the bank manager carrying on insurance business has an enormous advantage over the other insurance agents in the town. I do not say that many of them carry it on to such an extent, but they can practically control the insurance business in the town, and force it into their own hands. Three or four banks acting as insurance agents in one town could absolutely corral all the insurance business of that town. However, I have not much feeling in regard to this matter, and I do not care personally whether the clause is stricken out or not. The matter was put up to me by the people from different provinces, and I thought it my duty to bring it before the committee, because it seemed to me a reasonable proposition. It was so reasonable, that only three or four members of the committee voted against it, and the Minister of Finance was the strongest advocate of the amended clause. I see that the bank managers have been getting busy since.

Mr. OLIVER: They have got their second wind.

Mr. CARVELL: Evidently they have been getting busy all round. They have not confined themselves to the Minister of Finance, they have been directing their energies to this side of the House as well as to the other. I will not feel it very badly if the proposed legislation is defeated, but I think it should not be defeated, because I think it is right in principle. I believe those bank managers should not be allowed to do insurance business, because they are taking away the business from other people who are entitled to it, and in several cases they are in a position to exercise an undue influence on the business affairs of the community. So far as I am concerned, I will vote for the retention of the sub-section.

Mr. NICKLE: When the hon. member for Carleton introduced this amendment in the committee, I was particularly struck with the logic of his argument, and though I had no previous conviction in regard to the matter, the tendency I had, after the hon. member for Carleton, N.B., had spoken, was accentuated on my hearing the argument of the Minister of Finance in favour of the insertion of this clause in the Bill. If, as the Minister of Finance says, the principle of this sub-section is right, I fail to see why we should hesitate to interfere with a so-called vested interest. If this committee and this House are going to take the stand that wherever a vested interest is affected, no matter what unfortunate situation might exist, we shall not pass any legislation at all, I think that Parliament might as well abrogate its functions. If I understand the functions of this House and of this committee, they are to remove an error if an error exists, and for that reason I am with the hon. member for Carleton in the opinion that this clause, inserted almost unanimously in the committee, should be retained.

Mr. OLIVER: The matter resolves itself into something like this, that the banks of Canada are able to relieve themselves of a portion of the proper charges of carrying on their business by the privilege given to their managers of entering into a side business. If the managers are prevented from doing outside business such as insurance, the banks will surely have to raise the salaries of those bank managers. There is no reason why the banking institutions of Canada should not pay a living wage to the men who are carrying on their business. This privilege relieves them of that responsibility, and I do not think the purpose of Parliament is fulfilled by that course.

Mr. WARNOCK: Now that so much attention has been drawn to this matter, I

think that the banks themselves should take steps to stop the practice, because, undoubtedly, it is injurious to the business of the bank. I know many cases in the West where bank managers are interested in insurance business and I have often heard depositors and business men dealing with the bank say that if there were a competing bank they would transfer their business, because they were pestered by the bank managers asking them to withdraw their business from other insurance companies and to do business with the companies which they represented.

Mr. BORDEN: I think that in recent years there has been a distinct change in policy on the part of banks in regard to such matters. My earliest recollection of the business of banking in Nova Scotia is of a time when men did not devote their whole attention to the business of carrying on a branch or such agency of a bank. I can remember when a very prominent firm of solicitors in the western part of Nova Scotia were agents or managers of the Bank of Nova Scotia. They carried on their business as solicitors, and also managed an agency of the bank. If I am not mistaken, a very prominent firm of merchants in the county of Pictou also acted as managers for one of the banks. The policy of the banks in later years has been to do away with that system, and to have managers who entirely confine themselves to the actual duties of carrying on the banking business. Although that may not be so in all cases, it seems to me to be a matter for regulation by the banks themselves. The principle to which the Minister of Finance has alluded may be a very proper principle, and I do not dispute it. But if you are going to regulate matters of this kind, it seems to me you should go further and prescribe the regulation of the duties of the manager of a bank in other matters than in respect to this particular business. Why should we set out in the Statutes of Canada that a bank manager shall not carry on a particular business so long as he is a bank manager, and leave it absolutely open to him to carry on every other kind of business? We ought to do either the one thing or the other; we should say he shall not carry on any other business, or leave it entirely to the regulation of the banks themselves. It seems to me that it would be perfectly safe to leave a matter of that kind to the regulation of the banks, because if we undertook to regulate the administration of a bank in respect to one matter, the result would necessarily be that we must undertake to regulate it in a great many other respects.

Mr. OLIVER: I think perhaps that the parallel my right hon. friend suggests is hardly exact. There is a relationship between the proper business of a bank, assuming it to be the loaning of money, and insurance, both life and fire, which possibly does not exist between the loaning of money and any other line of business. It is because the two work together so naturally and so conveniently that so many bank managers have gone into the insurance business. It is because they so naturally fall together that objections are raised to the condition, not only by men who are competing in that line of business, but also by the customers of the banks, who think, perhaps, they are not getting a square deal in the matter of their banking business by reason of the pressure exercised upon them in respect to insurance.

Mr. WHITE: As I stated before, the principle underlying this clause is sound, but I think that legislators generally when introducing new legislation have regard to existing conditions and try, as far as possible, not to do any damage to those who, under preceding legislation, have built up their business. As I have stated, I think that the banks of Canada should pay their bank managers a sufficient salary to make it unnecessary for them to engage in any side line. At the same time it has been impressed upon me that to put through this legislation, in this particular shape, and at this particular time, would have a very serious effect upon a number of people. I think, therefore, that as the practice has been recognized by existing legislation, it would serve the purpose the committee had in view if I took the matter up with the different banks, or with the Bankers' Association, and stated to them that there was a general opinion in Parliament, and in the committee, that these insurance agencies were greatly to the disadvantage of other citizens of Canada, that it gave to the bank manager an advantage over them in obtaining business, and that it was a practice which should be stopped, at all events so far as the future is concerned. I thought, and I still think, that the banks should change their policy, and instruct their managers that in the future they are not to do business of this kind, and try to bring about a discontinuance of the practice within a reasonable time. That, it seems to me, would have this advantage, through the action of the banks, it would ultimately bring about, what I take to be the desire of Parliament and of the committee in this matter, and at the same time have a reasonable regard for existing interests. In other words, we should do the minimum of damage, and at the same time accomplish within a reasonable time what we have in view.

Mr. OLIVER: I would agree with my hon. friend in the desirability of not interfering with vested interests.

No person wishes to do damage in dealing with this matter. What is wanted, I understand, is to do good. My hon. friend's proposition is a fair one. It is good as far as it goes, but let me point out that we are now providing legislation on the principle that it shall not be interfered with for ten years. We are passing legislation, and while Parliament, of course, will have the right to interfere with it, it is generally understood that it is for the good of business that, having once settled upon the provisions of the Bill governing the operations of banking, that legislation shall stand for ten years. It does not have to stand for ten years and Parliament can deal with the question whenever it wants to. Will my hon. friend agree to this proposition? When he discusses this matter with the banking interests, if they are unable or unwilling to come to the view which he has expressed and which he believes is in the mind of Parliament, might we expect then that at a later date, without waiting for the expiration of the ten years' term, he would be willing to make legislative provision for compelling the banks to do what they should do without being compelled and which we are very glad to leave to them to do so long as they do not need to be compelled to do it?

Mr. WHITE: That strikes me as a fair proposition. After I talk it over, as I intend to do, with the bankers, if they fail to carry out that policy, I think it would be very proper for me to introduce legislation which would compel its adoption.

Mr. DOUGLAS: There is one point that has not been mentioned and it is the fact that a man who borrows money from a bank, usually a business man, has to deposit his insurance policy with the bank manager. This gives the bank manager an undue knowledge of where this man is placing his insurance business. It gives the bank manager an advantage that he should not have because he is placed in a position to bring pressure upon that man to place his insurance with the companies represented by the bank manager. This is rather a serious question to a man who is borrowing money and depending on the good will of the bank manager to get that money. Therefore, this clause should remain in the Bank Act. Any reputable bank prohibits is employees from soliciting for insurance, dealing in real estate, or engaging in other speculative transactions, and if a bank is not sufficiently alive to its interests to force its managers to keep out of business that interferes with the business of its customers then Parliament should enact legislation compelling it to do so.

Amendment (Mr. Turgeon) agreed to: yeas, 41; nays, 17.

Section as amended agreed to.

On section 56—shareholders audit; selection of persons competent to be auditors:

Mr. OLIVER: I assume from the fact that no amendment has, up to the moment, been offered to this section, that the Banking and Commerce Committee decided that it was satisfied with a shareholders audit rather than an audit on Government responsibility.

Mr. WHITE: Yes, I believe that was so. Very full evidence was taken on that before the committee and I think it was shown that inspection by the government would be practically impossible in the case of a banking system such as Canada has with three thousand branches scattered over the continent and in various parts of the world unless that inspection were carried out as thoroughly in regard to all the offices of the several banks as the system in vogue and operation by the banks themselves. The main question then as to audit was how to qualify the auditor if he was appointed by the shareholders. My hon. friend will recollect that when the matter was in the House, and he will have observed also that when it was before the committee, it was pointed out that the directors might control the appointment of an auditor and that consequently his audit might not be thorough, especially if he fell under any evil influence from the board of directors or from the management. It was pointed out in evidence, I think by Mr. Clarkson, who was the liquidator of the Farmers' Bank, that if we could be sure that the auditor was a man of high standing and integrity it would not make very much difference by whom he was appointed. In view of the evidence, especially of Mr. McLeod, late general manager of the Bank of Nova Scotia, who has given a very great deal of attention to this question and who was the first bank manager in Canada to introduce a system of audit, the conclusion was reached, fairly unanimously by this committee, that if the general managers of the several chartered banks in Canada acted together and by ballot, so as to remove them from the possibility of influence on the part of the association as an association, the result would be the selection of a list of auditors from whom the shareholders might choose with a certainty of getting reputable and trustworthy men. There is an amendment of a minor character suggested by the hon. member for Kingston (Mr. Nickle) for the purpose of particularizing the duties of the auditor.

Mr. SHARPE (North Ontario): Can an auditor be appointed year after year, as long as the bank so desires? It seems to me it would be desirable to restrict his time as auditor to a term of years. Under this clause is the auditor restricted to auditing once a year at specified times,

or may he go into a bank at any time? During his investigation or audit, if he discovers any violation of the Act or any fraud, is it his duty to report to the Minister of Finance and the shareholders at once?

Mr. WHITE: It was thought inadvisable to limit the appointment of an auditor to a definite term of years because a man doing his duty faithfully for four or five years might find himself minus his position as auditor at the end of that time as some of the other banks might not select him. I have never known of any legislation that has gone the length of saying that an auditor should be appointed for only a limited time. The check is that in the event of any complaint as to the auditor, the shareholders need not appoint him, and in the second place the minister may disapprove of the appointment of an auditor at any time as to particular banks. What I had in view in that was, that a man who had been many years an official of a particular bank might be an excellent auditor, but I should not like to see him appointed for that bank, although he might be an excellent auditor for any other bank. This audit clause has been drafted having regard to the provisions of the English Act and to the decisions of the English courts as to the duty of an auditor, and I am inclined to think it is as full as it can be made, if the principle of audit is adopted.

Mr. OLIVER: I do not wish to offer any amendment to the clause at the moment. The Banking Committee has had the matter under full consideration and I am willing to leave the responsibility there. I am not sufficiently familiar with banking matters to offer any amendment or even any serious objection, but it appears to me that the result of this provision as it is, while it may have some value and it may be the best way of getting at the conditions, yet, I see in this section, as in other sections of the Bill, an abdication of that right to control by the people through their Government that I think is absolutely necessary for the well-being of the state. I have nothing whatever to say against the principle of the banking law, but there is no doubt that our banking interests to-day have become a great power in the state. They have arrived at such a pitch of power that it seems to me it is necessary that the supremacy of the state, that the propriety of control by the state, that the authority of the state, should be asserted in this Act. The passing of the Act is an assertion of that authority, but the provisions of the Act one after the other as I read them are an abdication of that authority, so far as it can be abdicated. That is the criticism I desire to make. I am not in a position to make any suggestion contrary to the provision that is contained in this clause. But it seems to me that the matter of ensuring that the money of the people to the amount of over a billion dollars is being properly handled is a responsibility that, in the nature of things, should rest upon the government of the country. To abdicate that responsibility to any authority, and especially to that authority which has a private rather than a public interest in the matter, is not, on the face of it, such legislation as in these days we should look for. There have arisen in the commercial life of the world new conditions which require to be dealt with. There is legislation required to-day; there is assertion of public control or governmental authority required to-day that was not required in years gone by. I am sorry that in this revision of the Bank Act, which is supposed to stand for ten years, there is not that progress towards that assertion of control by the public through the Government, which I think would be for the good of the state, and which I do not think would be bad for commercial or financial interests immediately concerned in this Bill.

Mr. WHITE: My hon. friend has hardly had his attention directed to certain sections of the Bill, or he would not say that substantial progress had not been made towards safeguarding, so far as legislative enactments can safeguard, the interests of depositors and others doing business with the chartered banks of Canada. Without going into the merits or demerits of inspection, I desire simply to say that this legislation is in advance of any legislation in the Empire to-day, so far as restriction upon the operation of banks is concerned. I wish to say again, what I said in this House and in the committee, that in the last analysis, no matter what legislative enactments you may have, the safety of the public will depend upon the integrity and ability of the men who administer the banks. Unless the Government actually takes over the business of the banks, so that it would be responsible for the making of the loans, it will not be in a position to guarantee the public that a bank is absolutely safe, because the question of whether loans are good or bad must depend upon the judgment of the directors and the managers of banks, and because, whether there will be fraud or not will depend in large measure on the integrity of the management. We have sought to embody in our legislation this principle that the Government should, to the best of its ability, safeguard the interests of the depositors by providing for external audit or inspection of banks by auditors occupying an independent position, not officials of the banks appointed by the proprietors for the shareholders. We have gone further

than that. Not only have we made audit compulsory; but we have provided that, in the event of shareholders representing one-third of the paid-up capital of a bank informing the minister that they are dissatisfied with an appointment made by a majority of the shareholders at an annual meeting, they:

May make application to the minister to have the person or persons so appointed superseded, and the minister may, after such inquiry as he may deem necessary, select an auditor or auditors instead of the auditor or auditors appointed at the annual general meeting, and the auditors so appointed shall thereupon cease to be the auditors of the bank

In addition to that, we have provided that the auditors shall be selected by the men who are probably most interested in the safe and honourable conduct of banks in Canada, namely: the general managers of all the banks acting jointly. In addition to that, section 56-A, which is a very important one, and which goes a very long distance along the lines which my hon. friend has in view, says :

The minister may direct and require any auditor appointed under the next preceding section of this Act, or any other auditor whom he may select, to examine and inquire specially into any of the affairs or business of the bank, and the auditor so appointed or selected, as the case may be, shall, at the conclusion of his examination and inquiry, report fully to the minister the results thereof.

That means that, upon the minister receiving notice that the business of a bank is being conducted improperly, he can ask the auditor appointed by the shareholders to make an investigation into the affairs of the bank and report to him. The reason why I introduced that clause was because it was brought to my attention that under the present Act, if a Minister of Finance had notice as to an irregularity in a bank, he was powerless to make any inquiry with regard to it. In 1891, an attempt was made to introduce an external audit; and, in response to the remonstrance of members on both sides of the House, it was dropped as being unfeasible. My predecessor thought it would be impracticable to introduce audit or inspection. When my hon. friend recalls these facts, he will agree that we have made very substantial progress. We all recognize that the banking organization of Canada is probably as important an organization as exists. We want to be fair to that organization and to the public, to safeguard its interests in every possible way. I think we have made a long step forward in that direction. More may be done in the future; but, for the present, the committee almost unanimously have reached the conclusion that this legislation is as advanced as it can be at the present time, having regard to the distribution of the branches and offices of Canadian banks throughout this Dominion and other parts of the world.

Section agreed to.

On section 76—business and powers of bank:

Mr. SHARPE (North Ontario): The other day I suggested an amendment which I should like to discuss shortly. This is an amendment to section 76, sub-section 2, to which it is proposed to add as follows:

(d) Lend money or make advances in excess of ten per cent of its paid-up capital to any one foreign person, company, or corporation or upon the securities of any such foreign person, company or corporation.

In the immortal words of the hon. member for South York (Mr. Maclean) I think that the people of this country think that there is not enough money to go round. Therefore, without absolutely prohibiting the banks from lending money to foreign corporations, I think there should be some reasonable restriction upon the sending out of money that is needed in Canada to be loaned abroad. I have here a letter from a Winnipeg business man, which says:

We had a line of credit with this bank, personally and as a firm of $40,000. They have asked us to pay back all the money advanced to us on loan, which we were compelled to do, and have done. It appears to us that they are hard up themselves, and have no money to loan to their customers, and that they are making all who can, pay up, and only carry the parties who cannot pay.

He goes on:

We think that before the bill finally passes it might be well to call the attention of the House to a few facts in connection with the way that the banks treat the people. When times are good and people can get along without the money, they are anxious to loan. When people really require the money in order to carry on their business then they refuse to loan. Further, the custom of the banks generally is to extend large credits to railway corporations and large manufacturing and mercantile interests, and to do little or nothing for the farmer and the smaller business man and merchant. In fact, at the present time, it appears to be a fact that the former class have absorbed all the available funds of the banks, and there is nothing left for the little fellow at all. These large railroad corporations and other large concerns are all depending upon the farmer, and without the success of the farmer there would be no need of either the large railroad corporations or the large manufacturing concerns.

He goes on to discuss the difficulty which the small ordinary business man

has in getting funds. I think this evil in part at least arises from the tendency of the banks to lend money to foreign individuals and corporations on transactions outside of Canada. I contend that the exigencies of the business situation in Canada call for some restriction on the banks loaning money abroad. The expansion of such loans may be dangerous to the country. I believe that the failure of some of the banks can be traced directly to their over-expansion of loans to foreign interests. Take the Sovereign bank, for instance, they loaned money to the extent of twice their capital to the Milwaukee and Chicago Railway Company and to a railway company in Alaska. The Farmers' Bank was involved in loans to a person having his domicile in New York state, a person associated with Travers and others interested in the bank. He was outside the jurisdiction of our courts and hard to get at. In my opinion that is a dangerous principle.

Mr. OLIVER: Was this amendment considered by the Banking and Commerce Committee ?

Mr. SHARPE: It was defeated by only three votes—seventeen to fourteen.

Mr. AMES: Generally speaking, banks may be trusted to be extremely careful as to how much they shall loan and what proportion of their assets and capital they shall loan to any one person or corporation. They are as anxious to keep liquid and solvent as can be expected of them. Anything that tends to a limitation of the doing of a legitimate business by the banks tends to making banking more unprofitable and undesirable as a business investment. Banks find it necessary to have money in New York on call loan, and we know by experience that these call loans are of great advantage to the country in times of stress. When there is a great demand for money in Canada at certain times, it is possible to recall this money which is on call loan without having to ask Canadian borrowers to reimburse their loans. In the stringency of 1907, from $24,000,000 to $25,000,000 was brought back from New York and rendered available in Canada to keep faith with our Canadian borrowers. Take a concrete instance. We have a bank here, the Bank of Ottawa, with a capital of $3,900,000. You are going to say to that bank: You shall not loan more than $390,000 to any single customer outside of Canada. But it might be a very profitable thing for the Bank of Ottawa to have an agency in New York through which they could make call loans. Suppose that a perfectly solvent customer wanted half a million dollars on call. That money could be recalled at any time on twenty-four hours' notice. Everybody knows that it is difficult to get call loan money in Canada, but in New York a transaction of half a million dollars is a mere bagatelle, many concerns being able to handle it. The Bank of Ottawa has total assets of about $50,000,000. If it were given power to loan even one per cent of its total assets to a foreign borrower it would be able to loan a larger sum than under the limitation here proposed. Some of our banks do business in Cuba and the West Indies. We learned in the Banking and Commerce Committee that that business was very profitable for Canada in two ways: Canadian merchants who are pushing into that field find it extremely valuable to have their banking connections there to help them in giving credit; and it is found that the deposits in Cuba and elsewhere far exceed the loans, thus making it possible for a large sum of money, their surplus of deposits over loans, to be placed in New York and available for the call loan market and to be withdrawn in case of stringency in Canada. There are always large enterprises that have to be temporarily financed. In the case of a big bank like the Bank of Ottawa with a assets of $50,000,000, to say that it could not finance an enterprise to the amount of more than $400,000 at one time would curtail unnecessarily the enterprise of that bank.

Mr. CARVELL: My hon. friend from St. Antoine (Mr. Ames) has presented the case from the bankers' standpoint, I admit, in a fair way and with a good deal of logic, I do not see how the committee can adopt the amendment of the hon. member for North Ontario (Mr. Sharpe) as it stands, because we know that the Royal Bank, and I think the Bank of Nova Scotia and some others, have branches in Cuba and the British West India Islands, and I do not think it would be right to say that they cannot loan more than ten per cent of their capital even though they might be doing more than ten per cent of their business there. But in principle I believe the hon. member for North Ontario is right, notwithstanding the very able argument to the contrary of the member for St. Antoine. The member for St. Antoine says that it is of great advantage to Canada to have money on call loan in New York. We had this argument advanced in the Banking and Commerce Committee, we have heard it in this House, and we read it in the newspapers—that every time that money gets tight it is advantageous to have money in New York to draw on. But I find that the time when we in Canada want the money is the very time when the banks want the money to send to New York. It is of no advantage to us to have money in New York when our bona fide business is strained for want of it. I have a clear recollection of the conditions in 1907.

What happened in that year? The banks simply demanded that borrowers pay up, and because they could not pay up, they increased the interest one per cent and made them pay the interest once a month. If a man could pay, they made him pay the money, and then sent it off to New York, ostensibly to create a liquid fund which they could call upon in case of trouble, but really to make some money out of it.

Mr. AMES: I think the hon. gentleman will find that the shrinkage in call loans in New York at that time was very much greater than the shrinkage in Canadian call loans.

Mr. CARVELL: At any rate, in 1907 in the maritime provinces it was practically impossible to get money, and every man who could possibly pay his liabilities to the bank was called upon to do so. That money was taken somewhere; according to the argument of my hon. friend, it was taken to New York; according to his assertion it was not taken to New York, and I shall leave it to the committee to judge which is right, his argument or his statement. But it is not necessary to go back as far as 1907; take the months of November, December and January last. At that time it was almost impossible to get $100 in the maritime provinces, let alone $1,000 or $10,000. I do not say that firms carrying on a manufacturing business and who had a line of credit were unable to make use of that credit, but the ordinary borrower, the man in the country who is really the backbone of the banking business; the man without whom the banks of Canada could not exist—for we know that three-quarters of the capital which is being loaned by the banks in Canada to-day comes from the small depositors—could not get even $100. I think that in times of stringency the ordinary small borrower in the country who wants $100 should have a right to get it. But in times of stringency the banks say: We must have liquid assets in the form of call loans; therefore not only can we not make advances to you, but we must make you pay what we have already advanced. During the months of November, December and January, many cases of real hardship came under my own personal observation. I myself was compelled to loan money which I really could not afford to let out, simply because the borrowers would go to the wall if they could not get it, and they could not get it from the banks. In the months of December and January, not on my own account, but on behalf of a friend, I went to a bank, with absolutely gilt-edged security, for the loan of a small sum of money, but I was told that their instructions were that no money should be loaned, and we could not get it. In order to keep the man from going to the wall, I had to advance the money, which I could ill afford to do. It is probable that these local managers were carrying out their instructions, but I think that banks ought not to be allowed to loan their capital outside of Canada. They get their capital from the people of Canada, by the legislation of this Parliament, and I may add that if this Parliament did not choose to grant them a charter for the carrying on of business and the making of loans, they could not do it, because the people would not deposit their savings with private banks as freely as they do in chartered banks. I do not find any fault with the chartered banks; I always advise my clients to deposit with them rather than with the savings banks. I would rather encourage the three banking institutions in my county, the Bank of Montreal, the Bank of Nova Scotia and the Royal Bank, than the Government Savings Banks, because they are absolutely safe and sound, and are fully as reliable as the government post office savings bank. When the people put their money in those banks, I think that that money should be kept in Canada for the benefit of the people, and not be sent out of the country just at the time when it is most needed. At ordinary times, it makes no difference where the banks send the money, but when a time of stringency comes; when the banks are closing down on everybody, contending that they must have liquid assets, something should be done to remedy the conditions. I think my hon. friend should be willing to amend his amendment to some extent to meet the conditions under which the banks are doing business in the West Indies, and if he would do so, I feel like voting for it, because I think it involves the proper principle.

Mr. WHITE: The argument of the hon. member for Carleton proceeds upon a misconception which is widely prevalent in Canada. His idea appears to be that the money which the banks loan in New York and in Canada should be loaned out to relieve the stringency which has existed now for many months. I might say to my hon. friend that if money were not carried on call in New York, it would be lying in the vaults of the banks, and would not be loaned out in Canada. In other words, if a bank loaned out all its money, the institution would be heading straight for insolvency. A bank must either keep gold, or other legal tender on hand to meet its demand liabilities, or it must be in a position to obtain the money over night. The result is that banks do not loan all their money to commercial concerns, farmers and merchants in Canada; they keep from thirty to forty per cent in a liquid condition. What is that liquid condition? It must be either in the form of cash, or

upon call, so as to be immediately convertible into cash, or upon securities which can be quickly liquidated. If the banks of Canada would loan all their capital and all their deposits, especially in times of stringency, to the borrowers throughout Canada, they would become insolvent, because they would not be able to meet any unexpected run or demand upon their funds. I changed my own view in this regard a few years ago, because I happened to learn what the policy of the banks was, and why they adopted it. The banks must either hold their reserve in the vaults in the form of cash to the extent of a certain proportion of their liabilities, or they must loan that money where they can turn it into gold and make it cash over night. The only market on this continent in which that can be done is New York, just as the only market in England where it can be done is London; they are both international money markets. The interest paid upon call loans in New York is much less than that paid for call loans in Canada. Call loans in Canada pay six or seven per cent, and call loans in the United States pay two or three per cent, because there are so many bankers in the world doing practically the same thing, namely, loaning their money in New York for the purpose of keeping it in liquid form. The difference between a call loan in New York and a call loan in Canada, speaking of a time of stringency, because a call loan in Canada as a general thing is available when money conditions are not particularly stringent, is this: As the New York market is an international market, a call loan there is strictly a call loan, convertible into cash by the bank in Canada having a line of call loans and drawing low rates of interest and any bank is able to make a call for gold to-day, to-morrow or the next day in the city of Montreal or the city of Toronto. What is the advantage to the bank? The bank must either carry its reserve in the form of gold here and not loan it out, or carry it in the form of call loans in the only international money market on this continent, namely, New York, where they get for it a rate of from two to four per cent. The advantage to the banks is that they derive this comparatively small rate of interest in New York whereas, if they were to keep it in their vaults, they would derive no rate of interest at all and in neither case would they be able to loan it out to the commercial community. That is the reason why the Canadian banks loan in New York just as the British banks loan in London. They loan money in London upon bills and other securities at a lower rate of interest than the discount rates prevailing in Great Britain and just as the banks in England would not be justified in loaning all their money by way of discounts to the commercial community, so also the banks in Canada would not be justified in loaning to the commercial community to the extent of all their available resources because they would be heading straight for insolvency if they did. The banks in England make 25 to 40 per cent of their loans in London just as our banks carry about 20 to 30 per cent of their loans in New York with all the liquidity which such loans possess and which represents the reserve they would otherwise have to maintain by keeping gold in their vaults here. The point I make is that even if there were no call loans made in New York the borrowing community in Canada would not be in any better position because the banks would have to hold the specie or legal tender which they are bound to carry in order to maintain their position as strong, solvent institutions. I think I may say that the committee came to the conclusion, in view of all the evidence presented, that the loaning of money in London and New York is a practice in accordance with the best principles of sound banking and indispensible for the carrying on of the proper banking business, and that they adopt the policy of carrying their reserves in gold.

With regard to the amendment of my hon. friend from North Ontario (Mr. Sharpe), I think it is not a sound principle in banking to argue that because in a particular case evil results have followed from the making of a certain class of loans, legislation should be introduced prohibiting or restricting that class. We are apt to overlook the fact that in thousands and tens of thousands of cases these loans are made with effects that are beneficial to the entire community. We are apt, as they are in the United States, to fix our vision upon the exceptions and in favour of legislation of this kind instead of considering the general course of banking and seeing what are the facts and what is the best course to pursue in legislating, having regard to existing conditions. When this amendment was before the Committee on Banking and Commerce it was pointed out by one of the makers there that one of the very best classes of business that banks could carry on was the making of loans upon grain. There is no better security, there are no assets that are quicker in character than grain. A banker would be perfectly safe in making a loan of from $2,000,000 to $5,000,000 upon wheat to a partnership or corporation whether foreign or domestic, for the reason that the security is of an ascertainable value from day to day and very liquid in its nature. It can be instantly sold.

The result is that an enormous business is done by our banks upon the security of grain, particularly wheat from our own northwest. Some of our banks have agen-

cies in Chicago and they all have branches in Winnipeg. There are foreign corporations engaged in the grain trade in the West. Let us take the case of a bank having a million of capital and having assest of $30,000,000 altogether. It would mean, if this amendment is adopted as it stands, that the banks could not make a loan of more than $100,000 upon grain although it would be perfectly safe for them to make a loan of from $1,000,000 to $2,000,000 upon grain, in fact, safer than the making of a loan of $50,000 to an individual without security upon his general standing in the community as is done every day by banks throughout Canada. . It would prevent a bank with a million dollars of capital and $40,000,000 of assets altogether, while carrying on a call loan business in New York, from making a loan to the strongest firm there. It would prevent them from making a loan to J. P. Morgan and Company, even upon the security of the Canadian Pacific Railway Company stock, or upon the best collateral security in New York, of more than $100,000.

While I realize the principle that my hon. friend has in view and while I recognize that he is trying to prevent some of the abuses that have happened in connection with Canadian banking, I think that we are prone to overlook the manifold advantages which have been enjoyed by the banks and by the community as a whole from having business carried on in the usual and ordinary manner. Is the reason given a sufficient justification for amending the law in the way proposed? English legislation, I think, knows no restriction. They say there that each case must be dealt with on its merits. It may be unsafe to loan $50,000 to one individual and by consequence ten such loans to individuals who may fail would involve a loss of several hundred thousand dollars while it might be perfectly safe to loan $2,000,000 upon wheat or other collateral that would absolutely secure the loan. We are concerned really with the ordinary carrying on of business in the ordinary way as recognized throughout the English speaking world.

I do not intend to make any special plea, but I do not think that the Committee on Banking and Commerce had before it, nor do I think this committee has before it, evidence upon which it can say arbitrarily you must not loan more than ten per cent. Why ten per cent, why not fifteen per cent, or why not five per cent? What I am afraid of in regard to an amendment of this kind is that we have not evidence enough before us to justify us in saying that it is not going to be a harmful amendment. I have the greatest respect for the motive of my hon. friend from North Ontario who, I know, desires only to prevent a recurrence of some of the practices which have occasioned very heavy losses to depositors and others in Canada, but I would submit that until we have before us evidence as to the operations of banks in foreign countries and as to the transactions which they carry on there it would be injurious for us to lay down the hard and fast rule that they must not loan more than a certain percentage to a foreign corporation.

Mr. CARVELL: It is a great pity that my hon. friend the Minister of Finance did not spend ten years of his life in practising law instead of devoting his time to making money. If he had, he would have known that there are always two sides to a case. He would have known that you can get splendid evidence on one side and that you can have an excellent case until the evidence on the other side is produced. Unfortunately, with reference to this particular feature of the banking law, you can only get evidence on one side. We have only been able to get the evidence of the bankers and of course the bankers have given evidence which seems to have satisfied my hon. friend. I am not saying that there is not a great deal of difficulty in getting evidence upon the other side of the case, but we should exercise a little of the common sense which the Almighty has endowed us with and when a man has practised law for ten years, after he sees what the evidence is on one side of the case, he naturally tries to investigate the matter and find out what it is upon the other side and when he does he usually finds that it is not so infallible but that he can pick a hole in it. In this case the minister thoroughly believes that the money must be loaned in New York, where you can keep your assets in a liquid form and at the same time get some interest, or you must keep it in your vaults. The hon. gentleman attempts to justify it by reference to the English practice, but he fails to realize that there is a great difference between banking in Canada and banking in England. In England they have more money than they know what to do with; the idea of the investor in England is to invest his money, usually outside of England, but we in Canada are all the time trying to get funds here. Our Government is not borrowing money from the people in large quantities, and when you ask them to increase the rate of interest in the savings banks they frankly say: if we want ten millions and we raise the rate of interest to four per cent we will get it from the people of Canada, but if we take ten million dollars out of the people of Canada we are reducing the amount of money in the country to that extent; it is better for us to go abroad and borrow

our money and leave the ten millions for the banks to handle. I repeat that what would be good policy in Britain might not be good policy in Canada. We want our money kept in Canada to develop the country. We are passing legislation giving the banks the right to receive the money and to issue dollar for dollar of their capital in paper money. If a bank has a capital of five million dollars, then it can issue five millions in paper and it has its own five million dollars capital in addition. We are giving valuable privileges to the banks of Canada, and in return we have the right to demand that the banks will keep their money in Canada and do business in Canada. The Minister of Finance may believe it is necessary to pile up forty per cent of the banks' assets and not loan them in Canada, but I do not believe it. I look upon the bank as very much like a business man, and it would be foolish for a business man, especially in time of stringency, to divest himself of his ready cash, but when I am told I have to keep forty per cent of all I am worth in ready cash in my safe, I do not believe it.

Mr. WHITE: It is to be carried in the form of cash or readily available assets; in bonds that can be readily sold.

Mr. CARVELL: It amounts to the same thing. If the Minister of Finance says I should keep forty per cent of all I am worth in some sort of a liquid asset on which I can realize in a day or two, I say it is not necessary.

Mr. CLARK (Red Deer): Does the hon. gentleman think that the banks, under the conditions he has described, do pile up the capital?

Mr. CARVELL: I do not believe they do. They take it to New York because they can make more money out of it. That may be a violent assumption on my part, but I would like to see some evidence to the contrary before I would feel that the banks are justified in taking this enormous amount of money from the people of Canada at a time when the people of Canada need it.

At one o'clock, House resumed, and then took recess.

At three o'clock, House resumed and again went into committee.

On section 76—business and powers of banks:

Mr. CARVELL: I trust the Minister of Finance will see his way clear to accept the amendment moved by my hon. friend from North Ontario (Mr. Sharpe), with such changes as may be necessary in the case of banks doing business outside of Canada.

Amendment negatived.

Section agreed to.

On section 88—loans upon live or dead stock:

Mr. WHITE: With regard to this section, I have a rather important suggestion to make, arising out of the discussion of Friday last. Upon that occasion I stated that the Bank Act, under section 88, expressly recognizes the principle of giving bankers a lien upon the products dealt in by wholesalers. Section 88 provides:

> The bank may lend money to any wholesale purchaser or shipper of or dealer in products of agriculture, the forest, quarry and mine, or the sea, lakes and rivers, or to any wholesale purchaser or shipper of or dealer in live stock or dead stock or the products thereof, upon the security of such products, or of such live stock or dead stock or the products thereof.

I pointed out that it had been the practice of the banks in the West, under the authority of this section, to make loans upon the security of live stock to parties engaged in the wholesale rearing of cattle, that is to say, ranchers in the sense in which I understand that term, namely: men who are engaged in rearing cattle on a large scale as their principal occupation, and whose farming operations would be subsidiary to that. Some doubt was cast upon the validity of such a lien by a judgment of Chief Justice Sifton in the Supreme Court of Alberta. It was in order to make it perfectly clear that a bank might make a loan under the authority of this section to ranchers that I inserted sub-section 3, which reads as follows:

> The bank may lend money to a rancher upon the security of his cattle.

In other words, the legislation of the new Act was intended not to be of an enlarging character but to be declaratory, namely: to declare that the law was as it had been understood to be by bankers. It has been pointed out to me by the hon. member for Calgary (Mr. Bennett) and other lawyers in the West that there appears to be no reasonable doubt that the banks, under the existing Bank Act, can make a loan to a rancher, that is, in the sense in which I understand the term, and can validly take back a lien upon his cattle, under the provisions of section 88 which I have just read, and especially under this provision:

> The bank may lend money to any wholesale purchaser or shipper of or dealer in live stock.

I am assured therefore, by eminent legal authority that the banks to-day can legally do under the existing Bank Act what I had in mind to make perfectly clear that

they could do. Therefore, I desire to amend this section by striking out sub-section 3, not only for the reasons which I have given, but for this additional reason, and largely on account of the fact drawn to my attention the other evening by my right hon. friend the leader of the Opposition (Sir Wilfrid Laurier), and the definition which he read. The American Standard Dictionary defines a 'ranch' as follows:

An establishment for rearing or grazing cattle and other stock in large herds; as a sheep ranch; a cattle ranch.

That was the meaning I had in view when this sub-section was drafted, and I think that is the generally accepted meaning of the word 'ranch.' There is another meaning which the word has taken on which is synonymous with 'farm,' because the second meaning given by the American Standard Dictionary is 'a farm'. That is the original meaning, probably from the word 'rancho,' which I think is from the Spanish word. Therefore it is perfectly clear that the word 'rancher' is ambiguous. It has always meant to me a man engaged in the rearing of cattle and other stock in large herds; and, if he is engaged in farming, it would only be incidental to his main occupation. From this definition it is clear that the word 'rancher' may mean a farmer engaged in mixed farming. It was not the intention of this legislation that we should extend to bankers the right to take a lien upon the live stock of farmers throughout Canada, for two reasons. In the first place, it is not necessary. The evidence before the committee showed conclusively that any farmer of good standing and reputation, who is entitled to a loan by virtue of his credit, is able to obtain all the advances he requires without specifically hypothecating his live stock to the bank. As I pointed out on Friday last, it has always been the principle underlying the Bank Act that banks should loan upon the personal credit of individuals rather than upon collateral security so as to become the pledgees of chattel property throughout Canada. I think that is a sound principle. The second reason, which is a very important one is this: if a bank is to be permitted to take liens from farmers throughout Canada upon the security of their live stock, then without question, having regard to the rights of creditors and landlords who are able to distrain for rent, I think it would follow that the lien must be registered so as to give public notice. That is in accordance with the principle underlying the provincial legislation of all the provinces with one exception, which is a very important one indeed, namely the province of Quebec. In that province the chattel mortgage is unknown. I think the theory of the civil law of Quebec is that a man is deemed to be the owner of property of which he is in visible ownership or possession. So far as outsiders are concerned, they have the right to treat him as the owner of chattel property in his possession. Therefore it is not legal to give a chattel mortgage in the province of Quebec. It accordingly follows that there is no machinery in that province for the registration of chattel mortgages. Consequently it is not possible in the province of Quebec to register a lien which might be taken by a banker from a mixed farmer upon the security of his stock. For these reasons it has appeared advisable that sub-section 3 should be struck out. We think that mixed farmers in Canada will be able to obtain such accommodation as they require without hypothecating or pledging their stock as security to the bank. That will dispense with the necessity of having the last sections providing for registration which were added by the committee to section 88. The section would then be left in this way; that, so far as threshed grain is concerned, the banker would be allowed to take a lien without the necessity of registration; that so far as cattle are concerned, the law would remain precisely as it is. I am assured that those who raise cattle in the West on a large scale and who, properly I think, are called ranchers, according to the more popular definition at all events, would continue to be able to get from the banks the accommodation which they require. Members of the legal profession have assured me that that right of banks was undoubted. On these grounds I think it will clarify the situation and get over some of the difficulties that were adverted to in the discussion of Friday last, if we strike out sub-section 3; and further, if the committee so approve and subject to discussion of it, sub-sections 9 and 10. I therefore move that sub-sections 3, 9 and 10 be struck out.

Sir WILFRID LAURIER: For my part I have always thought that this attempted legislation was not in the right direction. My opinion, however, is not shared by a good many people. They argue that it is proper to give the small farmer the privilege of borrowing upon his movable property. My hon. friend will not allow the farmer to give a pledge upon his cattle, but he will allow him to give a pledge upon his grain. What is the reason of the difference as between one and the other?

Mr. WHITE: My right hon. friend asked me that question on Friday, and I am afraid I did not make it clear to him. I think he and I would probably agree—at least I gather from his opening remarks, that we should agree—that legislation should not be passed to permit the banks to become chattel mortgagees for either farmers or retailers. Let us commence from that. Now, whether wisely or unwisely—and there is much to be said against the change to which I shall refer—we have de

cided, having regard to the particular situation that exists in the West as to transportation and storage of grain, to permit the bank to loan to farmers taking as security a lien upon threshed wheat remaining in the possession of the borrower. That is a rather radical departure from the principle in the existing Bank Act. The advantages to the farmer will, I think, be not inconsiderable. A great deal of evidence was taken before the committee, and while many doubted whether the banks would make many more advances, or greater advances than they would have made had this legislation not been enacted, at the same time, I think I am stating it fairly when I say that the opinion was that this would be of advantage to the farmer of the West, particularly by reason of the difficulty which he has on account of lack of transportation and comparative shortness of the market season—that the banks would probably lend more money or lend the money more readily, and that by reason of the advances so made the farmer would not be obliged to sacrifice his grain by throwing it on the market when all others were doing the same. That is the reason for the departure from the principle that the banks shall not be the pledgees of borrowers all over the country. With regard to registration of such liens, when the Bill was first introduced there was no provision made for the registration. I think it was largely on account of sub-section 3 which it is now proposed to strike out that the committee decided, and I think wisely, that the lien should be registered, because in the case of cattle especially very serious questions arose as to landlords and creditors being prejudiced by making these liens without provision for registration. Again, the difficulties about registration are insuperable in the province of Quebec, whose population is from one-fourth to one-third of the whole population of Canada. These are the considerations which appealed to me in making the difference between threshed grain and cattle. I do not know whether they will appeal to my hon. friend, at any rate they are what influenced me in my proposal.

Amendment agreed to.

Mr. OLIVER: I desire to say a word with regard to sub-section 3 which my hon. friend has decided to strike out, I do not wish especially to take issue on the first point; I am willing to say that there is a great difference between the case of the threshed grain and the live stock. As long as sub-section 3 did not apply to the holder of live stock who operates as a mixed farmer, from my point of view there is no reason why it should be here at all. If the Government's policy from the start was that this section should not apply to the live stock of what might be called a mixed farmer, then I think its presence in the Act was undoubtedly objectionable, and it was much better to take it out. But while I admit that there is an important difference between the grain and the live stock, I wish to go on record as saying I cannot see any good reason why the man who is raising live stock should not have the advantage that this section on its face would have given him subject to the registration that is provided under sections 8 and 9. It is true that there are special conditions surrounding the raising of grain, they have not been enlarged upon, it is unnecessary; the section is agreed to. But there are conditions surrounding the raising of live stock particularly in the West which have been spoken of so repeatedly that I will not touch upon that again. The desirability of the people of the West going into mixed farming, going into the raising of live stock in connection with their grain operations, is so plain that it seems to me very remarkable that, having in hand the amendment of this Act, having in view the desirability of aiding the man who is exclusively raising grain, we deliberately refuse to consider the case of the man who is doing, or trying to do, the very thing that everybody agrees he ought to do, and therefore ought to be encouraged in doing.

Mr. SCHAFFNER: I understand that this Act when put into effect will permit the rancher, but not the mixed farmer, to obtain money on his cattle. If that is so, I must enter my emphatic protest. I would certainly be deemed to be derelict in my duty to my constituents if I allowed such a clause to pass without registering my objection to it. One of the difficulties experienced by the mixed farmer in raising cattle in the West, speaking for my part of the country, has been the competition of the ranchers. I have no objection to the ranchers having that privilege; I believe it is quite right; but there is no more reason why a farmer should not be permitted to go to the bank and give security upon his live stock than upon his grain. I regret very much that the minister has seen fit to extend this privilege to the ranchers, and to withhold it from the mixed farmers. We are doing our utmost in the West to go into mixed farming, and the best way to encourage mixed farming is to permit the farmer to obtain money from the banks by giving security upon his live stock.

Section agreed to.

On section 99—purchase of the assets of a bank:

Mr. OLIVER: I take it for granted that the matter of bank mergers was dealt with very fully by the committee, and that the mind of the committee is represented by

the clauses as they stand, which are of the same effect as the clause in the original Bill which provided that purchase of banks might take place with the consent of the Minister of Finance. The tendency of the present day is towards monopoly by combination in trade, transportation and finance. The banks are our great financial organizations. They control all the liquid assets of Canada; they hold in their hands billions of the dollars of the people, and upon their handling of that money very largely depends the course of commerce and of business generally throughout the Dominion from year to year. It is recognized that in finance, as in trade or transportation, it is for the good of the public at large that there should be competition, and, considering the number of banks that we have in Canada, it is presumed that we have a measurable or reasonable degree of competition in the handling of financial matters. As I have said, the tendency of the age is towards monopoly by combinations. There is evidence that that tendency exists in the financial world, in the banking world, and in the world of industry, trade and transportation. I shall not go into details to prove the point, which is accepted by everybody, that competition is good and that monopoly is bad; therefore I need not delay in placing before the committee the view that if it is desirable that there should be competition amongst banks, it is desirable that the elimination of competition by combination should be facilitiated by legislation of this Parliament. It is true that times occur and occasions arise when combination becomes desirable, and when it becomes impossible to prevent it without doing injury. Admitting that, for the sake of argument, I still maintain that whether or not a combination between two of these special and separately chartered and privileged institutions should take place should be in the hands of Parliament and of Parliament alone. There have been granted to each of these institutions, under the authority of Parliament, powers, privileges and rights to be exercised in the interests of the public as well as of the individuals immediately concerned. The interests of the public are, to a measurable degree, jeopardized by the combination of any two of these separately and specially chartered and empowered organizations. It seems to me to be elimentary that that combination should not take place except on the responsibility and with the knowledge and authority of Parliament. I have already said in regard to the Bank Act, and particularly in regard to the Act as it comes before us in its present form, that the tendency is to relieve as much as possible, those great financial institutions of government control, to create of those institutions, so to speak, an Empire within an Empire, to place upon them responsibility which, in my humble judgment, should not pass from the government which represents the people through Parliament. We have, I say, handed over to the banking institutions authority that should have been retained by Parliament, and the tendency of this measure is to still further hand over that authority to them. The result is that just in proportion as authority is placed in the hands of the combined banking organizations of the country, so that authority can be used for the purpose of elminating competition from time to time by closing out this, that, or the other bank, and amalgamating two or more existing banks. That being the case, and I do not think that any person can deny the proposition I have placed before the committee, the last thing this Parliament should do, if it recognizes the purpose of its existence as being the protection of the interests of the people at large, is to permit the elimination of competition under the control of banking companies without the sanction or authority or limitations that might reasonably be placed upon the banks by Parliament. I desire to place before the committee my view that, in so far as these sections of the present Act, or of the Act as it formerly existed, for it makes no difference to my argument, make provision for eliminating competition by establishing combinations without the special sanction, authority, and restrictions of this Parliament, they are contrary to the public interest and are, to that extent, objectionable.

Section agreed to.

Mr. WHITE: I think we might now take up the clause in which my hon. friend from Westmorland (Mr. Emmerson) is interested.

On section 79—acquisition of real estate:

Mr. EMMERSON: This section as it appears before us reads as follows:

> The bank may acquire and hold real and immovable property for its actual use and occupation and the management of its business, and may sell or dispose of the same, and acquire other property in its stead for the same purpose.

Rightly or wrongly a very common impression prevails throughout the country that the banks have invested an excessive amount of their capital not merely in bank premises, but in real estate which they lease to others. I propose to place before the committee an amendment to the section as follows:

> The bank shall not expend more than 5 per cent of its combined capital and reserve in real estate.

I shall also move that a further sub-section be added as follows:

The bank shall show in its monthly and annual statements the real value of its real and immovable property, giving detailed particulars.

I submit to the committee that there should be some limitation upon banks with respect to the percentage of capital that they may be permitted to invest in real estate for their own use. If they were to confine the use of real estate to their own purposes, perhaps it would not be so objectionable; it might be left to the discretion of the directors to decide as to the character of the offices required. But in many cities of Canada, if not in all, and in many of the large towns, private individuals have complained that the banks are in a position to acquire the very best sites, and to expend large sums of money in the construction of buildings, not merely for their own use, but for leasing in competition with other real estate owners. Now, the banks are limited to the holding of real or immovable property for their actual use and occupation, but they defy the law. If we were to pass this section as proposed, they would violate it. We must recognize that at this moment they are violating the law, and investing in real estate beyond that required for their own use. We must recognize the conditions, and, recognizing them, we must apply a remedy in some form, we must legalize at least what the banks are doing to-day, or if deemed advisable, limit the percentage of expenditure of their capital and reserve on real estate. They are in the business to-day. I called the attention of the Banking and Commerce Committee to a letter which I received from a prominent gentleman in Charlottetown setting forth very strong complaints in that regard. I do not wish at this moment to move the amendment that I moved before the Banking and Commerce Committee, but it seems to me that the minister might fairly take into consideration these two points, first, as to whether the banks should not be limited in these investments and, secondly, as to whether, if they are permitted to make these investments they should make a statement monthly to the minister as to the amount they have thus invested. I am not so urgent with respect to the first feature, although I think there is a wrong which requires a remedy. We all know that the bank statements to-day represent not a tithe of the amount that the banks have invested in real estate. Everybody knows that; the banks will admit it. Many banks merely put in their statements nominal sums in comparison with the amounts that they have invested in buildings throughout Canada. You eliminated the clause with respect to interest because you recognized that the banks are charging more than seven per cent in face of the declaration of Parliament prohibiting them from doing it. You wiped out that section because you did not wish the banks to be placed in the position of violating the law. Now, for the same reason, it seems to me that it is necessary to amend this 79th section in order to legalize what they are doing, but if you do not, then let the country know because we are giving them a franchise and the country has a right to know. Let there be a statement of the actual values, let publicity be given to the facts as they exist, let not this hypocrisy and deceit continue as it has continued for many years. I think I am speaking within the bounds when I make this statement and I would ask the minister simply to give consideration to these features and particularly with respect to publicity of the facts.

Mr. WHITE: The matter to which my hon. friend has drawn attention is one of very great importance and one very difficult to deal with. There is no doubt that under the present legislation it is the intention that the banks shall hold real estate only for their actual use and occupation. I think that the reason for that legislation is this: It is a sound principle of banking that banks should invest their money or loan it upon securities of a character and that they should not be permitted to invest their money in fixed capitals. They should invest it in circulating capital so that they would better serve the purposes of the commercial community. It would be an absolutely unsound principle that banks should be allowed to invest any considerable proportion of their total assets in real estate. That has been tried on some occasions in the financial history of the world and always with disastrous results. The banks should loan as much of their money as possible in liquid form and for short dates and as little as possible in the way of furnishing fixed capital or in real estate. Under this section 79, the banks have acquired sites throughout Canada——

Mr. EMMERSON: And the very best available.

Mr. WHITE: I will come to that in a moment. They have acquired sites throughout Canada, and in some cases they have erected buildings for their own use and occupation, and no portion of these buildings is rented to outsiders. The banks are very desirous of obtaining the choice corners because there is very active competition among the banks for business. It has often been said that there is a combination among the bankers, but I think nothing has been shown more clearly before the committee than that there is a very active competition among the banks for business. The result is that, as I have said, the banks compete amongst them-

selves for the best corners and the best sites in cities and towns. Take the corners of King and Yonge streets in Toronto where the Dominion Bank is erecting a large building; if the Dominion Bank paid last year $10,000 a foot front, because the property is worth that, for the corner of King and Yonge streets and erected, let us say, a building solely for their own use, that is what is called a single chamber building, the cost or rental which they would have to charge themselves with respect to that corner would be very large indeed. The valuation of $10,000 a foot is reached by taking into consideration the fact that a very high building can be built there and that the upper storeys can be rented and the return from the upper storeys would help to pay the interest upon the cost of construction and the maintenance of the building and also return a rate of interest upon the $10,000 a foot value. Therefore, the banks have in many cases, I should think in most cases, erected buildings not only for their own actual use and occupation, but for the purpose of renting the upper storeys to tenants. It has been by reason of economic conditions that they have done so in order that their rental for the ground floor might be that much less to them. It has been contended that by erecting these large buildings they have not only violated the spirit of this section 79, but they have locked up a very considerable amount of money in real estate to the detriment of commerce. I think it is only fair to the banks to say that it has been the policy of the chartered banks to build up large reserves, and I think that their real estate investments have been comparatively within their reserves. The banks make answer, although it does not meet the objection that they are violating the Act: Instead of distributing the assets to our shareholders to whom they belong, because they have been accumulated either from premiums paid on stock by our shareholders or from profits over and above the amounts that we have distributed to our shareholders, we have bought real estate well within our reserves and we do not think that the public have any right to complain of that. I must confess that I do not think that meets the situation. My own view is that with regard to what has been happening there has been an abuse in some cases under this section. If the banks had acquired sites for their own use and occupation, or even if they had erected a few additional storeys, no question would have been raised, but it is the sky-scraper and the locking up of public money in the sky-scraper that has caused this agitation. I think that the bankers would be well advised in the future, if that change is made, although there are difficuleies in the way of making it, if they would keep their building operations within due bounds. Skyscrapers, as a matter of fact, having regard to depreciation and cost of maintenance, return a very small rate of interest upon the investment and are not profitable in places. I think the banks would be well advised if they would exercise moderation in the buildings they erect throughout Canada, and had they done so in the past these questions would not now arise. As to the amendment of my hon. friend (Mr. Emmerson), I would point out that it is very difficult indeed to fix a percentage which would be fair for the banks in this respect. I do not think the evidence we have heard would justify us in fixing any particular percentage. The Bank of Montreal has several hundred branches; it has its head office in Montreal with, I suppose, one million dollars represented, and it has in way of investment in premises, and it has important offices in Toronto, Winnipeg, Vancouver, Victoria, London, Eng., New York, Chicago, and indeed all over the English-speaking world. I think, therefore, five per cent would be entirely inadequate to the requirements of the Bank of Montreal, even if the bank were to confine itself simply to the very letter of this section. My assistant deputy minister tells me that the Bank of Montreal uses the property which it owns solely for its own use and occupation, but nevertheless five per cent would not be adequate to meet its requirements having regard to the area over which its operations extend. The returns of the Bank of Montreal show about four million dollars in real estate, but I think that is a very low valuation of the buildings occupied and owned by the bank. In connection with this question, Mr. McLeod gave evidence before the committee of a very interesting character, and I think the committee was very greatly impressed with everything Mr. McLeod said because it was recognized he had been a pioneer in trying to introduce reforms into banking in Canada. Mr. McLeod believes that the banks should carry their real estate at a very low figure for the reason that the buildings did not represent immediately realizable assets; that the balance sheet of a bank should show a liquid condition, and that a bank should be able to readily convert its assets into cash for the purpose of meeting liabilites of a demand nature, such as deposits payable on demand, or on notice, which latter is seldom insisted upon by the banks. That leads to another consideration, which touches upon the second part of the amendment of my hon. friend and emphasizes the difficulty of dealing with this question of what is

the value of bank premises. Take a bank building such as that of the Bank of Montreal, and the Bank of Commerce on St. James street in Montreal. What is the fair value of these buildings? There is nothing more difficult than to value such buildings. It would not be fair to say the land is worth so much and the buildings cost so much and put the two together, because in connection with all buildings designed for a special purpose, you have to take into consideration the market for such. I can illustrate that in a simple way: a house that is valuable for the use of the ordinary class of citizen always finds a ready market because there are hundreds of citizens who are looking for that class of house, and it is well within their means; but if we have a house to sell that cost two or three hundred thousand dollars and which is built on a site worth one hundred thousand dollars more, then your market for that property is a very narrow market and you have to sell such a house at a great sacrifice in order to realize. If there happens to be some individual who wants that house, he will not pay more than he is obliged to pay, as competition in that case would determine the price. In buildings designed for a special purpose, there is usually a heavy depreciation when you come to sell. Let us apply that principle to bank buildings. Take a bank building used solely for the purposes of a bank, and built as they nearly all are, expensively—because the banks like to advertise their financial strength by a handsome building, to which within bounds I do not take exception as I think our civilization demands that; I like to see a certain taste and ornamentation and expense within bounds on the part of the large financial institutions in a country such as ours, and I think we will all agree as to that. But when you come to value a bank building suitable only for the purposes of a bank, then the only purchaser for that building would be another bank, and if the other banks are provided for as most of them are you sometimes have to sell it for simply the value of the land; the building being suitable only for the one purpose it is not valuable to other parties who may desire the site for another class of building. Take the Bank of Montreal on St. James street, Montreal, which is a magnificent building of handsome architecture, porphyry pillars inside; an enormously expensive building, and ask yourself what would that sell for? That is a very difficult problem. It is, therefore, difficult to comply with the view of my hon. friend that a valuation should be made. The cost would be misleading. If the banks would show that the land and the buildings cost so much, that might be misleading as to their financial strength, because the premises are not immediately convertible into anything like the figure they would be set down at. Another thing, the real estate is increasing in value all the time, while the building itself would be depreciating. I had a very great deal to do with valuations in the city of Toronto many years ago, and I know there is nothing more difficult to value than buildings erected for special purposes.

Mr. LEMIEUX: Take for instance, a church.

Mr. WHITE: Yes, a church is another example: It is extremely difficult to place a value on a church. I do not wish to magnify the difficulty; I suppose we are here to get over difficulties if we can. My hon. friend moved his amendment in the committee, and having regard to the evidence given and the returns, which are of the same class as the English returns covering the real estate, I think the committee reached the conclusion that they could not improve upon the clause as it stands. I think, however, we can say that it would be very much in the interest of the banks themselves that they should take notice that there is a growing feeling in the community against their erecting large buildings such as have been erected in various parts of Canada, thus locking up considerable part of their available capital. Unless I am very much mistaken, the banks themselves have reached that conclusion. If my hon. friend (Mr. Emmerson) desires to press his amendment I would like to consider it, but having regard to the conclusion reached by the committee, I am rather of the opinion that it would be wise to accept their finding and allow the section to stand as it is.

Mr. EMMERSON: I was not convinced that the committee were at all unanimous, or that there was a general feeling among the members of the committee that there should not be publicity. There was some question with respect to the getatableness of just the amount of money that was invested by banks in buildings, but if we let this clause stand as it is, we are in one sense simply saying that banks can only invest in buildings for their actual use. At the same time every hon. member knows that the banks are investing and expending large amounts in buildings which are not confined to their own use. My hon. friend's assertion as to the necessity of banks building sky-scrapers, in order that the rental cost may be lessened is an argument against this section as it stands.

Mr. WHITE: I do not approve of banks building sky-scrapers.

Mr. EMMERSON: Their assertion is: We have expended large sums in certain

sections of the country in erecting large buildings; we are utilizing certain portions of the buildings for our office purposes and the rest are rented for the purpose of lessening the cost of our office rent. That is an argument against permitting this section to remain as it stands, because, if it is necessary that they shall invest in that way in order to lessen their operating charges, we should give them the power to do so. I am against legislating in a false, deceitful way, declaring that such and such shall not be the case and at the same time knowing that the law will be violated every day. It brings all sections of the Act into disrepute to pass one section of this character. I am not convinced by the arguments presented before the committee, and I do not believe that the committee are agreed that the section should remain as it is. It may be that five per cent of the combined capital in the reserve is too restricted a sum. I propose to test the opinion of the committee on that question later on.

There is one branch of the subject that I shall ask this committee to pass upon, and that is with respect to publicity. If the circumstances detailed by my hon. friend, the Minister of Finance, are to be regarded as a justification for the Act as it is, then it is right that publicity should be given to those facts. If the banks have invested in buildings and sky-scrapers, let us have a statement of their value. There will be no difficulty in getting at the real value. The Bank of Montreal is not a sinner in regard to expending money on buildings other than for their own use. Other banks have sinned in that respect.

Mr. WHITE: Is it possible to make section 79 any stricter than it is? I think the banks in erecting these large buildings are not complying with the Act. I do not think that section 79 could be drafted to show more clearly the idea that they are not to hold real estate beyond the requirements of their actual use.

Mr. EMMERSON: I note what the minister says in that regard. I want to call the attention of the committee to conditions which prevail in the city of Ottawa. The hon. minister says that there is difficulty in getting at the real value of bank properties. If you go down Bank street, at every other corner you will find a bank building. The best corners are reserved for the use of banks. They are not violating this section in constructing these buildings that are for their own use, but they put a high valuation on property in the vicinity by reason of the fact that they can select the best quarters and pay the highest prices, utilizing their reserves for that purpose. They are holding the best sites as against the business public. It would be very much better for banks and for the business interests of the city of Ottawa if those sites were not used simply for bank premises. If it were desired to get at the actual value of those premises, it would not be difficult to do so, and the value would not be an inflated one. The very circumstances detailed by the hon. minister could be taken into consideration in fixing the value of these bank properties throughout Canada. I think that should be done. At any rate I claim that we should have a statement of the actual facts and that they should be given publicity, so that the shareholders and the public may know the actual conditions which prevail. To-day they do not know these conditions. There is not a statement of a bank in Canada that gives actual facts with respect to the amounts invested in real estate. It is not desirable that the banks should go into the business of real estate. I do not think that this Parliament would justify any such legislation, and I do not think we should allow them to go on in the way they are doing; there should be some limitation. If we permit them to go on in this way, let us have an exposé of the conditions as they exist, and let us not exist in an atmosphere of deceit with respect to the whole matter.

Mr. F. B. McCURDY (Shelburne and Queens): With the second part of the amendment of the hon. member for Westmorland (Mr. Emmerson), I am in accord. So far as the first section of the amendment is concerned, I see difficulties. I think the experience of everyone who has watched the operation of restrictions imposed upon banks is that they really constitute a tax upon the clients of the banks; the restrictions imposed upon the banks are passed along in the shape of higher rates charged for services rendered by them.

It is more particularly with regard to that aspect of the case that I wish to draw the attention of the committee not only to section 79, but to section 91, which is not yet passed, because to my mind these two sections are largely bound up in one another.

The old Bank Act sought to limit the rate of interest charged by banks. That attempt was found to be ineffective, and accordingly by a substantial majority in committee it was deleted from this Bill; but no one has paid attention to the fixing of the rate of interest allowed on deposits.

Different parts of the country are interested in different sections of this Act. In a certain portion of the counties which I have the honour to represent, with a thrifty population, and but little industrial activity, $20 is placed on deposit in the branch bank to every $1 that is borrowed. Naturally that district is more vitally concerned in the rate of interest on deposits than in the discount rate. In other communities the conditions are reversed, and so on.

Bankers claim that the fixing of rates of

interest should be left entirely in the hands of the banks, and that if they allow a higher rate of interest on deposits they must charge a larger rate on loans. Section 91 of the old Act sought to fix a maximum rate of interest which may be charged on loans and discounts.

With the bankers, I am opposed to government interference with either the rate of interest paid on deposits or the rates charged on loans. The bankers should, I submit, agree with me that if the rates are not fixed by the Government, they should not be fixed by any body with more limited jurisdiction than the Government. My idea is that they should be fixed by the natural law of supply and demand.

As is well known, money is dearer in Canada to-day than it was twenty years ago. It is worth more to borrowers to-day than it was then. It can be used with profit by borrowers to-day, on account of our great industrial activity, and I fear also our real estate speculations, at higher rates, than it could, say, in 1890 or 1892, and higher rates for loans are being charged all round.

The banks are to-day doing an immeasurably larger volume of business than they were then, and the natural conclusion would be that a large volume of business would be conducted on a smaller 'spread' between the deposit rate and the discount rate. But, what is the fact? The fact is, and I am speaking with local but accurate knowledge, that small but perfectly safe and solvent local banks some twenty years ago, issued deposit receipts bearing four per cent interest and were glad to receive the deposits at that rate and turned them over at satisfactory profits, as was indicated by the balance sheets of banks at that time and the fact that bank stocks were then largely sought for as investments.

To-day we have very large banks doing a tremendous volume of business, but our thrifty population, who have for generations regarded nothing 'so safe as a bank,' and therefore in their timidity leave their funds in a bank, are able to receive not the same rate of interest on their deposits, but twenty-five per cent less. Is that due to the natural free play of the laws of supply and demand? If it is, everyone will be content, but I for one, cannot believe that it is.

The explanation given by bankers is that present banking profits will not admit a narrowing of the 'spread' between the deposit rate and the rate of interest. We are told that 'the Canadian banking system is to-day a model system—that improvements have been made with the lapse of time until it is to-day the best in the world.' This is the bankers' opinion, it is true, and it is doubtless the opinion of a large number of bankers' clients and those doing business in large centres of population.

We look at the system also, from the viewpoint of the citizen who is frugal, and who, on account of his thriftiness, performs a most valuable service in accumulating savings, and in accordance with the early teachings of his youth that nothing is 'so safe as a bank,' his inclination and habits compel him to place his money in these institutions, where it is immediately available for the requirements of commerce.

We also look at it from the viewpoint of the ambitious and promising young man, wishing to engage in business and who should be afforded the same facilities as are accorded to his existing competitor in business, who may be a bank director or a favoured client of the bank. The young man calls for a 'square deal' to enable him to gratify his very laudable ambition of rising, through his industry, to a position of prominence and influence in affairs of business and state.

The explanation re profits afforded by the bankers is to my mind not conclusive. I cannot clear my mind of the impression that a sinister influence exists, as between the deposit rate, at any rate, and the free play of the law of supply and demand. But let us consider the matter from the standpoint of the explanation offered by the banks themselves. It seems to me that their explanation invites further investigation into the operations of these institutions, and particularly into the provisions of section 79. As already pointed out, some twenty years ago perfectly solvent and prosperous banks, in some sections of this Dominion where capital was not much in demand, were willing and glad to pay four per cent interest on deposits, but with the growth of a system, and the absorbtion by big international and financial banks of these smaller institutions, which ministered so well to the then needs of the local communities, has come the necessity for a bigger 'spread' between the interest and deposit rate, and I fear an abitrary fixing of the rate as regards the more helpless of these classes.

And what is the reason? It must be internal with the banks, and we seek the reason because we desire to legislate for the benefit of the country as a whole, as opposed to the interest of a small part of the community. In examining the bank returns of the not remote date of 1900, we find that the total investment in bank premises at that time was under $6,500,000. According to the Government bank statement for December, 1912, the total investment in bank premises exceeds $37,000,000. Some of the largest banks carry bank premises in their balance sheets at fifty per cent of their cost, and I assume that some such system is in a greater or less degree adopted by all the banks, and

we should probably be nearer the mark if we state that, instead of having expended $37,000,000 for bank premises Canadian banks have expended $50,000,000. At any rate, according to the Government returns, there are over five dollars and a half invested in bank premises to-day for every dollar which was so invested in 1900.

The hon. Minister of Finance stated a few moments ago that there is much competition between Canadian banks to-day. I quite agree that there is, and probably too much in some ways; but I have no hesitation in expressing the opinion that banking competition has run along altogether wrong lines in this country in the past few years, and one of the errors is illustrated by the figures above given.

In 1889 there was one banking office for each 11,700 of our population; to-day there is one banking office for each 2,560 of a population. The attention of each one of us has no doubt been arrested, in walking along the streets of almost any city in Canada, to observe the close proximity of banking offices to one another. There is an old saying that 'misery loves company': evidently the 'Canadian branch bank loves company.' I have nothing to say against the enterprise shown by banks pushing into new and promising territory when the requirements of the territory demand the facilities of a banking office; but how often have we seen branches opened up in barren territory by rival banks, only to be abandoned by one or the other later, and the losses incurred by this rivalry loaded on to the operating expenses of the bank. In many of our large cities, branch offices are opened in premises much too expensive for the business proposed to be carried on. It is not unusual to see two, three or four banks facing each other on opposite corners and looking for deposits, which district would under the present system, be as well taken care of by one of the two, three or four. If the competition would take another and the natural form of increasing the interest rate paid on deposits, it would be more welcome, I have no doubt. The point is that these expensive offices, running at a loss, must be charged up against the profits of the parent bank, which leads up to the argument advanced by the bankers, that the cost of operation 'spread' between the deposit and the discount rate. I think the attention and supervision of some official, perhaps the minister, might be directed to this abuse, and a saving in expenses effected which would allow a more moderate 'spread' to exist in the rates mentioned. The decrease of the ratio of the public served by branch banks, which as I have stated has decreased in twenty-four years from 11,770 to 2,560, is due to a considerable extent to this unnecessary duplication of branch offices.

It would appear that we shall never get back to the day of small banks, when, owing to their economical management, depositors could get four per cent and lenders borrow at six per cent, and I may say in passing that these conditions exist in the United States to-day. But we should at least, I think, effect that the banks shall, in return for their franchises, give us a service economical and useful from the customer's standpoint. Theoretically it ought to be more economical to conduct the banking business of the country by the large banks than by the old small bank; but if economy is not practiced and losses in operation make it impossible to accommodate the public with most reasonable rates an undue burden is placed on the merchant and manufacturer, and all those who use a bank's services, and industry is hampered.

I endorse the prevailing idea in the latter part of the proposed amendment to the effect that there should be publicity as regards real estate holdings. In the Banking and Commerce Committee I moved that this should take the form of a disclosure of assessed value to shareholders in the annual statement; but any idea that makes for further publicity should be welcomed. With the other part of the amendment I am not so in accord. I think it can be laid down as a truism that any restriction on our banks is a tax on its customers, and I therefore would hesitate, as I have in the Banking and Commerce Committee, to impose restrictions on the banks, especially such as may react on others interested.

Mr. OLIVER: I have not in mind the exact wording of the amendment proposed by the hon. member for Westmorland (Mr. Emmerson), but the question involved in the consideration of this section is one which may be considered without direct reference to that amendment. It may be assumed that the bank has a right to do as it pleases with its own property. This section says that the bank may hold real estate for its own use, and I assume that if that provision were not there the bank would not be entitled to hold real estate; in other words, the bank would not be entitled to do as it pleased with its own money. It is bound to be assumed that whoever drafted the first Bank Act; whoever drafted the provision that is contained in section 79 did so for reasons which at that time and afterwards were supposed to be good reasons for the existence of that provision. At any rate it is to be assumed that there exists the right to restrict the bank in the use of the funds under its control. When it is considered that something like three-quarters of the funds controlled by the bank do not belong to the banks, but to the people at large, it is easily seen that

any legislation authorizing the banks to do business and clothing them with authority to control this vast sum of money that does not belong to them, may very reasonably contain provisions restricting the banks in the use of such money. So I take it that that is the foundation reason for the provisions of section 79; that the banks not being the owners of the larger part of the money that they control, Parliament takes the right to say what they shall not do with this money which does not belong to them. That is to say, of the money which belongs to the people whom Parliament represents, Parliament has the right, and it is the duty of Parliament, to say how far a bank may go in its disposition. I take it that this section contemplated the possibility of such a condition as exists to-day, a condition in which the money of the people is used or liable to be used by the banks for purposes that are more in the interests of the banks than in the interests of the owners of the money. It was contemplated by those who framed the Bank Act that the banks would want to use the money of their depositors to construct buildings which would give them prestige in the eyes of the public, and thereby assist in advancing their business, and it was considered by the framers of the Bank Act that that was not a proper use to which to put that money.

But I gathered from what my hon. friend the Minister of Finance said, that it is not the money of the depositors that is used for the erection of those buildings, that it is the money of the banks; that is to say, it is either the money of the shareholders or the profits of the shareholders that are employed in the purchase of those properties and in the erection of buildings. If that be the fact, and that fact is guaranteed, then the contention that the money of the depositor is being used for this purpose falls to the ground, and the interest of the depositor is sufficiently protected.

But there is nothing in the bank returns which show conclusively whether it is the money of the depositors, or the profits of the bank that are being employed in the erection of those buildings. I maintain first of all, that such a statement should be produced by the bank from year to year, so that it would be known conclusively whether those properties were being acquired out of the money of the depositors, or out of the money of the shareholders. It is desirable that that should be known for this reason: My hon. friend the Minister of Finance has said that it is desirable that the bank should keep its funds in liquid form, because when money is placed on deposit with a bank, the bank is liable to be called upon to return that money at any time. Therefore, it is all the more necessary that money, which the bank is liable to be called upon to return at any time, should not be in such a form that it cannot be returned at any time. Under any circumstances, money that belongs to the depositor should not be tied up in permanent form in real estate investments, at any rate, beyond the immediate necessities of the bank itself. That, I think, will be taken for granted. When such large investments are being made, it is right and proper that the Government, as trustees for the public, should have knowledge as to the use that is being made of that money. We will assume that none of the depositors' money is being used in that way. We will assume that those properties are purchased and buildings erected thereon out of the money paid in by shareholders, or out of the profits made by the management of the bank. If that be the case, if those buildings are built out of the bank's legitimate profits, there is no question that the buildings properly belong to the shareholders of the bank. On the face of it, they have a right to erect such buildings as they please, and to invest in such property as they please with the profits that they have made. But then we come to the point made by my hon. friend from Queens and Shelburne (Mr. McCurdy), that if those properties are acquired and those buildings are erected out of the legitimate profits made by the banks, the banks are certainly making more money than they are entitled to make, and the fact that, instead of listing in their statement of assets those properties at cost, or at their present value, they list them at half or less than half, in fact at only a nominal value, is absolute evidence that if those buildings represent bank profits, the banks are afraid to state to the people of Canada what their profits are. They are deliberately carrying on business at a scale of profit which they are afraid to let the people of Canada know for fear that when the Bank Act comes up for revision, as it comes up to-day, measures would be taken to bring the business more in line with the hints thrown out by the hon. member for Queens and Shelburne. It has been said that it is not possible to interfere with the law of supply and demand in the matter of over-paying interest on deposits or fixing a limit of interest to be paid on loans. But this whole Bank Act from beginning to end is an interference with the law of supply and demand. It is a special provision, giving special powers, under special limitations, for special purposes, and certainly if it is evident that under the privileges and powers given by Parliament to those financial organizations they are able to make such profits that they are afraid to give the facts to the public, I think it is a condition of affairs that calls for earnest consideration, and

that Parliament is not justified in allowing the Bank Act to go through with that condition existing within its knowledge.

My hon. friend the Minister of Finance spoke of the advantage of the banks keeping a large amount of money in New York so that it would be available in liquid form to meet the demands from time to time. I was very greatly impressed with the view he then expressed, and not having heard at the moment from my hon. friend from Carleton (Mr. Carvell), I was rather inclined to support it, and I am still so inclined; but if there is any necessity for the banks to keep millions of money in New York in order that that money shall be in liquid form, there is just as much necessity for them not investing their money in assets upon which they cannot realize, and upon which, if they were compelled to realize, they could not get more than say fifty or twenty-five cents on the dollar. I say it is just as necessary that their capital held in Canada should be kept in liquid form as that the capital sent to New York should be kept in liquid form. The fact remains that the banks invest enormous sums in sites and buildings, and if the money so invested is the money of their depositors, they are using it improperly. If they make those investments out of their profits, their profits are unquestionably excessive. The admitted fact that the value of these investments is not disclosed in the returns which are made from time to time to the Government is evidence of an impropriety that certainly should not be permitted and this should not go through Parliament without a thorough sifting and without such legislation as will produce a satisfactory readjustment. With evidence before us that millions of money are invested in real estate and in buildings, it is right that the shareholders and the country should know how much money has been so invested. It is not a question of what the value of these buildings is today as going concerns or what would be their selling price in case the bank vacated them; the question is, how much of the money of the depositors and how much of the profits which have been taken from the borrowers have gone into the purchase of these properties or the erection of these buildings? It is admitted on all sides that an excessive amount of money has been so employed. I assert that it is not only the right, but that it is the duty of Parliament and of the Government, before this Bill is assented to, to find out just to what extent that condition exists and to make such provision in legislation as will prevent any impropriety that exists in connection with it at the present time being continued.

Mr. NICKLE: Perhaps it would be only fair to say to the House that it was not for want of effort that the Act was not amended so that useful publicity would be given to the holding of real estate by the various banks of Canada. But we were met by the fact that no more lucid language could be used than that of section 79 as drawn in the old Act and as drawn in the present Act. There could have been no more clear cut enunciation of the principle that the banks should not hold real estate than the wording of this section which reads as follows:

> The Bank may acquire and hold real and immovable property for its actual use and occupation and the management of its business, and may sell or dispose of the same, and acquire other property in its stead for the same purpose.

Section 83 specifically makes a declaration against continuing loans being made by banks on real estate. The whole purport of the Act, is that the banking institutions should provide ready money for the commerce of Canada. But during the consideration of the Act before the committee we found that while the banking interests readily admitted that the declarations of the Act were against the holding of real estate, they were equally bold in their declaration that they had ignored the restrictions of the Act. Let me call the attention of the committee to the statement of Mr. Pease, general manager of the Royal Bank, who gave evidence before the committee. Clause 79 of the Act was read, and he was asked:

> I was asking whether you interpreted that clause to mean that the banks should not acquire or hold real estate in excess of what they occupy?

To which he answered:

> That is the intention of the clause and so far as the Royal Bank is concerned, we have tried to live up to it, and I do not think that we have transgressed. We have one building of fifteen storeys which we inherited. We have five buildings of four storeys, twenty-six buildings of three; seventy-one of two; and sixteen of one, making 119 buildings in all. We occupy forty-three exclusively for our own purposes.

Mr. AMES: Or as tenants.

Mr. NICKLE: Or as tenants in other buildings. Then, in answer to the minister, Mr. Pease said:

> I have a statement here showing the position of the banks in Canada as a whole. The proportion of bank premises to paid-up capital is 32.86, to capital and reserve 17.04, to total assets 2.55, and I have prepared a statement showing that in Scotland by comparison the proportion of bank premises to paid-up capital is 47.97 as against 32.86 in Canada. The proportion of capital and re-

serve is 26.26 as against 17.04, and in proportion to total assets 3.12 as against 2.55.

Mr. OLIVER: Was that the actual value or the value set down in the books of the banks?

Mr. NICKLE: That is just what I was going to enlarge upon. The figures proved themselves of very little value, because, being addressed by the hon. member for Digby (Mr. Jameson), Mr. Pease said that these did not represent the true value of the real estate but the value of the real estate as given in the returns, and he set out in his evidence that in the bank which he particularly represented he thought their equity was between $4,000,000 and $5,000,000; in other words, that the real estate of the Royal Bank was undervalued in its statement to the Government by some $5,000,000 or that it was put in at about half its proper value. I quite agree with what the hon. member from Edmonton (Mr. Oliver) says that, if at the present time there is no section in the Act which compels the observance of this provision, it certainly is time that Parliament took such steps as would make the public aware of the amount of the funds that are invested by banks in real estate, and what is the true value of this real estate so that the people may have some adequate idea of what the profits of the bank really are. If this system is allowed to continue, if values are to be written up and written down, the bank can make a stated rate of profit and the people at large, particularly the shareholders, have no means of accurately knowing whether the bank is being concerned in a businesslike, or in a lawless, manner and whether the banks are really becoming speculators in real estate.

Mr. SHARPE (North Ontario): Before the minister replies to what has been said by the hon. member for Kingston (Mr. Nickle) and the hon. member for Edmonton (Mr. Oliver), I would like to say a word. I paid particular attention to the evidence given before the Banking and Commerce Committee relative to this question and from the evidence that was adduced there it was apparent that clause 79 of the Act was a dead letter. Every bank in existence is violating the terms of that section. There was an amendment moved by the hon. member for Queens and Shelburne (Mr. McCurdy), I think, requiring the banks to make a return of the assessed value, in addition to the nominal value of real estate held by them. But the committee, in its wisdom, voted that down. There was much evidence given that the value of real estate as put in the bank's returns was not indicative of the real value and, as pointed out by my hon. friend from Kingston, this is a grave injustice to the shareholders of the bank excepting those who are on the inside. Only the board of directors, with the statement as it is now, know what the real value of the real estate is; consequently they have an advantage in buying and holding the stock of the bank over other shareholders. It is a great injustice to the shareholders or to any person who desires to purchase the stock. I agree with hon. members who have supported the contention that there should be some limitation to the right of banks to speculate in real estate and compete in that regard with individuals. The banks are strong financial institutions and there is no reason why they should invest the money of the depositors in the purchase of expensive corners and the erection of sky-scrapers. A corrective of this would be a provision by which the minister would be empowered to compel the banks to make a return at stated intervals of the real value of their real estate holdings. The minister might use his influence to compel that return to be made perhaps once a year and also to compel the banks to correct this grave evil in connection with our banking system.

Mr. WHITE: As has been stated, the committee had before it an amendment providing that a return should be made of the assessed value of the several offices of the banks throughout the Dominion. I think it was felt that the assessed value was not a good criterion of the real value, because the assessor is very apt to take the value of the land and add to it the value of the building having regard to its cost. That would not be a proper way of estimating the value of bank premises. I have given the matter a good deal of thought, and I am in favour of a return which would not be misleading in character, and yet would give a general idea to the public of the value of the premises held by banks in the Dominion. I have an amendment along the lines of the amendment moved by my hon. friend from Westmorland (Mr. Emmerson) and by my hon. friend from Queens-Shelburne (Mr. McCurdy) in the committee. My hon. friend from Edmonton (Mr. Oliver) seemed to think it would be better, instead of having a valuation of the premises as of to-day, to have a return showing how much money had gone into the bank premises; but I submit for his consideration that that would be misleading, for the reason that the banks have been in operation in Canada for many years, the Bank of Montreal almost a hundred years, and many properties acquired years ago at a very low cost have become extremely valuable. I should more highly value a return, so far as it can be ascertained, of the fair valuation of bank premises to-day. I will give an illustration to my hon. friend (Mr. Oliver)

from his own city. I remember purchasing the corner of Jasper and First avenues in Edmonton for a financial institution I represented at $350 a foot; but afterwards building in another place and not needing the property, it was sold at $2,000 a foot, and I suppose it is now worth $2,500 or $3,000 a foot. I submit that so far as a return by the institution holding that particular corner is concerned, it would be more to the interest of the public that the fair valuation of that corner should be incorporated in the return. What I have in mind is that the banks should indicate to the public what their holdings of real estate are worth on a fair valuation, so far as it can be ascertained by the exercise of good judgment. The English financial system inclines to the view endorsed by Mr. McLeod that the banks should show their holdings of real estate at a low figure. I have in my hand a return of one of the principal banks in London, and I find this wording:

Bank premises, chiefly freehold, at cost or under.

In other words, if they had written off half the cost, then only half the cost would appear as the valuation. The English practice has been to consider it meritorious to show the valuation of bank premises under and not in excess of cost. The financial position of the Bank of Montreal was judged to be extremely sound, and the bank had a very high standing, because, among other reasons it showed its entire premises which were worth perhaps several million dollars at only $600,000. The reason that opinion prevails is that the financial community likes to see a bank's balance sheet liquid; it does not like to see too much money locked up in real estate, because it is not immediately realizable and available for the purpose of meeting demand liabilities. The committee had in view that it is possible for the banks under the returns now made to show a condition that is misleading inasmuch as the bank may have very valuable bank premises written down to one-third or one-half their real value. I would submit for the consideration of the committee what I had in mind when the Bill was before the Banking and Commerce Committee but did not submit because the committee decided that the making of a return on assessed values might be misleading; and of course banks are a fair mark for municipalities who desire to obtain the full taxation therefrom. I would submit, as an amendment to clause 79, the following:

The bank shall annually, during the month of January, make to the minister a return showing in detail the fair market value of its real and immovable property held under this section.

I do not believe that the clause referring to the actual use and occupation of the bank could be strengthened, and this amendment will provide for the fair valuation of the premises of the bank which can be checked by any person who desires to check it. In that way we will have the fair market value of the premises which may be subject to such comment as the public may desire to make on it. I do not believe the banks will suffer at all in public estimation if their balance sheets show in respect to their real estate about its exact value.

Mr. EMMERSON: The amendment of the minister covers the point as to publicity which I had view. I can appreciate the difficulties with respect to exposing the banks to an admission of their false position in the past if we were to limit their holdings to five per cent of the combined capital and reserve, because if we did so evidently it would be out of proportion to existing conditions. Apparently, if it were possible to get at the real value of bank premises throughout Canada it would be found that probably nearly twenty-five per cent of the combined capital and reserve of the Canadian banks was invested in real estate, ostensibly for their own use but in reality in many instances for the use of their tenants. I would not wish to move an amendment to clause 79 without the approval of the minister, but in leaving that section as it is we are in a way placing the banks in the position of being real estate dealers.

Mr. OLIVER: While the hon. minister's proposal for publicity is very good, he does not touch the point that I think the country should have information on, and that is the amount of money that is being invested by the banks in these properties from year to year. I am not asking for information in reference to what has taken place in the past. If we are to know what profits the banks are making, we must know what amount of money they are investing in real estate from year to year. It would be satisfactory to the shareholders, after knowing what amount of money went into real estate, to know what value that real estate had from year to year afterwards.

Mr. WHITE: There will be a difference each year. I think we ought to be able to get that information.

Mr. OLIVER: There is no information as to how much money was invested originally, and I think that is something the shareholders are entitled to know. With regard to the section as it stands, and this amendment, I venture to make a suggestion. The law is on the statute-book. The Government is responsible for seeing that that law is carried out. As long as this section remains as it is, it is the Minister of

Finance who is in question as well as the banks, if the banks do not live within the terms of the section.

Mr. WHITE: I intend to have a heart to heart talk with the Bankers' Association in regard to these and other matters.

Mr. CARVELL: They will stand a lot of that.

Mr. WHITE: As I read section 79, I agree that banks are absolutely prohibited from holding real estate beyond what is required for their actual use. We have not changed the law in that respect. I think the matter should be drawn to the attention of the banks.

Amendment agreed to.

Section agreed to.

On section 91—interest which may be charged:

Mr. SHARPE (North Ontario): I do not think this clause was given the consideration that it was entitled to in the committee. According to the section as it stands, a bank can charge any rate of interest, and it would be an extraordinary condition of affairs to permit a bank to over-ride the ordinary usury laws and to charge any rate of interest, no matter how necessitous a customer might be. I would respectfully suggest to the hon. Minister of Finance that he should revert to the old section. While it is objectionable inasmuch as it is being violated as other sections in the Act, still in its original form it is not so objectionable as in the present form. In the original section there is a stipulation by which banks cannot charge more than seven per cent; that acts as a corrective.

Mr. WHITE: My hon. friend from North Ontario (Mr. Sharpe) will recall that when this section was under consideration by the committee, I stated that it was entirely acceptable to myself that the section should remain as it was. Other members of the committee, however, were of the view that the section on its face permitted a rate of interest to the banks not exceeding seven per cent. That certainly appears to be the case. I shall read the section as it was originally, that is to say, in the revision of 1901:

> The bank may stipulate for, take, reserve or exact any rate of interest or discount, not exceeding seven per centum per annum, and may receive and take in advance, any such rate, but no higher rate of interest shall be recoverable by the bank.

It seems to me that is as clear a statement that the bank is limited to maximum seven per cent as it is possible to make it in a statute. Notwithstanding that section 91 and the plain language therein contained, the banks have been taking rates of interest in excess of seven per cent and have been taking those rates in advance, following their usual practice. If a man borrows a hundred dollars from a bank for a year at eight per cent, the bank would not give him $100 at the time the loan was negotiated and then take his note for $100 at eight per cent, but would give him $92 and take his note for $100. The banks' practice in taking a higher rate of interest than seven per cent has been sanctioned by a judgment of the Judicial Committee of the Privy Council delivered by Lord Moulton on the 17th of February, 1913, in the case of McHugh versus the Union Bank. I shall only read one section of that decision which seems to confirm the right of the bank to take such rates of interest as may be stipulated for, provided it is taken in advance. This is the quotation:

> The plaintiff must be taken to have known that the bank had no right to stipulate for and no power to recover interest at eight per cent, but he voluntarily assented to that which was equivalent to payment of interest at that rate, and he has no right to recover back any excess which he thus voluntarily paid.

That finding surprised me, for this reason. It proceeds upon the principle of estoppel. If a man agrees with a bank that he will pay eight per cent, he cannot be heard to say that that is not a binding agreement between him and the bank. I should have thought it would be argued in contravention of that that it was ultra vires of the bank to take more than seven per cent. That either was not argued or was regarded as not arguable by the Judicial Committee. The effect of the finding is that a bank may take any rate of interest that is stipulated for, provided it takes it by way of discount and deducts it at the time the loan is made. Take the case of seven per cent under that decision. Suppose that a bank made a loan to a man of $100 with interest at eight per cent, and did not deduct it in advance, and then sought to recover it by action. I think without question, under that decision, the bank would be limited to seven per cent interest. The decision goes further and holds that, if the loan has gone past maturity, only the legal rate of interest of five per cent can be recovered for the period after maturity. If we sum all that up, because the law is not only this section but this decision under it, the law to-day is as follows: If a bank makes its bargain with a man who borrows the money at 8 or 10 or 12 or 20 or 30 per cent, and deducts it at the time the loan is made, the bank's action in doing so is legal under the decision which I have quoted; but, if the bank loans the money upon a note bearing interest at 8 per cent or 15 per cent or 20 per cent, and does not deduct the amount of interest at the time the loan is made, then the bank cannot recover by

process of law interest at a higher rate than five per cent. Further, if the loan goes past maturity, the bank under the McHugh case, is limited to the legal rate of interest of five per cent for such period after maturity. It was pointed out by the committee that the test of the law to-day and the practice of the banks, to which I have referred, are in contravention of what appear at all events to be the plain terms of section 91, and it was thought advisable that the anomaly should be removed if possible. I stated at the time that the government was entirely willing that the section should stand as it was or that it should be made so as to show the law as it exists to-day. Consequently the section was amended by the committee to read as follows:

The bank may stipulate for, take, reserve or exact such rate of interest or discount per annum as may be agreed upon, and may receive and take in advance any such rate, but no higher rate of interest than seven per cent shall be recoverable by the bank.

That, as I understand it, represents the law as it is to-day; but, having regard to the reasons put forth by my hon. friend from North Ontario that the section should be allowed to remain as it is, I am entirely agreeable to that course. Because, when you have a section which has stood for a number of years and a decision under it has been given, there is always a danger that a new clause, no matter how carefully drafted, may be given a different meaning by the courts from that which the draftsman intended. Therefore, as I say, as the intention in drafting this new clause was only to embody the law as it is to-day, it might possibly be better, if the committee agree with my hon. friend from North Ontario, to allow the clause to stand as it is.

The question may be asked: why not limit the rate of interest to seven per cent? I think the evidence before the committee on that point satisfied all the members that such a provision would recoil on the public which it was the intention to benefit, namely, the borrowing community, and especially the small borrower. The evidence given showed that in the West the prevailing rates were eight and nine per cent; and on the other hand it was known that rates of interest were known as high as sixteen and even twenty-four per cent. But these higher rates were in cases of this kind: A man borrows $25 for three months and gives his note. The bank charges him $1 as a minimum charge. That would be at the rate of $4 a year for $25, which is sixteen per cent. The evidence showed that it would hardly be possible for the bank to make a loan at a charge of less than $1, because there is as much trouble in making a loan of $25 as in making one of $200. It is known also that the amount of loans in the West are very many times in excess of the deposits of the districts in which they are made, and therefore the banks have to obtain a higher rate of interest than they would have to obtain from discount business in districts where, in addition to making the loans, they receive the funds from which the loans are made.

Mr. OLIVER: I am not able to propose an amendment to the clause as it is in the Bill, nor am I able to accept the proposal that my hon. friend from North Ontario has made to replace the clause formerly in the Act, if that clause has the same effect that the minister has specified. I take it, as in the case of the section that we were discussing a while ago, that whoever framed the Bank Act in the first place, and whoever framed the section corresponding to this in regard to the rate of interest, had the intention of limiting the rate of interest. I take for granted, in view of what has been said by the minister and by the hon. member for North Ontario, as well as from my own reading of it, that it was the intent that the rate of interest should be limited. Now, I know it is asserted that the rate of interest cannot be limited, that it must be governed by the law of supply and demand. And to a certain extent, I am willing to agree that that is a fact. Allow me to suggest that there are other elements entering into this question than the mere question of supply and demand. It has been mentioned before and I mention it again, this Bank Act is a special provision, it is an attempt to legislate upon supply and demand. At every point from beginning to end, it governs, or assumes to govern, both supply and demand. There are reasons why that should be so. The banks are handling the money of the people. Their own money would give them but a small part of their profit; it is out of the money that does not belong to them, but belongs to the people who are especially under the protection of this Parliament, that the banks make their money. And it is because of that fact that the Bank Act from beginning to end contains restrictions as well as empowering clauses. Now, it is a well-known rule that if you have high interest you must take great risk, the risk corresponding to the interest. I say that, considering the source from which the banks derive the money that they loan, they should not take such risks as warrant these high rates of interest. It is contrary to the whole principle of the Bank Act from beginning to end, it is contrary to the welfare of every interest that the Bank Act was supposed to conserve, that the banks should be allowed to take excessive interest, because that means they are taking ex-

cessive risks. Now, it is said, if they are not allowed to take excessive interest they will not do business. From my point of view, having regard to the basic principles of the Bank Act, that is the proper course; if they have to take a big risk they should refuse to do the business. It is no part of the business of the chartered bank to take such risks for the sake of high interest. It is not the purpose for which they are created; it is not the purpose for which they are empowered. While the evil has not been carried to any great extent up to the present time—I will admit that; the evil at the present time is only serious to the person who is borrowing at the high rate of interest, and, of course possibly his security is in proportion to the rate, but if the bank be authorized and empowered by Parliament, if it is to be permitted that they can go into the business of charging excessive rates of interest, I maintain that, while the bank profits may be maintained, the risks of bank losses are correspondingly increased and danger to depositors is increased equally.

As regards the conditions in the West, there is no reason why the bank interest in the West should be higher than it is in the East. The fact that money is not deposited in the West makes no difference. For what purpose do we endorse a system of centralized and branch banks, except to give the benefit of having the money of depositors in one place to be loaned out at another place? Banks are anxious to do business in the West; they come there in large numbers; they spread their branches over the prairies; they build their buildings and pay high rates for property. There is no reason why the borrower on the western prairie should pay to the bank a rate of interest that will enable the bank to pay fancy prices for property and put up magnificient buildings that are not necessary for the bank's business. There is no reason why interest in the West should be higher than it is anywhere else, and, as a western man, I desire to protest absolutely against the contention that it should be. The Bank Act should limit the rates that the companies should be entitled to pay or to collect. There is no reason why the banks should be nominally restricted but actually allowed to enter into the business of usury, and that is what some of the banks in the West are doing to-day. I am not able to propose an amendment, but I want to affirm the principle that there should be no distinction in the rates of interest in the West and the East, and that there is no sufficient ground for any such difference in the rates of interest. Reputable banks in the West are not charging usurious interest; it is the banks that are not reputable who are charging those excessive rates, and there is no reason why banks who want to go into the business of usury should be permitted to do so as competitors of those who do not want to go into that business. The original intent of the framers of the Bank Act, as shown in the clause as it formerly stood—namely that it was right and proper that there should be a limit to the rate of interest charged—was a proper principle, and if it was not effectively embodied in the Act as it formerly stood, it should, in the light of present knowledge and of present conditions, be effectively embodied in the Act as it passes through Parliament to-day. I do not say that the figure should be seven per cent, eight per cent, nine per cent or ten per cent, but I do say that there should be fixed whatever maximum the sense of Parliament should agree to be proper, and that the law should be so framed and administered that a bank that desired to go into the business of usury should not be permitted to do so, and if it did, it should be punished.

Mr. SEXSMITH: I took objection to this clause in the Banking and Commerce Committee, and I wish to register my protest again. For my part I cannot see why we should allow a corporate body to charge any rate of interest they choose; we have laws at present in nearly every province of Canada prohibiting an individual from doing so. I do not say that the banks have been charging usurious rates, but there is nothing to prevent them from doing so, and the principle involved in this clause is that, if any individual goes to a bank desiring to obtain a loan of from $25, $50, $100 or even $5,000, and if he is sufficiently hard-pressed to pay 25 per cent or 50 per cent upon the loan, the bank is legally entitled to take it. In reading over the two clauses, the old section and the one proposed under the present Bill, I agree with the hon. member for North Ontario (Mr. Sharpe), but if the interpretation asserted by the hon. Minister of Finance to have been put upon that clause by the courts is correct, then I would take objection to that also, and would agree with the hon. member for Edmonton (Mr. Oliver) that the clause should be so worded as to place the banks on equal terms with individuals who may be in the money business.

Mr. KYTE: I also desire to protest against the provisions of this section as pointed out by the hon. member for North Ontario (Mr. Sharpe). There is a law on the Statute Book at the present time which regulates the rate of interest which other persons shall charge for the use of money, and I cannot see why this Parliament should accord to the banking institutions of this country privileges which are denied to ordinary individuals. During the discussion on the second reading of this Bill I

pointed out that the tendency towards merging financial institutions in this country has resulted in an increased rate of interest to the small borrower. The Minister of Finance has said that at the present time when small loans are put through the bank there is a minimum rate of 75 cents or $1 which is, as a matter of fact, sometimes 15 per cent of the loan, according to the amount. A minimum rate of 75 cents or $1 is of course a very small rate for the borrower to pay. If a man goes into a bank and borrows $25, and the bank charges him $1 for putting the loan through, there is not much to quarrel about, but if the borrower desires to obtain $100 or $500, the bank manager, under the provisions of this section, if it is allowed to remain in the Act, and if the necessities of the borrower are sufficiently great, may exact a rate of 15 per cent, which would be a very considerable tax upon the borrower. I think that if no better protection or safeguard can be made for the small borrower in his transactions with the bank under the section which has been substituted for the clause in the present Act, I think the present Act ought to prevail. At all events the provisions of the old law do not legalize the exaction of extortion, as this section would do. The hon. Minister of Finance stated that the banks were heretofore improperly imposing illegal rates of interest upon the borrower; yet under this section we propose to legalize what it is illegal for the banks to do at the present time.

Mr. WHITE: Allow me to correct my hon. friend; I am afraid I have not made myself sufficiently clear. Section 91 of the present law apparently limits the rate to 7 per cent, but I pointed out that the decision in the McHugh case was that if the rate of interest were stipulated in advance—and that has been done for years—the bank could legally take the rate of interest so stipulated. So that the profits of the banks have been quite legal, although apparently contrary not only to the spirit but to the letter of section 91. I would like to say further that when this Act was originally drafted, Canada was, of course, a different country from what it is to-day. Evidence was given before the committee to show that at the time of the gold rush in the Yukon territory, which is a part of Canada, rates of interest were as high as from 24 per cent to 36 per cent, 2 per cent or 3 per cent a month; and it was also shown that the expenses of carrying on the business of the banks at that time in Dawson city were enormous. The banks said they would never repeat the experiment. It was pointed out that a plate of pork and beans cost, I think, $5, and it was stated that the cheapest thing in Dawson at that time was money. We, therefore, must have regard to the fact that we have a country the size of Europe, with different conditions prevailing in its different sections.

My hon. friend from Edmonton (Mr. Oliver) contended for an equalization of rates. I think that would be very desirable if we could accomplish it without denying bank accommodation to sections of the community in which he is particularly interested. I do not believe you will ever be able to put legislation on the statute book that will compel banks which, like others, after all, are pursuing their vocation for the sake of gain, to go into a particular district remote from the central communities, unless they think that the opening of that branch will immediately or prospectively result in gain. The evidence before the committee showed that banks would not go into new sections of the country if confined to a rate of interest of say seven per cent. In fact, evidence was given, and some members of the committee may dilate upon this, to show that it would be very unprofitable for the banks to do that, and that as a matter of fact it would result in depriving many communities of banking accommodation which they very greatly need, and for which they would be willing to pay eight, ten or even twelve per cent. In other words, the law of supply and demand would govern. If we limited the rates of interest absolutely to seven per cent, in other words, if we changed section 91 so as to give legal effect to what was obviously in the mind of its original drafter, instead of benefiting the borrower, we should take a step that would recoil to his disadvantage. There are districts in the Northwest and in the Yukon and other parts of Canada where the banks are under exceptional expense in opening up their branches. That being the case, and in order to remove the anomaly, the committee decided upon the clause which appears in the Act now before the committee, but in view of the request of my hon. friend from North Ontario (Mr. Sharpe), and of other members of the committee, who were, I think, quite properly of the view that the decision of the Privy Council to which I have referred permitted the banks to take in advance the rate stipulated for, and when they sought to recover by a process of law, limited them to the maximum rate of seven per cent before maturity and five per cent after maturity, and in view of the further fact that it is impossible to forecast what legal decision might be given on a new wording, I have said to this committee, as I said to the Banking and Commerce Committee, that I am entirely willing to restore clause 91 as it appears in the present Act. In other words, not to disturb the wording, the banks will be in whatever position they were in under the express wording of section 91, which appears to limit the rate to seven per

cent. It is only fair to the committee to say that according to the McHugh decision they have the right to a higher rate if taken in advance.

Mr. KYTE: We must not forget that we are legislating for the whole of Canada. While it may be said that conditions as regards banking, and the value of money, were unusual in the Yukon some years ago, those conditions do not prevail to the same extent at the present time. If this section passes, it will not only enable a bank manager in the Yukon to charge a rate of interest according to the necessities of the borrower, but it will result in increasing the rate of interest all over Canada. The advantage of the section that exists under the present law at all events is that it indicates that it was in the mind of Parliament that banks should have no right to exact a larger rate of interest than seven per cent. That circumstance had the effect of operating upon the consciences of some bank managers in eastern Canada.

Mr. OLIVER: Upon what?

Mr. KYTE: Some bank managers have consciences.

Mr. WHITE (Minister of Finance): I have handed in an amendment under which clause 65 will be restored.

Mr. KYTE: I would prefer the former clause.

The CHAIRMAN: Mr. White moves:

That clause 91 be struck out, and that the following be substituted therefor: 'The bank may stipulate for, take, reserve or exact any rate of interest not exceeding seven per centum per annum and may receive and take in advance any such rate, but no higher rate of interest shall be recoverable by the bank.'

Mr. McCURDY: The hon. member for Edmonton (Mr. Oliver) was not, I think, present at the sittings of the Banking and Commerce Committee. The evidence produced there was to the effect that the operating cost of a branch in western Canada was some two per cent on the total volume of business in excess of the cost of operating a branch in eastern Canada. I think it was Mr. Henderson who produced those figures, and he explained that his bank therefore charged on an average two per cent more interest for similar business in a large centre in the East. In other words, the reason given by that banker for the higher rates was the higher operating cost. We all know that there is a very large demand from the West for money. The West is prosperous, and we all rejoice in that. But the fact remains that, under our banking system to-day—and it is particularly true at the present moment—the West can only be supplied with the money it needs by draining the East dry. Some three or four years ago, in 1909, the National Monetary Commission of the United States was investigatisg the banking systems of different countries with the idea of making a report to Congress. They sent to this country Mr. Joseph French Johnson who, in April, 1910, reported to the National Monetary Commission. I have here in his published reports his conclusions regarding the Canadian banking system, and with your permission, Mr. Chairman, I would like to read one bearing on the point raised by my hon. friend from Edmonton.

Mr. Johnston makes the statement that when making his investigation of the Canadian system in 1909, he had access to information of the most reliable kind. On page 92 of his report he says:

This transference of funds from sluggish to active communities is the inevitable result of a system of branch banking, and is the cause of the tendency of the rate of interest toward uniformity in all parts of Canada. Whatever may be said against a system of branch banks, there can be no question that it does bring about a more even distribution of capital in a country than is possible under a system of independent local banks. Canadian bank managers are anxious to put out their money where it is most wanted, for there they get the best possible rate of interest and obtain paper of the best quality. No matter where a manager's headquarters may be he is most deeply concerned in three questions: (1) Where is idle money accumulating? (2) How can he best draw it into his bank? (3) In what parts of the Dominion is money most needed? In localities of both kinds he establishes branches; in the one the branches accumulate deposits often much in excess of their loans, in the others the loans exceed the deposits.

Thus it happens that the savings of the eastern provinces, where the growth of industry and trade is slow and the demand for new capital is not increasing, are sent westward and loaned out to merchants and manufacturers and farmers of the new territories. The people of the East supply the capital for the development of the West, though many of them perhaps are entirely ignorant of the useful purpose their savings are made to perform. In the western cities of Canada one hears no talk among business men about the scarcity of capital.

That was written in 1909. There are complaints at the present time, but the present money stringency is world wide.

Mr. OLIVER: If my hon. friend will take a trip out there now, he will hear something different.

Mr. McCURDY: I do not have to go so far as that for complaints regarding money scarcity to-day; but that will pass. (Reading):

A merchant or manufacturer in Manitoba gets the money he needs as easily as does a

merchant or manufacturer in Toronto or Montreal.

Justifiable as the bank's policy is from a national point of view, one cannot help believing that the branch banking system has really checked development of business and industry in the maritime provinces. If Canada during the last thirty years had depended, like the United States, upon independent local banks, there would have been a plethora of capital in the East, and Montreal, Quebec and Halifax, like Boston, New York, and Philadelphia, would years ago have had 4 and 5 per cent money, while Winnipeg and other western cities, less populous than now, would still be paying one per cent a month. The relative cheapness of capital undoubtedly helped build up the prosperous industries of Massachusetts. The same cause operating in the maritime provinces of Canada would doubtless have led to the establishment there of industries of which the people under existing conditions have not ventured to dream.

Mr. THOMSON (Qu'Appelle): I wish to register my protest, along with that of the hon. member for East Peterborough (Mr. Sexsmith), against this clause in either shape. Something has been said about suggesting another amendment. I would like to make a suggestion to the minister as to how an amendment might be made. He has referred to a decision in England that, when the interest is charged in advance, and when it is a discount, the law does not apply. I do not think the law will apply at all under the section as it was before and as it appears now because it is drafted so that it shall not apply.

Mr. WHITE: The decision was given under section 91 of the present Act, which, I say, we are restoring.

Mr. THOMSON: The decision will be exactly the same under the present Act.

Mr. WHITE: No doubt.

Mr. THOMSON: If the law applies now to prevent a banker from recovering interest after the date of payment it can be made to apply to the discount as well and if so I see no reason why we should not say so. If that is one of the difficulties in the way it is very easy to overcome it. I would make the suggestion to the minister, so that he can remove any doubt that there is at present, that he insert after the words 'per cent' in the final line, the words 'either by way of interest, discount or otherwise.' Would not that cover it?

Mr. WHITE: That would limit the rate absolutely to seven per cent would it not?

Mr. THOMSON: I am only dealing with this one difficulty now which the minister has raised and I think the minister will be willing to confess that the insertion of these words will do away with this difficulty.

Mr. WHITE: Yes.

Mr. THOMSON: Then, one of the difficulties that has been placed before us is removed. If these words will not remove it the minister can very easily provide words that will. So long as he makes the enactment clear the judges are bound to enforce it. Another objection has been raised by the minister and that is that in the case of a small amount loaned for a short time the interest recoverable is very small. That is very easily overcome. If we were to make an exception where the minimum amount of interest does not amount to one dollar, it would overcome the difficulty. Thus, there are two difficulties which seem to have been wiped off the slate. I am not dealing with the question as to whether the rate of interest shall be limited to seven per cent. If seven per cent is too low make it higher. But if we are going to have a rate of interest let us enforce that rate. If you say that a certain amount of interest shall be charged and that only, let us provide machinery which will ensure the enforcement of that law. I must confess that I doubt very much if the present machinery will enforce it. I made the suggestion when the matter was before the House on the second reading of the Bill that the only way of making that provision effective was by Government inspection or by having some Government official to deal with it. The borrower is not going to enforce it because, as a matter of fact, he dare not enforce it. If he is a regular borrower and if he refuses to pay more than the rate of interest that the law allows the banker can easily say: If you do that, all right, we shall not lend you any more money. Notwithstanding all that has been said about competition between the banks I believe that there is enough close corporation among them that if a man were shut out of one bank he would be shut out of other banks too. The borrowers feel that and therefore such an enactment would have to be enforced by the Government. I am not asking the minister to state any particular rate of interest, but that the Government enforce the rate that is decided upon. We are told that there should be a higher rate of interest in the Yukon and in western Canada than in eastern Canada. I do not like the idea of zones, but if it is really necessary you could provide zones and you could say that a certain rate of interest shall be charged in a certain locality and another rate could be fixed for another locality. I think there is a good deal more said about the necessity for high interest in the West than is justified. I do not believe that the cost of carrying on the operations of the banks in the West will exceed the cost in the East by more than two per cent. I do not believe some of the things that these men tell us and I doubt very much if the men who say them believe them. We have heard a great deal about

the fact that the rate of interest in the West should be higher because there is very little money placed in the banks on deposit in the West. That works both ways. There is apparently enough money generally for the purposes of the country. If there is less deposited in the West than is borrowed there must be more deposited in the East but the people in the East are not prepared to borrow it and therefore it is an advantage to the East to have the West borrowing more than it is depositing. If the East is depositing more money than it is borrowing then, it is necessary to have the West borrow that money; otherwise the East will be losing the interest on the money. So, I think that it is about as broad as it is long. I do not know if I make myself clear to the minister. If the East is depositing more money than the West, and no doubt it is, as a matter of fact there are sufficient deposits in Canada as a rule to meet legitimate requirements. Then, the West is as much advantage to the East as the East is to the West; we borrow the surplus. And with the East and the West working together, we claim we are as much advantage to the East as the East is to us.

Mr. EMMERSON: Provided there is equilibrium.

Mr. THOMSON: It is said the banks will not loan to some people unless the rates are high; but to my mind these extraordinary loans are something like gambling; that is all you can call them. Let us put the maximum rate of interest as high as necessary, and if it goes beyond that on loans the chances are these loans are not in the interest of the country, are not in the interests of the bank, are not even in the interests of the man borrowing. I know of many men who are getting money who would be benefited if they were refused. If a man is paying too high a rate of interest it is because he is too hopeful, and the chances are he will lose. Money is worth just so much; sometimes we think it is worth more than it really is, and because a man by paying a higher rate of interest is getting money when he would not get it otherwise, that results in a disadvantage all around. I think the minister will overcome the difficulties he has mentioned by adopting the two suggestions I have made. If we are to have a rate of interest fixed let us enforce it and not make a mockery of it. If the rate is too low, let us increase it, but do not let us shirk our responsibilities, let us face them like men.

Mr. WHITE: I desire to move that the committee rise and report progress and ask leave to sit again this day, the reason being that it will enable me to present the supplementary estimates so that the members of the press gallery may get them, as otherwise they would have to wait until after midnight.

Motion agreed to, and progress reported.

SUPPLEMENTARY ESTIMATES FOR 1913-14.

A message from His Excellency the Administrator, transmitting supplementary estimates for the year ending March 31, 1914, was presented by Hon. W. T. White (Minister of Finance), read by Mr. Speaker to the House, and referred to the Committee of Supply.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILL—SECOND READING.

Bill No. 207, respecting a Patent of the Commercial Acetylene Company of New Jersey.—Mr. Maclean (South York).

BANKS AND BANKING.

House resumed consideration in Committee of Bill No. 36, respecting Banks and Banking.—Hon. W. T. White (Minister of Finance). (Mr. Deputy Speaker in the Chair.)

On section 91—interest which may be charged.

Mr. EMMERSON: When the committee rose, I was going to make some observations with respect to this section. In my judgment, the section as amended by the committee is directly at variance with previous legislation passed by this House, and with the principle which Parliament has recognized for many years. As the amendment of the committee reads, it leaves the door wide open; the banks may charge any rate of interest. I am not going to assume that banks would do so; but I know that it has been done in some sections of the Dominion, as has been demonstrated in trials of important cases in the Supreme Court, notably that of Barretts vs. the Bank of Commerce, a Yukon case. The bank there charged as high as twenty-four per cent on loans and renewals. It was held in that case that where the party had voluntarily paid the amount, he could not recover the excess beyond the seven per cent. We have on the statute-book of Canada the Money Lenders' Act, chapter 122 of the Revised Statutes. Section 6 reads as follows:

Notwithstanding the provisions of the Interest Act, no money-lender shall stipulate for, allow or exact on any negotiable instrument, contract or agreement, concerning a loan of

money, the principal of which is under five hundred dollars, a rate of interest or discount greater than twelve per centum per annum; and the said rate of interest shall be reduced to the rate of five per centum per annum from the date of judgment in any suit, action or other proceeding for the recovery of the amount due.

Mr. WHITE: Has my hon. friend had his attention called to the definition of money-lender there?

Mr. EMMERSON: Yes, but that was a principle which was adopted by this Parliament. It was recognized that certain individuals should be restrained. Seeing that it has been demonstrated in the courts of the country that banks have been offenders in this respect and that they have charged as high as twenty-four per cent, this Parliament should put some restriction upon them. My proposition would be to restore the section as it was originally. I would make the rate even higher, if seven per cent is not sufficient. I would have a maximum rate of a certain amount beyond which the banks could not go, that is, that they could not accept or retain any rate beyond that. Of course that would not apply in cases where the interest did not exceed one dollar. Section 4 of the Money Lenders' Act reads:

This Act shall not apply to any loan or transaction in which the whole interest or discount charged or collected in connection therewith does not exceed the sum of fifty cents.

I would say: 'the sum of one dollar.' Where the bank did accept or retain, even with the consent of the party who secured the loan, the excess amount beyond the limitation which we had fixed, it should be recoverable in any court of competent jurisdiction. I would also have a provision that each bank shall furnish a statement monthly to the Minister of Finance showing the maximum and minimum rates of interest or discount charged or retained on loans by such bank at its head office or at any of its branch offices, such statement not to include percentage rates or minimum charges on small loans less than fifty dollars. That would seem to obviate one difficulty with respect to a bank showing a very high rate of interest on a loan of say twenty dollars for a month, where it had charged its minimum charge of fifty or seventy-five cents or a dollar, as the case might be. I would not require banks to make statements as to such small loans; but, if we fixed for them a rate of interest beyond which they must not go, then we should tie them down so that they shall be obliged to return any excess, if the party brings suit against them in any court of competent jurisdiction. Seven per cent as a maximum amount is perhaps too small under present conditions. I do not think banks in the East usually go beyond that; but, in the West they charge as much as eight or twelve per cent, and in this case from the Yukon, they charged a rate as high as twenty-four per cent. Under those circumstances I think we should limit the rate to perhaps 8 per cent, the 8 per cent not to apply to small loans in regard to which a minimum charge is made by the bank. I think if you make the maximum rate higher, the banks should be obliged to refund any excess of that charge, providing the borrower seeks it. In addition to that I would require that this statement be made to the minister monthly, so that publicity should be given as to the minimum and maximum rates charged by the banks of the country.

Mr. WHITE: Does my hon. friend propose to offer an amendment?

Mr. EMMERSON: I was going to propose an amendment with respect to the monthly statement.

Mr. WHITE: I think it would be a mistake to raise the rate of interest from 7 per cent to 8 per cent, even if we made the 8 per cent absolute. In those districts of Canada in which the prevailing rate is now less than 8 per cent, there would be a tendency on the part of the banks to feel a justification that they do not now feel in raising the rate to 8 per cent. I am impressed with the suggestion put forward in the committee that the provision for a 7 per cent rate is an indication to the banks on the part of Parliament, notwithstanding the decision of the Privy Council, that the rates of interest should be moderate. So far as the coast communities are concerned, in which the rates of interest are at present 7 per cent or under, I think the fixing of the rate at 8 per cent would have an adverse influence. Let us take the case of a western community, particularly those parts of the country in which a higher rate than 8 per cent prevails. It was shown to the satisfaction of the committee that the bankers discriminate as to loans; they always have and always will. A gets a better rate than B, because his account is larger, his credit better or his standing higher in the community. A borrower in a particular community where the deposits are large and where there is particularly keen competition will receive more favourable rates than a borrower in a community where there are no depositors, where the deposits are small, or where there is no competition on the part of the banks. The hon. member has mentioned the case of the Yukon. I have no hesitation in saying that if you had had an 8 per cent or 9 per cent maximum rate in the Yukon, fixed by the Bank Act, the business community of that territory would

not have received any banking accommodation at all, because the carrying on of the banking business would not have paid. I do not believe that it is feasible to impose legislation that would compel the banks to make loans in any particular community. The banks, so far as the Yukon is concerned at the time of the gold rush, would not have entered the field at all if they had been limited to an 8 per cent or 9 per cent rate. I know that there prevails in the community in general a very considerable sentiment in favour of strictly limiting the rates of interest, but I submit that we must face all the conditions that exist in such a large country as Canada. As legislators, it is our duty to do what we regard to be the proper thing in the interests of the community as a whole, and I am perfectly satisfied that any legislation, so far as western communities are concerned, seeking strictly to limit the rate of interest to eight per cent would defeat the very purpose of those who are desirous of bringing about that condition. I think that banking accommodation would be denied to a large number of borrowers who would be willing to pay eight per cent or ten per cent, especially upon small loans, to their own great advantage. I think that view was amply confirmed by evidence that was taken before the committee. We are all in sympathy with the principle of obtaining as low a rate of interest as we can for the borrowing community, but two things must be borne in mind. In the first place, banking, just like any other business, is engaged in for purposes of gain, and, so long as there is no combination affecting the rates of interest there is, undoubtedly, competition, not only among banks, but between the banks and private lenders of money, for there is a great deal of money loaned in the country by institutions other than the chartered and private banks. It is desirable that bank captial should flow into this country, and if we adopt a rate of discount which will affect or restrict the profits of the bank unduly, I think the whole country would feel the ill-effects of it, because the money would simply cease to flow into that capital. Undoubtedly you will injure the borrowing community if you adopt restrictions that might be too harsh. Evidence was given by the manager of the Weyburn Bank, who produced a statement with regard to his institution—a very carefully managed bank, at least so far as we could judge. It was a bank operating in Saskatchewan, a purely western institution not doing any business in the East at all. His evidence was confirmed by figures which he laid before the committee as to the net earnings of the bank and the rates of discount charged, and it was clearly shown to the satisfaction of the committee that a reduction to seven per cent of the rate of interest which they obtained upon loans would close the doors of the bank. During the course of his examination, I asked him:

Q. I want you to make a little calculation for me. According to the bank statement your current loans and discounts amount to $894,000?—A. Did you take in the past due?

The Chairman.—It is about $910,000.

The Witness.—About $910,000.

By Hon. Mr. White:

Q. How much interest would you lose on these if they were on a 7 per cent basis? What is your average?—A. I would say our average is 9 per cent.

Q. Then you would lose 2 per cent?—A. Yes.

Q. What is 2 per cent on $900,000?—A. $18,000.

Q. How much per cent is that on your capital?—A. About 6 per cent.

Q. How much dividend do you pay?—A. 5 per cent, well, now we make more than that.

Q. If a 2 per cent reduction in interest were made, what in your opinion, would be the effect?—A. It would wipe out our profit on the loaning business. You might as well go out of the banking business.

Here is a man who gave his evidence very sincerely and impressively before that committee, and I think it establishes the fact that so far as the banking business in the western community is concerned by banks operating there solely—and that is a fair test—having regard to the amount of deposits that they can get now at any rate—I look forward to a great increase in deposits there, because I have the greatest faith in the West—to compel the banks to limit their interests to seven per cent would defeat the very purpose that hon. gentlemen have in view who advocate that course. I understand that my hon. friend from Westmorland does not differ on that point. There was a suggestion made in the committee, I think by my hon. friend from Westmorland and concurred in by myself and many other members of the committee, and I think favourably received by the committee, though there was some difficulties that arose or were suggested as likely to arise in its carrying out because of difficulty in obtaining returns to comply with the requirements of the amendment. I agreed in principle with the amendment that was suggested, for this reason, that I believe that the best result will be obtained by not limiting the rate of interest, and it will not be limited when we restore that section 91, because as I pointed out before the House rose, the decision under that section enables the bank to charge such rate of interest as may be agreed upon, provided it is taken at the time the loan is made and is not recovered

by legal protest. I believe that it is better to leave the situation exactly as it is. But I am a great believer, as are many other members of both sides of the House—in fact, I have no doubt, all members on both sides, because we are legislators—in publicity as a check upon anything that might be against the interests of the community. Therefore, I suggested as an amendment to the amendment in the committee—or I am not sure that I suggested it to the committee, but I had it drafted—that a return should be made by the banks at least once a year—because there is great difficulty in making returns monthly—whereby the maximum rate of interest charged by the banks throughout Canada should be made a subject of return to the Finance Department, so that if an extortionate rate of interest were being charged, the bank could be asked why it was necessary to charge this rate, what the circumstances are which made necessary a rate so much in excess of the rate mentioned in the Bank Act as being fair. Therefore, I shall propose an amendment to section 91, though I have only been able to consider it very cursorily, because it has been comparatively hurriedly drafted by my assistant deputy who has been a good legal advisor throughout this Bill as all the members of the committee know. The amendment is as follows:

The bank shall make a quarterly return—

Because that will give them time.

—to the minister as of the last juridical day of the months of March, June, September and December in each year, giving such particulars as will be prescribed by regulations made by the Treasury Board of the interest and discount rates charged by the bank.

I have it in mind that the Treasury Board can make regulations as to loans up to a certain amount, loans in certain districts and so on, so that it would not be of a general character and yet would be fair to the banks. Sub-section 3 is also a part of the amendment:

Such returns shall be made up and sent in within the first thirty days of the respective last juridical days aforesaid, and shall be signed by the same persons as are required to sign the monthly returns made to the minister under section 112 of this Act.

The effect of section 91 on the amendment will be that the banks will be reluctant to go into new districts and get such a rate of interest as they may be able to get, and that may be fair having regard to the conditions. On the other hand, they would be compelled to make a return to the Finance Department so that, if it should appear that an undue advantage is taken of the borrowing community, attention would be drawn to it and the matter may be taken up between the department and the bank. It seems to me this is as good a reason as we can get on this question.

Mr. EMMERSON: I am very thoroughly in accord with the suggestion made by the Minister of Finance. Bearing in mind the fact that the minister has made provision for a return to be given in the month of January as to the value of bank premises, I was going to suggest the following:

All banks shall furnish a statement on the first day of January in each year to the minister showing the maximum and minimum rates of interest or discount paid to, charged or retained by such bank at its head office or at any of its branch offices during the preceding year on loans—this not to apply to any loan or transaction in which the whole interest or discount charged or collected in connection therewith does not exceed the sum of one dollar.

Mr. WHITE: I would point out to my hon. friend that the provision for regulations of the Treasury Board, I think, cover the situation better than his amendment, as giving more flexibility.

Mr. EMMERSON: I had accepted the suggested amendment of the hon. minister. I was going to explain to him that I had in mind offering this amendment for the consideration of the committee. But, in view of the step the minister has taken, I will certainly not interject my amendment.

Mr. CARVELL: Would the minister say what amendment is before the committee? I understood him to move an amendment before dinner, another was suggested and the minister has moved another one still.

Mr. WHITE: My hon. friend has before him, no doubt, the Bill as it came from the committee. I propose to strike out section 91 as it appears in the Bill and to restore section 91 as it exists in the present Act. Again, there is the amendment which I have just suggested with regard to returns concerning rates of interest and discount.

Mr. CARVELL: I think the minister is right in restoring section 91 to the Bill. It is pretty hard to regulate what a man shall charge for his money. Although I know the banks are recipients of very great favours at the hands of Parliament, yet I presume that there are cases in which they might have the right to charge more than in other cases, although I must say I can hardly follow the argument that it costs two per cent more to do business in the West than in the East. It may be true; I am not an authority. I wanted to say a word on behalf of the banks. I do not think they have ever been guilty of usury so far as the eastern portion of Canada is concerned;

at least I have never known of a case. I have never known of a bank in eastern Canada asking for more than seven per cent interest during the last ten or twelve years, although it may be possible that they have done so. I know that a very large amount of money is loaned at six per cent, but so far as our portion of Canada is concerned, I do not think there is very much fault to find with the amount of interest charged by the banks. I think it would be better to leave that seven per cent in the Act. While the minister does not think it is of much legal value, and probably, in view of the decision of the Privy Council, it is not, I would rather see it left that way than have a maximum of eight per cent provided, for I fear that if we fix the maximum at eight per cent, in many cases the banks would say, if we are compelled to do business for less than it costs us in the West we will have to make it up in the East, and probably the borrowers in the East would suffer. Between the two evils I would choose the least, and therefore I think it would be better to leave the section as it was originally.

Mr. CLARK (Red Deer): I am very sorry to take up any of the time of the committee on a matter which has been discussed so much, but I have certain opinions which I voiced on the second reading, and which I feel impelled to repeat now. Throughout my life, ever since I could do any thinking, I have considered that it was a misfortune to have any law upon the statute book of a civilized country which was not respected and enforced, I do not care against what class of society that law is directed, or against what proceeding of society. Now the original clause reads in part:

> The bank may take any interest not exceeding seven per cent, but no higher rate of interest shall be recoverable by the bank.

If that clause has any object, it is to assert that the law of Canada, as applied to banks, is that they shall get seven per cent interest upon money as the maximum. What are the facts, Mr. Chairman? In the province of Alberta, if a man goes to the bank, it is not a case of collecting interest before hand; he is presented with a note. If his credit is good his own name will be accepted on the note, if not, he is required to have the signature of another citizen of repute. On that note he promises to pay eight per cent, and the banks invariably collect that eight per cent. I say it is a misfortune that in a country in the British Empire we should, with our eyes open, enact this clause and have this proceeding go on. I do not wonder that a lawyer of the eminence and repute of Chief Justice Moulton should have given the decision he did, because by that decision I think he inferentially expressed his absolute contempt for that clause as a piece of legislation. I have not his private opinion, but I am perfectly certain that if I got it, it would be what I am expressing at the present moment. I would be surprised if it were otherwise. I do not know what answer my hon. friend the Minister of Finance and other hon. gentlemen on the other side of the House may make to what I am stating. It may be said that when a man signs a note at the bank to pay interest of eight per cent in six months, he does so with eyes open, and makes a contract. I quite agree, but he cannot help himself. He needs the money. The point is that the law of the land says that you shall not take more than seven per cent, and the banks proceed incontinently to take eight per cent. I do not know how this assembly can respect itself if it knows the facts and enacts this clause. I can only explain the fact that more borrowers do not take advantage of this clause on two grounds. One may be that they do not know anything about the clause, and I think that is true of the great majority of them. The other may be that they are so upright, that when they sign a contract they feel like standing by it. Suppose the latter is the explanation. It would be so in my own case; no man can be surer of another man's uprightness than he can be of his own. Suppose the latter explanation is the true one, what conclusion must we draw? Why, it is that the morality of the ordinary borrower in the province of Alberta is higher than that of the Parliament of Canada, because Parliament enacts a clause which extends an invitation to financial immorality on the part of the borrower, who can sign a note saying: I promise to pay eight per cent but who, if he knows enough, may say at the end of six months, you can whistle for your eight per cent for all you are going to get is seven per cent. If Mr. Justice Moulton had a poor opinion of the original clause, I would not like to think what his opinion would be of the amendment. But as the minister has dropped it, I do not want to criticise it. I never lick a dead foal. I do not favour any clause, I could not favour any clause, which says that the banks cannot take more than seven per cent and which yet allows them to take eight per cent. I could not do that and respect my intelligence and common sense. I hope the minister and the committee understand where I am at. I am certain that the people of Alberta do. One thing the people of Alberta do not understand is why they should pay eight per cent while the people of Saskatchewan pay only seven per cent. But if he cannot make better legislation, I suppose we will have to go on paying the extra one per cent.

Mr. OLIVER: I agree with what the hon. member for Red Deer has said, and I suggest to the Minister of Finance that every argument he used in favour of the clause as he proposed to have it, was an argument that there should be no clause at all. I quite agree with the hon. member for Red Deer that if the clause in regard to interest is not to be respected, it should not be there.

Mr. CLARK: It should be penal.

Mr. OLIVER: What I urge is what was urged by my hon. friend from Qu'Appelle (Mr. Thomson) and by other members, that whatever may be considered as a maximum rate of interest should be fixed as the maximum.

Mr. SHARPE (North Ontario): What is the hon. member's suggestion?

Mr. OLIVER: I am not making a suggestion at the moment; it is not my business.

Mr. SHARPE: You represent the West.

Mr. OLIVER: Let my hon. friend represent North Ontario a little more honestly than he does, and it will be better for North Ontario and for the rest of us. All I want to say is that if a purely western bank, such as the Weyburn Bank, can do business, and does do business, on an average rate of interest of nine per cent, there is either nothing in the contention that our system of banking with branches all over the country is superior, or else the system is not being carried out fairly.

Mr. WHITE: Might I call my hon. friend's attention to the fact that the Weyburn Bank's rates were eight per cent, ten per cent and twelve per cent, but the average was nine per cent?

Mr. OLIVER: The Weyburn Bank is a purely western bank, dependent on western capital and western deposits, but its average rate of interest was nine per cent. That is to say if the Weyburn Bank charged all its customers nine per cent, it would get just the same revenue as it gets to-day. It suits the Weyburn Bank, being an American institution, run by people from the United States, according to United States principles, to vary their rate of interest. The average rate is nine per cent. If the Weyburn bank, depending entirely on western capital and on western business, can do business at nine per cent, our chartered banks having their headquarters in the East ought to be able to do business in western Canada at a lower rate than nine per cent. If they are not, there is no benefit in the system of branch banks. My hon. friend seems to think that it is a splendid arrangement whereby there is to be left on the face of the Act a provision, as he says, suggesting to the banks that they ought not to charge more than seven per cent but at the same time leaving them free to charge whatever they please. He says that will work beautifully because in eastern Canada they will only charge seven per cent and in western Canada they may charge whatever they want to. If my hon. friend will take the section out of the Act altogether and will hold out to the country that his Bank Act, put through Parliament this year of grace, 1913, takes no account of the crime of usury when practised by a bank upon the western people, he will be honest anyway in his legislation. But to put a section in the Act which holds out to western, as well as eastern, people, the idea that the banks are limited to a charge of seven per cent and yet allows them to charge what they like is not honest legislation, it is not fair and it is not decent, and I protest against it and protest very strongly. My hon. friend made the suggestion that a fixed rate of seven per cent would close the banks operating in the West.

Mr. WHITE: I said that in the case of the Weyburn bank the manager showed that it would, but that in regard to other banks, my view was that they would not go into new districts to the same extent as they otherwise would and that probably they would draw out from some that they are now in.

Mr. OLIVER: Precisely. Neither myself nor my hon. friend from Qu'Appelle, nor any of the men from the West, urged that the rate be limited to seven per cent. What we are asking to be protected against is the usurious rates which are being charged, which my hon. friend knows are being charged and which he cannot justify. My hon. friend from Regina (Mr. Martin) stated to this House that in the course of his business he had collected accounts for banks where the interest was twelve per cent. It is nothing more nor less than a scandal, and it should not be permitted under the legislation of this Parliament. It is a disgrace to the banking system of Canada. We know that the reputable banks of Canada do not do that sort of business, but there are some banks which are run in that way, they are doing that kind of business, they are doing it in the West, and my hon. friend stands up and says that it is all right so long as they do it in the West. I object most strenuously to that proposition. I do not ask that a low maximum rate be fixed, but let us have protection against usury in the West under the provisions of this Act, or else let my hon. friend say that he will not give any protection and that, while other

institutions and persons are prevented from practising usury, the banks shall have free and full liberty to do it so long as they do it west of lake Superior.

Mr. NICKLE: When this matter came before the Banking and Commerce Committee, we found ourselves confronted with this difficulty. The law, as it stood in the old Act, was made up of the original section plus a decision of the Judicial Committee of the Privy Council, the net result of which was that if a bank took their charge by way of discount they were entitled to charge any amount they cared to levy, but if they did not make the charge by way of discount but by way of interest, they were not entitled to charge an amount in excess of seven per cent. If the instrument called for the payment of a rate of interest in excess of seven per cent it was ultra vires as to any rate in excess of the legal rate of five per cent. Part of the law was not exactly as the hon. member for Red Deer (Mr. Clark) has stated. It was this: If the rate of interest was in excess of seven per cent the borrower had a right to say: 'I will pay five per cent,' and the banks could not collect beyond that amount. In the consideration of the situation considerable evidence was given by western representatives and, if I remember correctly, one Mr. Chipman gave evidence and produced some two hundred or three hundred notes of various banks by which he amply proved that the ordinary rate of interest in the West did not, except in odd cases, exceed ten per cent. Further evidence was given by Mr. Henderson, representing the Bankers' Association, by which he showed that the expense of carrying on business in the West was 2·58 per cent higher than in the East, and that the average rate of increase in interest was two and a half per cent in the West as compared with the rate in the East. He read extracts from the statements of various men in authority who went the length of saying that if this Parliament tried to fix a rate of interest of less than seven per cent the net result would be that the supply of money to the West would be restricted and there would be a dearth. The committee therefore found itself confronted by these difficulties. If they fixed a rate of seven per cent, or less, then the West was going to suffer from the closing up of branch banks because the cost of doing a small business was necessarily proportionately larger in the West than that of doing a larger business in the East. There were no deposits there and nothing like the proportion of loans made by the banks as compared with the amount of business done in the East. The net result was that section 91 as it stands in the Bill as presented to the House to-day was drafted and carried in the committee, together with a sub-section that monthly the banks must present to the Minister of Finance a statement showing what the rate of interest was on all loans of over one hundred dollars. The committee in dealing with section 91, drafted as it appears in the Act now under consideration, together with this sub-section, thought they would effectively block any attempt on the part of any bank to charge usurious rates. But the committee, at a subsequent sitting, cancelled the sub-section and left section 91 as it appears in the Bill now before the committee. Under the present clause a bank may collect by way of discount any rate it pleases, but in case it charges a higher rate of interest than seven per cent, it can collect only seven per cent. It differs from the original section in the old Act in this, that a rate of seven per cent could not be collected if a rate in excess of this were charged as interest, but only a rate of five per cent. I quite agree with the opinion of the hon. member for Red Deer that it is most unfortunate that this Parliament should enact a law that practically means nothing. I am with him in this, that whatever we intend to be the law, we should state clearly and fully and that we should if necessary put in some penalty to insure that the provision shall be observed. I am sorry to say that I do not agree with my hon. friend the Minister of Finance in thinking the old section better than the present. It seems to me that the wisest provision we could make is not to restore the old section, but to leave the present section 91 as in the reprinted Bill, and put in an amendment or sub-section to the effect that monthly or quarterly returns of all loans over one hundred dollars shall be made to the minister. The publicity incidental to that notice would prevent, through shame, usurious rates, and section 91 in the amended Bill is consistent with the intention of the committee.

Mr. KYTE: There was evidence produced in the Banking Committee to show that it costs two per cent more to conduct banking business in the West than in the East and consequently the banks insisted on the privilege of charging nine per cent. According to that, any rate beyond seven per cent in the East is too high and should not be permitted. In Nova Scotia some branch banks are charging eight per cent for loans, a fact which cannot be denied. They are not doing it in cities and the larger towns where there are two or three banks doing business, but I do know they are charging eight per cent in certain places in Nova Scotia where they have bought out the competing banks and have a mo-

nopoly. If it was the intention of this Parliament when the Bank Act was revised in 1901 that banks should absolutely be debarred from charging more than seven per cent, and if it turns out that a flaw has been discovered, as indicated by the decision of the Privy Council, and that banks are permitted to charge more than seven per cent, it is our duty to so amend the existing section of the Act that the courts cannot get around the intention of Parliament. Surely language can be found to explain definitely what the intention of Parliament is, so that there will be no danger of a decision of the Privy Council or any other court giving a different interpretation to the clause.

The financial conditions existing in the West and in the Yukon were more pressing in 1901 when the Bank Act was last revised than they are to-day, and with a full knowledge of these conditions as regards the high cost of money in the West and in the Yukon, Parliament deliberately asserted that banks should not have the right to charge more than seven per cent. Therefore, I think the situation existing in the West to-day is not such as to induce Parliament to modify the Act in this particular. My hon. friend from Kingston (Mr. Nickle) points out that unless the banks charge their interest by way of discount, and deduct it from the proceeds of the note, by agreement forced upon the borrower, they could not charge more than seven per cent. I know that banks will be sure to take advantage of the interpretation of the statute that will enable them to collect the highest amount of interest by way of discount. There is not much danger that a bank manager will permit the borrower to place upon the face of the note the rate of interest he is paying, but rather he will discount the note and collect his discount before he passes the balance over to the borrower. My hon. friend from Kingston says that if that note runs beyond the time for which a higher rate of interest than seven per cent is mentioned, the higher rate cannot be collected. In the West, as I understand the hon. member for Red Deer, banks advance money upon a note signed by the maker without requiring an endorser when the maker is in good financial standing. That practice does not prevail in Nova Scotia. It is absolutely impossible for the maker of a note, no matter how wealthy he may be and how good his financial standing is, to get a loan of five dollars unless he has an endorser.

Mr. MACLEAN (Halifax): Oh, no.

Mr. KYTE: I am speaking now of the smaller communities. My hon. friend from Halifax (Mr. Maclean) may have had a different experience.

Mr. CARVELL: And in pretty big communities too.

Mr. KYTE: There is no danger of a bank allowing a note to run beyond maturity. When the bank knows it will be debarred from collecting more than seven per cent after the time the note matures it will take care every time to collect that note the date it matures, and if payment is not made it will force it out of the maker or the endorser by the issue of a writ. It comes down to this: that it was the intention of Parliament in 1901 that a bank should not have the right to charge more than seven per cent, but the decision of the Privy Council has disclosed the fact that that section is not binding upon the bank where the discount is deducted from the face value of the note. That is an interpretation of the Act which Parliament did not have in mind at the time, and therefore it is the duty of Parliament now to so amend that section as to make it absolutely impossible for the bank to get around it in any way. My hon. friends from the West, in the generosity of their hearts, concede that banks under the circumstances existing in that country ought be able to collect more than seven per cent. I say that so far as the East is concerned, the evidence of the western bankers is to the effect that seven per cent will give a good profit in eastern Canada in view of the large number of deposits they receive here and on which they pay a small rate of interest to depositors. Then, so far as eastern Canada is concerned, banks ought not be permitted arbitrarily to increase the rate of interest on loans from seven or eight, or nine per cent in defiance of the law under which they are conducting their banking business. The situation is absolutely simple; if Parliament sincerely desires to place a check upon this usurious rate of interest, either in the West or in the East, we have the power to do so. If, on the other hand it is not thought desirable to so limit the section as to the rate of interest, I would insist that the section as it stands in the Act at present is much more preferable than the section proposed in the Bill before us. The reason for that is that while it is conceded in the Bank Act that it is the intention of Parliament the banks should not be permitted to charge more than seven per cent, that will have an influence upon certain bank managers, it will be an intimation to them what the intention of Parliament is. There are certain bank managers who feel bound to respect the intention of Parliament and the borrower in the East will be relieved in some instances at all events from paying more than seven per cent for the accommodation he receives.

Mr. AIKINS: I quite agree with what has been stated by the hon. member (Mr. Kyte), that it is better to restore the clause as it was and as it does exist in the present Act.

Mr. KYTE: I was going to add also: in view of the amendment proposed by the Minister of Finance, which I think further strengthens it.

Mr. AIKINS: My reason for saying so is that the section as it now exists suggests seven per cent to the country as a reasonable rate of interest generally. I think it would be improper to increase that suggested rate of interest because it would give an indication to the country that this House of Commons thought a larger rate of interest would be reasonable. The next reason why I think it should be retained just as it is in the present Act is because it has been there for a long time; it has become honoured in usage, and there has been no general outcry in the country against it. I think, in the way in which it has been generally exercised, it has proved satisfactory to the country, although it may not have proved satisfactory to some customers. The third reason is because it has received judicial interpretation. I think that recent judicial interpretation shows clearly the exact meaning of that section, which is this, that if the parties agree upon a rate of interest and it is paid, at once it becomes a settled and closed account; a person who does so pay does it voluntarily with eyes open, knowing what is being done. The hon. member for Calgary (Mr. Bennett) says: They usually cannot help themselves. I submit that the customer is in no worse a position than if a fixed rate of interest was put in the Act, say seven or eight per cent, because the bank would decide not to lend in that particular district at that rate and so the customer would not get the benefit. Therefore it seems to me, when it is left as a matter of agreement, and people ordinarily understand how to protect themselves, it is the more reasonable way of doing it. If the payment is left executory, that is, if the agreement is simply that the interest is to be paid, then the Bank must stick to the seven per cent, because otherwise it would be an illegal agreement and then the only interest that could be charged would be five per cent. Under these circumstances I quite agree with the hon. minister that the old section should be retained, and I also agree with him in respect to the rider that should be attached to it.

Mr. OLIVER: I just want to call the attention of my hon. friend to the way in which this section, which has been found so useful, has operated in the past. I have here a statement of the proceedings of the Banking and Commerce Committee which sets out that the Bank of British North America has placed certain loans. There are thirty or forty of them and none of them at a rate less than ten per cent. The rates charged by the Dominion Bank vary from eight to eleven per cent; by the Canadian Bank of Commerce, from eight to twelve per cent; by the Union Bank, from eight to twelve per cent; by the Merchants' Bank, from eight to twelve per cent; by the Northern Crown Bank, from eight to twelve per cent; by the Bank of Hamilton, from eight to twelve per cent; by the Weyburn Bank, from eight to ten to twelve per cent; by the Bank of Toronto from eight to ten per cent; by the Quebec Bank, from nine to ten per cent; by the Bank of Ottawa, from eight to twelve per cent. The rate charged by the Royal Bank stands at eight per cent. In view of this evidence before the committee as to the regard that has been paid to that section of the Act, unless the hon. minister is going to make the section have some effect, the proper course would be to strike it out. It has discredited our legislation, or it has discredited our administration, because no regard has apparently been paid to it. I certainly think that such legislation should not remain on the Statute Book unless the Government is prepared to say that the interests of the people are to be protected by the intent of that section being carried out.

Mr. NICKLE: Which section do you mean, the old or the new?

Mr. OLIVER: I mean that neither of them should remain. The new section has the merit of being honest. It simply authorizes the banks to practice usury without restriction. That is honest and fair, but I object to it. I do not think it would be for the credit of Parliament to allow such a section as that to pass into permanent legislation. As for the old section, while on its face it has an appearance of value, as a matter of fact, on the word of the minister and on the evidence before the committee, it has no value. It is not the intention of the minister to give it value. Therefore, I say it should not appear on the statute-book. The business of Parliament and of the Government is to provide in this Act against the charging of usurious rates of interest by a bank.

Mr. MACLEAN (Halifax): I have not yet heard this evening from any hon. member a sound reason for departing from the section as we find it in the reprinted Bill. All the hon. gentlemen who have suggested that we revert to the section in the Bill as originally introduced have not accompanied their remarks with any argument, any reasoning, any logic, which appeals to me in the

slightest degree. I quite agree with the hon. member for Edmonton (Mr. Oliver) that Parliament should say what it means and should mean what it says. There are many difficulties in the way, and I quite easily perceive motives which may prompt hon. gentlemen to suggest the restoration of the old section. At the same time, I feel that the people of this country would be better satisfied if the section in the Bill as reprinted were left and were enacted as our final judgment rather than if we were to restore the old section which really means nothing, and which I do not think has any value by reason of the judicial interpretation given to it by the Supreme Court of Canada, because I believe that, in view of the judgment of the Privy Council in the McHugh case, on the first occasion when the section of the old Bill ever reaches the Privy Council for interpretation they would decide that the Canadian banks could not recover more than seven per cent even by taking that rate of interest either at the time of discount or at any other time.

Mr. BENNETT (Calgary): That was a decision of the Privy Council.

Mr. MACLEAN: No, they have not so decided. That question did not come up in the McHugh case at all.

I believe the rate of interest, with the competition we have in this country, will adjust itself usually to the proper rate. Neither our friends in the West nor people in the East can expect cheap money and high priced land, or cheap money and high priced other commodities. Whether my hon. friend from Red Deer would believe me to be a free trader or not, in the matter of money I am at one with him; and I would prefer very much, though it is a matter of indifference to me personally, that we should leave the section in the reprinted Bill as it is.

Mr. KYTE: Does the hon. gentleman know the rate charged by the banks in the city of Halifax?

Mr. MACLEAN: I suppose it is seven or eight per cent at the present time, and that on small notes of $25 or $50 the rates would be higher. I do not blame a bank for charging more than seven per cent in such cases.

Mr. KYTE: My information is that the banks are charging eight per cent in communities which have only one bank.

Mr. COCKSHUTT: There is no clause to which the committee gave more serious attention than the one under discussion. We received evidence from many quarters and endeavoured to assimilate that evidence. I concur wholly with what the hon. junior member for Halifax (Mr. Maclean) has said, that the clause really should remain in the Bill. While I agree with the hon. member for Red Deer that we should not put legislation on our statute-book that is not to be carried out, still I think that this clause is such that it can be carried out. That is my view. It should be carried out in the spirit which the Finance Minister intended it should be, that is that the rates contracted for in the first place shall be the amount collected and if the note becomes the subject of a process of law for collection, the interest shall not be greater than seven per cent. That is perfectly practical legislation, and while there is no penalty attached to the breaking of it, still the plain statement the Minister of Finance has given as to what he wishes the banks to understand to be the law, I think, will correct any overcharge in the long run, if such there be. The hon. member for Edmonton I think could hardly be sincere when he says that bank interest should be uniform throughout Canada.

Mr. OLIVER: No, I did not say any such thing.

Mr. COCKSHUTT: The hon. member objected that the West is paying more than the East.

Mr. OLIVER: I say that the West is certainly paying more than the East, but I did not say we were legislating to compel it to pay more than the East. What I said was that I wanted legislation to prevent usurious rates of interest in the West.

Mr. COCKSHUTT: The tenor of the hon. gentleman's remarks was that the East was exacting more interest from the West than was legitimate.

Mr. OLIVER: I beg the hon. gentleman's pardon, I will not submit to being put in a position of segregating West and East. It was the Finance Minister who pointed out the necessity of charging more in the West than in the East.

Mr. COCKSHUTT: I do not wish to misrepresent my hon. friend. I understood that to be the basis of his argument. I want to point out that there are sections even in his own province that on a business basis should be charged more than others. My hon. friend will not deny it.

Mr. OLIVER: I do not deny it. To make it clear I may say that in Edmonton, I think they charge no more than one per cent more than in Toronto and perhaps not any more.

Mr. COCKSHUTT: There are whole districts in which new towns are just established, where immediate success is doubtful and where the business trans-

acted is very limited. It is not reasonable to expect that a bank will go into such a district and lend money at the same rate as in a settled community. The bankers who gave evidence before the committee made it clear that they should not take up business on that basis. They would not go into a new community and take the risk of the expense in order to do business there and charge the same rates of interest as in a community in one of the established parts of Canada. It is not only in the West that high interest rates are charged. In the clay belt—which I believe the hon. gentleman spoke of as a myth—just as high rates are charged. The new districts whether East or West must pay relatively high rates of interest, which is perfectly right. I have no brief to speak for the banks, but let me give to my hon. friend the statement of the manager of the bank at Weyburn, who, I think, he will accept as an authority on such a matter. This manager was asked whether similar credit was any better in the United States than in Canada, whether banking facilities were better and money cheaper. His reply was to the effect that where a man in Saskatchewan or Alberta could borrow two thousand dollars at nine per cent, in the western states similarly situated he could only get one thousand dollars at twelve per cent. If we are to compare ourselves with others across the line —and the hon. gentleman has often been anxious to make such a comparison—we have the evidence of this bank manager at Weyburn that a man in Canada would get double the amount at twenty-five per cent less interest than one similarly situated in the United States. That shows that our banks are reasonable. I would point out to the committee that if you are going to put too much limitation on banks, if you are going to reduce their credits, you are going to make it more difficult to get capital into banking institutions. You cannot encourage capital to go into banking institutions with a club. The only thing to be done is to make the revenue so inviting that it will tempt the investment of capital. The evidence given to the committee shows that the return on banking capital in Canada, so far as the shareholders are concerned, is less than five and a half per cent, and in addition to that they have the double liability. Surely, nobody will say that when the profits of the shareholders are less than five and a half per cent, with a double liability, the banks are overcharging the people. I think that the Finance Minister has in that clause a very wise provision. I agree with the hon. junior member for Halifax that it is better to keep the present wording, because it is the result of mature thought, and I believe that it will justify itself in the working out. I trust that before the committee reverts to the old clause they will consider the wording we have here, believing that it will work out to the advantage of both East and West, North and South. Before I sit down, let me say I believe this country is fortunate in that it has in the financial chair of this House a gentleman of the experience of the Hon. Mr. White. He has been a man among a million on this measure, both in his patience and in the wisdom and tact he has brought to bear upon this Bill. The more closely you follow what he has laid out, I believe, the nearer you will be to promoting the general advantage of Canada through this measure.

Mr. BENNETT (Calgary: It is a very simple question that is before the committee: Shall or shall not Parliament impose a restriction on the rate of interest the banks may charge ? That question has been solved in two ways. By the late Parliament it was solved by a section which was a gold brick.

This section proposes to make perfectly certain what we are going to do. An excellent argument may be advanced to this committee why we should not limit the rate of interest which the bank charges its customer. I am not going to discuss that at the present moment further than to say that I think there should be a restriction. As to what this first section under the old Act means, I do not think Parliament had any knowledge as to that when they passed it. When Parliament passed that section it was intended unquestionably to impose a restriction upon the rate of interest the banks should take from their customers, and it was intended that the rate should be seven per cent. As a matter of fact, the courts in the province of British Columbia in a Rossland case, which was decided many years ago, held that a bank might discount a bill which came into its hands at any rate of interest it pleased, and so long as the customer paid that rate of interest, he could not recover it back again. When a man goes to a bank to get a note discounted, he usually wants the money so badly that he is not going to inquire whether the rate of interest is eight per cent or ten per cent; he usually pays just what the bank charges him. There was a certain case decided by the Privy Council in February of this year, and my hon. friend from Halifax (Mr. Maclean) cannot have read it, or if he has read it, he has not understood it, because the judgment distinctly decides that if a customer goes to a bank and discounts his note, and the bank takes

the discount and treats it as part of its profits, the customer cannot recover it back under any circumstances. These are the words of the judgment of the Privy Council in that regard:

The plaintiff must be taken to have known that the bank had no right to stipulate for and no power to recover interest at eight per cent, but he voluntarily assented to that which was equivalent to payment of interest at that rate, and he has no right to recover back any excess which he thus voluntarily paid.

The customer is estopped, by reason of his conduct, from recovering the difference between seven per cent and the rate of interest which the bank takes from him in discounting his paper. The second point decided in that case was that as in the contract between the bank and its customer, contained in one of the paragraphs of a chattel mortgage, the rate reserved was eight per cent, which was one per cent in excess of the sum stipulated by the Bank Act, the bank could not recover either eight or seven per cent, but was thrown back upon the rate usually paid when no rate of interest is stipulated, five per cent. In other words, the contract to pay eight per cent was illegal, and, being illegal, the customer was entitled to recover only five per cent. The facts of the case were these: Large ranchers were carrying on business; they had dealings from time to time with the bank, and paid eight, nine, and in one case ten per cent interest for their money. Their account had continued for a period of not less than ten years, and suddenly they brought an action against the bank, claiming that the accounts of the bank were incorrectly kept, that the rate of interest charged was in excess of the amount provided for by the law, and that they were entitled to an order for an accounting and for a rectification of the accounts between them. The court held that they had a right to the correction of what you might call arithmetical computations and the right to have the accounts rectified so far as the dealings between the two parties were concerned. But in a chattel mortgage given by these customers to the bank for their indebtedness, there was a statement that the rate of interest should be eight per cent, and on that state of facts the Privy Council held that the bank could only recover five per cent, because any contract with the bank, whether by way of chattel mortgage, note or other security, providing for a rate of interest in excess of eight per cent was illegal, and the bank was driven to resort to the statutory allowance of five per cent. If seven per cent had been inserted in the document as the rate of interest, it would have been all right, but, the rate being eight per cent, the contract was illegal, and only five per cent could be collected. This is the language of the judgment dealing with that matter:

The statutory provisions applicable to the case are to be found in the Bank Act, 1906, which enacts, section 91, as follows:

The bank may stipulate for, take, reserve, or exact any rate of interest or discount not exceeding seven per centum per annum, and may receive and take in advance any such rate, but no higher rate of interest shall be recoverable by the bank.

Their Lordships are of opinion that the express provisions of the first portion of this clause rendered it ultra vires on the part of the bank to insert in the chattel mortgage of 28th May, 1907, the stipulation that interest should be payable at the rate of eight per cent, and that therefore that stipulation is inoperative. They are of opinion, therefore, that the contention on behalf of the plaintiff in this respect is right, and that the interest under that mortgage must be calculated at the rate of five per cent per annum.

When the Banking and Commerce Committee was face to face with this consideration, what did they do? The committee had to decide whether or not we should place a restriction upon the rate the bank should recover, or whether we should leave the old section as it stood. This old section has been properly described as a goldbrick, nothing more nor less, and the new section unquestionably has the effect mentioned by the hon. member for Edmonton. It is a perfectly honest section in so far as phraseology is concerned, and it stipulates what the rate of interest may be, but it also implies that the banks may take any amount they like. As the hon. member for Edmonton has well said, this might be a usurious rate of interest, the taking of which, I think, should be prevented. I have no hesitation in saying, so far as I am personally concerned, that I do not think this is a question as between the East and the West. It is simply a question whether or not this Parliament shall impose a limitation or restriction upon the rate of interest the banks may charge their customers. My own personal view is that we should fix the rate at 8 per cent. I am told on excellent authority that this would work a very great hardship, and that in the Yukon, for instance, owing to the conditions there, the rates of interest could not be restricted to 8 per cent. In that district the rates were sometimes as high as 20 per cent, and that rate was not regarded as high in that part of the country as 6 per cent might be regarded here. In the Cobalt district the rate of interest is hign, and in some remote sections of the western provinces new branches could not possibly open up if the rate of interest were fixed at 8 per cent. I therefore think that the committee should strike out this section in its entirety, or make some provision by which the bank should by publicity be, if I

may use the word, shamed into charging only a reasonable rate of interest. If we cannot impose a restriction by limiting the rate to 8 per cent, let us by some method of publicity prevent those evils which are real and not imaginary, and which by this legislation we will give a direct incentive and inducement to become greater. However much you may argue as to the authority or influence of individual managers, it is the individual manager who has to deal with these transactions, not the general manager at the head office. A young manager is, as a rule, anxious to make the largest passible profits in connection with a new branch; in some instances where a man has given the bank a $100 note and has received $95, he thought he was doing a very good thing, but the rate charged was really 20 per cent. That is the reason why I think this committee should not pass this section of the Bill.

Mr. WHITE: As I explained to the committee, so far as the legal effect is concerned, I do not think that there is any difference whatever between section 91 of the present Act and the new section, which I drafted myself, and which was approved by the committee. I believe that the legal effect is precisely the same. There are two considerations that incline me to favour the clause as it stands in the present Act, although, as I said, in my opinion, and, I believe, in the opinion of those who have considered it from a legal standpoint, there is no difference in the legal effect between the present section and the amendment. The two considerations are these: First, the point emphasized by my hon. friend from Brandon (Mr. Aikins), that section 91 has been judicially interpreted and I have a very great respect for res judicata. There is no doubt whatever that the law is not section 91 as it has been read in this House, but section 91 as interpreted by the Judicial Committee of the Privy Council. We all know that in the legislation of the several provinces you will find any number of statutes that apparently have a certain apparent meaning. They go before the courts, before our courts, or before the Privy Council, and that apparent meaning is changed by the judicial decision. Now in respecting legislation of this kind, or in consolidating statutes, I believe it is not the custom to seek to introduce new legislation or new language into those statutes if the decisions have been clear, and if the cases clearly show that a particular section or a particular statute has a specific meaning. In other words, it is a case of res judicata. In connection with that, there is this further argument. I believe that the amendment, which I drafted myself in order to represent the law as we understand it today, represents the law, but of course it has not yet been judicially interpreted, and it has been suggested to me by a legal authority in this House, which I respect, that it might possibly be capable of another interpretation, and that therefore, without realizing it we might be changing the law. It is pointed out that as we have the section with the decision of the Privy Council, and the two together contain the law which is clear, the net result of the section and of the decision being that banks may stipulate for such rate of interest as may be agreed upon, and may deduct that by way of discount at the time the loan is made, but if they seek to recover by way of interest then they cannot recover more than seven per cent. As I have said that is res judicata, and we are certain of that if we leave the section as it stands. If we amend it along the lines of the amendment which I drafted, and which the committee approved I believe we are still in that position, but you have only my opinion and the opinion of others as opposed to the judicial opinion with its binding interpretation of that section. That is one consideration. The other is, if we raise the rate, or if we leave the rate wide open I cannot help thinking there is something in the suggestion which has been made that it might be taken as an intimation to the banks that Parliament regards this seven per cent rate as considerably too low. We are dealing, as I have said, with a country as large as Europe, and seven per cent is certainly too low a rate of interest in some sections. It may be just a matter of temperament how you regard those things. Personally, if the law is, as I have indicated, res judicata, that the banks may stipulate for and take a certain rate by way of discount, provided they take it up to the time the loan is made, I would rather have that than have a new clause which is untested in the courts. If the banks might misconstrue the action of Parliament in leaving it wide open and in having no rate of interest mentioned as a guide, I am inclined to think we would not do a good turn to the borrowing community by seeking to make clear in the expressed letter of legislation what is already clear in the section and by virtue of the decision of the Privy Council. These are just arguments which I desire to set before the committee for consideration. We are, I think, pretty well protected by compelling a return on the part of the banks to the Finance Department, so that we can know what rates of interest they are charging in the various sections of Canada. So far as the two clauses, the old clause in the present Act, and the new clause which I drafted, and which was approved by the committee are concerned, I repeat that in my judgment there is absolutely no difference in the legal effect. If I incline to the first,

Mr. BENNETT (Calgary).

it is not because I believe there is any difference, but because I am more certain of it since it has been legally interpreted and I would rather abide by the existing clause, even if it should be considered an anomaly, than change the section even for a wording that on the face of it would seem to indicate precisely what the law is to-day and that is free from the anomaly which exists in the present Act. So far as I am concerned, the committte may choose either section. There are different views on both sides of the House, and it is entirely a matter of how it is regarded. Essentially, I do not think there is any difference between the two. I would incline towards allowing the clause to stand, but it is not a matter of any vital moment in my judgment.

Mr. CARVELL: Do you mean as it stands reprinted in the Bill?

Mr. WHITE : As it is in the old Act.

Mr. KYTE: It appears to me that the only effect of the change that has been introduced in the new section is to salve the consciences of good Christian bank directors. That is how it appears to me. As the law stands at present, it states specifically that banks shall not charge more than seven per cent. However, they have been able to get round it by virtue of the decision of the Privy Council.

Mr. BENNETT (Calgary): They did it long before that.

Mr. KYTE: They prefer to have the sanction of law for getting round it, and this amendment is introduced, not with that intention—I do not want to attribute that to the Minister of Finance—but it has the effect of easing the consciences of those bank directors who do not like to stand before the world as wanton violators of any public statute.

Mr. OLIVER: I desire to suggest to those who favour the reprinted section that after the word 'upon' in the last line on the top of page 49, there be inserted the words, 'not in any case to exceed' such and such an amount—eight, nine, ten, fifteen per cent, or whatever the committee think fit to fix. It seems to me that if we can impose a limit which shall be as high as the committee sees fit to make it, it will protect us against usurious interest and will have the effect of showing on its face what Parliament means.

Mr. BENNETT (Calgary): You cannot do that. You might put something in at the end of the clause stating that when a Bill is discounted it shall show upon its face what the rate is. If upon the face of every Bill taken by a bank for discount there shall appear: Being at the rate of.... per cent per annum, I think a great deal of the difficulty would be overcome.

Mr. OLIVER: That would not be controlling the matter; that would be merely giving information.

Mr. BENNETT: But if the information is given in a great many cases the conscience hardly exists to charge twenty per cent per annum.

Mr. OLIVER: I would like to suggest to the minister the placing of these words in the present section, and if that is not acceptable I desire to move specifically that the section be stricken out.

Mr. SHARPE (North Ontario): With reference to the suggestion of my hon. friend the Minister of Finance that this section should be accepted by the committee, it seems to me that it is a question in effect and practice as to whether the wording of the old section or the new section is the more acceptable. The position I take is simply this. If we increase the rate, or if we allow a bank to stipulate for any rate it may agree upon with the customer, we will have critics, like the hon. member for Edmonton (Mr. Oliver), going before the electors and saying that the bank, under the old Act, was bound to charge not more than seven per cent, but the Government have opened the gates and allowed the bank to make any rate it likes.

Mr. OLIVER: No, the hon. member for Edmonton does not talk any such nonsense as that. It is in North Ontario that that kind of thing is heard.

Mr. SHARPE: We have had a lot of criticism from the hon. member for Edmonton to-night, but we have not had any constructive suggestion from him. The hon. gentleman lacks the courage to state what the rate should be. He has never stated to the committee what, in his opinion, the rate should be in the West. The onus will be upon the Government if they change this clause and make it different from the provision contained in the old section. My reason for stating that is simply that the Government will be open to criticism for increasing the rate if they adopt the suggestion of the hon. member for Edmonton, who has not the courage to state what he thinks would be a fair and reasonable rate.

Mr. OLIVER: The hon. gentleman is using expressions that he is not entitled to use.

Mr. SHARPE: I do not want to be discourteous to the hon. gentleman. I asked him a question a while ago which he an-

swered in what I considered to be an unbecoming manner—in a manner that I might characterize as my right hon. friend the Prime Minister (Mr. Borden) characterized his attitude a few days ago. I do not wish to repeat the language of the Prime Minister with respect to the hon. gentleman. I am simply discussing this question in the interest of the Government and I desire to say that if these two clauses mean the same thing, we should revert to the old clause in the old Act, and that if the Government allow the rate to be increased they will be open to criticism in that they have allowed the bankers to raise the rate of interest. If they allow an open rate so that the banker may stipulate for any rate he likes with the customer, the Government will be open to the criticism of removing the restriction of seven per cent and allowing the bankers to demand any rate they may care to charge. Consequently, it will be in the interest of the Government to revert to the old clause in place of the newly amended clause.

Mr. OLIVER: The proposition that I desired to make to my hon. friend from North Ontario (Mr. Sharpe) was that if the Government will not accept the suggestion to fix a maximum rate I will be responsible for stating the figure.

Mr. SHARPE: What rate will you say?

The CHAIRMAN: Mr. White moves a sub-amendment to section 91 as follows:

The bank shall make a quarterly return to the minister as of the last juridical day of the months of March, June, September and December in each year, giving such particulars as will be prescribed by regulations made by the Treasury Board of the interest and discount rates charged by the bank.

3. Such returns shall be made up and sent in within the first thirty days of the respective last juridical days aforesaid, and shall be signed by the same persons as are required to sign the monthly returns made to the minister under section 112 of this Act.

Mr. LEMIEUX: Will that information be published in the bank returns?

Mr. WHITE: It would be made public just as the bank returns are.

Mr. KYTE: Does that amend the section of the old Act?

Mr. WHITE: That is by way of a sub-amendment to the amendment I moved that the old clause should be restored in place of this section in the printed Bill.

Mr. MARCIL: Will these returns be published in the Canada Gazette as the bank returns are?

Mr. WHITE: The bank returns are published although I believe there is no provision in the Bank Act completing their publication. Consequently, these returns can be published as the bank returns are published to-day.

Mr. MARCIL: Unless provision is made to have them published in the Canada Gazette the public will have no notice of them.

Mr. GRAHAM: I am not sure that the public would have much notice of them from the Canada Gazette. Is there any clause in this Act prescribing a penalty if the banks decline to furnish the returns?

Mr. WHITE: It would be an offence against the Act and a penalty would be incurred if they failed to supply the returns under the penalty clauses which are final clauses in the Act. But they would not refuse. The banks could not afford to be placed in a position of antagonism to Parliament by refusing to make these returns.

Mr. GRAHAM: I know that in some cases where departments asked for certain returns from certain companies it was almost impossible to get those returns and there was no penalty provided in case of their neglect or refusal. We found a great deal of difficulty in getting returns from companies for what is known as the statistical branch of the Department of Railways and Canals. That branch was established and certain returns were required under the Act. As time went on certain transportation companies were added to those which must send returns to the department. I do not know how it is now, but I experienced considerable difficulty in getting companies to make returns and I had not any means of compelling them to do so.

Mr. BENNETT (Calgary): What the hon. gentleman said is quite true. Failure to supply these returns might be declared to be an offence under the Act.

Mr. EMMERSON: You retain section 91 as it was in the old Act and not the section as it appears in the Bill reported by the committee?

Mr. WHITE: In answer to my hon. friend from South Renfrew (Mr. Graham), I might say that my deputy tells me that it will be an offence against the law in that it will be a failure to comply with the requirements of a public statute. I do not anticipate any difficulty in getting the returns, and as I desire to get this Bill advanced on account of the late date of the session, I would ask my hon. friend not to press his suggestion. If there should be any difficulty, I will try to remedy it by legislation.

Mr. GRAHAM: I merely asked for information based on my own experience. I will not press the matter if it requires many changes, but I call the attention of the minister to it.

Mr. EMMERSON: The following amendment was placed by me before the committee and it was bowled out very summarily:

That the said section 91 be amended by adding thereto the following:

'And all payments made by or on behalf of any borrower, whether paid voluntarily or otherwise, and all moneys accepted or retained by or on behalf of any bank under the provisions of this section for interest or discount charges in excess of said rate of seven per cent shall be recoverable by the person, firm, or corporation so making such payment or from whom such interest or discount is exacted or retained, in an action in any court of competent jurisdiction.'

When that was disposed of, I then proposed the amendment as to the monthly statement and that was accepted, but at a later date it was also thrown out. I call attention to the fact that this amendment was offered in the Banking and Commerce Committee.

Amendment agreed to.

On section 64—bank circulation redemption fund:

Mr. WHITE: I wish to suggest an amendment to section 64 which is of some importance. Section 64 refers to the circulation redemption fund, and members of the committee are doubtless aware that all the banks have to contribute an amount equal to five per cent of the average note circulation to that fund, which constitutes a security for the note circulation of the banks. We are providing a gold reserve against which the banks may issue notes in excess of the amount of note circulation which they may now issue against their paid-up capital and against the fifteen per cent of the paid-up capital in reserve in the emergency period. Mr. McLeod, who appeared before the committee, wrote to me about this from London, and I think he is entirely correct in his views. He says that it is not necessary for the banks to contribute five per cent in respect to the note circulation which is issued against gold. In other words, it is the note circulation, which is issued against paid-up capital, and the so-called emergency circulation that should be safeguarded by the contributions of the banks. Therefore, in order to give effect to that recommendation and suggestion, which I have said is a very pertinent and good one, I move that section 64, sub-section 8, be amended by inserting, after deleting the period, after the word 'relates,' the following:

Provided, however, that in determining the average note circulation of a bank under this sub-section the daily average for each month of the amount of the bank's deposit, (if any) in the central gold reserves, which has not been withdrawn or deemed to be withdrawn within the meaning of this Act, shall be deducted from the greatest amount of the notes of the bank in circulation at any time during the month.

That means that the banks shall contribute five per cent of the balance. As regards the note circulation secured by gold, that is absolutely secured. That leaves it precisely as it is at present so far as the constitution of the banks is concerned towards a guarantee of the note circulation of the banks. In so far as the note circulation of the banks is safeguarded dollar for dollar by gold deposited under the provisions of the new Act, it is not necessary to contribute for that.

Mr. GRAHAM: If it had not been for the provisions of the new Act in adding to the gold security, this would not have been necessary.

Mr. WHITE: Quite so.

Amendment agreed to.

On section 114—annual returns for unpaid dividends and balances:

Mr. WHITE: The hon. member for Westmorland (Mr. Emmerson) made a suggestion that we should insert the words 'certified cheque' in line 40, page 57 of the reprinted Bill after the word 'balance.' The purpose is to make the term slightly more complete.

Amendment agreed to.

Bill reported.

SUPPLY.

House in Committee of Supply. (Mr. Deputy Speaker in the Chair.)

Arts, agriculture and statistics—exhibitions, $375,000.

Mr. GRAHAM: Last night we passed this item which we did not discuss at all. The hon. minister said that we could ask any questions concerning it at a future session of the committee. It would perhaps save time and a lot of questions if he would just give us a little idea of these exhibitions; what work he is carrying on; if this vote has anything to do with the vote for the Toronto exhibition; what is included in it; who is in charge of the exhibits; what are the exhibits; what success we are having, and if we are getting any returns that he can see directly or if they are indirect. Exhibitions properly conducted are the best advertising we can have for Canada. What are included in the exhibits—manufactured products or natural products? A few explanations would be acceptable, so that we may know what the money is for.

Hon. MARTIN BURRELL (Minister of Agriculture): This special vote is confined to large internal exhibitions, and is not for exhibitions in Canada itself. There is a vote for exhibitions every year. There is in the main estimates a vote of $50,000 for the Dominion exhibition which goes from province to province in turn. There are occasionally special votes. Last year there was a vote of $100,000 towards the Toronto National Exhibition, to pay for a building to house the exhibits of all the provinces. As I have said this vote has nothing to do with exhibitions of that kind, but it is to be confined to what we may call international exhibitions where Canada exhibits on a very large scale her natural resources and products. The first of these exhibitions was held in Stockholm in 1897. Since that time, fifteen or twenty exhibitions have been held, the last being the Festival of Empire in London. The money of this vote is largely to be for the exhibits at the International Exhibition in Ghent, in Belgium. The same man is in charge who has been in charge for many years, Colonel Hutchison, who is well qualified for the work and has a natural genius for exhibition work. A considerable sum will also be necessary for preliminary expenses in connection with the Panama Exhibition in 1915, for which we shall have to begin to get ready before the end of the present year. The Ghent Exhibition is just opening.

Mr. LEMIEUX: I hope the names of the two commissioners published are correct, Mr. Lafontaine and Mr. Plante.

Mr. BURRELL: Nothing has been decided on that point. No assistants have been sent as yet. In regard to that, the only object in sending anybody from this side was not to represent Canada but to strengthen the staff in Belgium of French-speaking people.

Mr. LEMIEUX: I do not know what the particular qualifications of Mr. Lafontaine may be, but as regards Mr. Plante, if my hon. friend will appoint him, I am sure he will find in him a man most conversant with the resources of our country and quite a creditable representative of Canada. At the time we had the exhibition at Brussells three years ago, Canada was never so well advertised in Europe as by our exhibit there. If my hon. friend could only reproduce what we had at Brussels—and I think he could improve on that—he would confer a great benefit on this country. I must say that in Mr. Hutchinson, and his immediate staff, Mr. Hains, for instance, we have most competent officers. At Brussels, I myself visited the exposition, and it was really a matter of pride for Canadians who were present to see the enormous crowds that were struggling from morning until evening to see the exhibits of Canada. It was practically a farmers' exhibit, a representation of the life on our Canadian farms, an exhibition of our fur-bearing animals, a display of the fruits of Canada and of the products of our forests and of our mines. It was a most extraordinary fact that so many people from that wealthy country came to see what Canada had to exhibit. I am quite sure that with the literature which was distributed there, Canada derived great benefit from that exposition. I congratulate the minister on his decision to have our exhibit this year at Ghent, and I hope Mr. Hutchinson will be given a free hand, as he has had a free hand in the past, because he has a real genius for such organization. Might I suggest to the minister to be generous—I do not say in salaries, because I know he will pay good salaries to our officers—but to be generous in the printing of pamphlets, booklets, atlases and other literature in French. There is in Belgium, as my hon. friend knows, a large French population, and it is from that country that we expect, more than from France, to receive immigrants. The population of Belgium, in contradistinction to that of France, increases every year. The territory of Belgium is rather limited, and there is no country in the world where the population is so dense. They are well-to-do farmers, they have large families and they emigrate, while the French peasants do not emigrate. Especially will that be the case this year, for the new law which is being enforced in France for service in the army will make immigration more restricted than ever. From Belgium we may expect an excellent class of farmers and gardeners, and I am quite sure that if the statistics are consulted since the exhibition of Brussels, it will be found that there has been quite an increase in the immigration from Belgium into Canada. If French and Flemish literature is being distributed, it will certainly result in a numerous class of desirable immigrants.

Mr. BURRELL: The hon. gentleman can rest assured that no pains will be spared to make the exposition at Ghent worthy of Canada. I agree with what he says concerning Belgium. We have a certain population from Belgium in the far West—in my own province especially. These people are most thrifty and their methods of intensive farming are a revelation to us. We could not get a better class of immigrants. We have made provision for a large distribution of suitable literature.

Mr. SINCLAIR: This item is largely increased this year as compared with last. The minister gave us a general outline of what he intended to do with the money, but it would be interesting to have items of the expenditure of this $200,000, so that

we may know how he intends to expend so large an amount.

Mr. BURRELL: I can only say, as I have already said, that a large proportion of this money is to be spent in connection with the exposition in Ghent. That exposition will close about October or November. But before the expiry of the fiscal year, we shall have to incur fairly heavy expense in getting ready for the Panama exposition to be held at San Francisco in 1915. As my hon. friend knows, if he has seen these expositions, there is enormous expense in sending the exhibits and otherwise. I think he will find that for this expenditure, large as it is, the country will get a very excellent return in final result.

Mr. SINCLAIR: From an answer given to a question which I asked in the House some time ago, I understood that the Government did not intend to participate in the Panama Exposition.

Mr. BURRELL: I think my hon. friend is confusing the Panama Exposition with the San Diego Exposition. It was not thought advisable to take part in the latter, as the San Francisco Exposition is probably the more important.

Mr. GRAHAM: Can the minister tell us to what extent Canada intends to take part in the Panama Exposition?

Mr. BURRELL: I could not give my hon. friend any definite information, but speaking personally, for it is somewhat early to take the matter up officially, my own feeling is that at the Panama Exposition Canada would be justified in making one of the strongest exhibitions that she has ever made. It is of immense importance that on that occasion we should be worthily represented, and that our great natural resources should be given due prominence.

Mr. GRAHAM: Have representations been made to the Government by the manufacturers of Canada with regard to their being represented at one of these great expositions?

Mr. BURRELL: I have not any in mind.

Mr. GRAHAM: I see no reason why the manufacturers should not endeavour to exhibit their products at these great fairs so that the people of the world would understand not only that we are a great agricultural country, but also that we have important manufacturing industries as well. I say this to impress on the manufacturers of Canada what I have often said to them privately: that they are missing a great opportunity in not coming to the front and endeavouring to get their products to these great expositions with a view to showing the people of the world that we are a manufacturing as well as an agricultural country.

Agricultural development of dairying and fruit industries; improvement in transportation, sale and trade in fruit and other agricultural products, $190,000.

Mr. BURRELL: The items composing this amount are: expenses in connection with headquarters, $15,000; expenses connected with the various dairying branches, $62,000; fruit division, $70,000; markets division, $22,790; cold storage, $18,900; a total of $190,000 and an increase of over last year's estimates of $50,000.

Mr. OLIVER: What, generally speaking, are the dairying operations of the department?

Mr. BURRELL: We are taking up various kinds of work. One of the important activities in which we are engaged is the extension of a system of what we call dairy record centres. Under this system we place an expert, who thoroughly understands the use of a Babcock test, in charge of a certain district, and whose duty it is, within a certain radius to test the cows, the products of which are going to the creameries. The results of his tests are made known among the farmers who own the herds, in order that they may be instructed in the best methods of feeding and caring for their animals, and they may be enabled to tell which animals are paying and which are not. We have now nearly twenty of these centres.

Mr. SINCLAIR: Where are these centres located?

Mr. BURRELL: There are nine or ten centres in various parts of the province of Ontario, and three or four in Quebec. We are establishing two or three in the maritime provinces; so far we have not gone into the western parts at all, except in one of the smaller districts of British Columbia.

Mr. SINCLAIR: In what portions of the maritime provinces have these centres been established?

Mr. BURRELL: In the maritime provinces we have not done very much as yet. There is a station at Clifton, New Brunswick; and we have one in Prince Edward Island, we are establishing a centre in the French Acadian portion of New Brunswick, and propose to extend the system during this, or certainly during next year.

Mr. MACDONALD: What about Nova Scotia?

Mr. BURRELL: We have many of these points under consideration, so far as the expenditure which we propose

to make to enable us to do the work this year.

Mr. SINCLAIR: Are these officers permanent? Do they remain the whole year in one locality?

Mr. BURRELL: The officer works the whole year round, and by using the Babcock test he is enabled to tell the farmer the exact amount of butterfat contained in the product of each cow.

Mr. MACDONALD: Does he travel over a certain district, or is he permanently located in one place?

Mr. BURRELL: He works within a certain radius, sometimes within a circle of twelve, fifteen or twenty miles.

Mr. MACDONALD: If it is the intention to establish a station in Nova Scotia, it would be desirable to have it located in the centre of the province. The hon. member referred to Yarmouth, and, while I have no objection to the establishment of one of these centres in the Yarmouth district, it is at the extreme end of the province.

Mr. BURRELL: I was speaking only generally; it is not decided in what particular part of the province the centre will be located, but I know we are making arrangements to establish one in Nova Scotia.

Mr. LOGGIE: Has any arrangement been made for the establishment of one of these centres in the north-eastern part of the province of New Brunswick?

Mr. BURRELL: We are making arrangements to start work in that part of the country, I think in the county of Kent.

Mr. LOGGIE: That district is perhaps the best farming portion of north-eastern New Brunswick.

Mr. BURRELL: It is not always advisable to start these things in the best sections. It is sometimes advisable to start them in the sections that are not so far advanced, so as to give better education to the people.

Mr. OLIVER: What are the prospects of an extension of this work in the prairie provinces?

Mr. BURRELL: I cannot answer my hon. friend offhand. We have developed the work to a very considerable extent. We started four or five years ago with two centres I think, and we have gradually developed until we have seventeen or eighteen. It is quite obvious that we cannot extend the work to every portion of the country, otherwise we would commit ourselves to an enormous expenditure. The result of the work has been so satisfactory that whereas one firm which had been in the habit of selling fifty Babcock testers three years ago, sold during the past year one thousand for the use of individual farmers because the farmers knew the results of the tests we had been carrying on and knew what would be profitable and what would not. The work was initiated by my predecessor, and we have tried to develop it, and nothing has done more good to the dairy industry than those cow tests.

Mr. SINCLAIR: What does it cost?

Mr. BURRELL: We pay the men from $1,000 to $1,200 a year, and there are not very many other expenses connected with it.

Mr. OLIVER: The minister did not say anything very definite about extending the work in the prairie provinces.

Mr. BURRELL: I cannot very well say offhand, but if we are justified in extending the work to other portions of the West I shall be glad to give the matter every consideration.

Mr. OLIVER: Is there any prospect of extension in the prairie provinces?

Mr. BURRELL: I would not say this year, but I do not see why it should not be done at an early date.

Mr. GRAHAM: I observe that the word 'transportation' is mentioned. That opens up a big avenue for improvement as well as for profit in the province of Ontario. I imagine there is no overlapping between the department at Toronto and the department at Ottawa in the matter of improving the quality and increasing the quantity, particularly of cheese. It was stated last night that the province of Quebec produced the greatest amount of butter. I think that is true, but no one will suggest that the province of Quebec, or any other province, equals Ontario in the production of cheese. Both as regards quantity and quality, the cheese that Ontario produces is as good as any to be found in the world. The Ontario provincial work has been very successful. If my memory serves me rightly, they have inspectors who go from factory to factory consulting with the makers, and in addition there are, I think, two dairy schools, one of them at Kingston. An endeavour is being made constantly to raise the standard of production, and it would be unwise for the two departments to clash. There is work for them both to do, and I know that the work of testing has been very beneficial. When I was connected with the press we took great pleasure in publishing the results of those tests, and that created an interest. I imagine that the press can help the Department of Agriculture a great deal in that respect. In regard to transportation,

what improvement does the minister propose? The facilities for the transportation of dairy products and of fruit have been greatly improved in recent years, but I imagine they are not yet perfect. It is possible to approximate, at least, to the condition that the product will be in as good a condition when it reaches the consumer as when it leaves the producer. That means that the price is enhanced, and any money expended wisely in that direction means money in the pockets of the farmer. It would be very interesting if the minister could state whether he has any particular improvement in mind in the way of increasing the number of refrigerator cars, or of imposing more exacting demands on the railway companies to provide them, or upon steamship companies to provide better cold storage facilities.

Mr. BURRELL: We are trying all the time to improve that portion of the service. So far as the transportation and marketing go, we are keeping up a refrigerator car service, not only for butter but for cheese. It is largely from Quebec and Ontario points to Montreal and subsequently for export. Up till 1908, there was practically no arrangement for the provision of refrigerator cars or of cool chambers on vessels. The shipments were so few that the vessels would not retain cool chambers. Now the Government guarantees a certain amount of space on, I think, six steamers. These are reserved for fruit, and I may point out that the facilities have been taken advantage of for the shipment of some tender fruits like peaches. Whereas in 1910, 3,000 cases of peaches were shipped in those cool chambers, in 1912, in the guaranteed space in the vessels, nearly 9,000 cases were shipped. In regard to the refrigerator car service, we guarantee every year a minimum of two-thirds of a full car, and the shipper is allowed to avail himself of the broken carload rate, regardless of the ice storage for which we pay. In return for our guarantee, if when the car reaches its destination the ice is gone, we refuse to pay and we are enabled in that way to keep the railways up to the mark. I think we are doing as good work in keeping the companies up to the mark as is probably being done in any other country.

Mr. GRAHAM: In what condition does our fruit arrive in the West?

Mr. BURRELL: Very good as a general rule. My hon. friend will be surprised to know that eastern Canada sent 11,000,000 pounds of butter to western points last year, largely to the prairies and a considerable amount to British Columbia.

Mr. GRAHAM: Alberta will stop that after a bit.

Mr. BURRELL: In two prairie provinces last year nearly half a million dollars worth of dairy products were put on the market produced by the western dairy farmers.

Mr. SINCLAIR: Does the minister say that he guarantees two thirds of the car load and does that enable the shipper of the food to get carload rates for his goods?

Mr. BURRELL: No.

Mr. SINCLAIR: Suppose a car is sent out that is only half filled and the Government pay the difference between the half and the two-thirds, what rate does the shipper pay?

Mr. BURRELL: Each year from about the middle of May to the middle of October, iced refrigerator cars are run regularly over certain routes in the provinces of Ontario and Quebec for the carriage of butter to Toronto and Montreal. These cars are run weekly or fortnightly, according to the requirements of the route, on an advertised schedule so that shippers can deliver their butter to the stations with the least possible exposure to heat. A shipper may forward any quantity, from one package upwards, and pay only the regular less than carload rate without extra charge for the icing. The Government guarantees a revenue each trip equal to two-thirds of the minimum carload earnings from starting point to destination plus $4 per car for icing. This guarantee only holds if the car arrives in good shape with the ice not exhausted. It gives an opportunity to the shipper to get his goods forwarded in refrigerator cars that he would not otherwise have.

Mr. SINCLAIR: It looks like a good thing for the railway company.

Mr. BURRELL: Although we give this guarantee, we do not pay the freight if the freight in the car pays for itself.

Mr. SINCLAIR: You pay if it falls short?

Mr. BURRELL: If it falls below two-thirds we pay it but if the car pays of itself we do not pay it, and it very often happens that we do not have to pay anything.

Mr. MARCIL: I would like to call the attention of the hon. Minister of Agriculture to a section of the country which I am sorry to say he is probably not as familiar with as he ought to be. I was not here the other evening when the matter was taken up concerning experimental farms, but I might say that during the present session I have obtained important documents, one of which I would like to read to the committee as emanating from a former member for the constituency of Bonaventure, Mr. L. J. Riopel, who represented that constituency

in this House for many years and who wrote a letter on the 26th of March 1912 to the Deputy Minister of Agriculture calling special attention to the conditions existing in the county of Bonaventure and in the Gaspesian peninsula generally, a matter which was alluded to last night by my hon. colleague from Rimouski (Mr. Boulay). With the permission of the committee I will read this letter which summarises well the position in which the farmers of the country find themselves:

Quebec, March 26th, 1912.

G. O'Halloran, Esq.,
Deputy Minister of Agriculture,
Ottawa, Canada.

Dear Sir,—With further reference to the suggestion which I laid before you in the absence of the Hon. Mr. Burrell, I beg to submit the following remarks in connection with the establishment of an agricultural school at New Carlisle for the benefit of the Gaspé Peninsula.

That section of the province of Quebec, comprising the counties of Bonaventure, Matane and Gaspé has suffered great drawbacks on account of its isolated situation.

Its population, now being nearly 100,000 was originally composed largely, of fishermen and lumberers; although during the past twenty-five years, they have made fair progress in agricultural pursuits.

The institution of a model farm would greatly promote the welfare of those people, who as a rule, are lacking experience in that paramount industry.

The soil of the Gaspé Peninsula is generally well adapted to farming and is most suitable for growing all sorts of vegetables.

As I have mentioned to you, sir, the large farm of the late Lieutenant Governor, Hon. Théodore Robitaille, New Carlisle, the Shiretown of the county of Bonaventure, is in every respect suitable for the purpose in view.

It comprises nearly one hundred acres of land all under cultivation, with a frontage of five acres on the Baie des Chaleurs, and is provided with all buildings required for a Government farm of moderate dimensions.

A wood lot of sixteen acres, about three miles distant from the farm would also be secured.

The farm is conveniently situated within a few acres of the New Carlisle Government wharf, and of the railway station; and it commands a magnificent view of the Paspebiac harbour, and also of the shore of New Brunswick, about twenty miles across the Baie des Chaleurs.

It may be noted here that the counties of Restigouche and Gloucester in New Brunswick could share the advantages of such an undertaking, as it would be easy of access to the people of that shore.

The proposition now submitted to the consideration of the Hon. Minister of Agriculture was suggested to me through the announcement of the policy of the present Government promising to take measures for the encouragement and promotion of Agricultural pursuits.

Seeing that there are only two model farms in the province of Quebec, and those institutions are beyond the reach of the Gaspé population, it is obvious that an Agricultural school, or model farm would be most beneficial to the inhabitants of that large section of the country.

With the hope that the proposition may be earnestly considered.

I beg to remain,
Dear Sir,
Yours truly,
(Sgd.) L. J. Riopel.

This was followed by an acknowledgement and subsequent correspondence, but up to the 9th day of May last when the papers were laid before Parliament nothing seems to have been done for the purpose of affording to this large population some of the benefits of the Department of Agriculture at Ottawa. Under very trying circumstances, during the last ten years, one of the devoted priests of the constituency, Rev. Jacob Gagné, who is well known to the Department of Agriculture, has at great trouble and inconvenience to himself, established a number of butter and cheese factories throughout the constituency and has assisted the farmers very materially in that respect. The country is one admirably adapted to the raising of cattle and the production of cheese and butter. But owing to the policy which has been pursued in regard to railway communication the butter and cheese output has to be carried many a hundred miles before it reaches the Intercolonial railway at Matapedia. There are a great many drawbacks which must be overcome. The population has been increasing in the three constituencies, but I am sorry to say not as largely as it would have done if better farming and transportation facilities had been given to the people. A large proportion of the population have had to emigrate, many of them to New Brunswick, some to other parts of Quebec and others to the United States. But there is an area 10,000 miles square, an immense field for the activities of a great agricultural population. I hope that, having called his attention to the subject, my hon. friend the Minister of Agriculture will take it in hand and see that some of the benefits of his administration are extended to the population of that constituency. The letter I have read comes from Mr. Riopel, who for nearly twelve years sat in this House, who occupies a high position in the ranks of the Conservative party and whose word is to be accepted as being quite reliable. I should like to see the minister send some of his best men down to the constituencies of Bonaventure, Rimouski and Gaspé to make an examination and report. Rimouski, of course, being on the Intercolonial railway, is not handicapped as the other constituencies are. The minister should send a good man to investigate the conditions in order that something may be done for these enter-

prising people who are mostly French-Canadians, although at New Richmond, Port Daniel West and New Carlisle, there are three important English-speaking agricultural parishes. During the past ten years these people have made an effort to give up fishing as being unprofitable and go into farming, but they have been handicapped for want of transportation to the markets and lack of experimental stations and agricultural instruction. The people are energetic, the soil productive, the season short but fruitful, and with ordinary assistance from the department they would be placed in a position to become prosperous and happy. Should an experimental station be erected by the Government no better point could be selected than New Carlisle, which is the shire town of the constituency and is situated about one hundred miles from Matapedia and one hundred miles from Gaspé Basin, being about half way across the peninsula. If facilities were given to these people to pursue the agricultural industry any expenditure in that direction would repay the department and repay the country one hundredfold. There is in that district a field for the minister to do abundant good work.

Mr. BURRELL: I have had a talk with Mr. Riopel and I have also met a deputation from that district, and I quite appreciate the argument advanced by the hon. member (Mr. Marcil). I have abundant sympathy with the large sections of the country which are not sharing the advantages that other parts receive, but it is difficult to supply facilities for the entire Dominion at once. I do not see why some of the benefits that may be derived by farmers from the new Agricultural Aid Bill recently passed could not be shared by the people of that district. I am sure the influence of my hon. friend from Bonaventure would be considerable and I would advise him to make a strong appeal to the Quebec Government, and if anything can be done to make advances to that district to assist agricultural development through educational means, say the establishment of a school in New Carlisle, I shall be only too glad to look at it sympathetically.

Mr. SEXSMITH: It is specified in the item in the estimates that this vote of $190,000 is for the development of the dairying and fruit industries and the improvement in transportation, sale and trade in fruit and other agricultural products. It seems to me that a vote of $190,000 is very small for the purposes for which this vote is destined. Especially is that the fact when we realize that the dairy products of our country last year were worth over $100,000,000 and that while the production of butter has increased, the production of cheese has somewhat declined. I am glad to hear the Minister of Agriculture say he intends to establish a great many more dairy record centres. One of the first of them was established in my district and it has done a great deal of good to the farmers in that community. The farmer sends his milk to be tested and has the record sent back to him and at the end of the year he knows what cows are worth keeping. I know a farmer who had his herd tested and he found quite a number of them were only boarders and he discarded them and in three or four years he had practically doubled his production. I strongly advocate the establishment of these dairy record centres in the dairying sections of the Dominion. Then, as to the fruit industry, we had evidence before us last year of the great difficulties the fruit people encountered in getting their fruit to the market, and I would suggest to the minister that probably the best way to help the fruit industry now is to stimulate co-operation in the packing and marketing of fruit. Again I repeat that this vote of $190,000 is small for the objects it is to be devoted to. I hope by the time the minister develops his policy he will be able to come to Parliament and ask Parliament to vote at least half a million dollars to assist the dairying and fruit industries of the Dominion. I do not want to take the position that the farmers of Canada are asking Parliament to be spoon-fed, but at the same time I do not think the Government could spend money in any better way than in educating the people in the different branches of farming. The provincial governments are doing a great deal, but there is still a wide field of usefulness for the federal Government and it can work in co-operation with the provincial governments to stimulate the most important industry in the country. I trust the minister will next year take the larger vote for this purpose and extend the work.

Agriculture—to enforce the Seed Act, to test seeds for farmers and seed merchants, to encourage the production and use of superior seeds, and to encourage the production of farm and garden crops, $100,000.

Mr. KYTE: Can the hon. minister say where these tests are made? Are there particular stations where seeds are tested, and how are they tested and distributed?

Mr. BURRELL: The great portion of the seed testing is done at our central laboratory in Ottawa. In the far West, we have a station at Calgary where we are doing seed testing. I am not sure at present whether we have any other branch or not. We have a staff of inspectors covering the different provinces who are doing what this item says. They are not only enforcing the Seed Act; but they are testing seeds for farmers and merchants; they are keeping

track of merchants who sell seed below the standards set in the Act, that is in the way of germination, quality, impurities, weed seeds and so on. In addition to that, we are giving subventions to the different provinces in respect to seed space, in proportion to the amount of acreage they have under crop. We give $1,000 for every million acres under crop, amounting on the whole to $35,000 on that item alone. In addition to that, we are making grants to the seed growers' associations, which are doing good work.

Mr. MACDONALD: I want to call the attention of the hon. minister to a condition of affairs that arose last year in my county. The farmers purchased seed grain from Winnipeg. I do not know what method of seed inspection there is in that part of the country, but an enormous loss was caused to the farmers of my county through having purchased that seed. None of it germinated and a great many farmers lost their whole crops. I would like the minister to explain, if he can, how such a large quantity of seed came through without inspection.

Mr. BURRELL: I do not think we would have power under the Act to deal with that. This year a good many complaints of that sort were made, especially in Quebec and the eastern provinces, where the farmers were short of seed and of money to buy it. In many cases we offered to give the assistance of our inspectors to advise the farmers as to the quality of the seeds they were buying. We would certainly be justified in extending that work as far as we can. We dealt with it in another way this year. My hon. friend the Minister of the Interior distributed a large amount of seed grain in connection with the unpatented land in the West. We got the minister to co-operate with our department and not to allow any of that seed to go out until it had passed our inspectors.

Mr. KYTE: My object in asking the question was to lead up to the very point. Farmers in my own county and other counties in eastern Nova Scotia had the same experience. A very considerable quantity of seed oats arrived in eastern Nova Scotia last spring from the province of Manitoba, and none of it germinated, which caused very great loss to the farmers. I had an idea that the Seed Act provided that no person should advertise seed of any kind for sale, unless he had a certificate of inspection or some guarantee to offer intending purchasers that it was proper grain for seed purposes. Seed inspection ought to be provided for in the different provinces. It is a great disadvantage to farmers to sow seed oats which are not of such a character as should be used for seed. The hon. minister might extend the operations of the Seed Act so as to have inspectors placed in different sections of the provinces to guarantee that the proper kind of seed is placed on the market.

Mr. SUTHERLAND: The observations that have just been made in regard to impure seed are of such importance to the farmers of Canada that I think we might continue the discussion for a little longer. There is nothing to prevent a farmer from going to a feed store and purchasing grain, that has been imported, for instance, from western Canada, and using that grain for seed. It may not have been imported for that purpose. How you could lay down any law that would prevent a farmer from purchasing and using that seed is something pretty hard to imagine. The complaints made by the hon. member for Pictou (Mr. Macdonald) and others have been general not only in the maritime provinces, but in the other provinces. Last year many farmers in Ontario suffered through the very same cause. A farmer must realize that he is taking big chances when he purchases from a feed store, grain which has possibly been imported to be used as feed, and uses it for seed. I quite agree that the Department of Agriculture might, with advantage to the farmers, exercise some control over all grains used for seed; but there is a greater danger than the loss suffered through sowing such grain as he has described. The weed nuisance in the country has spread to such an extent that it should cause the very gravest concern. I do not think there is anything else causing the farmers so great a loss as the spread of noxious weeds. We have the Conservation Commission considering ways and means of conserving the resources of our country. The weeds that have spread during the past few years, for instance over Ontario, have caused a greater loss possibly than anything else. Last session a Bill was put through this House with regard to what is known as the Grain Act. It provided for the cleaning of grain at the elevators. At that time I took exception on several occasions to the fact that screenings from the elevators were permitted to be sent out and sold to anyone who would purchase them. As a matter of fact, immense quantities of those screenings have been shipped into every province, and as a consequence weeds have spread all over Canada. Great care is exercised to see that the small seeds, for instance clover and timothy, are cleaned thoroughly and that as small a percentage of weed seeds is left in them as possible. The farmer takes particular pride in purchasing the very best and purest seeds that he can. He may be at

the same time purchasing from the West large quantities of damaged grain which he is grinding up for feed. In a bushel of that mill feed there may be millions of foul weed seeds. I think provision ought to be made that the screenings from these elevators should not be sent throughout the country but destroyed at the elevator. The item is not a very large one, and I quite approve of the increase which is about twenty per cent. But I think that if the item were a great deal larger and precautions were taken that weed seeds separated from the grain should be destroyed at the elevator it would be much better. These screenings are sold to a great many people who are not interested very much in agriculture who use them for feed and the weed seeds finally find their way back to the soil. Travelling through some agricultural districts of Ontario at harvest time, one is astonished to think that these valuable lands are being taken up by the weeds. This, I believe is one of the most serious things that confront the people of the rural districts. Some heroic treatment will certainly have to be resorted to in order to overcome this nuisance. There is not a person who is familiar with farming conditions but must realise that there are many sections of this country that are absolutely, you might say, useless, for agricultural purposes through the spread of weeds. If anything can be done to overcome this nuisance, it ought to be done. I do not think this item will go a great way towards overcoming this great nuisance.

Mr. SINCLAIR: The hon. member for South Oxford (Mr. Sutherland) approves of this increase. I think we would all approve of it if we thought it was going to be put to any useful purpose. But the minister has not shown us that he is doing any good with this money. There are nothing but complaints on both sides as to the results. In my own province nothing has been done, so far as I can learn, to better conditions. If the work of this Government is to be confined to the experimental farm at Ottawa and only the people who send their seeds here are to have them tested, I do not think it will ever amount to very much as a benefit to the farmers of the country. Is not there some system the minister can devise by which dealers will be made responsible for the seeds they sell to farmers? Cannot he license them or provide other means by which they can be controlled and prevented from selling inferior seed? This is a matter of the greatest importance to the farmers, and as my colleagues from Nova Scotia have said, it was a great loss to the farmers of that province last year. And that loss is constantly going on. I see that a part of this money is to be spent to enforce the Seed Act. If I remember rightly that Act contains a provision imposing penalties upon seedsmen who sell useless or injurious seeds to farmers. What has the minister done to enforce the Seed Act?

Mr. BURRELL: I am sorry I have not the details of a number of prosecutions. But I am surprised to hear the hon. member say that nothing has been done to show value received for this expenditure. As a matter of fact there is a great deal of machinery in connection with the Seed Control Act with which, I suppose, the hon. gentleman is more or less familiar. We have the following inspectors: British Columbia, Alfred Eastham; Alberta, A. D. Campbell; Manitoba and Saskatchewan, F. H. Reid; western Ontario, W. J. Lennox; maritime provinces, S. J. Moore; eastern Quebec, J. A. Simard; Eastern Townships of Quebec, Carl Sweet; Prince Edward Island, Garnet LeLacheur. All these men are highly qualified, not only graduating from the agricultural colleges but having taken special work in the seed divisions of those colleges, and subsequently having been trained to some extent in our central laboratory. The hon. member thinks that nothing is being done, but dozens of prosecutions for violation of the Seed Act are going on all the time. I agree with the hon. member for South Oxford that nothing has been done of greater value to the farming community than the work of the Seed Control Act, for to that Act is due the greater purity of the seed sold to farmers all over the country. I shall be glad to give my hon. friend a list of the prosecutions carried on by the department against dealers for violation of this Act. It is true these have been largely in connection with clover, timothy, alsike and alfalfa and have not extended to cases mentioned by the hon. members for Richmond and Pictou.

Mr. SINCLAIR: The hon. minister says he had heard that the sale of these inferior Manitoba oats in Nova Scotia had caused great loss to the people. Did he make investigation or prosecution?

Mr. BURRELL: Speaking offhand I am not sure that under the Act we have power to deal with this particular case. The Act is confined largely to the grass and clover seeds I mentioned, and besides, there is the provision under the Seed Act that a farmer may sell his own oats whether dirty or clean. The Act is merely confined to the seed bought and sold by merchants and to certain seeds. I shall be glad to go into the matter of amending the Act, though there will probably be difficulties that hon. members of the House do not suspect. I would not like the hon. gentleman to think the

money is not being wisely spent, or that it is not accomplishing great good. This vote, while a fairly substantial one, must be increased. But in the year before I took hold of the department, this appropriation was $50,000; it has been increased until this year it is $100,000. The vote for dairying in 1910-11 was $100,000 and we have increased that to $190,000, and with the amount in the supplementary estimates about $210,000. If you include all branches of agricultural work, the amount in 1910-11 was $1,143,000, whereas this year it will be $2,633,000. So, though the hon. gentleman contends that we are not going fast enough. I think that he will see that the doubling of the expenditure in two years is considerable. And there is danger in going too fast, because you cannot maintain efficient administration in this line of work if too great haste is made. It is my hope, and I think that of everybody, to see a far more generous expenditure on agriculture than has been made in the past. I believe the country would favour that. We are going fairly fast, but we must avoid the danger of going too fast, and not keeping up the efficiency of our administration.

Mr. WEBSTER: In many cases where farmers in certain communities have received poor seed, it is not the fault of the seed merchants or the Government. Supposing some gentleman writes to a friend of his in the West and asks him to ship a carload of oats or wheat for seed. He receives it; it has never been inspected either by the Government of Manitoba or the officials of the experimental farm, and he is able to take advantage of this condition of affairs. He gets the oats for 5, 10, and sometimes 20 cents a bushel less than he would have to pay for No. 1 seed purchased from the seed merchants. In some cases the seed grain is bought from persons in the West who, although it is not at all the best, represent it to be of first-class quality, with the result that when it is sold it fails to germinate, and the loss must fall upon the purchaser. In that regard, of course, the minister is not to blame; the farmer who buys an inferior article and sows it, not knowing whether or not it has been tested, is entirely responsible for his own loss. A specific case came under my observation on Saturday last. In the Grain Growers' Guide this winter there appeared an advertisement stating that all seed oats or seed grain shipped from Manitoba would be carried by Canadian railways at half price. One of my constituents, seeing that advertisement, ordered a carload of oats for seed. It was billed to him as seed oats, but I saw the oats myself on Saturday last, and I know that as it had been injured by the frost, not more than 30 per cent of it will ever germinate. The railway did not forget to charge full freight rates for the grain, and the purchaser naturally felt very much aggrieved, considering that the Government has not taken the interests of the farmer into consideration in this respect. Of course that farmer was to blame for that transaction, not the Government or anybody else.

Mr. ROBB: The hon. member for Brockville (Mr. Webster) has placed his finger on the weak spot in the Seed Act. The hon. minister, as he has said, is powerless under the Act, because the Act permits the farmer to sell this seed grain and not become liable to its penalties. I quite agree with the hon. member for Brockville in his assertion that much of the seed that is sold throughout the country is distributed by irresponsible dealers who have no interest in the producing of a good crop. There is no person more interested in getting a good crop within the district in which the seed is sold than the responsible seed merchant or dealer, because he knows that if the seed grows well and produces a good crop, he will have additional sales in the fall. I think the minister should take into consideration, if not this session, then during the next, the advisability of amending the Seed Act so that the farmer who sells inferior seed will incur the same penalties as the merchants and dealers.

Agriculture—encouragement of establishment of cold storage warehouse, $200,000.

Mr. KYTE: Does that include cold storage for fishermen in the maritime provinces?

Mr. BURRELL: Some of the cold storage warehouses dealing only with fish are under the control of the Marine and Fisheries Department. Under this Act, we really deal with the encouragement and establishment of cold storage warehouses for the better preservation and handling of all food products. It does include fish to a certain extent, for in some of these warehouses fish is stored. This vote is necessary to pay the instalments, spread over a term of years, towards the maintenance of a number of warehouses that have been established. Altogether the number of warehouses completed is twenty-six, those under construction two; further contracts entered into, two.

Mr. SINCLAIR: Can the hon. minister give us the names of the places in Nova Scotia where these warehouses are located?

Mr. BURRELL: Halifax Cold Storage Company, Port Hawkesbury, Nova Scotia; Lockeport Cold Storage Company, Lockeport, Nova Scotia.

Mr. CARVELL: And in New Brunswick?

Mr. BURRELL: New Brunswick Cold Storage Company, St. John, and Cold Storage Limited, Woodstock. These are the only two in New Brunswick; the others are scattered all over the country. We give a bonus or subsidy of thirty per cent on the cost of construction, the terms being that the warehouse shall be constructed according to lines laid down by the department, and that the rates shall be subject to control by the Department of Agriculture.

Mr. KYTE: Does the department receive any report from these cold storage companies as to the work they are doing?

Mr. BURRELL: Yes, we receive reports from time to time and take a note of their operations.

Mr. KYTE: Is there any condition imposed upon these companies as to the class of product they are to store in the warehouses, or are they entitled to the bonus even if the space is entirely devoted to the storage of their own products?

Mr. BURRELL: One of the conditions is that they are obliged to take such products as are offered by the public, because it is a public utility. We would not think for one moment of granting a subsidy to a firm that would simply build a warehouse for its own use.

Mr. SINCLAIR: Are there any new warehouses projected under this vote?

Mr. BURRELL: We have two under consideration, and I think one or two have been applied for. Contracts have been entered into for the payment of subsidies to the Acadia Cold Storage Company, Halifax, the Edmonton Produce Company, Edmonton, the Algoma Produce Company, Sault Ste. Marie, and the Tillsonburg Cold Storage Company, Tillsonburg, Ontario.

Agriculture—development of live stock industry, $200,000.

Mr. ROBB: Will the minister explain how this money is to be spent?

Mr. BURRELL: It is spent in a great variety of ways, chiefly for the encouragement of the live stock industry. We do a great deal in the way of supplying judges for live stock fairs held throughout Canada, and we also contribute a certain amount towards winter fairs and various other exhibitions of live stock held throughout the country. In connection with this we give grants to various poultry and live stock associations. We are now contemplating the purchasing and supplying of stallions, bulls, boars and rams to all districts, especially the newer districts of the West and the East, which are in need of first-class animals for the improvement of the live stock industry under certain conditions laid down by the department, and we are ready to receive applications for these from any such district through our live stock branch, the stipulation being that we will buy and own the animals, and that the associations which will be formed for the purpose will undertake their proper maintenance, control the amount of the service fee, and so on, we reserving the right to see that the animals are kept in proper shape and are transferred from point to point. A very considerable portion of this vote will go in that direction.

Mr. ROBB: Any particular breed of horses and cattle?

Mr. BURRELL: We lay down no condition. We simply leave it to the associations to say what breeds they shall prefer, making the condition that they shall not introduce into any one section animals of a breed which is represented by animals of private owners in that particular section.

Mr. ROBB: I notice from the Auditor General's report that a considerable amount of money has been devoted in the past to the breeders of thoroughbred stock. I cannot find anywhere that the breeding of heavy draught or serviceable horses has been encouraged. It seems to me that considerable encouragement has been given to racing horses. I hope that in the enlargement of this policy the minister is not going to be carried away by the lobby that was put up last Parliament and during this Parliament by certain breeders of racing horses for the encouragement of the breeding of that stock at the expense of the general public. There is a considerable demand for good heavy horses. That is the best class of horse for a farmer to breed. If you start a farmer breeding racing stock, it will be absolutely useless on the farm, and it will be bad for the boys starting out in life. I would like the minister to make a statement to-night as to whether the policy of encouraging the breeding of racing stock in this country is to be enlarged.

Mr. SMITH (South Ontario): When was that policy started?

Mr. ROBB: It was started, unfortunately, under the last Government.

Mr. BURRELL: I do not know what my hon. friend means when he speaks of the policy being enlarged. I do not think he puts it quite rightly when he says that the idea was to encourage the breeding of purely racing stock. It was felt, and possibly felt rightly, that although the heavy draught horses occupy a very valuable place, after all the lighter horse industry was not getting the attention it deserved, especially in regard to the remount question, which, according to the people in his country whose opinions are worth something, is of importance. For that purpose a bonus was given

to the thoroughbreds which met certain requirements laid down by the Veterinary Department. The bonus is $250 a year, certain conditions being imposed as to the service fee, the number of mares served, and so on. I do not think it is well to discontinue that bonus. We are continuing it this year, but my hon. friend may rest assured that under the policy, to which I have just referred, not only an equal, but probably a much greater proportion of help will be given to other types of horses than thoroughbreds. As probably he knows, we have separated our Veterinary Department and placed the live stock branch in charge of Mr. John Bright, a well-known breeder, who knows the heavy horse side well. I think my hon. friend may rest assured that the horses to which he refers will get ample consideration.

Mr. WEBSTER: My hon. friend from Huntingdon made a statement with which I cannot agree. While I am free to admit that heavy draught horses are to-day selling at higher prices than we have ever seen in Canada, possibly it might not pay the individual farmer to breed them. If the individual farmer has a mare that will cross well with a standard bred or thoroughbred and that will not cross well with the heavy draught, he must breed to the horse that will mate best with his mare. Last week we saw in Ottawa a pair of horses for which the lady who owned them refused $20,000, and you can buy a lot of heavy draught horses for $20,000. To-day a good carriage horse is worth the price of two heavy draughts, and if the individual farmer has a mare that will produce one of that class, that is the kind he should breed to to get the best results. With regard to the thoroughbred, I agree with my hon. friend from Huntingdon. I am not a lover of the thoroughbred. I do not know what use they are outside of race horses. I know that for getting remounts, the United States Government have practically discarded them for the heavy-weight standard bred. I noticed that the United States Government have bought three stallions in New York within the last year for that purpose, and they were sent to the remount station. If our Minister of Militia gets busy in regard to remounts, he had better drop the thoroughbred and get into the heavy class standard bred; he will get a more adaptable horse for ordinary remount purposes.

Mr. ROBB: I differ from my hon. friend (Mr. Webster). I am an admirer and lover of the thoroughbred. While a lady refused $20,000 for a pair of horses shown here last week, the point is that for one person looking for a $1,000 driving horse, there are fifty people looking for a heavy draught horse. The heavy draught horses are the most serviceable for a farmer to raise. The raising of the thoroughbreds is a business. You cannot raise them on the farm, because if you do, the boys are going to make them unsound before they are marketable at four years of age.

Mr. SUTHERLAND: I was glad to hear the minister state that the animals which they were purchasing were to be owned and practically controlled by the department. I do not see why any difference should be made between the thoroughbred and the other classes of pure bred stock. This system, as has been remarked by my hon. friend (Mr. Robb), was adopted some years ago. In looking over the Auditor General's report, I find that apparently some people are making a business of taking advantage of the bonus that is now being paid not only to the owners but to the controllers of thoroughbred stallions. It is not even necessary for a man to own one so long as he can get control of him. Horses worth one hundred dollars, and many of them are not worth one hundred dollars and would not bring fifty dollars, are drawing two hundred and fifty dollars from the Government of Canada. I think that the sooner that system is stopped the better it will be for all concerned. If we are in such desperate straits to breed remounts, we ought to adopt some sane policy. When horses of that class command a superior price, the farmers in this country will go into the breeding of them. For instance, a horse is worth we shall say one hundred dollars, and some one gets control of him and farms him out to a number of farmers. He not only gets two hundred and fifty dollars a year from the Government, but collects a fee of three dollars, I believe, for every mare served. I believe there is in existence not far from this city a group of individuals who have a number of horses and who received thousands of dollars last year for the horses that were sent out through the country. I believe that a great many of these horses would not even pass inspection. If the breeding of thoroughbred horses was put on the same basis that has been adopted with regard to other pure breeds it would be better for the country and all concerned. How many hon. gentlemen present, during their lifetime, have seen a demand in this country for remounts? I can only recollect that once during my lifetime was there a demand for army remounts and that was during the South African war. I do not know whether it was very satisfactory or not, but I know that as a matter of fact it was not the farmer who reaped the benefits so much as the middlemen who were purchasing for the Government in this country. Many of them made immense

fortunes out of this business at that time. But I believe that the farmers reaped a great advantage in getting rid of the class of horses they had at that time. It has been remarked by the hon. member for Brockville (Mr. Webster) that the heavy standardbred horse is a better horse for army purposes and many other purposes than the thoroughbred. I quite agree with him, and yet you may raise as perfect a standardbred horse as it is possible to conceive of and reap no advantage under this Act. But on some freak that has been bred for racing purposes and is registered as a thoroughbred you can receive $250 a year from the Government. It was an Act which was hard to defend when it was put into effect, and I think the actions of certain parties in reaping the benefit of the Act have shown that it should no longer be continued. If it is desirable to give a bounty for breeding remounts then give it to parties who are raising horses, and not to those who are farming out horses among the people of Canada.

Mr. SINCLAIR: I think the minister ought to give some explanation in regard to this item especially after the speech we have heard from the hon. member for South Oxford (Mr. Sutherland), who has told us that in his opinion money is being paid by the minister for the support of horses that would not pass inspection. I would be very much surprised to learn that the business is being managed in such a careless way as that, and therefore I think this item is one on which we should have some explanation.

Mr. BURRELL: My hon. friend (Mr. Sinclair) need not alarm himself very seriously. I am sorry to say that whilst I must agree with some of the remarks made by my hon. friend from South Oxford, I cannot agree with all. It is perfectly true that, while I am the responsible minister, I did not originate the policy of giving a subsidy for thoroughbred horses, but while something may be said against it, there is a good deal to be said for it. I have a good deal of respect for Dr. Rutherford, who was Live Stock Commissioner and Veterinary Director General when I came into office. We lost his services, but I need not go into that. I must say that I entertained a very strong feeling of regard for Dr. Rutherford's ability and judgment, and he had a fairly strong opinion on this point. I would like to say that the whole of the figures as to the amount that has been expended were put on 'Hansard' some time ago in response to a question by my hon. friend (Mr. Sutherland). My hon. friend from Guysborough can get the figures, but I want to assure him that there are no bonuses paid on those animals that do not pass inspection, but that, on the contrary, there is a very rigid inspection before those who breed animals can receive these subsidies. These subsidies are open to the owner of a thoroughbred horse whether he comes from one province or another and they are being paid to gentlemen all over the country. If I had known this subject was coming up I could have brought quite a number of letters from men whose opinions I regard very highly. For instance, Mr. Hubbard, who was secretary of the Department of Agriculture in the province of New Brunswick, and who is now in charge of our new experimental farm there, justifies the good work being done in that connection. I could also quote Mr. Carruthers, of Montreal, a very well known man. I could also bring the testimony of Mr. Clifford Sifton, who is certainly a good judge of things of this kind, who feels very strongly on the question, and who realizes that good work has been done along that line. I do not think that it is quite right to say, as my hon. friend (Mr. Sutherland) states, that any freak which has figured as a racehorse can receive that subsidy. It should be borne in mind that a great many extraordinarily valuable horses that may have served their uses as racers may render great service in the way of breeders and sires. While I do not want to enter into a disquisition upon horse breeding and racing, I think that any man who knows anything about the horse business will admit that there is a good deal of truth in the statement that a horse that has finished its best racing days may be capable of some splendid service when he comes to be used as a sire. All these animals which are justified in considering as sires are subjected to a rigid examination as to health, conformation and so on before these subsidies can be received. Whatever may be thought best in the future, I must confess that I do not see any reason for discontinuing the subsidies during the present year.

Mr. CARVELL: Mr. Chairman, I would not have entered into this discussion if my hon. friend had not mentioned Mr. Hubbard of New Brunswick as an authority with regard to the value of this class of horses. Mr. Hubbard's evidence, in my judgment, is not very good along that line. I do not mean to say that Mr. Hubbard does not know a good deal about the breeding of horses and agriculture in general, but some three or four years ago the Government of New Brunswick, acting under his instructions, when he was Deputy Minister of Agriculture, made an importation of twenty-five or thirty of these spider-legged horses from Kentucky, brought them to New Brunswick, and auctioned them off to the farmers. The farmers paid a portion down, gave a

note for the balance and in many cases they refused to pay the balance and the Government had to take the horses back. One or two of these horses were absolutely useless. But I have no hesitation in saying, and I am speaking not so much from my personal knowledge as from what I have heard from my neighbours and farmers generally, that perhaps nothing ever happened so detrimental to the horse industry in New Brunswick as the importation of these Kentucky race horses. I suppose that a race horse from Kentucky is about the same class of cur as you get from any place else. He is all right for the man who has lots of money and wants to spend it, such as the Hon. Mr. Sifton. It is all right for the Hon. Clifford Sifton, if he wants to spend $25,000 or $30,000 a year on race horses; that is his own affair, but that is not the kind of horse that the ordinary farmers should produce if we want to do something to assist the general welfare of the country. I find that the difficulty in reference to the purebred horse is that there is a continual deterioration. The great difficulty seems to be to keep them up to the standard that we would like to have maintained. Take thoroughbred Clydes and Percherons, cross them with smaller animals and there is a constant deterioration.

Mr. WILLIAM SMITH (South Ontario): Surely you do not believe that?

Mr. CARVELL: I do believe it and I have pretty good reason for believing it too. If you cross any standard animal, Clyde or Percheron, with these purebreds, there will be a deterioration in value. You may get a good animal out of them once in a while, but as a rule you are getting an article that will not sell for money and after all what the farmer ought to have is something that he can sell for money. I object to the attempts to cross with these racing horses which are of no benefit to the farmer. If the minister devotes the money towards draught horses he will always get a saleable animal. I think the minister would do well to quit the practice entirely.

Mr. SMITH: When we consider the high price of live stock to-day, it appears to me the position taken by the minister is a sound one to place in certain sections of this country purebred animals, bred in Canada and not imported. I think the minister is taking a forward step to help the breeders and farmers of Canada in doing that. The other policy referred to was started some years ago, not by the present Minister of Agriculture, but by Mr. Sydney Fisher

Mr. CARVELL: We know that all right.

Mr. SMITH: I am telling you again. I understand that the policy was commenced upon the advice of the late veterinary director, Dr. Rutherford. No man in this House or in this country has a warmer admiration for Dr. Rutherford than I have, but I unhesitatingly say that when he gave this advice he made a mistake. I think it was hardly wise, perhaps, on the part of the present Minister of Agriculture, that that mistake should be continued. I want to place myself on record that in my opinion, at the end of the year 1913, that grant should cease. I cannot for a moment understand how the hon. member for Carleton, as I understood him, should have made the statement that when you are using a pure-bred sire the animals must deteriorate.

Mr. CARVELL: I did not say that.

Mr. SMITH: What did you say?

Mr. CARVELL: I said that in my judgment the stock is continually degenerating, and if you cross your stock with a small animal, such as these racing horses, you are not improving the stock. I would like to see every farmer use thoroughbred or pure-bred or standard stock, but I object to trying to breed animals that have no size and no value except for fancy racing purposes.

Mr. SMITH: After some practical knowledge of farm life, I say to the hon. member that he is wrong, and that these animals should be pure-bred and of a certain size and certain character, and having to undergo the inspection these animals have to undergo, the hon. gentleman is making a statement that is not correct. Whilst I do not agree that any great practical results can come from this, neither do I believe that the ordinary farmer will grow rich from pursuing this course. It is true that some good may have come out of it, but I believe it has gone far enough and the minister will be wise in the time to come to see that these grants are not continued. These animals that have been used, have been inspected by most reliable men from the department, and so far as I know the animals that have been used have done in some ways good service to the breeders of Canada. I do not believe that the further use of these animals will advance very much the interests of the farmers and in that way I believe it might be wise if the grant should stop. Every breed of animal has a certain place to fill and they are required in different parts of the country for different purposes. We must have these remounts and how they shall be bred it is scarcely for me to say to-night, but I think everyone will agree with me that at

the bottom there is nothing like a thoroughbred.

Mr. ROBB: While we on this side agree with the hon. member for South Ontario (Mr. Smith) it is remarkable that the Minister of Agriculture for Canada should officially defend the grant that apparently the majority of the House, as at present composed, is opposed to—

Mr. BURRELL: There was a special grant given the last year or two over and above the subsidy, and this special grant last year, I may say frankly, I gave under the advice of the late veterinary director general. This year I have not given a special grant and this particular subsidy is open to everybody all over the country, apart from the firm which was principally in evidence, namely, the Bureau of National Breeding in Montreal. It is open to every man possessing a thoroughbred and I do not see any reason for discontinuing it.

Mr. ROBB: Who are the president and directors of the National Breeding Association in Montreal?

Mr. BURRELL: I cannot say now but I will be very glad to get the list.

Mr. ROBB: It is not necessary. My hon. friend beside me has made reference to the Hon. Clifford Sifton, who we all know is raising stock that have won much advertisement for him. The other authority mentioned, my good friend James Carruthers of Montreal, is also associated with a racing outfit, and it is quite natural he would approve of that policy, but the point is that the present Minister and the past Minister of Agriculture have been encouraging the breeding of racing stock and bonusing it and inducing farmers to abandon the breeding of stock that is really profitable to the farmer and to the country.

Mr. BURRELL: I would not like my hon. friend to go so far as to say that. I do not think my hon. friend will accuse me of being a racing man. So far as any encouragement of the thoroughbred horse is concerned, any influence that has moved me in the direction of keeping up this subsidy has been entirely in connection with the recommendation of not only Dr. Rutherford but a great many prominent men in this country, who have given sufficient information to justify the little that has been done in that direction, and it has not been very much. It has not been in connection with racing but entirely in connection with the remount question.

Mr. WEBSTER: In reply to the hon. member for Carleton, I would just say that the trouble lies in the fact that your farmers in that section lack proper brood mares to cross with thoroughbred stallions from Kentucky. With thoroughbred stallions you must have proper brood mares in order to obtain from them the desired results. You might just as well cross a Jersey bull with a Hereford heifer and expect to get a milch cow.

Mr. CARVELL: We have got a very poor result.

Mr. WEBSTER: We want in this country to-day drivers or carriage horses just as much as heavy horses. What is the result to-day? If you go to the country and look for a good driver or carriage horse, he is not to be found. Any man who has got one asks two prices for him. It is in the interest of the hon. minister to encourage the breeding of good standard breeds in order to get good horses.

Mr. SUTHERLAND: I would not like anyone to think I had not a very high regard for the thoroughbred horse. I believe it is the finest animal in the animal kingdom. I would not say a word that might cause anyone to think that the thoroughbred horse is not what it really is. What I object to is the system under which this vote of money is being paid. If the same policy were pursued with regard to the thoroughbred that is now being pursued by the hon. minister with regard to other pure breds, it would have a much more satisfactory result. I notice, in the return that was brought down to the House, that in the year 1911, of $8,250 that was paid for this purpose $5,250 was paid to the National Bureau of Breeding. This past year a large proportion went to the same association. We had an exhibition in the city of Ottawa last week that we should all feel particularly proud of, as it showed what a fine class of horses we have in this country. We can realize that the gentlemen who make a business of showing their horses there are very anxious indeed that they should be bred in large numbers throughout the country, so that they will have a larger number to select from. So far as granting a bonus of $250 per annum and a service fee being collected by the owner or controller are concerned, I do not think it is good business, and I do not think it is going to build up the breed as we would like to see it built up. Let the Government select pure-bred animals of a good type, if they wish to spend money in that direction, and have them placed and owned and controlled as the pure-breds are, and I believe you will have much more satisfaction.

Item agreed to.

Agriculture—health of animals, $450,000.

Mr. FOSTER (Kings, N.S.): I did not have an opportunity to speak on item 51. I would like to say a word in regard to the

health of animals, which is a subject of great importance to the people of Nova Scotia at this particular time, especially in the county that I have the honour to represent. For the last three or four years in that province, according to investigations recently brought to light, we have had shipped over the province from the Government Experimental Farm at Truro—some six or seven coming into my own county—animals which have been shown conclusively to be tubercular. There is not the slightest doubt in my mind that tuberculosis has been spread in various sections of the province through that cause. I would like to ask the hon. minister what steps are being taken at the present tome to meet so dire a scourge, emanating directly from the experimental farm, which has been under the eye not only of the local government, but, as it was attempted to be shown, of an official of the Dominion Government. I may not be within my rights in bringing a local matter to the attention of this Government, but I was informed a few days ago that the local authorities had turned the whole matter over to the Dominion Government.

I also wish to draw the attention of this House to a very important matter, that is the appointment of official veterinaries who might be available in the various provinces. I presume you have them in Ontario, Quebec and possibly New Brunswick. We have not one in Nova Scotia, that we can call on at any time that disease is found to have broken out on any breeding or other animal. It would be a great blessing to the farmers to have such an official at their call, either at the experimental farm at Truro, or at the new experimental station at Kentville. I have had letters from farmers complaining in this regard. I trust that the matter will also receive attention.

With regard to the encouragement not only of the health of animals, but of the live stock industry, there is a large section of country in the county of Kings and in the province of Nova Scotia that is admirably suited to the raising of live stock. During the last couple of years we have endeavoured to bring Scotch settlers into that part of the country. The difficulty is that they are not able to get the breed of cattle to which they are used. A certain Scotchman coming in brought with him three Clydesdale horses. He had to pay $320 duty on them on arrival at Halifax.

Mr. SMITH: Are you not mistaken in the amount of duty?

Mr. FOSTER: I am absolutely sure, because the amount of duty was afterwards refunded.

Mr. SMITH: Were they pure-breds?

Mr. FOSTER: I understand that pure-breds come in free up to a certain number.

Mr. BURRELL: They all come in free.

Mr. FOSTER: The difficulty is that in Scotland there are horses and cattle that are exactly as good to all intents and purposes, so far as marketing or breeding is concerned, as the pure-bred animal. The only difference is that the pedigree has not been kept and registered. This class of animal is debarred. The horses while not coming under the description of pure-breds were in reality as fine animals as pure-breds. This man paid the duty on them, but he was unable to bring in cattle unless absolutely pure-bred, for which he would have to pay a very high price in Scotland, whereas he could get the other kind at a very reasonable figure. I think the customs law should be modified so as to facilitate immigrants into the Maritime provinces and other parts of Canada bringing in as settlers effects such cattle, sheep and horses as will enable them to start business on the farm when they arrive.

Mr. WARNOCK: I notice there is an increase of $90,000 in this item. Is that to cover the proposed increase of compensation?

Mr. BURRELL: That is partly to cover the increase in the compensation, owing to the larger amounts we have had to pay both for hog cholera and for glanders; and it is partly for the extension of the service and increase of salaries. It was brought to our attention that many of our veterinary surgeons in the West were not paid in proportion to the cost of living in the West. We gave an additional amount of $200 to those west of the lakes. A good many officers were finding other employment while others were mixing up their private affairs with their duties as inspectors.

Mr. WARNOCK: I am glad to hear the minister say he has increased the salaries of these veterinary inspectors. Theirs is very hard and dangerous work, and I think our veterinary inspectors should be as well paid as those in the bureaus of animal industries n the United States—from $1,200 to $1,800 according to qualification and length of service.

Mr. BURRELL: We are doing the same thing now.

Mr. WARNOCK: I am glad that is being done. I understand that the amount required for compensation during last year was less owing to the decrease of diseases among our animals especially in the West.

Mr. BURRELL: But there was very much more in hog cholera.

Mr. WARNOCK: How about glanders and dourine?

Mr. BURRELL: That is slightly less.

Mr. SINCLAIR: How many inspectors are there?

Mr. BURRELL: About 123 in the meat and canned food branch, and in the health of animals branch from ninety to one hundred.

Mr. SINCLAIR: Are they confined to the West?

Mr. BURRELL: No, they are all over the country.

Mr. SINCLAIR: Are there some in Nova Scotia?

Mr. BURRELL: Yes.

Mr. ROBB: Has the minister considered the question of placing a permanent veterinary surgeon in the district of Beauharnois? He has Dr. McCormick at Ormstown who inspects animals coming into the country. But there is a considerable export from that part of the country of animals to the United States, South Africa and even Japan. They have to pass a veterinary inspection, and shippers often have to wait for a man to come down from Ottawa to make this inspection. I understand that representations have been made to the minister to meet the demands of that industry.

Mr. BURRELL: I cannot recall any particular application. I do not receive every name in such cases, for it is a big service. We would do in the case referred to as we do in the West. At many points we do not pay a permanent inspector, the shipments not being very large. We employ a veterinary at fees, or give him a retaining fee of $200. If the hon. gentleman will kindly write me, I shall be glad to look into the case he refers to.

Mr. WARNOCK: Has the minister heard from the inspector he sent to Lethbridge in regard to the inspection of meat? We discussed that on the supplementaries.

Mr. BURRELL: Not to take up time with that now, I may say generally that the report was very satisfactory and everybody in the district was fairly well satisfied. If the hon. gentleman will call my attention to it, I will see that he gets a copy of the report.

Mr. KYTE: What special qualifications are these inspectors supposed to possess before appointment—these inspectors of food?

Mr. BURRELL: The food part of it is comparatively small. We have what is called the Meat and Canned Food Act. The great bulk of inspectors under that Act are concerned with the inspection of meat in the abattoir. No meat is allowed to be shipped out of the country or from province to province unless the animals have been killed under the supervision of one of our inspectors and handled in the abattoirs and stamped 'Canada Approved'—pretty much the American system. We have four or five inspectors who deal with canning factories largely to see that sanitary conditions are right and things put up in good shape. We do not go into it analytically—that belongs to the Inland Revenue Department.

Mr. KYTE: The inspectors I have in mind are probably appointed by the Department of Inland Revenue.

Mr. BURRELL: Probably.

Mr. SMITH (South Ontario): Has the minister ever heard from the jobbers, especially of the province of Ontario of any grievance with regard to the disposing of their stock in Montreal?

Mr. BURRELL: No, I have not heard of it.

To encourage the production and sale of Canadian tobacco, $30,000.

Mr. GRAHAM: How much tobacco was raised in Canada last year?

Mr. BURRELL: I am afraid I cannot give the hon. gentleman the amount at this moment. We have a station at Harrow, one at Farnham, and one at St. Jacques l'Achigan in Quebec. Various lines of experimental work are carried on with different strains of tobacco and in methods of curing, and so on.

For experiments in cold storage for fruit, $28,500.

Mr. GRAHAM: What is that?

Mr. BURRELL: It is a special vote put in last year and revoted this year for experiments in connection with fruit cooling. We have not done anything yet, but I think along some lines of experimental work we may do something this year.

Grant to Dominion exhibition, $50,000.

Mr. SINCLAIR: Where is that exhibition to be this year?

Mr. BURRELL: In the province of Manitoba, in the city of Brandon.

For the administration and enforcement of the Destructive Insect and Pest Act, $30,000.

Mr. SINCLAIR: How is that money spent?

Mr. BURRELL: In connection with the entomological work we carry on throughout Canada. We are carrying on a special work in the maritime provinces in connection with the brown-tailed moth, which has been such a scourge in the eastern states that over $6,000,000 have been spent

there to eradicate it. We are trying to prevent it obtaining a foothold in Canada. In certain places in Nova Scotia and New Brunswick it has appeared, and we have a staff of inspectors in connection with this and with other entomological work.

Quarantine, $273,000.

Mr. BURRELL: This is the ordinary vote for quarantine stations at Grosse Isle, St. John, Halifax and Victoria.

Mr. GRAHAM: Why is my hon. friend getting this steamer?

Mr. BURRELL: The service has been unsatisfactory for many years, and we have come to the conclusion that at St. John we ought to do what we have at Grosse Isle, Halifax and Victoria—that is have a steamer belonging to the department, and not be hiring a boat for the service.

Mr. SINCLAIR: I understand that the Government are having a large number of ferry boats and steamers built outside of Canada. I would like to impress upon the minister the importance of having these steamers built in Canada, even if the cost should be greater than if they were constructed in England or Scotland. The Government in having these steamers built elsewhere, seem to lose sight of the fact that they could be a very good customer of the shipyards of Canada. I am told that some twenty-seven steamboats of one class or another are projected by the Government and proposed to be built across the water—enough to keep a large shipyard busy for the greater part of the year if the boats were built in Canada. This matter has often been discussed in Parliament, but the Government, finding that the ships can be built a little cheaper somewhere else, apparently take no steps to ensure their construction in this country. I hope that the Minister will see that these vessels are in future built in Canada, and that the work be given to our own shipyards.

Mr. BURRELL: I have a great deal of sympathy with the suggestion of my hon. friend.

Mr. GRAHAM: It should be borne in mind that, upon any material imported to be used in the construction of these ships, the shipbuilders would have to pay to the Government a certain amount of duty, and that when the ships are built in England or Scotland and brought over in completed form, no duty is paid. This should be taken into consideration when a comparison of the cost of construction in the different countries is made.

Progress reported.

On motion of Mr. Rogers, House adjourned at 12.32 a.m. Wednesday.

HOUSE OF COMMONS.

WEDNESDAY, May 21, 1913.

The SPEAKER took the Chair at eleven o'clock.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

HOUSE OF COMMONS LAW BRANCH.

*Mr. CHISHOLM (Antigonish):

1. Was an investigation held some time ago into the workings of the office of the law clerk of the House of Commons?
2. If so, at what date and by whom was the investigation held?
3. During the present session was it not stated on the floor of the House by one of the members of the Government, that the report, evidence and all other documents relating to the said investigation would be brought down speedily?
4. Why has the report and evidence not been brought down, in accordance with the order passed by this House on Wednesday, 9th April?

Mr. BORDEN: An investigation was held before the commencement of the present session. A motion has been made to bring down the report, and it will be brought down in due course.

GROSVENOR MAIL SERVICE.

Mr. CHISHOLM (Antigonish):

1. How many tenders were received for the mail service between Grosvenor and the railway station, who were the tenderers, and what was the amount of each tender?
2. Did J. M. McKeough tender for said service? If so, for what amount?
3. Was his tender accepted? If so, why was it afterwards cancelled?
4. Did Alexander Tate offer to perform this service for $63? If so, why was it not accepted?

Mr. PELLETIER:

1. The tenders received for the mail service between Grosvenor and Linwood railway station were: J. M. McKeough, $100 per annum; R. V. Tate, $121.68 per annum; George Green, $130 per annum.
2. Answered by No. 1.
3. It was at first considered advisable to accept the tender of McKeough but action was stopped pending consideration of a proposed mail service between Linwood and a railway crossing three miles distant from the post office.
4. Alex. Tate's offer was for the proposed service to the railway crossing, and not for the Linwood station service. After consideration, the department decided to continue the service to Linwood station and as the inspector had reported that McKeough had

abandoned the service a contract was arranged with Redmond Tate at the rate of McKeough's tender.

LES BOULES MAIL SERVICE.

Mr. LEMIEUX:

1. Has the contract of Mathieu Bonenfant, of Les Boules, county of Rimouski, for carrying the mail been cancelled?
2. If so, why, and at whose request?
3. Has there been an investigation?

Mr. PELLETIER: This contract contained a clause which provided for its termination on three months' notice. This has been done and a contract made with the postmaster, Achille Bérubé, at the same price, viz.: $100 per annum.

SINTALUTA POSTMASTER.

Mr. THOMSON:

1. For what reason was James M. Hastings, postmaster at Sintaluta, dismissed from office?
2. When was this dismissal made, and who has been appointed in his place?

Mr. PELLETIER:

1. For political partisanship.
2. On the 2nd December, 1911. Mr. George Hill.

ST. LAWRENCE CHANNEL BUOYS.

Mr. BOULAY:

1. Who has been appointed or who occupies the position of engineer for the placing of buoys for the Department of Marine in the channel of the St. Lawrence from Montreal to Gaspé?
2. If such engineer has been appointed, when was it?

Mr. HAZEN:

1. Buoys between Montreal and Portneuf are under the direction of the agent at Montreal. Those between Portneuf and Gaspé are under the direction of the agent at Quebec. The respective agents detail one or more of the men attached to their agencies to place the buoys.
2. See answer to No. 1.

PRINCE COUNTY FISHERY OFFICER.

Mr. RICHARDS:

1. Has Daniel N. Forbes, fishery officer in Prince county, Prince Edward Island, been dismissed? If so, when and for what reason?
2. On whose recommendation was this dismissal made?
3. Was there an investigation held? If so, who held it?
4. What are the names of the witnesses?
5. Who has been appointed to fill the position?
6. On whose recommendation was the new appointment made?

Mr. HAZEN: Mr. Forbes was a special fishery guardian. Such officers are employed by the season only. He was not dismissed, but when his term of employment ceased, he was not re-engaged.

MANILLA ROPE.

Mr. SINCLAIR:

1. Is the Government aware that the price of manilla rope has doubled to consumers during the past year?
2. Will the Government take any steps to investigate the cause of this abnormal increase?

Mr. REID (Minister of Customs):

1. The Minister of Customs is aware, from reports in trade journals that a large increase in the price of manilla rope has taken place within a year or two.
2. The cause of this increase in price is already apparent according to information furnished through trade journals and other sources, which indicate that the increase in the price of such rope is chiefly due to the increase in the price of the fibre from which the rope is made—the fibre being produced in and imported from the Philippine Islands free of duty.

ST. SIMEON AND TADOUSAC MAIL SERVICE.

*Mr. LEMIEUX:

1. What is the name of the mail carrier between St. Siméon and Tadousac?
2. Has the new contract been granted for the carriage of the mails?
3. If so, since when, and for what period of time?
4. Were tenders asked for?

Mr. PELLETIER:

1. Alfred Poitras.
2. The contract, which expires on 31st December, 1913, has been renewed.
3. For four years dating from 1st January, 1914.
4. No. The contract was renewed without calling for tenders in accordance with the provisions of the statute which empowers the Postmaster General to adopt this course when the service has been satisfactorily performed and the terms and conditions are advantageous in the public interest.

A. GEORGE CHAMPAGNE.

Mr. DEMERS:

1. Has Mr. A. George Champagne been appointed to the Board of Examiners for the licensing of engineers? If not, is it the intention of the Government to make such an appointment?
2. Is the Government aware that Mr. Champagne is said to be connected with the Boiler Insurance Company, and that his appointment would be regarded as undesirable by other companies, and would also be an injustice to other companies transacting boiler insurance business?

Mr. CODERRE:

1. No.
2. Answered by No. 1.

EMPLOYMENT OF JOHN HOUGH.

Mr. VERVILLE:

1. Has the Commissioner of Customs received any communications complaining about a member of a union by name of John Hough, employed in the Customs Department in Montreal?
2. If so, what is the intention of the Government in respect of this communication?
3. Is the Government aware that such communication was intended, as alleged, to injure Mr. Hough?
4. Have any complaints been made regarding the moral or physical ability of Mr. Hough? If so, of what nature?

Mr. REID (Minister of Customs):

1. The Department of Customs received a communication protesting against the employment of John Hough, customs clerk, in work outside his customs duties.
2. Mr. Hough has been instructed that he should comply with the conditions of the Audit Act in respect of employment outside the customs.
3. No.
4. No.

BONAVENTURE SIGNAL STATION.

Mr. MARCIL:

1. Who is in charge of the signal station at Bonaventure, Quebec, and what salary is he paid?
2. Have orders been given to have this signal station attended to this year, and has this been done?

Mr. HAZEN:

1. Frederick Arsenault. Sixty dollars per annum.
2. Yes. The station was opened this year, on April 21.

ST. GODFROY BUOY.

Mr. MARCIL:

1. Who is the contractor for the placing of the buoy at St. Godfroy, Quebec, and what is paid for the service?
2. At what date was the buoy placed in position this year, if it has been so placed, and if not, does the Department of Marine and Fisheries intend to have it placed in position?

Mr. HAZEN:

1. (a) Mr. William Huard. (b) $25 per annum.
2. Buoy placed in position May 5.

SOUTHAMPTON RAILWAY COMPANY.

Mr. CARVELL:

1. Has a subsidy contract been signed with the Southampton Railway Company?
2. If so, for how many miles, and for how much per mile?
3. Has any amount, and if so, how much has been paid thereon?
4. To whom was said amount paid?

Mr. COCHRANE:

1. Yes.
2. Thirteen miles; $3,200 per mile not to exceed $6,400 per mile.
3. Yes; $48,442.88.
4. To the Southampton Railway Company.

RIGAUD ARSENAL.

Mr. BOYER:

1. What is the amount that has been paid to the contractor who recently made repairs to the arsenal at Rigaud on behalf of the Militia Department?
2. If his claim has not yet been paid, what is the amount of it?

Mr. HUGHES (Minister of Militia):

1. $2,245.
2. Answered by No. 1.

MALBAIE MAIL CARRIER.

*Mr. LEMIEUX:

1. Has Léon Trudel, a mail carrier between the steamer Champlain and the wharf of La Pointe à Pic and the village of Malbaie, been dismissed?
2. If so, was a three months' notice given him?
3. Has there been an inquiry?
4. At whose request was the contract cancelled?

Mr. PELLETIER: There is no contract for this service, which is being performed under temporary arrangement.

UNOPPOSED AND UNDISCUSSED MOTIONS.

For a copy of all correspondence exchanged during the year 1912 between Captain Bélanger, commandant of the Eureka, and the Department of Marine and Fisheries, both at Quebec and Ottawa.—Mr. Boulay.

For a copy of all documents, correspondence, reports and inquiries, relating to an accident which occurred at Trois Pistoles, Intercolonial railway on 10th September, 1912, respecting the death of Arsène Ouellet, and the wounds inflicted on Joseph Gagnon, at the time that these two men were struck by train No. 150 on the above date.—Mr. Boulay.

For a copy of all papers, letters, documents, contracts, settlements, records of settlements, and all other papers and documents in any way relating to the claim of the Rainy River Navigation Company against the Government, arising out of a subsidy agreement for the operation of certain boats between Fort Frances and Kenora for the season of 1911, or in connection with the settlement of the said claim, or of the said subsidy.—Mr. Macdonell.

BUSINESS OF THE HOUSE.

Sir WILFRID LAURIER: I would like to ask the Government when they intend to bring down their new legislation?

Right Hon. R. L. BORDEN: I should think about the end of the present week, or the beginning of next. Some days ago the right hon. gentleman made an inquiry as to what further legislation was to be

brought down during the present session. A Bill is under consideration having for its purpose the amending of the present law respecting the liability of municipalities for the pay and subsistence of militia called out in aid of the civil power. I am not quite sure whether the measure will be ready to be brought before Parliament this session; a conclusion has been arrived at in regard to the matter, but some further consideration will be required to determine the exact nature of the proposed amendment. The Minister of Justice intends to introduce a short Bill with regard to the staffs of the penitentiaries, and I understand that it will be necessary also to amend the Judges' Act, in view of provincial legislation which has provided for an increase in the judiciary in some of the provinces. The Postmaster General expects to introduce a short Bill to amend the Post Office Act. This Bill will deal with the salaries of letter carriers, and with some technical matters in connection with the Post Office Department. It will not, I think, be of a controversial nature. There may also be necessary amendments to the Acts establishing the departments, having regard to their organization. I am not quite sure of that, but as soon as we arrive at a conclusion I will give an intimation to my right hon. friend.

TRANS-ATLANTIC MAIL SERVICE.

Mr. LEMIEUX: I have noticed in the press some correspondence from business men with regard to the sending of letters to Great Britain via New York. When my hon. friend the Postmaster General laid on the table of the House the new contract for the trans-atlantic mail service, he stated that the additional number of weekly trips to Great Britain would probably do away with the sending of letters via New York. I observe that the business men in the city of Ottawa and elsewhere are complaining bitterly about this sudden change. I gathered from what the hon. gentleman said at that time that this change would take place immediately, and that, until the service was perfectly established and the new fast boats were engaged, mails could be sent by New York. Will the hon. Postmaster General explain what is being done at present?

Mr. PELLETIER: The new service was inaugurated on the first day of the present month. I may say that no business men, nor, as a matter of fact, persons of any kind, have complained to me, although I have seen the reports in the papers to which my hon. friend refers, and I understand that some newspaper editors have telephoned the department with regard to the matter. I would like it to be distinctly understood that we do not wish to prevent the people from sending letters via New York if they so desire and direct. We are trying to take care of the whole of the correspondence between Canada and Great Britain, but there is a rule of the Postal Union, to which, of course, we are bound to adhere, under which we are obliged to send the mails according to the direction in which they are routed. With the service we are giving now I am hopeful that all Canadians will help us in this matter by using our service for the transmission of this mail; but we cannot impose it upon them.

Mr. LEMIEUX: So that those who route their letters via New York can have them sent that way?

Mr. PELLETIER: Undoubtedly.

RESIGNATION OF GENERAL MACKENZIE.

Mr. MACDONALD: The House has no doubt heard that General Mackenzie, chief of the militia staff of Canada, has resigned. It is understood that General Mackenzie since coming to Canada has discharged his duties in a satisfactory manner, so far as the militia generally is concerned, and the announcement of his resignation has certainly been received with surprise by a large number of people. It has been freely stated in the press that the Minister of Militia and the General have had some personal disagreement, and I would like to ask the minister if he will be good enough to tell the House whether that is correct, giving us at the same time some information as to the circumstances in connection with General Mackenzie's resignation, and as to when it took effect. I would ask him also if he would be good enough to bring down all the papers showing the circumstances that led up to General Mackenzie's resignation.

Mr. HUGHES (Minister of Militia): I could not hear the remarks of the hon. gentleman, but I understood that he was referring to the resignation of General Mackenzie. It is true that General Mackenzie has resigned, and, if the hon. member will put his question on the Order Paper, I will answer it. Newspaper reports are sometimes exaggerated.

Mr. MACDONALD: Has he given any reason for his resignation?

Mr. HUGHES: I shall be glad to answer any question that is placed on the Order Paper, and to bring down all the papers.

Mr. MACDONALD: Will the minister not be good enough to state to the House the reasons given by General Mackenzie for his resignation?

Mr. BORDEN: My hon. friend has been told that if he puts his question on the Order Paper in the usual way, he will be answered.

Mr. MACDONALD: I think I have the floor, and there is no necessity for the Prime Minister's rather petulant remark. The Minister of Militia said he did not hear what I was saying and I wish to let him know what I was referring to. If he has heard me, I would like to know whether he is going to answer the question.

Mr. HUGHES: I told the hon. gentleman that General Mackenzie had tendered his resignation. I told him also that any other information he wished to obtain he could get it in the usual course by placing his question on the Order Paper.

Mr. CLARK (Red Deer): I think the minister is acting within his rights in taking his own time for giving a full account of this matter, but I should be glad if he would give me his assurance that his very proper exercise of a little home rule tendency is not going to have any deleterious effect in the way of the immediate disruption of the Empire.

WAYS AND MEANS—THE BUDGET.

Consideration of the motion of Hon. W. T. White (Minister of Finance) for the House to go into Committee of Ways and Means, resumed from May 12.

Mr. A. K. MACLEAN (Halifax): Mr. Speaker, on rising to resume the debate upon the budget, the adjournment of which I moved on Thursday of last week, I desire to say that it is my intention to present to the House my remarks in the shortest time possible and that I have no desire to extend the debate beyond reasonable bounds.

In reference to the statement made by the Finance Minister (Mr. White) the other day respecting the financial and material conditions of the country, I am sure that hon. gentlemen upon this side of the House will most heartily join with him in felicitating the people of Canada upon the very prosperous conditions which have prevailed throughout this country during the last fiscal year. Increased imports and exports, a buoyant revenue, a great increase in our immigration and commerce, are all indications to a remarkable degree of our prosperity and, I trust, are the tokens of a still greater future for this young country. We, upon this side of the House, followed with considerable interest the successful operation of the many political programmes or policies initiated by the late Government, and I am glad to observe that the continuance of these programmes and policies in the hands of hon. gentlemen opposite, is even productive of good. When hon. gentlemen opposite were upon this side of the House it was their persistent policy to condemn in the most unmeasured terms practically every act of the Government referable to trade and financial matters, and at this stage in the career of the present Government, it was only natural to have expected the announcement of something revolutionary with regard to matters relating to trade and finance. However, we find that we have been complimented in the sincerest form of flattery—that is imitation. The Liberal party never pretended to prescribe at any time any administrative or fiscal programme that for long would meet the needs and requirements of this new country, particularly in an age of great progress and change. Liberals, to-day, feel they themselves could improve their own policies to meet changed conditions.

A moment ago I expressed concurrence in the remarks made by the Finance Minister respecting the remarkable progress this country has made during recent years. I wish to revert to this for a moment just to point out to the House one consideration which I think should never be lost sight of: What is the source of the progress and development which have taken place in this country during the last decade and more? I submit that such an inquiry is always pertinent, because, if we do not know the spring and source of our development and prosperity, our administrative functions will not be directed in the proper channels, we will improperly ascribe our prosperity and development to wrong sources, and governmental forces will be directed to unprofitable ends. I think that I am merely stating a truism when I say that the prosperity which has been evident in this country in recent years is due to the fact that we are rich in natural resources and, perhaps, to be more specific, I might say, that development and that prosperity are due to the fact that we have had vast areas of fertile lands, that we still have a great reserve of fertile and unoccupied lands and so long as this condition exists this country is bound to be prosperous. Thomas Carlyle once remarked to an American with whom he was discussing the question of the prosperity of the United States: 'You may boast of your democracy, or any other ocracy, or any kind of political rubbish, but the reason your country and your folk are prosperous is that you have a vast deal of land with a very few people.' I say, Mr. Speaker, in all confidence, that the prosperity of this country has been due to the fact that we have had, and have, vast quantities of rich lands with a comparatively small population, and that, notwithstanding all our unscientific legislation and other impediments which Parliament and other

causes have cast in the way of the progress of the country.

I only desire to emphasize this point for the reason that hon. gentlemen in this House, and others outside, are prone to ascribe the prosperity of this country to this, that and the other reason. I would not presume to say that the development of this country has been due entirely to one cause, but I say that substantially you can trace it directly to the fact which I have mentioned, namely, our great riches and reserves in fertile lands. To that you may trace the large measure of prosperity which we have had in this country in recent years. To it is due our large immigration, the establishment of many homes and the increase in the numbers of producers and consumers. It has been responsible for the increase in the rate of wages more than any other thing, because the agricultural wage in any country always dominates more than any other factor the general wage. It has been responsible for the extensive railway construction which has taken place; it has been responsible, more than any other factor, for the increase in the number, and diversity of the productions of our manufacturers and for the increase of our reserves of wealth.

The House must regret that the budget speech was not delivered at an earlier period in the session, and disappointment must have prevailed in the country that no important announcement was made by the Minister of Finance respecting tariffs, trade, and markets. There must be in the hon. gentleman's own party many men and many interests who were looking for tariff changes, because the leaders of the Conservative party in 1911, if not directly, then impliedly, must have mortgaged themselves to a very great extent to the representatives of certain interests, who are naturally now looking for the payment of the first instalment on the mortgage. When hon. gentlemen opposite were in opposition they were continually decrying the tariff of the Government of the day. They stated it was not a tariff suitable to the best interests of the country, and they boasted that were they placed on the treasury benches they would give Canada a tariff which would be more suitable to her needs and which would more rapidly develop her resources and her trade. In what is known as the Halifax platform, one of the several platforms announced by the Prime Minister, he declared the policy of the Conservative party upon the tariff question to be:

> A fiscal policy which will promote the production within Canada of all useful articles and commodities that can be advantageously produced or manufactured through or by means of our natural resources, having due regard to the interests of the consumer as well as to the just claims of our wage-earning population.

This was a very extensive declaration of policy and it was calculated to meet the demands of any section of the country and any class of interests. If it was meant to be a statement that inherent defects and objections were in the tariff and that the Conservative party were prepared to rectify them when placed in power, then I submit that the Government party have had ample time to implement their pledges in this respect and to make plain what they meant when they asserted that the tariff of the Liberal Government was not one in the interests of Canada.

There are within my knowledge certain things which make me believe, that in 1911 the Conservative party did make promises to many interests respecting tariff changes. In September, 1911, I became aware of the following fact: The Independent Cordage Company was at that particular time, through their regular salesmen, endeavouring to dispose of the products of their factory in Halifax, and on September 1, an order for 150 tons of cordage was placed with the company by one of its usual customers, in Halifax, and which was accepted upon a condition which was stated upon the face of the order:

> This order is taken subject to the Government being returned to power. If the Government is defeated we expect the duty to be again placed upon lobster rope.

I know that another manufacturer of cordage obtained an order in Halifax about the same time, and a similar condition was imposed. Surely there must have been some promise on the part of the leaders of the Conservative party to the manufacturers of this particular article, that in the event of their coming to power there would be some important change made in the tariff on rope.

I was surprised that the Minister of Finance in his financial statement made no reference to the tariff item dealing with certain forms of rough lumber, which was the subject of discussion last session. I would remind hon. gentlemen that immediately after the Government came to power in 1911, under a ruling of the Treasury Board, made, I suppose, upon the initiation of the Minister of Customs, it was decreed that a duty of twenty-five per cent should be levied upon certain forms of rough lumber imported into this country which previously had been admitted duty free. This matter was brought to the attention of Parliament at its last session by the hon. member for Assiniboia (Mr. Turriff). On January 23, he moved the following resolution:

> That the Minister of Customs, in collecting a duty of twenty-five per cent on sawed planks, boards, joists, scantlings, studding and other lumber of wood dressed on one side when the edges thereof are neither jointed,

nor tongued nor grooved, is violating the Customs Act, and unduly and illegally imposing a heavy tax on the people.

When that resolution was under discussion, it was stated by hon. gentlemen opposite that the late Government deliberately and purposely permitted what they termed smuggling of lumber into this country. One of the British Columbia members protested against my denial that, in any event, whether the lumber were properly admitted free or not, it was not a case of smuggling. All hon. gentlemen opposite who participated in that discussion were most emphatic in the contention that lumber importations of that character were properly dutiable. One would have assumed that the Government, having taken that position, would have continued in the imposition of the twenty-five per cent tariff. For some reason, which must appear strange to everybody, the question whether these importations were free or dutiable was referred to the Exchequer Court. I can conceive of nothing that would justify the reference of this question to that court. I think the decision of the Treasury Board was sufficient. The Government could have admitted these importations free, and have given the matter a generous interpretation if they had so wished. The reference to the Exchequer Court was most reprehensible; it was nothing more or less than deliberate waste of public money, and behind it there could have been no real desire on the part of the Government to settle the question upon principle. The Exchequer Court decided that lumber of this character was properly dutiable. Shortly after this decision was given, however, it looked as if an election would take place in the province of Saskatchewan. Somebody suggested that it would hardly do, during an election in that province, to have it said that the present Government, by a decision of the Treasury Board had transferred from the free to the dutiable list certain forms of rough lumber, and that that decision had been endorsed by the Exchequer Court. Something had to be done to relieve the Government from criticism of this nature. What was done? Something even worse than the reference of the issue to the Exchequer Court. An appeal was solemnly made by the Government to the Supreme Court of Canada against a decision of the Exchequer Court, which was in harmony with the decision of the Treasury Board, and which had the endorsement of the Government. Could anything be more reprehensible than that? The Supreme Court of Canada reversed the decision of the Exchequer Court, holding that lumber of this particular character was admissible free of duty. This was not dealing seriously, honestly, and in a businesslike manner with a public matter.

There was no reason in the world for the appeal to the Supreme Court of Canada. It was a deliberate and unpardonable waste of public money and a reprehensible trifling with a public matter. It was quite within the power of the Government to interpret generously this tariff item, whatever might be the strictly legal interpretation. The decision of the Supreme Court of Canada, after all, is but a judicial interpretation, and may or may not represent what was the intention of Parliament. Hon. gentlemen opposite said last session that the intention of Parliament was to impose a twenty-five per cent duty on lumber. They asserted that the late Government deliberately and wilfully permitted smuggling of rough lumber into the western provinces, and that officials of the Customs Department deliberately connived at such violations of the tariff. I want to ask the Minister of Finance and his colleagues in the Government if, at last session of Parliament, it was their emphatic and clearly expressed opinion that this lumber should be dutiable at twenty-five per cent, why they have not imposed this twenty-five per cent duty during this session. If they are true to their expressed convictions made to Parliament, they would have this session announced the imposition of a twenty-five per cent tariff upon these importations of lumber. If they say they had no intention or desire to impose a tariff, why do they not amend the tariff so as to make it clear and indisputable that lumber of this particular character might be imported free of duty? Two important courts have disagreed as to the interpretation of this tariff item, and doubt still exists. I submit that the Government should make it absolutely clear, that rough lumber of the character involved, should hereafter be admissible free of duty. The Minister of Finance, and his colleagues must admit that they have not been entirely frank upon this matter.

Before proceeding to discuss the two matters which I have particularly in mind, namely: the matters of revenue and expenditure, I want to refer very briefly to one other matter. A little more than a year ago hon. gentlemen opposite were telling us that the proper market for this country to seek for its exportable productions was that of the United Kingdom. We were told it was large and not capricious. We were told that the Conservative or Unionist party of England were the advocates of protection and of the giving of a preference to Canada upon her natural products. But certain things have happened during the past few months, and I think we must express surprise that we have heard nothing from hon. gentlemen opposite respecting it. A few months ago the leader of the

Unionist party in Great Britain stated publicly that it was the policy of his party, should they get into power, to give a preference to the natural products of the several dominions of the Empire. Hon. members will recollect that when this statement was made it caused a tremendous hurricane within the Unionist party, practically rending it asunder. Mr. Bonar Law, leader of the Unionist party, then announced that his former declarations would be abandoned, at least as a matter of party policy until after the next election. But that was not acceptable to his political friends, and he was compelled to make a further announcement. He said:

> If returned to power, he would immediately impose a moderate tariff on foreign manufactures and give the dominions a preference in the British market, the largest preference possible short of the imposition of new duties on food.

That is the last and final statement of the Unionist party in Great Britain upon the matter of preference to the dominions of the Empire concerning which we have heard so much from hon. members opposite for a great many years. Under the policy attributed to the Unionist party some years ago, we were to find ample markets for our exportable products, but apparently all hopes of that have been forever abandoned. Of course, we may possibly be thankful for the fact that, according to Mr. Bonar Law it is possible that, if his party ever does come into power, we may have the chance of exporting to that country our manufactures under some preferential tariff treatment, an advantage which hon. gentlemen in this House will readily perceive, would amount to nothing whatever.

There is just one other matter to which I would refer very briefly at this point, and that is the fact that we have heard nothing this session from the Government or from the Minister of Finance in reference to the appointment of a Tariff Commission. The Prime Minister in 1911, promised that one of the first things he would do if returned to power would be to appoint a tariff commission which should deal with tariff matters in a scientific manner. A Bill to authorize the appointment of such a commission was introduced last session. The Senate made a few amendments which did not vitiate the principle of the measure, yet these amendments were refused by the Government, and the Tariff Commission Bill consequently never went into effect. Now, this commission was expected to define a method of placing in the melting-pot all the discordant and irreconcilable facts which are referable always to the making of tariffs, and it was to take therefrom ingots of economic truth which were to satisfy protectionists, free-traders and fair-traders alike. I assume therefor that upon consideration the Government have concluded that a tariff commission could not serve the useful purpose alleged for it prior to the last election. So far as I am concerned I do not regret that the measure did not pass and has not been re-introduced. I regard the purpose of a tariff commission as mere fiscal fantasy, and as absurd in its entirety. It was a very good thing with which to humbug the people generally in reference to tariff matters. I could never conceive that it could possibly be of any advantage in the construction of our tariff.

Having said these few words in reference to tariff matters, I desire to discuss briefly some matters relating to revenue and expenditure. Some days have passed since the hon. gentleman made his statement, and some very interesting figures which he gave may not now be fresh in the minds of hon. members. I wish, therefore, to refresh their memories by again recalling some of these figures. The Minister of Finance told us that the revenue for 1912-13 was $168,250,000 and the revenue for 1911-12, $136,108,000, an increase during the last fiscal year over the year preceding, of $32,000,000 in round numbers. Let me give the House the revenue in four-year periods since 1896 to furnish a basis of comparison for the revenue of last year.

Revenue of the Dominion of Canada—Four year periods.

1896	$ 36,618,000
1900	57,000,000
1904	70,179,000
1908	96,000,000
1912	136,000,000
1913	168,250,000

It will be seen that there has been a remarkable and steady growth in the revenues of this country ever since 1896. Now, to show the proportionate increase of the revenue of the last fiscal year over that of some other years let me point out the following:

Increase of revenue for 1912-13 over 1896, about	450%
Increase of revenue for 1912-13 over 1900, about	325%
Increase of revenue for 1912-13 over 1910, about	65%
Increase of revenue for 1912-13 over 1912, about	25%

When looked at in this way the increase in the revenue for the last fifteen years would appear to be most impressive and striking indeed.

I wish to refer very briefly to the matter of our expenditures. According to the statement made by the Minister of Finance, I find that our expenditure for 1913 is greater than that of the preceding year by $15,000,000, and I find that in 1913 the increase in expenditure over 1912 is greater

by 100 per cent than the increase of expenditure in any year since Confederation over the preceding year. I find upon a further examination of the estimated expenditure for the present year, 1913-14, that not only is the increase for this fiscal year very much greater than last year, but the proportionate increase will be very striking indeed. According to the estimates, the House is asked to vote for this year on consolidated fund account $125,855,000. In the supplementary estimates tabled yesterday I find a further vote asked for amounting to $17,328,809.98 on account of consolidated fund. At the end of the fiscal year the minister will probably come to Parliament and ask for a further supplementary vote which will amount to about $3,000,000; possibly more. Altogether that makes the estimated expenditure on consolidated fund account $146,000,000 for the present year. In addition to that there is in the main estimates for capital expenditure the amount of $53,000,000, and in the supplementary estimates $6,141,506, making a total estimated expenditure for the present year of $204,469,315. While it is true that a certain proportion of the proposed expenditures will lapse, we find that the probable expenditure for the present fiscal year will be the largest in the history of this country. We find that it will reach at least one-fifth of the proposed expenditure of the United Kingdom, which for the present fiscal year is, I think, estimated at £195,000,000. This is a very large estimated expenditure for this country for the current year, and I think it deserves serious consideration and close and careful scrutiny at the hands of all hon. gentlemen. The present Government are showing every evidence of being an extravagant Administration. They have shown a proficiency in this respect from the moment they came into office. Naturally they are inclined to prodigality; their desire being to dissipate the surplus. We are reaching a peculiar position in this country in respect to finance. Ordinarily we first estimate our expenditure and afterwards provide ways and means for securing revenue to meet that expenditure. But things are being reversed. We estimate our revenue and then we proceed to find ways and means to expend that revenue; in other words, the Committee of this House which has always been known as the Committee of Ways and Means has virtually become the Committee of Supply and the Committee of Supply has become the Committee of Ways and Means. The only question which confronts my hon. friend the Minister of Finance—and it has not worried him very much up to the present time—is how to get rid of the difference between revenue and expenditure. I submit that he is not exercising a proper control over the various hon. gentlemen who preside over the spending departments of the Government. I do not think they have any right to secure from the Finance Minister every single dollar they demand. I think that a brake should be placed upon them by somebody, but I fear the hon. Minister of Finance has not attempted to do this. Hon. gentlemen when they were in opposition were not slow to criticise the Government in regard to the expenditure of public money. The present Minister of Trade and Commerce, the Prime Minister and the hon. member for St. Antoine (Mr. Ames) who, I believe, is to follow me in this debate, never failed to take advantage of every opportunity to complain about the rapidly increasing expenditure of this country. They never ceased proclaiming the disaster that would overcome this country if the Government continued to increase the expenditure as they were doing year after year. Throughout the country, the people were asked to condemn the Ministry of that day because the expenditure was increasing at such a rapid rate. I would ask hon. gentlemen opposite what they have to say about the increased expenditures which have occurred since they themselves came into power? I do not propose examining critically or in detail the expenditures of the various departments of the Government, but that would be a very profitable field of research for any hon. gentleman to engage in. Let me refer, however, to the expenditures of the Public Works Department—and it was against the expenditures of the Public Works Department particularly that the Minister of Trade and Commerce and my hon. friend the hon. member for St. Antoine directed their batteries. The Minister of Trade and Commerce doubted in many instances if water could be found in places where money was proposed to be expended for the construction of breakwaters and wharfs, and the hon. member for St. Antoine sought to demonstrate the fact by visiting the localities with his photographic instruments. I would suggest to my hon. friends opposite that they take a look at the main estimates of the Public Works Department, and a further look at the supplementary estimates tabled yesterday, particularly having in mind expenditures in connection with wharfs, breakwaters and harbour improvements. Let me point out to the House in a word or two something in connection with the Public Works expenditures. In 1912 there was expended by this department $10,344,000, and in 1913 there was expended $13,000,000. The expenditures for the year 1913 were wholly within the hands of hon. gentlemen opposite, and their promise throughout the country before they came into power was that if they were placed on the treasury benches they could carry out all the just

and necessary demands of the country with regard to public works of this character with a smaller sum of money than had been expended by the late Administration. The estimates for the Public Works Department for the present fiscal year amount to $28,587,000 more than twice the actual expenditure of 1913, and almost three times the expenditure for the fiscal year 1912. I invite hon. gentlemen opposite, if they remain true to their statements, promises and pledges of bygone days, to peruse most carefully the estimates of the Public Works Department, both main and supplementary; I think they will find there something which should justify their most careful consideration and scrutiny.

Mr. BLAIN: Are they spending too much at Halifax?

Mr. MACLEAN: I am not complaining of any one particular expenditure at the present moment. I suppose it is desirable that a large portion of the money to be voted in these estimates should be expended, and I have no doubt that the expenditures in a great many cases will prove beneficial. But I would tell the hon. member for Peel that a great many of them are absolutely unnecessary and represent a pure and deliberate waste of money.

Mr. BLAIN: Will my hon. friend give a list of them ?

Mr. MACLEAN: Yes, some time I will, but I will not occupy the time of the House in doing so now. If my hon. friend from Peel will be as zealous in the cause of financial righteousness to-day as he was a few years ago, he will perform a great service to his country and to his fellow countrymen. Let me now refer to another department of expenditure. In the fiscal year 1912 the Department of Militia expended $7,580,000, and in 1913 $8,307,000, a very substantial increase. If there was any department of the public service for its expenditure which met with unrelenting criticism on the part of hon. gentlemen opposite when they were on this side of the House, it was the Militia Department. I find that for the year 1914 the estimated expenditures amount to $10,500,000, practically $3,000,000 over the actual expenditures of 1912. I submit that that increase is alarming and is worthy of the very careful attention of this Parliament. I think that Parliament requires a full and frank explanation from the Minister of Militia as to this very great increase of $3,000,000 in the estimated militia expenditures for 1914 over the actual expenditures of 1912. As I have said, hon. gentlemen opposite pledged their word to the people that if they were given access to the treasury benches they would carry on the great public services of the country with very much smaller expenditures than the last Government required. The Prime Minister of this country, I think in 1910 or 1911, in a public speech which he made on one occasion,—the date and place of which I cannot for the moment remember—referred to the total expenditure of that year and the preceding year, and he added that the amounts were so large that prima facie the Government stood convicted of corrupt expenditures of public money, and that the burden rested upon the Administration to show that they were innocent of the improper and corrupt expenditure of public money. What do my hon. friends opposite say to-day, in the face of the estimated expenditure of over $200,000,000 for the present fiscal year, and which, if the contemplated expenditures of the Government in regard to highways and naval defence are made, will probably reach more than $225,000,000? I ask hon. gentlemen how they propose to square themselves with their professions of only a few years ago.

To the Minister of Finance I would say that I think this is a year in which he might very properly have curtailed his expenditure. It is probable that there will be a very substantial increase in revenue for the present fiscal year. It was $168,000,000 last year; it might very well be estimated to be $190,000,000 or $195,000,000 for the present year; but there are many circumstances which I think should have justified the Minister of Finance in reducing the expenditure of this fiscal year. I cannot help but feel that there will be a decrease in the amount of money borrowed from abroad this year, and consequently that there will be a reduction of importations and a lessening of the normal revenue. While the general effect will be an increase in the revenue for the year, that increase will not be in proportion to the increase during the last fiscal year or the year before. There are other conditions in this country which make one feel that the immediate future will not be as bright as the immediate past. I have no desire to be pessimistic as to the future, and I am not, but I do think that the circumstances to which I have referred, the financial stringency which has prevailed in this country during the past several months, the unusual industrial expansion and the vast speculation in land which has been going on during the last few years, must certainly have their effect upon our financial and material conditions in the near future. I think if ever there was a time in recent years during which the Minister of Finance should have evidenced some desire to curtail expenditure,

it should have been for the fiscal year 1914.

I have pointed out to the House that in the last fiscal year we had a surplus of revenue over expenditure on consolidated fund account of $55,000,000, and in the present year that surplus will probably be $85,000,000 or more. I now wish to discuss briefly this matter and in its relation to taxation. A Government with a surplus of $55,000,000 in the past fiscal year, with a probable surplus during the present fiscal year of $85,000,000 or $90,000,000, can hardly justify its position unless they make a remission of a substantial portion of that surplus to the people. There are two reasons for the ground which I have taken, the one I have given, namely, that we have had for several years past a surplus which in the last year has grown to very substantial proportions and which will be greater still in the next year. There is another reason and it is that we are facing, as people are in most countries, a new problem created by the rapid and abnormal increase in the cost of living. Upon these two grounds I base my conclusion that we have reached the stage when no other course should be pursued by the Government than a remission of taxation.

In order that hon. gentlemen may understand what has been the history of surpluses, or the excess of revenue over consolidated fund expenditure, during the past several years, I would like to give to the House just a few facts upon this point. Let me remind the House that it has been the practice to consider as consolidated fund expenditures only those expenditures necessary to carry on the ordinary affairs of the country, occasionally including some expenditures that might properly be chargeable to capital account. It has usually been agreed by both parties that when it is absolutely necessary that we should embark upon expenditures of a larger and permanent nature, the money required for the same should be obtained by borrowings, and should be charged to what is called capital account. Occasionally that system of financing has been questioned by some people, but on the whole I think the same has met with the favour of hon. gentlemen belonging to both political parties. I think it is only proper that if the country engages in a very large undertaking requiring an expenditure of many millions of dollars, the benefits of which undertaking will be enjoyed by posterity, we should ourselves pay a fair proportion of it and the annual interest, leaving the liquidation of a portion of the capital expenditure to those who follow us and who will enjoy the results, to at least the same degree, and perhaps more than we do. Since 1900 we have had what are known in this country as surpluses, that is excess of revenue over consolidated fund expenditures, in the following amounts:

1901-2	$ 7,291,398 06
1902-3	14,345,166 17
1903-4	15,056,984 12
1904-5	7,863,089 81
1905-6	12,898,719 12
1906-7 (9 months)	16,427,167 20
1907-8	19,413,054 22
1908-9	1,029,171 97
1909-10	22,091,963 91
1910-11	30,006,211 46
1911-12	37,946,776 59
1912-13 (approximate)	55,000,000 00

In 1914 the probable surplus will be anywhere from $85,000,000 to $95,000,000. There is no doubt, and I am sure that hon. gentlemen will agree with me, that this surplus will continue growing from year to year, barring any year of commercial depression, or unless the money is wasted by extravagant and improvident expenditures by the Government. It would appear from the figures that I have given that our surpluses began in 1900 at very moderate figures, averaging up to 1910 about $7,000,000 a year for the decade, and being about $30,000,000 in 1910, and a greater sum in 1911, then rapidly forging to the front to the amount of $55,000,000 in 1913 and it will probably be $85,000,000 or $90,000,000 in 1914. Therefore, I say that we have reached a stage when we may very properly consider, whether or not we are justified in taking that amount from the pockets of the people or whether it should be remitted to the people in some form or other. That is the position of affairs which hon. gentlemen opposite must take cognizance of and I wish to argue that principle at some further length.

There is another way of looking at this matter of surpluses, or of considering the question whether or not we are taking too much money from the people. Let us look at the amount of money taken from the people in the form of customs and excise taxation which are the principal sources of revenue in Canada. Out of a total revenue of $168,000,000 last year $134,000,000 was recovered from excise and customs in the following proportion:

Customs	$113,000,000
Excise	21,000,000

I have not figured out correctly what this would represent per capita, but it would amount to $16 and over. I remember just a few years ago now when hon. gentlemen opposite were almost disposed to tears in this House and out of it, when the amount per capita taken from the people of Canada in customs and excise was $10 or $12. In the days of 1910 and 1911—they wailed like Jeremiah; to-day, I suppose they will talk like Isaiah. How do they propose to justify this increase in the taxation taken from the people by customs and excise, particularly when the Government are

unable to expend it wholly? The increase in customs and excise taxation for 1913 over 1896 was over 500 per cent, over 1900, 350 per cent; over 1910, 50 per cent; and over 1912, 25 per cent. The customs and excise taxation for 1914 will show a very marked increase over 1913.

Hon. gentlemen opposite will perhaps say: why did not the Liberal party, when in power and when they had surpluses, make a remission of taxation to the people? I suppose it is a question which, while no answer to my statement, is deserving of consideration. In the first place, when revenue is obtainable from tariffs, it is not desirable that the same should be continually subject to change. Nevertheless, the Liberal party when in power did make a very substantial reduction in the customs taxation, so substantial indeed that the Conservatives frequently said that the Liberal tariff was not producing for this country the results which a tariff they would frame, would. Again, I might point out that the surpluses during the Liberal Administration were relatively moderate. From 1900 to 1910 they would not exceed on the average more than six or seven million dollars a year. True, for 1910 and 1911 the surplus did reach thirty millions and thirty-seven millions, respectively, but taking all the years the late Government were in power, their surpluses were small as compared with the enormous surplus of this year and the equally large probable surplus for the coming year. Further, during the years the Liberal Administration had surpluses, they were engaged in the construction of the National Transcontinental railway which was built by the country itself at great cost. For several years, from the commencement of the construction of this public work down to 1911, a large amount was annually taken from the consolidated fund account and applied to the construction of this railway, thus reducing the expenditure on capital account which otherwise would be added to the public debt. I believe the Government of the day were justified in so applying the surpluses, and I do not think it met with any criticism from the Conservative party. But at the present time we are not engaged, nor are we likely to be, in any great national undertaking which will require the expenditure of public money, comparable to that required for the construction of the National Transcontinental railway. That being so, no reason is left to hon. gentlemen opposite for continuing to take from the people of this country the amount of taxation they are now taking; and especially in view of the fact that last year they had $55,000,000 more than was required for carrying on the ordinary affairs of the country. I submit, Sir, that under present conditions there should be a remission of taxation.

Mr. AMES: Would the hon. member indicate the manner in which he would grant this remission of taxation?

Mr. MACLEAN: I will come to that later. Another reason why there should be a remission of taxation in this country is that hon. gentlemen opposite, when not in power, contended for reduction of taxation in similar circumstances. I can tell the Minister of Finance that every gentleman sitting behind him—in the days when Mr. Fielding announced moderate surpluses—claimed there should be a remission of taxation. The present Minister of Trade and Commerce was always shocked because Mr. Fielding was taking such a large amount of taxation from the people, and in order that hon. gentlemen opposite may know Mr. Foster's opinion, I shall read one or two extracts from his speech.

At one o'clock, House took recess.

House resumed at three o'clock.

Mr. MACLEAN: When the House rose at one o'clock, I was endeavouring to show reasons why there should be a remission of taxation, the chief one being that the Government were taking from the people a greater amount of taxation than the necessary expenditures of the country seemed to justify. I was saying that one of the reasons why I urged that position was that hon. gentlemen opposite, when in opposition, had always contended that continued and large surpluses of revenue beyond necessary expenditure were undesirable and not in the interests of the country. I was about to read some statements made by the present Minister of Trade and Commerce (Mr. Foster) a few years ago, which are particularly referable to this point. I wish to give this as evidence and authority for the soundness of the position I am now taking, namely: that, by reason of the immense and extraordinary surpluses which we have had this year and last, there is only one logical and businesslike course for the Government to take, and that is to make a remission of taxation. Speaking in 1905 almost directly upon this point, the present Minister of Trade and Commerce made the following statement:

> **The axiom is as true as gospel that every dollar of unnecessary taxation you take from the people is so much extracted from their renumerative and productive capital, which otherwise they would employ in the constant processes of production and reproduction.**

Upon reference to the words of the hon. gentleman immediately preceding this statement, it will be found that it has particular reference to this matter. Again in 1907, the present Minister of Trade and Commerce,

speaking upon the budget debate, spoke as follows:

The Conservatives in their last years of office preferred to incur a debt of $31,000,000 and leave that extra taxation, which they would have had to take from the people of the country, with the people who need it, and to do with that $31,000,000 of debt what was necessary in the way of capital expenditure to be used and to be enjoyed not only by the people of these years but by the future generations. That is the proper way of financing. You have no right to take, especially from a young and new, striving and struggling country any great amount more than is needed for the current expenditures of the country. When you are building the Grand Trunk Pacific railway, when you are putting immense public works for the use of the country for hundreds of years, why call upon the poor toiling people of one year to put up these works which are to be enjoyed by all generations to come after us?

It will be seen that the Minister of Trade and Commerce was controverting the idea that all capital expenditure should be provided for out of current revenue. The conclusion from that is that the only amount of revenue collected should be that required to meet ordinary expenditures. (Reading):

The proper method is to borrow the money for these capital expenditures and place the burden of interest on each generation which enjoys the use of these permament works. Then those who come after us will pay their proportion of the cost of the works which they are using, and in good time, as the country becomes wealthy and able to do so, it can pay off its debt year by year as it pleases. The Finance Minister has made, to my mind, a radical mistake and has done an irreparable injury to this country in his mad race for taxation, and his avoidance of borrowing capital for these capital constructions, consequently drawing from the people their savings and earnings in larger proportions than he should draw them, and so crippling them to that extent.

This was the judgment of an experienced and highly qualified member and administrator of this Parliament, who takes the position that it is wrong to take from the people that amount of revenue which would meet ordinary and capital expenditures, and further that there should only be taken from the people for revenue purposes that which is necessary to meet ordinary expenditure.

In 1905, speaking upon the same point, the same hon. gentleman said:

Now, my honourable friend—and this is what I want the House to mark—argued that there was a class of expenditure which we ought to charge to capital account. The very moment he argued that and I agreed with him—that very moment he put the strongest argument to this House in favour of keeping your taxation simply up to the limit that is necessary to carry on your expenditures except those which are capital expenditures. But if you keep your capital account to a certain and well-defined line, there is no necessity for over-taxing the people. Only then should you tax to the limit of what is necessary to meet what you may call the current or consolidated fund expenditures of the country.

I commend these remarks to hon. gentlemen opposite. If they apply the opinions thus expressed to our financial position to-day, they will conclude that the Government should remit to the people this year a very considerable sum of money, approximating pretty nearly one-half of the surplus, because as the Minister of Trade and Commerce urged and I think with a great deal of force, particularly so far as this country is concerned—that capital expenditure should not be provided for entirely out of revenue, and that the revenue taken from the people should not exceed, to any great extent at least, the amount of money required for ordinary current expenditures. Therefore I am in a strong position to urge this course upon hon. gentlemen opposite, because they have always taken the same ground, when in opposition, and I think also when they were in power, that is, that it is indefensible, illogical and unbusinesslike to take from the pockets of the people more revenue than was actually required for our ordinary and legitimate expenditures.

Now, I wish to give a further reason why the Government should not take revenue from the people to an excessive or substantial amount above the ordinary needs of the country. It is axiomatic that no greater taxation should be taken from the people than is necessary. That is the commonsense theory with regard to taxation, and will meet with the approval of all economists. A British economist once truly remarked:

It is not wise, it is not just, to take from the pockets of the people into the treasury of the country an amount greater than the current expenses of the treasury require.

I say further that any taxation scheme that raises a greater revenue than the ordinary expenditure of the country requires does not correspond with the notions regarding taxation commonly entertained by the people of this country. If we go into the provinces, or to the cities and towns of this country, where the collection and disbursements of taxation is under the immediate and direct control of the people, at least to a greater extent than is the case in this Parliament, you find the prevailing idea regarding taxation to be that revenue should be on a parity, or thereabouts, with expenditure. We have, I say, reached a financial position in this country to-day when a remission of taxation must be made, or, in dealing with our financial affairs, we must reverse all preconceived theories and practise regarding finance. The Finance Minister either must remit taxation or must

come to Parliament and state that our revenue is going to be a particular amount; and ask Parliament to provide ways and means of expending it. That hitherto has not been the practice in finance in this or any other country. As I remarked earlier in the day, the practice always has been to estimate your expenditure, as is done in the municipalities, and then provide ways and means for securing the necessary revenue. But here we have reached the position when the Finance Minister must say: Our revenue is growing and will be $75,000,000 or $100,000,000 more than we require for ordinary purposes: come to my aid and tell me how I am going to get rid of this surplus. I must say that his colleagues are displaying considerable capacity in this direction. The estimates presented yesterday indicate great capacity on the part of the Minister of Public Works to expend money. I put the question to hon. gentlemen opposite, whether they consider it good business on the part of the Government they support, to take all the revenue that it can possibly obtain, and then determine how it can be entirely expended.

Mr. BRADBURY: The hon. gentleman did not feel that way when his party was getting its surpluses.

Mr. MACLEAN: I think I answered that objection very well a few moments before the one o'clock recess. I think I gave very excellent and indisputable reasons upon that point. I would say what I am saying now, if my political friends were in control of the treasury. My political friends went out of power on a policy which meant the remission of taxes to some extent at least. Hon. gentlemen opposite have been in power two years. They knew before the budget was announced that they were to have a surplus of $55,000,000. They had ample time to devise ways and means by which they could reduce that surplus to some extent at least.

Another reason why there should be a remission of taxes in view of the large and continued surpluses is that unexpended surpluses are an incentive to governmental waste and extravagance and an encouragement to political corruption. I pointed out to the Minister of Finance last year that he had among his colleagues some extravagant gentlemen, and that they would lead him into unnecessary expenditure. I pointed out that the mere fact that he had such a large surplus—at that time $37,000,000—would be an attraction to his political friends throughout the country from coast to coast for unreasonable requests for public expenditures. I am sure no one on the other side of the House will more heartily concur in my statement that unexpended surpluses are an incentive to governmental waste and extravagance than my hon. friend from St. Antoine (Mr. Ames). He, I am sure, will take the position he has always taken since he entered Parliament, that the existence of a surplus is a tremendous encouragement to waste. Let me refer the House to the financial history of the United States at a time when they were very much in the same position as we find ourselves to-day. We can frequently study Canadian political and financial problems by reference to the history of the same problems in the United States, for that country is very much like our own, and its people have many of our characteristics and tendencies. In 1887, when Grover Cleveland was President of the United States, he found himself confronted with a large surplus amounting to $140,000,000. His idea of dealing with that situation was to make a remission of taxation to the people. But the opinion of the Republican party at that time was that the money should be spent rather than that taxation be reduced. There is a very conspicuous similarity between hon. gentlemen opposite and the leaders of the Republican party in this respect. These hon. gentlemen, I have no doubt, will take the position that this Government should spend all the revenue it can get, whether the purposes be profitable or unprofitable. They will take the position that it is not sound finance to reduce taxation whether you need the revenue or not. Mr. James G. Blaine was then in public life in the United States, and he said that rather than reduce taxation it would be better to spend the whiskey tax, which amounted to $69,000,000, on coast protection and divide the balance of the surplus among the different states to reduce real estate taxation. That was what one of the leaders of the Republican party urged; hon. gentlemen opposite are practically coming to the very same position and are urging certain expenditures as unique as the suggestion put forward by Mr. Blain. Mr. Aldridge suggested that it would be wise to purchase United States bonds or make a prepayment of interest rather than a remission of taxation. He did not believe in making a revision of taxation if it could possibly be avoided. Another United States Congressman suggested bounties to wheat growers rather than a remission of taxation, while another suggested a very elaborate educational scheme. As I said before, President Cleveland recommended a remission or reduction of taxation to the people, and I think his position was sound. He went out of power without being able to effect any substantial remission in taxation, and the Republican party came into power with Mr. Harrison as President. On assuming the presidency, Mr. Harrison found himself confronted with this surplus—and a sur-

plus of revenue must always be the subject of consideration by any government responsible for the administration of public affairs. President Harrison was, as I say, confronted with this plethora of revenue, and he carried out what was the true Republican doctrine, and which I fear is the doctrine of the Conservative party. That doctrine is to expend the surplus; whether the expenditure be wise or unwise, profitable or unprofitable. And what did he do? In the first year of President Harrison's term of office, the amount paid to the people in war pensions jumped from $87,500,000 to $107,000,000, and in his fourth year they had reached the sum of $149,000,000. At the present time I think the pension disbursement in the United States approximates $200,000,000. And what was the cause of the growth in United States pension payments? It was the existence of an annual surplus or a wide margin between revenue and expenditure. Has it been a good thing for the national life of the United States? I believe hon. gentlemen will agree with me that it has had a most disastrous effect upon the national life of the United States. The mere fact that the pensions in that country should to-day far exceed the amount paid ten years after the Civil War is sufficient to condemn and brand the expenditure as corrupt, as indeed, it is. I say that will be the result in this country. The Government of this country, enjoying such large and growing surpluses as it has in the past and will have in the future, will be simply opening the door to unwise, unprofitable, and sometimes, corrupt expenditure. Is there any evidence before us to justify me in making the prediction that we shall travel the same course financially as did the United States, by reason of these excessive surpluses ? Hon. gentlemen, since they have assumed power, have endeavoured, though frustrated in some instances by circumstances to which I shall not now refer, to make expenditures which are unusual in this country. It was inevitable that this should be the case. I think hon. gentlemen sitting behind the ministerial benches a year ago saw that with these large and prospectively larger surpluses, their leaders would be compelled to devise some means of dissipating such surpluses. As I said a moment ago, I warned the Minister of Finance last year that his friends would get rid of this excessive revenue for him if he would permit them to do so. Last year a Bill was introduced to increase the provincial subsidies to the province of Manitoba. I am not going to say whether or not Manitoba was entitled to this increase of her provincial subsidy, but I do say that that increase was made without any regard to policy or principle, and absolutely without consideration of all the circumstances and conditions. I say it would not have been made at that time and in the manner in which it was made, had it not been for the fact that the Government had that year a very large surplus, and that they anticipated surpluses in the future. That is an instance of the danger of large surpluses in this country. Let us go a little further and see what is taking place this year, in a public service of the same nature. A commission has been appointed to inquire into the claim of the province of British Columbia for an increased provincial subsidy. Whether or not British Columbia is entitled to an increased subsidy is one question, and whether or not a commission should be appointed to inquire into this matter is another. No fair-minded man, however, can give to this House a reason for the appointment of a commission to inquire into the question as to whether or not British Columbia is entitled to an increase in its subsidy. It is not a question for a commission to decide. How can a commission assist the Government in the determination of this question ?

Mr. BURRELL: What has my hon. friend got to say with regard to the appointment by Sir John A. Macdonald of Sir John Rose as a special commissioner to investigate claims for adjustment with Nova Scotia?

Mr. MACLEAN: That was immediately after Confederation, when there was in Nova Scotia a strong opposition to the terms of confederation. At that time many of the provinces were dissatisfied in regard to the terms made between them and the Federal Government, and it was only natural that the Federal Government should seek to establish itself upon friendly relations respecting finance with the several provinces. But it is a sheer and useless waste of money and an insult to the intelligence of this country that a commission should be appointed to make recommendations to a responsible government upon the question as to whether or not they should increase the provincial subsidy payable to any province. That commission has only been appointed to implement a promise made by the Prime Minister when in opposition, and I venture to say he would not have endeavoured to implement that promise were it not for the fact that to-day we have such a large surplus.

While I am speaking about this matter of British Columbia subsidies, I may say that I was very much disappointed when the personnel of that commission was announced. I have particularly in mind one member of the commission whom I know very well,

who is a very able and excellent gentleman, indeed, but who is one of the executive of a large railway corporation in this country which in recent years has had large business transactions with the province of British Columbia. I say that that gentleman is disqualified from acting upon that commission by reason of his connection with a railway corporation that has extensive business relations with British Columbia.

I referred a few minutes ago to the very rapid increase of the pension allowance in the United States, due altogether to the fact that they have had surpluses there. We had introduced into this Parliament only a year ago the Fenian Raid Bounty Act. I do not know and I am not going to discuss now whether that legislation was proper or not, but I want to point out that unless the Minister of Militia and his colleagues of the Government exercise greater care than they are now doing in the administration of that Act we shall have a public scandal in this country which in some degree will be commensurate with the war pensions of the United States. I say that Act would be very much better administered were it not for the fact that the Minister of Militia is conscious that with such a large surplus as we have, he can administer it in a loose and easy fashion and permit many to obtain the benefits of that Act who in all probability are not entitled to it.

Last year there was introduced in Parliament the Highways Act. Hon. gentlemen opposite will say that that was to implement an election promise. Very well, but that election promise would never have been made, had the then leader of the Opposition, now the Prime Minister, not been cognizant of the fact that we were having surpluses and were likely to have for a number of years unless there was a remission of taxation and that therefore he might promise unusual expenditures. Never since September, 1911, when the Prime Minister of this country announced the Highway Bill as part of the policy of his party, have the Government given any businesslike consideration to this question. I say that an expenditure of that kind should never have been contemplated, or embarked upon, until a policy at least had been worked out. Assuming that that Act becomes law this year and that Parliament votes $1,000,000 for an expenditure under that Act as it did last year, I say it is humanly impossible to prevent the utter waste of that entire amount. I take my own province of Nova Scotia. Under that Bill and with a vote of $1,000,000 some $60,000 would be apportioned to that province and without any defined policy in mind, without at present any organization to expend it, with the claims that would be made by hon. gentlemen opposite from Nova Scotia for the counties represented by them, that amount of $60,000 would be absolutely wasted and this country and the province of Nova Scotia would never be able to see any tangible results from it. And why? I say it is altogether due to the fact that we have these surpluses which encourages the Government to adopt all sorts of schemes and policies without due and proper consideration, without reference to sound policy, in order to get rid of surplus rather than make a remission of taxation.

I say again that were it not for the fact that the Minister of Finance had in mind a probable surplus of $55,000,000 for 1912-13, the Prime Minister would not have been so hasty in his visit to England last year to negotiate with the British Admiralty upon a naval programme. To put it in another way, I say that if the Prime Minister had believed in the month of July of last year that the Finance Minister of Canada in his budget of this year would announce a deficit instead of a surplus, he would have proceeded in a different fashion upon his naval policy. I may say the same with respect to the matter under discussion here the other day in reference to the letter written by the secretary of the Minister of Public Works to the Senator for Antigonish. This was a letter, as was shown in this House the other day, in which the expenditure of $160,000 was promised on the eve of a provincial election in that constituency. It is easy to write such letters and hold such promises for political effect, in any province in Canada, to aid a candidate friendly to the present Administration, with a surplus of $55,000,000 in contemplation. I say that if there had been a deficit instead of a surplus of revenue that that letter would never have left the department of the Minister of Public Works. Yesterday the supplementary estimates were tabled. They provide for additional estimates amounting to $23,000,000, I think, in round numbers, $17,000,000 on account of consolidated fund and the balance on capital account. As I pointed out this morning, the estimated expenditures for the Public Works Department on consolidated fund account for the present fiscal year amount to $28,000,000, double the amount expended in 1913, and nearly three times the amount expended in 1912. I have not examined very critically the expenditures proposed by that department, but I have given them a cursory glance, and I observe there many expenditures which are very questionable indeed and many which I am sure would never have found their way into the published estimates of the Government were it not for the fact that there exists this surplus which must be dissipated, and which members of the Cabinet are apparently anxious to distribute for political effect, a

desire which, I am sorry to say, the present Minister of Finance apparently countenances. Nobody who makes a request for expenditure of public money from the present Government seems to be refused. I would be extremely surprised if within the last six months anybody has made a request of the present Government involving an expenditure of money whose request was not granted wholly or at least in part, and I am sure if their request had to be deferred the applicant was kindly and politely told that next year his request would meet with favourable consideration.

Mr. MACDONALD: That is anyone who knows how to ask properly.

Mr. MACLEAN: Yes.

Mr. CARVELL: And who does not know over there?

Mr. MACLEAN: With the surplus of $65,000,000 this year and with a surplus of $85,000,000 or $90,000,000 next year is it not the natural thing that unreasonable demands would be made upon our exchequer?

We on this side of the House warned the Finance Minister last year, that unless, in some proper manner, he managed to diminish his growing surplus, his friends behind him would always be making unfair requests for expenditures. He now sees what the year has brought forth, and I do trust that he will in future give consideration to the matter that I am calling his attention to, and will recognize the fact that it cannot but end disastrously for the country if he continues taking from the taxpayers the amount of revenue he is now taking, and which leaves so great a difference between the ordinary expenditure and income. After all it is human to be extravagant if one has more than he requires. The vast amount of surplus that we have enjoyed during the past year has apparently determined the Government upon a race of riotous and wasteful expenditure.

In concluding my remarks upon this point let me repeat that there should be a diminution of this surplus in the way of a remission of taxation to the people. The people would prefer having the excess of revenue above ordinary expenditure in their own pockets. The Government is safer without it, and the people would rather have it themselves. Again, I say it is economically unsound to tax the people for a sum greater than is required for the ordinary expenditures of the country. Again, I say it inevitably leads to extravagance, and the Government have already exhibited too great a tendency in the direction of improper and wasteful expenditures, and I am sure that if they continue obtaining a large surplus year after year they will continue in their extravagant and wasteful administration of the financial affairs of the country. Again, I say that there should be a remission of taxation because it means decreased taxation for the people.

There is another reason why I think there should be a remission of taxation. I refer to the increased cost of living. That is not a point which I am going to labour at any great length, for I find I have already taken very much more of the time of the House than I had intended. I will refer, however, to this phase of modern life in just a few words and I shall be content to state my position in general terms rather than with any particularity. The question of the increased cost of living is a modern one, it affects many countries of the world. I grant you, but nevertheless in this country it is a pressing one and engages the attention of all thoughtful and reflecting men to whatever party they belong. The imperious cry for food at prices within the reach of the ordinary consumer is one that cannot be silenced. The promise of the Creator that the fulness of the earth is for man's enjoyment is one that must be fulfilled, and if its fulfilment is being impeded in any way it is our duty as legislators to remove the impediment in so far as we possibly can.

This question has been studied in recent years in a great many countries and many causes have been assigned for the high cost of living. The causes are not all within the control of Parliament. I do not take such an unfair and illogical position in dealing with this matter. The reasons usually assigned by students of the problem after all are quite few in number and I wish to state some of them. In the first place, it is, I think, granted that one of the reasons is the increase in the world's production of gold and silver which necessarily and inevitably reduces the purchasing power of both gold and silver. Another cause is the waste of nations and in some respects the waste of individuals. Another reason is the disproportionate growth of urban and rural population. There is an increase in consumption and a higher standard of living adopted by the people of many countries of the world and particularly of Canada. There is the over-expansion of industrial and commercial enterprise, there is the demand for capital, and consequently a very high rate of interest, there is speculative trading and there is also the question of taxation in all its forms. These are some of the causes assigned by students of the problem, and I suppose each of the causes that I have stated plays its part in some degree or other. But when I have stated the causes it does not in any respect minimise the effects. It is a modern problem thrust upon us for our consideration and action, and we must face and meet the issue squarely. That there has been an increase in this

country in the cost of living is, I think, undoubted and undeniable. In the report of the Department of Labour, published recently and presented to Parliament, I find a statement giving the percentage of increase in twenty-eight articles entering prominently into the cost of living. It gives a comparison of prices in 1912 with those of 1911, 1890, and also with the year of the lowest prices in the last fifteen years. The results are as follows:

	Compared with 1911.	Compared with 1890.	Compared with low year.
Animals and meats.	9·7	44·6	95·1—1896
Dairy products.. ..	16·7	54·0	76·5—1897
Fish..	8·4	50·7	71·8—1897
Other food stuffs. ..	6·6	14·7	46·5—1897

The prices here quoted are the wholesale prices; but if we take into consideration the retail prices, we will find that they have increased in still greater proportion. I think I should also remind the House of the well-recognized economic fact that the smaller the income, the greater is the percentage he must pay thereof required for articles necessary for actual subsistence, particularly for foodstuffs. The proportion of a man's income usually required for the purchase of foodstuffs ranges from forty per cent to sixty-five per cent.

Mr. EDWARDS: Are the wholesale prices quoted representative prices generally over the Dominion or are they taken at particular points? May these prices be considered as the prices in Canada as a whole?

Mr. MACLEAN: They are taken from the figures collected by the correspondents in the different provinces, and I presume they would apply to Canada as a whole.

Another thing important to consider in connection with this question of the increased cost of living is the change that has taken place in our rural and urban population. According to the census of 1911, the population of Canada increased thirty-four per cent over that of the previous decade, and the rural population increased by seventeen per cent, while the urban population increased by sixty-two per cent. In that period our rural population fell from 62.3 of our total population to 54.4, while the urban population increased in the same ten years from 37.7 in 1901 to 45.6 in 1911. This shows a decrease of rural population and an increase of urban population greater than ever known before in Canada, and I believe greater than ever has been known in any other country. It may be interesting to give the proportionate increase and decrease of rural and urban population in proportion to the total population for the last three decades as described by our census statistics.

	1891.	1901.	1911.
Rural population..	67.9	62.3	54.4
Urban population	32.1	37.7	45.6

Should our urban population continue to increase and our rural population continue to decrease proportionately, then the difficulty of meeting the increased cost of living will be accentuated. We will inevitably have an increase in the number of consumers and a decrease in the number of producers, which will intensify the problem and make it more difficult to solve.

Another aspect of this question should not be overlooked and that is, that wages do not increase proportionately with the increased cost of the necessaries of life, nor do salaries, I mean moderate salaries, increase as rapidly as wages, so that therefore the increased cost of living bears most heavily on the wage-earners and those in receipt of moderate salaries. The social effect of the increased cost of the necessaries of life on the majority of the people of a country, is another factor which enters into the consideration of this question. I shall deal but briefly with the sociological aspect of the question; and I believe that in the future our political problems will be more sociological than economic, and in that respect the politics of the future will be in contrast to the politics of the present and of the past. One effect of the high cost of living is to force many men and women into the labour market, it keeps a great number of people upon, and some under the poverty line to an extent that most people do not realize. I express the hope that during the recess hon. gentlemen will take the trouble to read the evidence given before the committee dealing with Old Age Pensions, and there they will find startling conditions in this country disclosed. I know that hon. gentlemen will be surprised upon investigation to find how closely, in this new and prosperous country, we approximate the conditions of some of the oldest countries in the world. The existing conditions do not make for physical efficiency; they aggravate the spirit of social unrest and they create new social problems which we must sooner or later face, and which are particularly undesirable in a country where we have so many avocations which can only be pursued by those engaged in them during certain months of the year. Our climate naturally gives us many occupations which are but seasonal. The conditions to which I refer are forcing a grave social as well as economic problem upon us for our consideration. In a general way the modern world has created new conditions which must be faced. In the last analysis it is a human problem and must

be solved in a human way. These conditions are attributable to many causes, some of which I grant, are beyond our control; but one of the contributing causes is undoubtedly the question of taxation, which is very largely under our control, at least so far as federal taxation is concerned. These conditions are undoubtedly known to the Government, and the circumstances are such, particularly in view of the large and unnecessary surplus of revenue which the Government are enjoying, that they should face this problem squarely and should grant some relief by a remission of taxation. I think I have made it clear that upon two grounds, namely: that of the great disparity between revenue and ordinary expenditure, which means the extraction of unnecessary taxation from the people, and that referable to the recent increase in the cost of living, there should be made a reduction in taxation.

The hon. member for St. Antoine (Mr. Ames) asked me if I had any particular method in mind by which this taxation might be reduced. That is a question which might very easily be answered, but in no short time. Hon. gentlemen opposite are responsible to the people of this country for the collection and the disbursement of revenue. After all, I do not think the problem is a difficult one. The fact is that our revenues are in excess of the needs of economical administration, and a reduction is justified to the amount exacted from the people above the requirements of the Government. A reduction in taxation necessarily means a reduction in the amount taken from the people by means of the customs tariff. After the amount of such reduction has been determined, the inquiry follows where it can best be remitted and what articles can best be relieved from taxation in the interests of our citizens. That is the issue which confronts the Government; the responsibility which rests upon the Government and should not be evaded any longer. I go so far as to say that at the present session of Parliament that responsibility and that duty should have been faced, and that the Government should have declared their determination to make some reduction in taxation at once.

I intend saying something in reference to the changes announced in the tariff the other day by the hon. Minister of Finance. Having already occupied so much of the time of the House, I do not desire at this stage to do so. I shall reserve my remarks on the tariff changes until we are considering the resolutions in the Committee of Ways and Means, where these changes may perhaps be more fittingly considered, as many of them are of a technical character.

In conclusion, let me say that we on this side of the House deplore the rapidly growing expenditures of this country. We particularly deplore the proposed excessive expenditures as we find them announced in the main and supplementary estimates for the present fiscal year. We deplore the evidently extravagant tendencies of the present administration; we are of the opinion that a great many expenditures, which they have made and which they contemplate in the near future, will be unprofitable and unproductive to this country. We say further that, in view of the disparity between revenue and ordinary expenditure, a remission of taxation should properly be made at the present session of Parliament. I feel that I may express the regrets of hon. gentlemen on this side of the House, that at this session of Parliament, and on the occasion of the deliverance of the budget speech by the hon. Minister of Finance, there was no indication of any substantial remission of taxation to the people of this country.

Mr. H. B. AMES (St. Antoine): Mr. Speaker, I have listened with pleasure and attention to the somewhat prolonged remarks of the hon. member for Halifax (Mr. Maclean). I have followed his remarks as carefully as I could, expecting, as his theme developed, that I would find something that might make it possible for me to term his remarks a criticism of the policy of the Government. During the years I have sat in this House, I have never before found the first speech in reply to a budget speech so absolutely devoid of what one might call critical analysis of the position taken by the Government in reference to the subjects treated in the budget speech.

When we rose at one o'clock, I was vainly hoping that my hon. friend would answer the simple question which I put to him whether, in view of his declaration that it is absolutely necessary that there be a remission of taxation, he would tell us how the members on his side of the House propose to set about doing it. There are many ways in which it may be done. Many ways have been suggested. I have waited anxiously, presuming that some of these ways would be recommended by the thoughtful and careful member for Halifax. He has avoided, however, disclosing in any way whatever the mind of the Opposition in reference to this matter. One is led to wonder whether the Opposition have a mind on this subject, or whether their mind is so diversified and divided that it is thought the best way is to say simply that something ought to be done, but not to suggest any way in which it might be done.

It is interesting as we take up year by year these matters that are treated in the budget to find how the point of view changes the

remarks of hon. members. Very much that the hon. member for Halifax has said to-day by way of doubting the advisability of the action of the Government has in previous times been alleged from the Opposition benches, and I suppose will continue to be used so long as Parliaments endure. The difference of being a supporter of the Government or a critic of the Government seems to me to leave but little choice of argument, the same stock arguments appear on both sides of the House. I find, for example, that at the present time, what our Liberal friends were accustomed in times past to characterize as 'abundant revenues' are now spoken of as 'excessive taxation'; and one is hardly nimble enough to be able to adapt oneself to the change of definition. I find, too, that while in times past our Liberal friends were prone to claim for their leader, their Government and themselves credit for Canada's prosperity, growth and power, to-day that is all laid at the door of Providence, and the present Government is regarded as having done but their duty in so far as they have not greatly impeded that manifest development.

The hon. member for Halifax has raised the contention that the present system of taxation is taking out of the pockets of the people of Canada larger sums of money than it is advisable should be collected. His contention is that the people are overtaxed, and therefore he would argue that the system by which these abundant revenues are turned into the public coffers, should be altered in some way which he has not seen fit to define. I want to point out in the first place that the increased revenues are collected entirely by the continuation of the system in force for a number of years, and not changed since the present Government came into power. This proves that, instead of being an extraordinary growth in response to special stimulation, this growth has been the natural, regular, normal. When we find that the system of taxation which has been manifestly sufficient and proper for the past, let us say, twenty-five years, this year yields abundant revenue, I do not think it can be contended that the system, not having been to any notable degree departed from, ought to be altered at this time merely because it does yield abundant revenue. The first question that we have to deal with in taking up the adverse contention of the hon. member for Halifax, namely, that the people are being too heavily taxed, is: Are they being asked to pay more than they can stand? The sources of our taxation are well known. Roughly speaking, they are divided into three parts. We have no large public enterprises and large federal monopolies as they have in Australia and elsewhere. Only about $30,000,000 of our revenue comes from sources that are not regarded as taxation, and that amount is counter-balanced by the expenses of the same enterprises against which they are charged. We are generally content in this country, for example, if our post office service manages to make both ends meet. And I doubt very much whether it does make both ends meet, if we charge up against it the subsidies we now pay through the Trade and Commerce Department, the rent of which might properly be charged for buildings, and also the interest on such capital expenditure as might be found necessary from time to time for the extension of the plant. I doubt, were all things taken into account, if there would be a profit in our postal service. So far as our governmental railway is concerned, there were times when we thought that the Government was doing well if it paid expenses. We have improved on that; we are trying to meet not only running expenses, but betterments, repairs and renewals, and even to show what may begin to balance the great interest account, which might fairly be—and is in other countries—charged against government enterprises of that character. But we hardly expect this Government railway, even under its present business-like management, to reach the point where it can pay expenses, pay for renewals, repairs and betterment, and let us say, three per cent on the $90,000,000 or more invested therein. So, from these accounts the figures very nearly balance. Our main method of collecting revenue is from excise and customs. Now, the excise serves another purpose than raising revenue, for it is largely regulative of certain classes of commodities which, in all parts of the country are to a certain extent, controlled by means of taxation. So that, I think, as the customs tariff raises four-fifths of the money which comes from taxation, probably the reduction which my hon. friend from Halifax has hinted at, but has not very clearly defined, would have to be made on these lines. Let us, then, ask ourselves the question as to whether the customs tariff of Canada as we have it to-day is taking too much out of our people. I would point out that the customs rate as it exists to-day in Canada, is not by any means an unduly high rate, if we compare Canada with other countries where the protective system is considered to have a right of consideration, such countries as Germany, Belgium, France or the United States. We find that, in comparison with these countries, Canada would be reckoned as a low tariff country. Taking the tariff that is levied upon all classes of goods that come into Canada it only averages sixteen per cent of the total value, or taking it upon those goods upon which customs taxes are collected, we find that it falls somewhat

under twenty-six per cent. That is a comparatively low tariff, and if we look into the history of the tariff legislation during the last twenty-five years, we find that under successive governments, whether Conservative or Liberal, there has been a constant tendency for the tariff rate to be reduced. Ever since 1888, it has been by slight gradations, diminishing year by year. In 1888 the rate of duty upon customs paying articles imported into Canada was 31.858. Then in successive years it fell to 31, to 30, to 29, for a series of years to 27, then to 26, then to 25 and a fraction at the present time, where it has stood for the last two years. So that, with a gradual and falling rate—and probably it will continue to fall inasmuch as some of the recent trade treaties will affect it to a certain extent—with a tariff which compared with other tariffs is low and with a tendency for the rate to gradually fall, it does not seem to me that a strong case can be made out in favour of the contention— if that contention has been fairly put by my hon. friend from Halifax—that our rates of Customs taxation are too high.

There is another phase of the matter which the hon. member has been dealing with. Is the tax rate more than the people can pay? That is a question not so much of amount as of relative capacities of endurance. I admit that the amount we take from the people of Canada to-day by way of taxation is very much greater than it was in preceding years, but I claim that the shoulders which bear the load to-day are very much stronger than they were in previous years. For example, if a man received a salary of $1,200 a year, he could quite easily pay a rental of $25 a month, but if his salary is increased to $2,400 a year, he can pay $50 a month rental quite as easily as he paid the smaller amount when his salary was only $1,200. So it is with a country. Our ability to pay taxes has greatly increased, as would appear from many statistics, only a few of which I shall give to the House as pertaining to this discussion. Comparing the Canada of to-day with the Canada of ten years ago, we find that whereas our total trade ten years ago was $467,000,000, the total trade to-day is $1,085,000,000. Ten years ago we thought we were doing well if our exports amounted to $214,000,000; to-day we are disappointed when they are found to be $356,000,000. Looking back over the bank statistics, we find that ten years ago the total amount of bank deposits, representing the active money of our people, accounted for $424,000,000; now we find that the amount has increased to $1,074,000,000. The circulation of Dominion bank notes, which is a fair evidence of the business of the country, was $38,000,000 ten years ago, and now it is $114,000,000. The one-dollar and two-dollar bills, representing the pocket money of the people, and the change which is constantly passing from one hand to another throughout the country, amounted ten years ago to $11,400,000; to-day we find that $21,000,000 is not more than enough to serve our purposes. Canada's burden-bearing power has increased so greatly during the last ten years that we have no hesitation in making the assertion that it is as easy, if not easier, for Canadians to carry a per capita tax of $17 to-day than it was for them to carry a per capita tax of $8.50 ten years ago.

The hon. member for Halifax (Mr. Maclean) is greatly exercised over the fact that we have a surplus, and the burden of his song has, to a large extent, been that the Administration should desire to get rid of the surplus, and that it is dangerous for any government to be entrusted with a surplus of such a size. I desire to point out, by way of comparison, that it does us good once in a while to see how this lusty young man known as Canada is growing and feeling his strength and power. The Canada of ten years ago is not the Canada of to-day. Ten years ago there was one transcontinental railway, and we were wondering whether we could undertake the building of a second one. To-day we have three transcontinental railroads, nearly completed, each of them opening up vast new territories. We are also expecting to build the Hudson Bay railroad; in fact it is partially finished, and, following out the great development and extension of railroad construction in every province of the Dominion from the Atlantic to the Pacific, we find it necessary that large expenditures should be made on ocean terminals. Then, it does not often occur to us to consider how the inhabitable area of Canada has increased during the last ten years. We now have a new Quebec and a new Ontario. I have travelled from one end of the clay belt to the other, and I can say that it is a magnificent agricultural land if climatic conditions are such as to make it possible for a population there to thrive. In the future the development and building up of a country 350 miles in length in northern Ontario and Quebec is going to call for large expenditure on the part of the Government. Let us look at the development of the prairie provinces; let us compare the homestead map of ten years ago with the homestead map of to-day. Ten years ago, with the exception of the sections near Winnipeg, Edmonton and Calgary, and a few scattered homesteads along the main line of the Canadian Pacific railway, little or no land was occupied, but, looking at the homestead map of to-day, it is almost impossible to find a spot as large as a postage stamp which has not already been pre-empted and occupied by farmers

and settlers. The enormous new area which is being opened up in these three provinces will make a great demand upon the expending power of this Government. Then there is the province of British Columbia, in which new railroad lines are crossing, like the stripes of the British flag, from north-east to south-west and north-west to south-east, and doubling and trebling the available area of that province, and all of which will call for vast expenditures.

The hon. member for Halifax has directed attention to what I think will be admitted on both sides of the House to be a growing tendency on the part of the federal government, namely, to assist the provinces in doing what in the earlier days it was considered they should do themselves, out of their own revenues. I would like to point out that in the early days the total revenue enjoyed by all the provinces of the Dominion as compared with the revenue enjoyed by the federal Government was about as one is to two, but to-day the proportion is as one to five. In other words, while the revenue of the federal Government has greatly increased, the revenue of the provincial governments have not, and the provincial governments have demands beyond their ability to pay, while the federal Government is able to cope with all demands made upon it. The result has been that the people of the country have looked more and more to Ottawa and less to their own capitals for assistance in the financial requirements of their development. That is why Bills are introduced in this Parliament to assist provincial roads and agriculture; that is why we find that the various provinces ask for larger subsidies. The federal Government will in the future, no doubt, be asked to enter into further expenditures on behalf of the provinces which have hitherto been regarded as entirely provincial, and this will make a further inroad upon the public revenue of the country.

Let it not be forgotten also that the year 1913 marks the time when Canada is making her first real expenditure on naval defence. I do not refer merely to the purchase of the three dreadnoughts, but I would refer hon. gentlemen opposite to the outline given by the Prime Minister the other day of the expenditures which will be incumbent upon Canada in the future for her own self-defence; the erection of four dry-docks at the principal ports upon the Atlantic and Pacific coasts; the establishment of naval bases and their fortification, the development of our fisheries protection fleet and the establishment and maintenance of training schools for sailors and seamen. The Prime Minister the other day made no secret of the fact that the grant of three dreadnoughts would not end the programme of this Government, but that they intended to continue along other lines in doing what was necessary in many ways and in many places for the defence of Canada, all of which would involve enormous expenditure; so it does not seem to me that we can afford to be ranked among the little Canadians, among those who look back ten years and say we used to spend enough then, can we not go back to those days and still continue our small expenditure? We are coming to an era of greater things than we have ever known before and the next ten years will probably see a greater advance made by Canada than in any preceding ten years of her history. We must be prepared to spend what is necessary to develop our country in order that we may be able to deal adequately with the problem which enlarged population and increased development of our resources make incumbent upon us. I shall not be at all surprised if before we celebrate the fiftieth anniversary of Confederation we find that our annual revenues will considerably exceed $200,000,000 and for the Canada of that time that amount will not be proportionately a greater sum than the revenue of earlier days. I do not see that it would be wise at this time to make an attempt to curtail the revenue coming to us, because we must always be prepared for less prosperous years, we must be prepared for a time when money will not come so freely to us, as it has not come in so freely into Canada this year owing to the high rates of interest; we must be prepared for a time when there may be some check on immigration. While it is easy to cut off sources of revenue, every government knows it is extremely difficult to restore them and consequently it would seem to me to be the path of wisdom to let a normal system which is working reasonably well continue without interference. It is easy to put it wrong, but it will not be difficult to keep it right if it is left alone. I would suggest a remedy for the terrible evils which the hon. member for Halifax dreads. He seems to fear that the greatest possible danger would be large revenue or a surplus. But we have $316,000,000 of indebtedness to work away at in the meantime and if we find ourselves with more money than we know what to do with, it can be used in the reduction of this our debt, and I am sure that no one will say it is not wise policy in times of plenty to pay your debts and reduce your obligations because the times may become harder, when it will be necessary to increase your indebtedness.

I congratulate the Minister of Finance on some of the things which were shown by the budget which he delivered here a week ago. In the first place, I congratulate him on the fact that notwithstanding his revenues were large he kept well within them. Sometimes it is harder for a Finance Minister in bountiful years to keep within his

revenue than in lean years. In hard times you can say to all comers: This is a bad year, we cannot do what you want this year, go away and come again. But when the revenues are abundant, it is much more difficult to say no and there are many who are always ready to make plausible suggestions as to how money may be expended so that a Finance Minister who can keep well within his revenues in a flourishing year is certainly deserving of great credit.

Mr. CARVELL: Will you name a man who was sent away empty-handed ?

Mr. AMES: I could name one without going very far from where I stand in some things I have asked for. In the year which has just ended there has been a real, not a paper surplus, and by a real surplus I mean a reduction of the debt at the end of the year, after all obligations under consolidated fund as well as capital accounts have been met. In the last twenty years real surpluses have not been very frequent, and it is a feat of which the Finance Minister may be well proud that he in this present year has reduced the debt of the country by $23,300,000. The Liberals were in office for fifteen years. During those fifteen years there were only four years in which they had what I call real surpluses, and those real surpluses only aggregated a little over $15,000,000. Eleven out of the fifteen years showed deficits which aggregated $96,065,000, leaving a net deficit for their fifteen years of office of over $81,500,000. This deficit was not confined to the earlier years of the Liberal regime when revenues were comparatively small, but was built up mostly towards the end of their regime when the revenues were double what they were at the beginning. We all remember the dreadful year of 1909 when the largest deficit ever known to Canadian history was recorded by a Liberal Government a year in which there was added $46,000,000 to the debt in that year. In 1910 they added $12,300,000, and in 1911 $3,700,000. So, in the last three years before the Liberals went out of office, they had an over-expenditure of $62,000,000, while the present Government, after being in office for two years, is able to claim an aggregate surplus over all expenditure, capital as well as consolidated fund, of $23,300,000, and this Government in the short time they have been in power have brought the debt back to where it was in 1909, namely $316,000,000. We should congratulate ourselves on not having had to go into the money market in the last year. There are but too many who have been forced to go in, and they have been made to pay right royally for doing so. The rates of interest have been higher than in many years previously. But our action during the past year has been just the reverse. Some of the short term obligations contracted at high rates of interest have fallen due, and the $23,300,000 we had in hand has been used in paying off debts running at three and a quarter and four per cent interest, which means that altogether we will start out in 1913-14 with a necessity of appropriating, in order to meet the interest on the public debt of the country, some $900,000 less than we had to appropriate a year ago. That $900,000 is so much saved money, it is so much to our advantage. It, therefore, has been a very fortunate circumstance that our Finance Minister has been able to look ahead, has been able to realize that this year was going to be a bad one for borrowing, has been able, instead of incurring large amounts of indebtedness at high rates of interest which would have to be paid by succeeding generations, to live within his revenue without incurring another dollar of debt and to take up the high interest bearing obligations to the extent of $23,000,000 and thus reduce our annual interest charges by nearly $1,000,000. Then, too, he has been able to sustain the credit of the country by coming to the rescue of the Grand Trunk Pacific and buying the bonds issued by that railroad so that they might not be put upon the market and sold at a reduced figure. In that way our credit as an endorser has been preserved. I think you may safely say that, although the past year has been one of considerable money stringency in certain money markets of the world, Canada stands today in a better financial position in those markets than she ever occupied at any time before in her history.

Now, I want to congratulate the country generally also upon the fact that the trade figures for the past year are on the whole thoroughly satisfactory. For the first time in the history of Canada we have reached high-water mark and passed it—I mean the billion-dollar mark as the total of our imports and exports for the year. I admit that the balance of trade is against us. I admit that at first glance one might say that to have sixty-four per cent of imports as against thirty-six per cent of exports was not a healthy sign. But it must be remembered that Canada is a very rapidly growing and expanding country. We are exactly in the position of a manufacturer who, seeing his business greatly extended, determines to put a new wing on his factory. While he is building that new wing he is paying out large sums of money for bricks, mortar, planking, machinery, roofing, and everything that goes into that structure. Consequently you take a balance sheet for the year and what do you find? You find that the produce does not begin to pay for what

he has consumed. He may have borrowed that money, or the money may have been put into the business by some one else. But his products are not equal to his consumption because he is extending his business. That is what we are doing in Canada and the idea could not be better expressed than it is in a statement in the Canadian Year Book under 'Wholesale Prices' republished from the Toronto Globe. The extract is as follows:

> Our new labour is employed as largely upon the construction of the machinery with which we shall presently increase enormously our output of goods, as upon the production of food stuffs which would have an immediate revenue value, and this circumstance would intensify the effect of any serious slackening in our construction operations.

In other words, we are in the position that I have described of preparing for greater things. We are squaring our shoulders, we are buying new tools, we are enlarging our production and we expect to do a very much bigger business because of the fact that in a short time we shall have largely increased our plant.

Did we find a state of affairs such as we see in older countries where the exports and imports were exactly balanced, we would say that Canada was stationary, and we would be right in saying so because it would mean that we had reached the point of equilibrium and that expansion, growth and preparation for future increase were no longer in evidence. I admit that our market to the south of us is not taking as large quantities of Canadian goods as sometimes it is argued that market should. I think that our American friends are themselves preparing to make it possible for Canada to send more to them than we have been sending, but as matters have stood in the past the fault has not been ours, but that of our friends in the United States, because they have had towards us a tariff wall twice as high as we have had towards them. An analysis of the articles which we do send to them shows that they only take from Canada such raw materials as they can themselves work up and make a substantial profit upon. Our exports to the United States last year amounted to $113,000,000 and of this sum $67,000,000 represented minerals, coal and wood in unmanufactured form. Besides that the only other items of importance that we exported to the United States were breadstuffs, fish, hay and hides. At the present time the Americans take from us mainly our raw materials and, in order to make a profit, they manufacture them, export them and compete with us in the other markets of the world. It would therefore not be a very great loss to us if the amount of that export did not increase so long as it kept to raw materials of that character because we would ourselves manufacture them and make a reasonable profit out of them.

I also would like to congratulate the Government upon the wonderful showing that the Immigration Department has made during the last year. There again we have reached the high water mark which will stand as a record in the future. Four hundred thousand people have been added to our numbers during the year which has just ended. I do not think that we realize what our problem of assimilation is and how much greater it is than have ever been the problems of similar nations elsewhere. At the time when the United States had 80,000,000 population, they were only taking in about four times as many people as we are to-day. We, with a population of 8,000,000, are adding one-twentieth to our population annually by immigration. There never was a time in the history of the United States when they added more than one-fortieth or one-fiftieth to their population in any given year. We have to address ourselves to the solution of this great problem of taking care of the immigrants that come to Canada. But certainly it is an indication of the attractiveness of Canada and of the way in which our prosperity is challenging the attention of the world. It took a long time for immigration to get started. The earlier years of the Liberal regime showed but comparatively meagre returns.

Mr. MARCIL (Bonaventure): Will the hon. gentleman give us a few years of the Conservative regime with regard to immigration?

Mr. AMES: Yes, you can go back as far as you want to. During the first ten years of the Liberal regime we had altogether an immigration equal to that of the last two years since this Government came into power, or 756,706. During the whole fifteen years of the Liberal regime there was an average immigration of 125,000 a year while during the past two years it has been 378,000. We are pleased to find that British immigration not only keeps up, but surpasses the wonderful year of 1907-8, when 120,000 British immigrants came in from Great Britain. Last year the number of immigrants from Great Britain was no less than 150,000 people who joined us here in Canada.

Mr. MACLEAN (Halifax): We, on this side of the House never thought that immigration was going to cease because our friends came into power.

Mr. AMES: I listened to a great many prognostications from this side of the House when the Liberals were in power as to the direful things which would happen in case the places of the parties should be changed.

It is, I am sure, a great relief to all of us to find that Canada keeps moving forward in the same progressive way. We may be pardoned if we think that conditions are now even a little better than they were.

There is another important matter that I wish to speak of and it is one which has been under discussion for a considerable time. It is the tariff and the treatment that has been accorded it by the Minister of Finance in his speech. I had been expecting that we would have had the tariff views of the Opposition through the mouth of the hon. member for Halifax. I had been expecting that he would tell us whether he would revise the tariff, whether he would revise it generally or whether he would revise it with reference to special articles, or whether he would revise it with reference to certain parts of the world, and how he was going to undertake to reduce the incidents of taxation. Not a ray of light has come from him, not a word on those matters. Consequently I shall not be able to criticise any of the views which he entertains upon the tariff because they have not been disclosed and I shall therefore have to content myself with complimenting the Minister of Finance upon what he has evidently indicated to be the fixed view and policy of the Government for the present year and for the years that are to come. It is quite evident that the Minister of Finance has had a great many requests during the past twelve months to make changes in the tariff. He has had a great many demands, I am sure, to alter the tariff both upward and downward but apparently he has turned a deaf ear, for the moment at least, to all these requests because we find that the changes in the tariff, outside of those rendered necessary by the West India treaty, are very few indeed. It is a strange thing that the Minister of Finance of this Government, which has always been accused by members on the other side as being an ultra-protectionist government, should have introduced tariff changes which for the most part are reductions.

The Minister of Finance said there were anomalies in the tariff, and all of us have had these anomalies pointed out to us by our constituents, and some of us for the benefit of our constituencies have pointed them out to the Minister of Finance. These anomalies are allowed to remain for the present, but it is altogether probable that there will be a general revision of the tariff in the not very distant future when this accumulation of anomalies, which from year to year grows larger, will be dealt with, I trust, in a scientific manner and for a term of years, so that we may have that fixity of conditions which is so essential to the progress of industries. Such tariff changes as have been announced the minister has defended upon what I consider thoroughly sound principles. In the first place, he has put ditchers and typecasting machines on the free list, and he has given as reason for his action that those articles are not, and do not appear likely, to be made in Canada, and that consequently, since there is no necessity for protecting any Canadian industry in the making of these goods, they should be allowed to come in free of duty. With that we have no fault to find, and there may be other items in the tariff which can be similarly treated. The second principle laid down by the Minister of Finance is illustrated by what has been done in reference to cement. Last summer we had an unusual condition in the matter of cement, which, being an emergent condition, I think was dealt with wisely by the Government at that time. But when the emergency was over the rate of customs duty was restored and prior to the bringing down of the budget, the tariff stood as it had been before. As a result of a study of these conditions it was made evident to the Minister of Finance that the cement industry throughout Canada could still continue to take a fair share of the Canadian market under reduced protection, and therefore the protection is reduced so that British cement can come in at twenty-four and one-half cents a barrel and Belgian and other cement at thirty-five cents, and that being regarded as a reasonable protection for an established industry, we may take it that it will probably be the rate for time to come. No item in the tariff has been altered where the principle of reasonable and adequate protection has not been asserted, and therefore that principle still stands. I am sorry I have not an opportunity to deal with suggestions from the hon. member for Halifax (Mr. Maclean) as to how he would bring about that remission of taxation which he urged. I had prepared myself in advance for his suggestions and as they have not come I find it necessary to curtail my remarks to a very considerable extent. I shall therefore be deprived of the privilege, which otherwise would have been mine, to express approval or disapproval, as the case may be, of these undisclosed ideas which are still back in the mind of the hon. member for Halifax (Mr. Maclean). I must say that his illustration taken from American history did not strike me as altogether a fortunate one. Are we to infer that the fate of President Cleveland is one he would commend to the members on this side of the House? President Cleveland committed political harikari and possibly my hon. friend (Mr. Maclean) has thrown this out as a suggestion as to the manner in which he would like to see the members on this side of the House meet a similar fate. No doubt hon. gentlemen opposite have a

lively willingness to take our places in case we fall by the wayside.

Mr. CARVELL: Will the hon. member give his opinion of the conduct of President Wilson?

Mr. AMES: Yes, I think the conduct of President Wilson for the United States is admirable, with a tariff of 48 per cent against the world. There was one phase of that American incident which the hon. member for Halifax did not bring out; he did not show that after the American civil war the Americans had an enormous debt and that their rate of taxation was purposely not only arranged for meeting expenses but for paying off that debt. Where the Americans made their mistake, however, was that when they had reduced that debt to a reasonable limit they still for a time kept to the high rate of taxation. But, that is not a fair comparison with Canada, whose system of collecting taxes has been a normal creation to meet normal needs. We did not start with a war debt, we did not start with a rate of taxation intended to wipe out that war debt, and as the country has proved adequate continued to prove adequate.

I have only a few words to say in reply to what the hon. member said regarding the high cost of living. I do not think he made his case very strong in endeavouring to prove that the taxation at present being taken from the country was the reason for the high cost of living. It may be an incident to it, but he has only to look around the world to see that the high cost of living is general. He will find it in protected countries and unprotected countries just the same; he will find it in Great Britain where since 1897 the cost of the foodstuffs of the British workingman has increased fifty per cent; he will find it in the United States; he will find it elsewhere. If he could point out to me that only in high tariff countries the cost of living had gone up and that in low tariff countries or countries that have no tariff it had remained stationary, I would see the force of his argument. But as the matter stands, I cannot see that it is more than an incident and not the real cause. If you come to consider the conditions in Canada you will find that the high cost of living is largely due to the fact that our consumptive power has increased more rapidly than our productive power. Think that over for a moment and you will see that the demand has increased more rapidly than the supply in the Canadian home market and the effect of course is that products have advanced in price.

Mr. MACLEAN (Halifax): We export a great deal.

Mr. AMES: We export a great deal of raw material. Would the hon. gentleman undertake to curtail the demand and so lessen the Canadian market by bringing in the cheap-made products of elsewhere and then say: as we have lessened the demand the local supply can take care of the balance and consequently prices may be expected to fall? Is not that a pretty dangerous experiment? If we follow a path of that kind may we not find ourselves far worse in the last result than in the first, because we are deliberately introducing a method whereby we are curtailing the purchasing power of a portion of the Canadian people, and once you take that power from them it is difficult to restore it? Let me use an illustration: suppose there is a town in the West with fifty families and there is in the immediate neighbourhood one hundred farmers, who are supplying them with the necessities of life, and prices are fairly normal. But suppose the town rapidly increases from fifty families to two hundred families and the farmers in the immediate neighbourhood have a larger market for their products than before and not enough to supply it, the result would be for the time being that prices would go up and would continue at a high level until the hundred farmers producing became two hundred and the supply and demand were equalized. You will find that is the history of what is working all the time. Prices go up because the demand increases more rapidly than the supply. When the supply overtakes the demand, there is a tendency towards equilibrium. That I think will come here as elsewhere, if we only have patience. To my mind it would not be wise, for the sake of a possible temporary relief, to interfere with that system. If we do that, we would find ourselves cutting off from a large proportion of the Canadian people the purchasing power which it is extremely valuable and necessary for them to have.

I have been wondering whether my hon. friend from Halifax was going to intimate that there might be certain articles, on which taxation is now levied by way of customs duty, that might be put on the free list. Is that his method of reducing taxation? He has not disclosed any method to us. There again let me point out, in order that it may be clearly in our minds, that in the argument raised we are taking what used to be known as 'the vicious circle.' Protection is not justifiable for one unless it is justifiable for all. If it is not justifiable for one, it is not justifiable for all. All of us are producers and consumers alike. You cannot say to one producer: You are not entitled to protection, and then say to another producer: You are entitled to protection. Consequently if protection exists in any country, it must be distributed with fairness and equality to all those industries throughout that country which the Government judge to be entitled to receive

it. Suppose you say to an industry: The demand for a reduced rate on the article you produce is so great that we have decided that your industry shall be the victim and that you will hereafter be subject to world-wide competition. Take, for example, an article of which I know nothing, but which I may perhaps use for purposes of illustration, namely: shovels. Suppose the price of a shovel in Canada is claimed to be too high, and you say: The man who uses a shovel must have it at a lower rate. Therefore we will take off the duty on shovels and allow them to come in from the whole world in order that the price may fall. What would be the result? The men in Canada who are making shovels would probably find themselves out of business by reason of ruinous competition. Their employees would find themselves out of employment and would go into other industries at lower wages. They would be discontented. They would say: If the industry which I am accustomed to work at is no longer protected, why should I pay for meat and lamb and dairy products that are raised by protected farmers? I refuse to do so. Suppose his refusal can be put into actual effect, and the farmer finds that his products are to be no longer protected. He will say: Why should I pay protected rates for my coat and hat and boots and shoes and so on? The moment you let in the principle that it is possible to single out one man and say to him that his protection shall cease henceforth, it seems to me you will find no place where you can stop until the whole protection is taken away.

Mr. CARVELL: That is the doctrine.

Mr. AMES: If that is the doctrine which hon. gentlemen opposite wish to adopt, I shall be delighted to deal with it. If the hon. member for Halifax had intimated a list of articles that he would like to see sacrificed and thrown to the wolves, let us say, we would have been delighted to deal with those articles. Striking in the dark as we are at the present time, we can only enunciate the general principle, and intimate that protection, if it is to be maintained, is right for one and right for all, and that consequently an infringement upon it brings danger to all.

There is one point raised by my hon. friend from Halifax, on which I do not altogether agree with him. He intimated that the cost of living advanced more than wages. I do not think that is strictly correct. The cost of living advances usually before wages advance. The cost of living will go up first; wages will follow more slowly, but they usually follow in about the same proportion. What happens? The cost of living, by an equalization of supply and demand, frequently falls, but wages remain where they were. Wages take a long time to come down again, although the cost of living has decreased. Consequently it would not be wise for us, in dealing with the cost of living, to remove from any considerable portion of our community that protection which they now enjoy, and thus lessen their purchasing power as spenders in the Canadian market.

On the whole, taking the Budget Speech—for I have had to deal with it rather than with that of the hon. member for Halifax—I think it discloses great prosperity so far as Canada is concerned. No new policy has been enunciated. There has been no new policy in Canada for a great many years. There was no new policy in 1897, 1898 or 1900, notwithstanding all the promises made before the election of 1896.

Mr. MACDONALD: What did Sir Charles Tupper say about that?

Mr. AMES: I do not care what Sir Charles Tupper said; the facts show that no new policy was enunciated.

Mr. MARCIL: Is the British preference a new policy?

Mr. AMES: The British preference in the form in which it was brought in was a new policy. It is in force to-day. I would like to know from the hon. member for Halifax if on his side of the House they have any changes to offer in reference to the British preference.

Mr. MACLEAN: If your friends are afraid to deal with the tariff, they had better abandon it and let us manage it.

Mr. AMES: What would you do?

Mr. MACLEAN: We would do what is right.

Mr. MACDONALD: What about the adequate protection policy of the hon. member's leader which was to come into effect when the present Government came into power? Are you going to have adequate protection, or is it necessary?

Mr. AMES: I think I have been dealing with that for the last hour. I was in hopes that the hon. member for Halifax would intimate what suggestions were to be offered by the Liberal side of the House on this question.

Mr. MACDONALD: You do not take many suggestions from this side on any question.

Mr. AMES: At present, in view of having nothing controversial to deal with, I have been dealing with what the hon minister said, and I have pointed out the principles which the hon. minister has enunciated in regard to the changes he has made.

Mr. CLARK (Red Deer): Does the hon. member consider himself a fair or logical controversialist when he says in one breath that no new policy was introduced in 1897, and in the next breath that the British preference was a new policy?

Mr. AMES: I had in mind two different things at that time. So far as the policy of protection is concerned, I say there was no new policy introduced in 1897, 1898 or 1900. If you wish to deal with the British preference as affecting protection, that is another question. The British preference as brought in by the Liberal party in 1897 was a new policy.

To sum up what may be characterized as the spirit of the Minister of Finance's speech, I may say that he has indicated plainly to this House, by all the figures he has presented, that Canada of to-day is in a prosperous condition. Canada being healthy, the fewer changes that are made in the conditions that contribute to that health, the better it will be. I do not think that the Minister of Finance, from what I can judge, of his utterances, has any intention or desire to make radical changes in the existing system. I think he is wise. He heeds the warning given on a tombstone in an English churchyard:

I was well;
I wanted to be better;
And here I lie.

Canada to-day is progressing along safe, broad, prosperous lines, and it would be unwise for us to do any experimenting which might tend to less prosperity than we enjoy to-day.

Mr. ALPHONSE VERVILLE (Maisonneuve): In rising to take part in this debate, it is my intention, to resume the remarks I had the honour to make last year on the floor of this House. I do not expect that my remarks will meet with the approval of the other side of the House; but, it is not my intention to either please or displease, for I claim that it is the duty of every member to do all he can according to his knowledge, and to be governed by the best that his conscience dictates, to bring to the knowledge of this Parliament and of the country the effects of some of the economic conditions which exist in some of our large cities, conditions under which the great majority of the citizens of Canada are obliged to live. To follow this course, it will be necessary to present facts and figures on the operation of trusts and mergers, not only from the standpoint of the consumer, but, also from that of the producer.

Too little has been said during the last session, as well as during the present session, to expose the real position of producers of natural products, and their connections with the consumers, and too much effort has been made to conceal the full responsibility of the middleman. I have gathered during the past summer months some figures and data, not from newspapers, but from my own investigations, on the cost of living in some of the largest cities in the United States, which I will read to the House later on.

Anyone who has read the newspapers or responsible magazines must come to the conclusion that the increase in the cost of living is responsible for the current of ill-feeling and discontent that existed last year and that has increased in an alarming proportion in the last few months. Mr. Speaker, in this House and out of it, we hear every day that conditions are changing, and we are wondering as to the future of our people. Conditions have so changed in a very short period, that even this present Government has become alarmed. But to counteract the ill-feeling now existing amongst the people, the great and thoughtful men from Canada, and even from Great Britain, are endeavouring to switch public opinion in another direction by newspaper items, lectures, or otherwise. They believe that an appeal to the loyalty of the true Britisher will smother the just call for immediate changes in economic conditions. To corroborate my statement anyone can take the public press, and read in front pages about pilgrimages to Canada of preachers of the gospel of loyalism. They have travelled and are travelling now, for the purpose of preaching a doctrine of centralization, in sympathy with the views of a few moneyed men and regardless of the conditions under which we have to live.

Was it, or is it, the intention of those noble gentlemen to change public opinion by appealing to sentiments or by the waving of the flag. I will tell them that it has been done once with success, but never again will the masses be led into such a stupidity.

We have heard members throughout the present session, one after another, speaking on the prosperity of Canada. Almost everyone seems to boast about the financial aspect of prosperity; very little has been said about the betterment of economic conditions, although Canada can only be classified as prosperous so long as all classes of her inhabitants are fairly treated. The immediate answer to this proposition is that no classes of citizen have any reason to complain; nevertheless, all the important organs are exposing facts to the contrary, and it may be my privilege to do likewise before I am through.

There is something of the highest importance, it seems, that has been omitted

from or forgotten in the speeches on the Address in reply to the Speech from the Throne. Like the other members of the House, I have read carefully line by line all the Speech from the Throne contains, and it is surprising to find how little that is definite there is in it. After reading it for the second time, to be sure I had not mistaken any of its meaning, I was astonished for the second time in two sessions to find the labour cause overlooked. From my knowledge and experience in this House, if I am not mistaken, the Government generally assumes the responsibility for the Address. Last session I took advantage of some of the time at my disposition to call the attention of the Government to such an omission, honestly believing that a new party coming into power so unexpectedly could be excused for such an error. The labour men throughout Canada have waited patiently in expectation that at this present session an announcement of some character would be made in that respect, but not a word, good, bad or indifferent. This prosperity we boast of so much—I would ask the Government if the labour men of this country can legitimately claim their part therein? Is there any one in this House who would take the responsibility of saying that he denies them that right? Is there any one who would say that they have not at least contributed to such prosperity? If so, then why, I pray, were they not honoured with some mention?

Of course each and every one can draw his own conclusion, and I for one will expose mine frankly. My firm belief is, that large financial institutions, trusts and mergers, manufacturers' associations, and all large aggregations of capital were not strangers to such omission, and I am induced to so believe by the action of the Government. Has not the present Government indirectly acknowledged that it is hostile to the masses of workmen of the country? I naturally expect some protest from the other side of the House, with the reasons brought forward that present conditions do not warrant such a mention. It is perhaps true regarding the present Government, but nevertheless the impression remains the same; down you are, and down you will stay. It may also perhaps be that the Government honestly believes that present conditions are more than sufficient to bring peace and harmony among the workers; that the cost of living, for example, is such that higher protection should be granted to their kind friends the manufacturers; that the purchasing power of workmen to-day is such that they can live in luxury; that since the pledge of loyalty taken by the people in 1911, joy and happiness now reign in every family. If these were some of the reasons brought forward for omitting the labour clause it would be my duty to protest. Whether it is or not, it is my duty to enlighten the masses of the country and it is fair to believe that this will have the effect of exposing some of the misdoings of some of our business men.

The figures I am about to give and the comparisons I am about to make have not been taken from newspapers, for it has been my privilege to visit during this last summer some of the great American cities where I have gathered my information, by going from store to store in different parts of those cities to ascertain whether our Canadian workmen were on an equal footing in respect of 'cost of living,' with American workingmen.

These comparisons are from June the 15th to July the 20th, 1912, and they are not made from wholesale prices, but from retail—my hon. friend from Wentworth brought them into the House, in his speech on the address, not by the ton, or by large baskets full, but by the smaller quantities purchased by working people. This appears to me to be less than generous on the part of the hon. gentleman, especially when the application of high protection is supposed to be the only plank of salvation designed to better every day conditions of life.

It is not my intention to touch on the tariff question just at present, for I will deal in another way with this very important subject before I resume my seat.

The House will follow me, I hope, the presentation of figures comparing the prices in the markets of New York and Chicago with those of Montreal. It must be borne in mind that the figures I am about to give to the House are the average prices for the commodities mentioned in those American cities, and we will see later on that prices are much lower in the labour residential sections, and the prices for Montreal, which I will also read, apply to districts with a population of ninety per cent of working men, thus increasing the percentage in favour of New York:

	New York.	Montreal.
Fresh eggs, doz	25	32
Butter, per lb..	27	32
Cheese, per lb..	20	20
Flour, 7 lbs..	23	28
Lard, per lb..	18	20
Sugar, per lb..	05¼	06

18 per cent in favour of New York.

Meats.

	New York.	Montreal.
Mutton per quarter, per lb.	08	12
Beef for roast, per lb.	16	18
Steak, per lb..	18 to 20	18 to 22
Ham, raw, per lb..	16	20
Short ribs, per lb..	16	16
Ham, boiled, per lb..	25	35

Meats.

	New York.	Montreal.
Bacon, per lb.	16	20
Lamb, per lb.	16	20
Fowl, per lb.	22	22
Salt pork, per lb	10	15
Pork for roast, per lb.	12½	18

24 per cent in favour of New York.

Vegetables.

	New York.	Montreal.
Onions, red, 3 lbs.	10	30
Onions, yellow, per lb.	05	10
Potatoes, new, bushel	80	$1 75
Radishes, bunch	02½	10
Lettuce, bunch	02½	10
Onions, fresh, bunch	02½	05
Cabbage	08	15
Cucumbers, each	05	15
Tomatoes, per lb.	06	10

130 per cent in favour of New York.

Fruits.

	New York.	Montreal.
Strawberries, 3 boxes	25	60
Peaches, per doz.	25	40
Pears, per doz	25	40

90 per cent in favour of New York.

On the whole the prices were ninety-five per cent dearer in Montreal than in New York.

As the figures which I have just given are for June and July, one might say that a change must have been brought about in the latter part of the season. A change was brought about, and for the benefit of the members of the House and the public I will later on bring before the House prices for the same commodities during the last week of December.

Before reading these figures it is necessary to explain where they were obtained. All the members of the House know, or they should know, that women in the United States have of late taken an active part in bringing to the attention of the public the condition of retail prices on the New York markets respecting foodstuffs. They have in many, if not in all cases, exposed the unfair and exorbitant prices demanded and received by the wholesalers as well as by the retailers, thus exposing the real situation of the consumers. Mrs. Charlotte R. Bangs, the founder of the Home Market Club of New York, in the course of an investigation into the high cost of living relates some facts and figures which are worth mentioning, and these figures can be found in the Evening World of New York in its issue of December 20, 1912. They are as follows:

Eggs, fresh, thirteen to fifteen for 25 cents; eggs, best, 2 cents each; Savoy cabbage, large, 4 cents a head; green peppers, large, 3 cents for two; green peas, good, 12 cents a pound; celery, three stalks, 7 cents; white turnips, 1 cent each; carrots, three in bunch, 1 cent; onions, yellow, three pounds 5 cents; oranges, good, large, 2 cents each; dried prunes, 8 cents pound; nuts, mixed, 12 cents pound; spinach, 5 cents gallon; lettuce, good, 3 cents a head; cabbage, small, 1 cent each; stew lamb, 4 cents pound; calf's liver, 8 cents pound; best bacon, 25 cents a pound; stew beef, 6 cents pound; chops, 9 cents pound; beef to roast, quality good, 12 cents pound.

Take the whole of the articles which I have just cited and you will find a difference of over 100 per cent between New York and Montreal prices. They are over 100 per cent cheaper in New York than in Montreal, and if these prices were compared with the prices of these same commodities in the other cities of Canada, one would find everywhere a big difference in favour of the New York market. Patrick market, where these figures were obtained, is situated in a workingman's residential district of New York, which covers from 99th street to 110th street and Second avenue. There is no doubt that prices vary in different parts of such a large city, but nevertheless according to these figures the facts remain the same. The working classes of New York have the advantage of better and cheaper goods, and they were not and are not now afraid of reciprocity in foodstuffs with Canada. If our Canadian women would only take the trouble of doing as effective work in our home markets as Mrs. Bangs is doing in the United States in connection with the high cost of living, they would also bring to the knowledge of the country some of the misdoings of some of our wholesalers and retailers. I have not heard anyone say that those American ladies have in any way belittled their social position by working for the betterment of mankind. On the contrary they have been worthy of praise. Owing to their democratic sentiments and actions, they have been approved the world over. I hope to see the day when our Canadian women will do likewise, the amount of good they will do then is beyond our imagination. Two things are essential, good will and good substantial democratic principles.

I will now give some figures showing the difference between the prices in the markets of Chicago and Montreal respectively:

	Chicago.	Montreal.
Potatoes, new, bushel	80	$1 75
Tomatoes per pound	08	10
Tomatoes, canned	12½	14
Corn canned	10½	10
Cucumbers	05	15
Celery	08	15
Lettuce	05	10
Cabbage	08	15
Carrots, bunch	05	10
Turnips	04	07
Onions, per bushel	$1 00	$1 60

Eighty per cent in favour of Chicago.

Fruits.

Oranges, per dozen	35	40
Lemons, per dozen	20	20
Raisins, per pound	08	10

Fruits.

	Chicago.	Montreal.
Strawberries, per box..	08	20
Pears, per dozen	30	40
Peaches, per dozen.. ..	30	40
Apples, per bushel.. ..	$1 50	$1 60

Eighteen per cent in favour of Chicago.

We must bear in mind that Chicago is classified as a western city. I have compared Montreal to New York because Montreal is an eastern city. Chicago is classified as a western city on account of the amount of transportation paid on goods. The comparative prices of meats in Montreal and Chicago are as follows:

Meats.

	Chicago.	Montreal.
Beef steak..	20 to 22	20 to 22
Beef for boiling..	10	12
Pork for Roast..	16	18
Mutton..	14	15
Lamb..	18	20
Fowl	19	22
Sausage..	10	12
Bacon..	18	20
Ham, boiled..	30	35
Ham, raw..	16	20

12 per cent. in favour of Chicago.

A difference on the whole of these products of 24 per cent.

For the benefit of the members I wish to put on 'Hansard' the comparative cost of living in two of the larger cities of the Dominion, which, I suppose, will be approved of by hon. gentlemen opposite. A statement of the cost of living in Toronto and in the city of Ottawa may be of service particularly when questions of rate of wages to be paid on Government work may come up for consideration. The figures I shall cite in reference to Toronto were furnished me by the vice-president of the Labour Congress of Canada, Mr. Bancroft, of the Toronto Star. The Toronto list for one year is as follows:

Coal, 5 tons at $8.25..	$ 36 25	
1 cord light wood..	5 75	
		42 00
Light and gas cooking at $1.50 per month..		18 00
Clothing for man—		
1 suit a year..	16 00	
1 hat a year..	2 50	
4 shirts a year..	2 40	
4 pair sox a year..	1 20	
Collars and ties a year.. ..	2 00	
Underwear a year..	3 50	
		27 60
An equal amount for his wife.....		27 60
3 children clothing at $15.00 each..		45 00
Boots and shoes—		
3 children, 3 pairs each $1.50	13 50	
2 pairs men's boots at $3.50	7 00	
1 pair men's overshoes..	2 00	
1 pair men's rubbers..	1 00	
1 pair ladies' rubbers	1 00	
2 pairs ladies' boots at $2..	4 00	
Repairs..	2 00	
		30 50
Furniture and utensils—		
3 brooms at 50 cents..	1 50	
Brushes..	1 50	
Gas mantles or lamp glasses	50	
Stove polish..	25	
Shoe polish..	75	
Renewal of furniture..	25 00	
		29 50
Bread, 1 large loaf per day at 10c.	$36.50	
Cakes per day at 5c..	18.25	
		54 75
Milk, 1 qt. per day at 9c..		32 85
Meat at 35c. per day..		127 75
Potatoes, 10 bags per year..		11 00
Sugar, 4 lbs. per week at 7c. lb..		14 56
Tea, ½ lb. per week at 20c..		10 40
Coffee, 4 lbs. per year at 40c..		1 60
Breakfast foods and cereals, 25c week.		13 00
Vegetables—		
1 cabbage per week, 5c..	$2 60	
Onions per week, 5c..	2 60	
Turnips per week and carrots, 5c..	2 60	
Parsnips, per week, 5c..	2 60	
Lettuce, &c., per week, 5c..	2 60	
		13 00
Fruits—		
2 bbls. apples at $2.50..	$5 00	
Preserving ½ crate strawberries..	1 50	
Preserving ½ crate raspberries..	1 50	
Preserving 3 baskets peaches ..	2 25	
Preserving 2 baskets pears.. ..	1 00	
Preserving 1 basket plums	0 50	
Sugar for above..	4 00	
		15 75
Produce—		
Butter, 3 lbs. per week $1..		52 00
Lard, ½ lb. per week 10c...		5 20
Eggs, 1½ doz. per week, 42c...		21 84
Cheese, ½ lb. per week, 10c...		5 20
Flour, 25-lb. bag per month at 65c.. ..		7 80
Can goods—		
1 can fish per week..	$0 15	
1 can corn per week..	0 10	
1 can peas per week..	0 10	
Pickles, per week..	0 05	
		20 80
Insurance per year..		20 00
Union dues..		12 00
Street car fares, 25c. per week..		13 00
Sundries—		
Pepper per year, 1 lb..	$0 40	
Salt per year..	0 50	
Mustard per year, 2 tins..	0 40	
Matches per year..	0 50	
Vinegar per year..	0 45	
Soap per year, 100 bars..	5 00	
		7 25
Extras at Xmas..		2 00
Evening paper, 25c. per month..		3 00
Rent for six-roomed house at $18.. ..		216 00
Doctor and medicine for family..		15 00
Donations to church per year..		10 00
Family attends one concert per year..	$1 25	
One trip on lake..	5 00	
One to Island Park..	0 50	
One to Scarboro Beach Park	1 00	
		5 75
Total..		$991 70

The cost of living in Ottawa is very much the same. The figures I shall quote were furnished a year ago this month and prices have increased since. The following table

shows the cost of living for a family of five for one year based on prices prevailing in Ottawa in the month of May, 1912:

Coal, (5 tons at $8)	$40 00
Light wood, (2 cords at $3.50)	7 00
Light and gas for year	25 00
Clothing for man for year:	
1 suit	25 00
1 hat	3 00
4 shirts at $1	4 00
6 pairs socks at 25 cents	1 50
Underwear, 2 suits at $2.50	5 00
Clothing for woman for one year	35 00
3 children, $15 each for clothing	45 00
Boots and shoes for family:	
3 children at 3 pairs each $1.50	13 50
2 pairs for man at $3.50	7 00
1 pair overshoes	2 00
1 pair rubbers	1 00
1 pair rubbers for woman	75
2 pairs boots for woman at $3.00	6 00
Overshoes for children 1 pair each	3 00
Furniture and household utensils:	
4 brooms at 40 cents	1.60
Brushes, &c.	1 50
Gas mantels and lamp glasses	1 00
Stove polish	75
Renewal of household furniture and bedding, &c., for one year	35 00
Bread, 1½ loaves per day at 8c	43 80
Cakes per day 8 cents	29 20
Milk, 1 quart per day at 7c	22 55
Meat per day at 30c	93 90
Roast each Sunday at 65c	33 80
Eggs, 1 dozen per week at 30c	15 60
Potatoes, 10 bags at $1 50	15 00
Sugar, 4 pounds per week at 6½c	13 52
Tea, ½ pound per week at 40c	10 40
Coffee, 4 pounds per year at 40c	1 60
Cabbage 1 per week at 10c	5 20
Onions per week at 5c	2 60
Turnips and carrots, p.w. at 8c	2 60
Parsnips and lettuce, p.w. at 8c	4 16
Preserving fruits:	
1 crate strawberries at $1.75	1 75
1 crate raspberries at $1.75	1 75
3 baskets peaches at 75c	2 25
1 basket plums at 50c	50
2 baskets pears at 50	1 00
Sugar for preserving above	4 50
Butter 3 pounds per week at 35c	54 60
Lard ½ pound per week at 20c	5 20
Cheese 1 pound per week at 20c	10 80
Flour 24 pounds, bag per month at 90c.	10 80
Canned goods:	
Fish, 1 can per week at 22c	11 44
Corn, 1 can per week at 10c	5 20
Peas, 1 can per week at 12½c	6 50
Pickles, per week at 10c	5 20
Insurance, fire and life	25 00
Car fare, per week at 25c	13 00
Sundries:—	
Pepper 40c. salt $1. mustard 40c	$ 1 80
Matches 50c. vinegar 50c. soap $5	6 00
Evening papers per year	3 00
House rent at $18 per month	216 00
Total cost for one year	$943 42

No allowance has been made for charity, churches, pleasure, sickness, drugs, medical attendance or tobacco. After the figures I have given and comparisons I have made, it is needless to go into statistics regarding the earning power of workmen in these three respective cities, for some can be found in the remarks I made last year. But if we compare the increase in the cost of living in twelve months we come, to our astonishment, to a difference of twenty-two per cent in Montreal alone, and no doubt it has increased in the same proportion in other cities.

The causes for such an increase may be many, or few. Every day we hear of new causes, and all of our great economists do not seem to agree on the real cause of such an alarming increase. Some will say that the production of gold has something to do with it. Others will say that scarcity of grass in our fields is responsible also. Others will say that the cost of transportation is the great plague. The duplication of services in connection with the distribution of goods, which increases more and more every day, is also responsible. By the words 'duplication of service,' I mean the delivery at the consumer's door not only of all that he eats and drinks, but also of every minor article purchased by him at the city or village store. Many other causes too numerous to mention are also assigned for the high cost of living.

It is strange, however, that very few men who make a special study of this great problem have counselled the cutting out of the middleman's profit, and the more we study this great question the more we conclude that the tariff has everything to do with this increase, which has become a plague. Observing conditions from a practical point of view, I have no hesitation in saying that over-capitalization, better known as watered stock, is absolutely responsible for the tariff and therefore responsible for the increased cost of living. This year we can anticipate that no less than two hundred and fifty millions will be paid as interest on watered stock alone. If we compare this enormous interest paid, with the population in Canada at the present time, say, 7,500,000 inhabitants, we find that about $33.30 is imposed on every man, woman and child in the country, or in other words $166.50 per family, and we must not lose sight of the fact that they have no choice as to whether they shall pay or not. I call this highway robbery, for it is impossible under present conditions to prevent this operation and we must accept it.

If we proceed further with our investigation and subtract the number of inbabitants that cannot be called upon to pay this over-tax, it becomes more alarming. About ten per cent of our population come under this category. There are the patients in all of our institutions, the invalids, also a large number who will never work, without mentioning the parasites, who are more dangerous

to society than all other classes combined. Deducting the ten per cent I have already mentioned are the population upon which this burden is really imposed is then 6,750,000, and the amount would be $37 on every individual or $185 per family. This is too heavy a tax, especially when it is paid on a fictitious and non-existent value and this situation is responsible for the increased cost of living and it also contributes to the increase of the tariff. In other words, it furnishes arguments for high protectionists in favour of not reducing or abolishing the tariff on first necessities of life.

I would like to read here an expression which appeared in the Monetary Times of October 12, 1912, on this subject, and the expression in such a paper surely will be accepted in this House. This expression although given by an American covers the situation in our own country.

The rise in the cost of living is still a problem on the North American continent. It has increased sharply during the recent year and is still rapidly rising. Mr. J. J. Hill has said that the cost of high living has been an important factor: in other words that extravagance is one of our faults. While there is much truth in that assertion, inquiries prove that, aside from reckless expenditures, the cost of necessaries has risen considerably. In addition, the average income has not increased to a corresponding degree. There has just been completed under the auspices of the United States Labour Bureau of the Department of Commerce and Labour, a survey of retail prices actually paid by consumers of the cities of the country.

The statistics of this survey, when used along with the report of the 1910 census, shows that the average workingman could, in 1909, buy with the results of a day's labour less than nine-tenths of the food he could buy with his day's labour in 1899. By a conservative estimate, he can to-day buy less than four-fifths. Without any indulgence in high living, the cost of duplicating a wholesome weeks regimé in 1899 is to-day fifty-two to seventy-seven per cent higher than it was then, and even if a man gets twenty-five per cent more wages than he got then he is still twenty-one per cent worse off on his bill for meats and groceries.

This is a considerable rise for a period covering ten or a dozen years; but the grade that prices have taken in their upward course is steeper now than it has ever been before in the period. The Government's figures show that, between June 15, 1911, and June 15, 1912, prices of ordinary food increased six to ten per cent.

Undoubtedly similar conditions, generally speaking, prevail in Canada, for it would appear that all employers of labour have not yet shouldered their share of the difficulty. I would like to cite an item that appeared in the Montreal Gazette of November 22, 1912, a newspaper in which members on the other side of the House have absolute confidence. I quote:

A man in Winnipeg the other day bought a barrel of Ontario apples paying therefor $5.25. In it he found a note from the grower of the fruit, which read: 'I got seventy cents for this barrel of apples, what did you pay for it'. . . . The $4.55 difference between the purchaser's price in this case presumably went part to the original buyer as profit, part, possibly almost a dollar, to a railway company for hauling it twelve or fourteen hundred miles, and part as profit to the Winnipeg merchant who sold and delivered it. There is money made somewhere in the handling, if not in the growing of apples.

What is said of this barrel of apples can be said of all commodities and especially of foodstuffs, and the Montreal Gazette simply states the facts. But if we go deeper into this case we can specialize and probably conclude who gets the difference, for the same paper in its issue of November 27, 1912, five days later, published a small article in its editorial columns from the Winnipeg Telegram which reads:

The Winnipeg Telegram is trying to figure out how it is that a barrel of apples for which an Ontario farmer received 70 cents, retails in Winnipeg at $5.25 without somebody or other making enormous profits. The freight is 76 cents per barrel and the barrel itself cost 30 cents, a total cost of $1.76 for the fruit laid down in Winnipeg. This leaves $4.95 for somebody so far unknown. Having failed to locate the whereabouts of the discrepancy the searcher might try something easier. In the case of a potato shipment from Stonewall to Winnipeg, a distance of 20 miles, the farmer it appears got 30 cents a bushel; the freight was 3½ cents a bushel, the potatoes sold at wholesale at 55 cents at Winnipeg, and the local consumer paid 65 cents.

The producer and the railway received practically one half that amount for growing the bushel and carrying it to the market. Who got the rest of the 65 cents?

It seems from these figures that the farmers and the consumers ought to be up in arms against such exploitation. The farmers, the great producers of natural products, should understand that they, as well as the masses in the cities, are the tools of the combines, and that when an open market is offered to them that they should grasp the opportunity to bring about better conditions. It is unfair for the farmer or fruit grower to support those that are responsible for such conditions. The farmers are not getting the full value of their products, and we, in the cities, are paying too much. It is time also that the farmers of the country should understand that they are the consumers of all that is produced in the cities. What has been said of apples or of potatoes can also be

said of all other goods they have to purchase.

If the farmers of the country would take the trouble to prepare their budget and classify the different items on which they have to pay exorbitant prices, as well as high tariffs, they would conclude that after allowing a good substantial profit to the manufacturer as well as the wholesaler, retailer, and the transportation companies, they are paying all the way from 22 to 40 per cent higher than they should pay and without a particle of benefit to them.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

Mr. VERVILLE: Mr. Speaker, before six o'clock I was trying to show where the interests of the farmers as well as those of the masses of the consumers lay, for the benefit of both, their combination of which should be considered rather than to draw from them all their productive power. It is time that the farming as well as the labour element should unite in a common cause for better markets, free entry for foodstuffs, and should not allow themselves to be blindfolded by all the large monied interests which are dominated at present by the cry of loyalism. If I were asked if we are loyal subjects of His Majesty, I would be tempted to answer thus: Ask the mergers and trusts; as far as we know, we have been forced to take the oath of allegiance to their majesties the trusts, combines and manufacturers.

I made special mention last year in my remarks that, if it was possible to gather information as to the quantities of foodstuffs held in cold storage in our large cities and the manner of their operations, sound thinking members of this House would be scandalized. I have, since the close of last session, been able to gather some information, incomplete but nevertheless enough to set our population thinking. We all agree that cold storage from its inception was organized for a good cause, and especially from a sanitary as well as from a humanitarian standpoint. The system was subsidized in that respect, and everybody admitted that it would mean the furnishing to the consumers of better foodstuffs in the less favourable months of the year. Believing as usual in the reasonableness of the operators, and above all, in their honesty as business men, we all applauded the new system. But what the people thought, as a big child against a small one, turned against them not only as regards the consumers of the cities, but as regards the farmers.

We have seen and we have heard these so-called fathers of society, these benefactors of mankind, making the strongest fight possible against reciprocity in 1911, and why? Because they thought, and rightly so, that natural products entering free would be the means of preventing their nefarious operations in oppressing the masses in their most vitally needed foodstuffs; and the scandalous process has been condemned by all true and law-abiding citizens. It remains to be seen and proved whether they have gained any advantage by the waiving of the flag.

While I am on this waving of the flag system, which is becoming a force in this country at the present time, I would like to read an article that appeared in the Voice of Winnipeg under date of December 28, 1912. The article is entitled:

Reciprocity among Anti-Reciprocity Advocates.

It reads as follows:

'To George H. Bradbury, from the market gardeners of Kildonan, Man., in recognition of your fight against reciprocity, 1911.'

This was the inscription engraved on a gold watch and presented to the member for Selkirk last week by the market gardeners of Kildonan. As stated, the motive that prompted the deed was that Mr. Bradbury fought against the opening of the Canadian markets to the producers south of the line. Patriotism was the cry that was raised by those who opposed reciprocity. It was a holiday time for the flag-waving fiends. Patriotism, as has been said is the last refuge of a scoundrel. Whatever definition may be given to the term 'scoundrel,' it is just as well for the city dweller, who caught the fever and rallied to the salvation of the Empire by voting against reciprocity, to understand that the reason the market gardeners of Kildonan presented Geo. H. Bradbury with a gold watch was not because they loved him, but they wished to show their gratitude for the service rendered to their pockets by being permitted to hold up the people of this province in the matter of purchasing garden truck. Not that reciprocity would have established the long-dreamed-of city of God, but it serves to indicate again how very easy it is to pull the wool over some people's eyes.

I was accused last year on the floor of this House of having brought the figures and the remarks I made on the budget a year too late to the knowledge of the country. I will say that, if the policy then before the country had been adopted, a very slight necessity, if any, would have commended such an exposure; and I will give to the House and the country some figures, before I am through with my remarks, that will prove, beyond a doubt, that the policy of 1911 was to some extent, if not altogether, the most effective remedy for the present oppression. This question of oppression has been taken up by some of our most prominent men. Universities are now introducing special courses, and all of them have concluded that some radical measures should be set in operation to

prevent a social cataclysm. Any one to-day who takes the trouble to travel and observe must come to this conclusion. Is is possible to prevent an industrial revolution? This may seem radical and so it is for many; but it is fair to say that, to prevent such, something has to be done to change the ill-feeling of distinction that has of late rooted itself deeply in the minds of members of different classes of society.

I will admit that our country can be advantageously compared with our neighbour, for our vast field of production, with our small population, may have for effect to bring about a substantial economic understanding. But in order to achieve such among men of all classes, justice must prevail. Instead of creating more millionaires at the expense of the community, we should by the power vested in us as legislators, diminish the number and prevent the formation of a larger number.

Common sense teaches every sound-thinking man that, the richer his neighbour gets, in the same proportion does he become poorer; and still his obligations increase constantly, thus depriving him of the absolute necessities of every day life. To-day businessmen, absorbed by their 'Get rich quick' operations, have no time to think of the conditions of those through whose labour they have accumulated immense fortunes. Why change social conditions? I am satisfied; let good enough alone, they say. We have heard such utterances before; boasting in the same form was made in England, Germany, Norway, France, Italy and Portugal, and from the knowledge of the men of our century, the result has not always been so encouraging for them. The United States have given an example lately, for the result of the last election, which brought to power a Democratic party, with the policy of tariff for revenue only, may have for effect to bring into the mind of the present Government a certain remorse over their attitude respecting free entry of food stuffs into this country. We can play with words or diplomatic expressions; but it is my firm belief that, whether the present Government want it or not, they will be forced by circumstances sooner or later, and I hope it will be sooner, to grant this absolute necessity. Call that policy what you wish, clothe it whichever way you like, it matters not, for I am convinced that we shall have it, it is inevitable; the pressure has done already some of its benefactory work, and I would not be surprised to see more of the same medicine applied during the present session.

I shall again weary the House with some figures I have taken from an official report, and the figures I am about to give will comprise the number of pounds of food stuffs that were condemned by the Montreal authorities in a period of nine months, that is from January 1 to October 1, 1912; and also the average for the three months that finish the year. We must not lose sight of the fact that it was thrown in garbage whilst so many are crying for food.

From the statistics for nine months in the official report we find the following food stuff thrown in garbage:

Meat, 473,105 lbs at 10 cts..	$ 47,310 50
From Bakeries, 2,453 lbs. at 20 cts.	590 60
Fruits, 157,679 lbs. at 10 cts..	15,767 90
Vegetables, 36,610 lbs. at 5 cts.. ..	1,830 50
Milk, 760 gals. at 32 cts..	243 20
Total value..	$65,742 70

And we must remember that these figures are official—a large amount of foodstuffs is thrown in garbage with the knowledge only of those closely connected with such establishments.

Taking the figures for the three months based on the official figures for the nine months, we have the following comparison for a year:

Meat for three months..	157,701	lbs. at 10 cents..	$ 15,770 10
Including figures for 9 months..	473,105	" 10 "	47,310 50
Total..	630,806	lbs.	$63,080 60
From bakeries for 3 months.. ..	716	lbs. at 20 cents..	$ 143 20
Including official figures..	2,453	" 20 "	590 60
Total..	3,169	" 20 "	$ 733 80
Fruits for three months, ...	52,557	lbs. at 10 cents..	$ 5,255 70
Official figures..	157,679	" 10 "	15,767 90
Total..	210,236	" 10 "	$21,023 60
Vegetables for three months.. ..	4,067	lbs. at 5 cents..	$ 200 35
Official for 9 months..	36,610	" 5 "	1,830 50
Total..	40,677	" 5 "	$2,030 85
Milk for 3 months..	84	gals. at 32 cents..	$ 26 28
" 9 "	756	" 32 "	241 92
Total..	840	" 32 "	$ 268 20
Total value for market prices			$87,137 05

If we take the official figures of the different items and compare them with the number of families or souls we could have fed, it becomes alarming. There was enough meat thrown away in garbage during those months to feed 876 families, or in other words enough to feed 4,380 souls; enough fruit to feed 2,190 families or 10,950 souls. What has been the cause of the finding of those inspectors? It is because the goods are bought at low prices from the producers, and held in a sort of confinment until such time as the scarcity of foodstuffs has raised prices to such an extent that goods must be sold, whether good or bad.

I will now try to give to the House some figures to show what the farmers have to spend on articles they cannot produce. This may be of some interest, and by bringing the figures before the House it may, in many cases, prove beyond a doubt that the position of the farmers is similar to that of the consumers in the cities in a good many respects.

My calculations show the expenditures of the owners of a farm of eighty acres upon which mixed farming is in operation.

Clothing of family for the year.. ..		$120 00
Food—		
Sugar, 200 pounds at 5½.. ..	$11 00	
Rice, 40 pounds at 10c..	4 00	
Syrup, 20 gallons at $1.. ..	20 00	
Raisins, 30 pounds at 10c	3 00	
Dried apples, 20 pounds at 12c.	2 40	
Tomatoes, canned, 50 boxes at 14c.	7 00	
Corn, canned, 50 boxes at 10c..	5 00	
Spices, essences, &c..	5 00	
Bread, 1,800 pounds at 3c.. ..	54 00	
Fish, 100 pounds at 6c.	6 00	
		$117 40
Linen..	$25 00	
Dishes, breakage..	15 00	
Soap, 150 bars at 5c..	7 50	
		$ 47 50
		$284 90

The agricultural implements, machinery and tools used on such a farm cost, let us say, $550. As these implements are supposed to last about fifteen years and then be renewed, it is fair to say that this amount can be divided by fifteen, which would be equal to $36 a year. If we take into consideration the repairs made necessary by accident, wear or otherwise, it is safe to calculate that at an average of $5 per year. This makes a total for this item of $41 a year. The same can be applied to buggies and express carts of all kinds. For their full value when bought $200 is not exaggerated. Suppose they have to be renewed in the same space of time, say fifteen years, it would mean $13 and adding repairs at $5 it would mean $18 a year. A farmer with eighty acres of land must have at least three horses, the shoeing of which is $4 each, $12 a year. Harness of all kinds would cost at least $5 a year. Wear and tear of buildings, repairing, &c., would cost $25 a year. For furniture new and repaired as family progresses $15 a year is little enough.

These figures are for absolute necessities that the farmer does not produce and for which he has to pay good, substantial prices. In many cases the buyer of his farm products is the seller of the goods I have enumerated. There is also another feature which should not be forgotten. Many of our farmers, for one reason or another do not buy for cash. Proprietors of industries through their agents seem to have a weakness to induce some of our good farmers to buy on notes payable in the fall of the year after harvest time. And it is remarkable how well some of the buyers of farm produce are acquainted with the condition that some farmers are in, and too often take advantage of their situation to offer an inferior price, knowing full well that they have obligations to meet and in many cases our good farmers are caught in the trap. We can safely say that they have one buyer and one seller, and they, too, are subjects of their majesties the trusts.

The recapitulation of figures will show where our farmers stand:

Clothing..	$120 00	
Food..	117 40	
Linen..	25 00	
Dishes, breakages..	15 00	
Soap..	7 50	
		$284 90
Agriculture implements	$41 00	
Carts and buggies..	18 00	
Horseshoeing..	12 00	
Harness..	5 00	
Maintenance and repair of buildings..	35 00	
Furniture..	15 00	
		$106 00
Total..		$390 90

In round figures about $400 a year; and I am sure that the farmers who are sitting in this House will say that this is far below the average. Let every farmer in the country make his budget, and he will see then that his immediate interest like that of the consumer lies in a closer understanding of the economic as well as of the political field. If it ever is understood by these two powerful elements it may be then a sorry day for a few, but one of blessing for the masses.

I will now give to the House some of the figures which I referred to during my remarks on cold storage. In 1911 there were forty-six cold storage plants in Canada with a capacity of 8,186,600 square feet, many more are now being built. These figures were taken from a return of the House laid on the table in 1911:

	Square feet.
Prince Edward Island has 1 with.	225,000
Nova Scotia has 4 with..	174,940
New Brunswick has 2 with.. ..	781,161
Quebec has 6 with..	3,317,307
Ontario has 14 with..	1,486,663
Manitoba has 3 with	800,000
Alberta has 5 with	293,140
British Columbia has 11 with..	1,098,400

I am giving these figures, so that the members of the House will understand more clearly that what I am about to say should be taken into consideration. I am going to speak of the operation of Montreal storages where the five plants now in operation command more than one-third of the floor space of cold storage in all the Dominion. The five plants I have mentioned have a capacity of 3,092,307 square feet of floor space, and presumably they store the most goods. In these plants are not comprised private as well as packing house plants, so a reasonable amount could be added to the figures already given. My observations concerning foodstuffs confiscated are that they are absolutely over and above the amount that has in some cases been thrown away in garbage from some of these institutions, for care is taken to hide a great many of their operations, and, from information I have at my command, I will give to the House an idea of what transpires in Montreal. There were in December last in storage approximately 1,800,000 dozens of eggs which have been bought from farmers or shippers for 18 to 20 cents per dozen. After those eggs have been in storage from six to seven months they are put on the retail market at 35, 40 and as high as 60 cents, according to their quality after classification. The eggs are tested when entering and retested in the fall of the year. The labour upon the two tests amounts to two-thirds of a cent per dozen eggs. The storage for the season is one and one-third cents per dozen, making a total of 22 cents, including insurance. The retailer receives as profits from three to four cents per dozen, making 25 to 26 cents a dozen. The difference between 25 cents and an average of at least 45 cents leaves a net profit of 80 per cent. It may be said that there must be a large number of eggs which are not fit for consumption. It would reasonably appear so, but they have found another way of putting them on the market, and here I will explain their mode of operation. When eggs are tested for the second time, those supposed to be unfit for consumption, and I may say, half rotten, are handled in a very cautious manner. Half of an egg may be very bad and the other half not very good. However, they are broken and scraped, and to whatever extent the sense of smell can stand it, the mixture is put in gallon measures and sold by the gallon at from $1.25 to $1.50 to bakeries, to make the cakes and pies which we are so fond of.

Mr. VERVILLE.

I have said enough about eggs, and I will now speak about butter to show also the prices at which it is bought and sold. The amount of butter in the same cold storage plants in December, 1912, was about 75,000 boxes and tubs, with an average of 60 pounds, making a total of 4,500,000 pounds. This butter in season is bought for 22 to 23 cents per pound. The storage on same is 14 cents per 100 pounds per month. An average of three months would mean 42 cents per 100 pounds, making the butter worth 23 cents and a fraction. Add to this the profit of the retailers, which is only three cents, and we find that the butter costs 26 cents and a fraction per pound. This same butter is sold in December, at an average of 40 cents per pound giving a net profit of about 60 per cent. Certain merchants often announce that, owing to a shortage of butter, some has to be imported from New Zealand.

I will now give some information on another product which is also of great importance. Chickens are bought in the best part of the season from the farmers at 8 to 9 cents, turkeys at 12 to 14 cents, and geese at 7 to 8 cents a pound.

After entering the storage, these products are frozen and kept there at the cost of three-eights of a cent for each subsequent month, the total cost being half a cent. Chickens thus cost say 8½ cents and are sold on the retail market at 18 cents per pound, the profit of the retailer being about 3 cents per pound. This gives to the storage company about 70 per cent net profit.

For turkeys an average price of 13 cents is paid. They go through the same process, and, by allowing 3 cents to the retailer, the net price becomes 16½ cents. They are sold on the markets at 22 cents, making a net profit of 50 per cent. For geese an average price of 7½ cents is paid. They go through the same process, and by allowing 3 cents to the retailer, the net price becomes 11 cents. They are sold on the market at 16 cents, making a net profit of about 50 per cent. It must be borne in mind that the profit here allowed the retailer is generous enough, as it is above 40 per cent; I am sure that there are very few, if any, who are making that much.

I have also been informed that thousands of pounds of these foodstuffs, after having been kept in storage for two or three years, are so unfit for consumption that they have to be thrown away as garbage, and that to the knowledge of the operators alone. We must also remember that if these commodities are kept for that length of time the prices will be increased; that the storage companies by so doing can later on sell at exorbitant prices and make a profit of from one hundred to one hundred and fifty per cent, but in more than one case they have had to throw away products that should have been sold in the proper time, and

which would then have been substantial food for the public.

Present economic conditions do not permit the rank and file to buy luxuries in foodstuffs, but instead of giving the people a chance to feed themselves at a reasonable price, these companies prefer to throw this food away. We must also bear in mind that apart from what is thrown away in garbage, there is a certain quantity which, although unfit for consumption, is placed on the market without the knowledge of the authorities, and is sold and consumed.

I would ask the members of this House who belong to the medical profession if it is any wonder that there now and then appear in different forms diseases which our most eminent men are making strong efforts to put down and prevent. I will ask them if many of these diseases are not a direct result of the consumption of the foodstuffs I have just referred to?

There is also another product in regard to which cold storage people take advantage of their position to overcharge the consumers. I speak of the fish industry. There were in Nova Scotia in 1912 four cold storage plants for the storage of fish, with a capacity of 249,940 square feet of floor space, and, if I am not mistaken, there is still another one in Halifax. These plants are operated in the following cities and towns: Port Hawkesbury, capacity, 75,000 square feet; Canso, capacity, 40,000 square feet; Halifax, capacity, 75,000 square feet; Lockeport, capacity, 59,940 square feet; total capacity, 249,940 square feet.

I desire here to give some figures establishing the prices paid to the fishermen by proprietors of cold storage warehouses and the prices paid by the consumers. We will base those comparisons upon the Hailfax market, which is one of the largest in the Maritime provinces, and also one of the best for fishermen. We must admit that prices paid to the producers may vary according to season and supply. Continued rough weather may prevent the fishermen from reaching the fishing grounds, thus creating a shortage in the supply of fresh fish, when the prices to the producer may slightly increase. But if we take the average price paid to the fishermen, we find that they receive 1½ cents per pound with entrails removed. This price is paid for cod, haddock, cusk and hake, which are retailed at 5 cents per pound, a difference of 350 per cent, and steak cut from large fish of the above varieties sells as high as 12½ cents per pound. In the fishing season of 1911, halibut was sold by the fishermen to the dealers at Halifax at prices ranging from 4½ to 8 cents per pound, while the same fish was retailed to the consumers of the cities at from 13 to 15 cents per pound. The average price paid to the fishermen was six cents per pound. The average price paid by the consumers was 14 cents, making a difference of 8 cents per pound to be divided between the wholesaler and the retailer. I am in doubt as to the retailer making more than 2 cents per pound profit. Even at that price the profit of the trust or combine would be 80 per cent, and the difference in cost to producer and price to consumer comes to over 120 per cent. The fishermen receive for fresh herring from 8 to 10 cents per dozen, while the consumers pay at the rate of 25 to 30 cents per dozen for the same fish. The average price received by the fishermen is 9 cents per dozen, and the average price charged to consumers 27½ cents per dozen, a difference of over 200 per cent.

No. 1 fresh mackerel, were bought last summer from the fishermen for 10 cents each, and sold to the consumers for 30 cents, a difference of 200 per cent. There is an apparently well-grounded belief that the combine on fish are establishing prices under which the fishermen have to work, and they have succeeded in keeping the prices paid to the fishermen down to the very lowest standard. Cases have arisen in the past where fishermen, refusing to sell to a dealer on account of low prices offered, met exactly the same conditions in regard to prices elsewhere, and in every case were forced either to sell their fish at the first terms offered or return home with the fish unsold. There is also some kind of uniformity of prices among the retailers, furnishing good grounds for the conclusion that the combination not only affects the fisherman by keeping prices down to a non-living basis, but also affects the consumer by charging him the highest possible price.

Fish is recognized by all medical authorities as being one of the necessities of life, and the oppression brought about by the operation of such institutions is scandalous. The Canadian Government has no right to pay any money from the public treasury in subsidies to any institution which sells these necessities of life at exorbitant prices. I am citing these facts so that the people of Canada may know the manner in which they are treated. We hear every day about the operations of money-making institutions, and many will say another blessing for our country. In the case of the cold storage companies, these operations are not only permitted by law, but they are rewarded by the Government through the payment of subsidies to carry on their nefarious operations. Why this state of affairs is allowed to continue any longer is beyond my comprehension.

Another point I wish to bring to the notice of the House and of the country is the conditions under which men have to labour in those institutions. From all appearances the conditions should be ideal

if we consider the large profits made by proprietors of such institutions.

The public has a right to believe that this is the case. The producers themselves, who are contributing to so large an extent to the growing wealth of those mergers, believe that fair conditions exist. Under these circumstances it is fair to expose the real facts and for this reason I shall read to the House a copy of a contract that employees have to sign if they wish to earn their daily bread in those institutions.

I have in my possession three of those contracts, two of which men have signed and worked under. The third I shall read. It is the one that men would not sign this year, this refusal leading to the strike. I shall leave to the members of the House the privilege of drawing their own conclusions:

By these presents, I accept the offer made to me by Messrs.....and consent to remain in their employ and faithfully serve them in all work that may be assigned to me for a period of one year commencing December 1, 1911, doing all the work I can. My salary will be twelve dollars per week. The working hours from seven a.m. to six p.m. I also consent to work overtime when requested at the rate of 25 cents per hour employed. It is further understood by this present agreement that if I remain in the employ of the company for the period of time mentioned, I will be entitled to a 'bonus' of $25 on November the 30th, 1912.

It is furthermore agreed that if Messrs.... .....desire to close their establishment at one p.m. on Saturdays at any time during the year that I will have no obpection, and I will accept my salary at the same rate for time worked as other days of the week.

It is also understood that the present agreement can be annulled by the comapny at all times for bad conduct or disobedience on my part, or if my work does not give satisfaction.

Dated at Montreal, this 30th day of November, 1911.

In view of this arbitrary contract, is it any wonder that the men who were forced to sign it are now asking for an investigation? The time has come when legislation should be introduced to prevent the employment in such establishments of men who are incompetent and who do not safeguard the health and the interest of the public. Legislation should also be introduced to prohibit cold storage plants from keeping foodstuffs for a longer period than ten months, as they have in New York state.

The New York state law is as follows:

Chapter 335.

An Act to amend the public health law, relating to cold storage and refrigerating warehouses and places, and the sale or disposition of the food kept or preserved therein.

Mr. VERVILLE.

Became a law June 15, 1911, with the approval of the Governor. Passed, three-fifths being present.

The people of the State of New York, represented in Senate and Assembly, do enact as follows:—

Section 1. Chapter forty-nine of the laws of nineteen hundred and nine, entitled 'An Act in relation to the public health constituting chapter forty-five of the consolidated laws,' is hereby amended by adding after article sixteen thereof, a new article, to be article sixteen-a, to read as follows:—

Article 16-A.

Cold Storage.

Section 335. Definitions.
336. Cold storage food to be marked.
337. Time that cold storage food may be kept.
338. Powers of state commissioner of health.
339. Reports of warehousemen.
339-a. Transfers from one warehouse to another.
339-b. Prohibits return of food to cold storage when once released for purpose of placing same on market for sale.
339-c. Prohibits sale of food kept in cold storage without representing said fact.
339-d. Penalties.

335. Definitions. The term food as used in this article shall include any article, except nuts, fruits, cheese and vegetables, used for food by man or animal and every ingredient of such article.

336. Cold storage food to be marked. It shall hereafter be unlawful for any person or persons, corporation or corporations, engaged in the business of cold storage warehousemen or in the business of refrigerating to receive any kind of food unless the said food is in an apparently pure and wholesome condition, and the food or the package containing the same is branded, stamped or marked, in some conspicuous place, with the day, month and year, when the same is received in storage or refrigeration.

It shall be unlawful for any person or persons, corporation or corporations, engaged in the business of cold storage warehousemen or in the business of refrigerating to permit any article of any kind whatsoever used for food in the possession of any person or persons, corporation or corporations or refrigerating to be taken from their cold storage warehousemen or refrigerating, to be taken from their possession without first having branded, stamped or marked on said foodstuffs or the package containing same, in a conspicuous place, the day, month and year, when said foodstuffs or package was removed from cold storage or refrigeration.

337. Time that cold storage foods may be kept. It shall hereafter be unlawful for any person, corporation or corporations, engaged in the business of cold storage warehousemen or refrigerating to keep in storage for preservation or otherwise any kind of food or any article used for food a longer period than ten calendar months, excepting butter products which may be kept in said cold storage or refrigeration twelve calendar months.

338. Powers of state commissioner of health. The state commissioner of health is hereby vested with full power and authority to inspect and supervise all places in this state now used or hereafter to be used for cold storage or refrigerating purposes; the state commissioner of health or his duly authorized agents or employees shall be permitted access to such place or places and all parts thereof at all times for the purpose of seeing that said place or places are kept and maintained in a clean and sanitary manner, and for the purpose of determining whether or not provisions of this article or any other Act relating to foodstuffs are being complied with. The power of supervision hereby granted shall extend to enable the state commissioner of health to adopt such reasonable rules and regulations as may be determined upon from time to time as essential to the proper protection of the consumer of the commodities kept and preserved in such place or places, and the state commissioner of health may appoint and designate from time to time such person or persons as he deems fit for the purpose of making such inspections.

339. Reports of warehousemen. All persons or corporations engaged in the business of cold storage warehousemen, or in the business of refrigerating, shall submit reports to the state department of health, upon printed forms to be provided by said state department of health, setting forth in itemized particulars the quantity of each and every foodstuff in storage or in the control of said person or persons, corporation or corporations; said reports shall be filed on or before the twenty-fifth day of January, May and September of each year, and reports so rendered shall show conditions existing upon the first day of the month in which said report is filed.

339-a. Transfers from one warehouse to another. The transfer of any food from one cold storage or refrigerating warehouse to another for the purpose of evading any provisions of this article is hereby prohibited.

339-b. Prohibits return of food to cold storage when once released for purpose of placing same on market for sale. When food has been in cold storage or refrigeration and is released therefrom for the purpose of placing the same on the market for sale it shall be a violation of the provisions of this article to again place such food in cold storage or refrigeration.

339-c. Prohibits sale of food kept in cold storage without representing said fact. It shall be a violation of the provisions of this article to sell any article or articles of food that have been kept in cold storage or refrigeration, without representing the same to have been so kept.

339-d. Penalties. Any person or persons corporation or corporations, or officers thereof, violating any of the provisions of this article shall be guilty of a misdemeanor. The conviction of any corporation shall not operate to relieve any officer of officers, agents or employees of such corporation from prosecution under the provisions of this article.

2. This act shall take effect immediately.

State of New York. } ss:
Office of the Secretary of State }

I have compared the preceding with the original law on file in this office, and do hereby certify that the same is a correct transcript therefrom and of the whole of said original law.

(Sgd.) Edward Lazansky,
Secretary of State.

If a commission were appointed to investigate the real situation of cold storage in respect to the public, it would disclose a system which would be immediately condemned.

I have mentioned New York state. It is perhaps interesting to have some information concerning the cost of standard living in New York city. I have given figures and made comparisons from that city. Let me now compare the standard of living in New York with the standard of living in Montreal, and you will see that the cost is far cheaper in New York than in the Metropolis of Canada. The New York state conference on charities and correction through their investigation, and it was an elaborate one, came to the conclusion that $825 per year was the necessary income to allow a family to maintain a fair and proper standard of living in New York city. If we compare these figures with those I have already given on food stuffs in Montreal and New York the working men of the Canadian Metropolis should receive ninety-five per cent more wages to enable them to balance their budget. The minimum itemized estimate established by that conference is $709.20 for a family of five. The figure I gave last year for Montreal was $746.13, and if we compare the earning power of working men, we find that New York has an advantage of sixty per cent over Montreal. I have not yet found in the labour ranks a mathematician clever enough to solve this problem. This House is composed of members of high standing, many of whom are great financiers and I call upon them to solve it.

The coal famine, if it can be called such, this year furnishes an occasion also for the legislators of the country to take necessary steps to prevent its repetition next year. We are informed, and rightly so, that coal has cost very little more a ton to the operators this year than last year; nevertheless, the coal was sold during the latter part of December, 1912, at $10 per ton. The profit made at $7 and $7.50 per ton was enough to enrich to an alarming proportion operators of mines and also the wholesale dealers. This increase of about forty per cent to those who have revenues enough to buy by the ton and for cash on delivery may not be a burden. What about the amount paid by the largest part of the consumers? With such an exhorbitant price they have to buy in small quantities, by the basket or by the 100 pounds. Has any one in this House ever dreamt

what it costs for coal under the present conditions to the poorer classes of people who are in the majority in this country? They have to pay from seventy-five cents to one dollar per one hundred pounds; this would mean $15 to $20 per ton, or in other words, 100 to 155 per cent more than they could buy their coal for last year. Such an exorbitant price this year has forced the masses to buy by the hundred pounds instead of by the ton. Of course, the wholesaler will say that he is not responsible for such a charge, but he has cornered the coal market and has been successful in driving the small coal dealers out of business, thus increasing the power of exploitation of the coal trust.

Some few years ago, the statement was made that the strike of the coal miners was responsible for the increase of coal. Information at my command proves that not more than eight cents per ton has been added to the cost on that account. It is a wonder that the trust this year does not use the same argument, for the coal trust has no more sense of honour than any other institution of the same character. I am informed that coal costs $2.50 per gross ton, free on board, in the cars at the mines. The freight on a car is $2.76 per ton, thus making the value of the coal delivered in Montreal $5.26 per ton. By allowing a reasonable profit to the wholesaler, say, one dollar per ton, and a legitimate profit to the retailer, say, one dollar per ton, the coal can be delivered in every workingman's cellar for $7.26 per ton. The prices charged in December were $10 and $11 per ton. If the prices of last year, $7 and $7.50, were high enough to enrich the operators and wholesalers to an alarming proportion, what about the profits this year?

If we take the population of Montreal, say, 550,000 and divide by 5 as to families, we have then 110,000 families at an average of three tons, which is too little. This makes 440,000 tons of coal for consumption in that city alone and for the winter only. A reasonable average would be 450,000 tons, and by giving a good substantial profit to all those who handle coal we can figure that the trust has pocketed this year at least over and above a legitimate profit $1,125,000, or, at the rate of five tons per family, $1,375,000.

Is this not enough to justify us in asking that such a proceeding should be prevented? Is this not enough to arouse the masses against conditions that permit such exploitation? Is this not enough to cause the rank and file to protest, because after being robbed of their food, they are also robbed of their means of keeping warm in winter. If the members of this House had to submit for a few days to the same privation that a great number of workingmen had to submit to on account of the exorbitant price of coal last winter, I am convinced that Bills would be introduced or the Government would be obliged to legislate for the prevention of such disastrous operations.

While I am on this question I would like to read the report of the commission that was appointed by the Government of the United States last year when it was stated by the coal dealers that a large amount should be added to the price of coal because there was a certain increased amount to be paid to the men in the mines. That commission made a report and a summary of that report appeared in the Montreal Gazette which hon. gentlemen opposite will I am sure be satisfied to take authoritatively, and I may say that the Gazette generally gives a fair report. On March 3, 1913, the Montreal Gazette published the following:

What Coal Companies did. Took $13,450,000 from Consumers to pay $4,000,000 Wages.

Washington, March 1.

Hard coal companies increased the wages of their employees at the rate of $4,000,000, according to a report based on an investigation by the Bureau of Labour submitted to the House to-day.

The report submitted by Secretary Nagel is the result of an investigation concluded in response to a House resolution asking for the 'elements of cost and profit included in the present high price of anthracite.'

An average increase of 26 cents a ton in wholesale coal prices was discovered to have been made since the strike agreement of last May. In spite of the fact that the workers benefitted about $4,000,000 in increased wages during the year, the report adds that 'the recent increases in prices have been more than sufficient to compensate fully those companies whose cost of production have increased most rapidly during recent years, and at the same time have very greatly increased the profits of those companies, of whom there are at least several whose costs of production either decreased or remained stationary during the same period.'

On more than $13,000,000 gained by the operators after the strike agreement, $10,900,000 was derived from general increase in prices and about $2,500,000 from the suspension of April and May discounts, while in addition a limited number of operators are reported to have 'received very large sums through the sale of coal at premiums made possible by the shortage of shipments,' incident to the strike. The discounts of 40 and 50 cents a ton customarily allowed in April and May on domestic size coal were suspended during these months in 1912. As a result the operators not only gained by saving this discount, says the report, but in addition purchasers who were unable to secure their usual supply in those months were forced to buy it during June, July or August, when discount rates were smaller, or in September, and later when full circular prices are charged.

The increase in wages, however, the report adds, represents a raise of only eight to ten cents in the cost of coal production per ton.

I will now take the liberty of reading a passage from an article, in which Mr. LeRoy Beaulieu, the great French economist gives his opinion concerning the cost of living. I presume that this gentleman is known by reputation by many members of this House, as a moderate writer. In L'Economiste Français of Saturday, September 9, 1911, this is what he says:

As a matter of principle, it is not a bad thing for consumers to attempt to defend themselves against the increase of prices.

If the householders of the departments of the North of L'Aisme and others, when clubbing together and making revendications, had contented themselves with boycotting certain traders or certain marketers and had refrained totally or at least partially during a few days from purchasing goods at exorbitant prices, they certainly could not be blamed for doing so; on the contrary, they would have been worthy of praise.

In fact, the consumer must not accept without discussion all the increases in prices decreed by the producer, as these increases are not always justified, at least not to their full extent.

These words written by Mr. LeRoy Beaulieu are significant as proving that the same problem exists in France. It also existed under the Roman Empire and I had occasion to tell this House last year how it was solved by one Emperor. If laws were not then permissible, they are to-day. Why not then take advantage of the power of Parliament and make laws to remedy these conditions?

We have heard much about the German scare. What occupies the mind of the German people in this very same acute question as to the high cost of living. William Hubener, a great economist, has come to the same conclusion: that reduction of tariff on foodstuffs and a return to a more liberal policy is necessary.

The consumers of the cities as well as the rural districts were led to believe in 1911 that if a Conservative Government come to power in Canada all absolute necessities of life would receive a substantial diminution in price. We have had this present Government in power for nearly two years, and instead of the price of those articles diminishing it is increasing, and still we hear the supporters of the present Administration boasting about protection. What kind of protection do we hear so much about? Is it the furnishing of better means to the workers to bring up their families? Is it the furnishing of more work and better wages? Is it the granting of shorter hours of labour so as to enable them to rest and educate their families? Is it the provision of three meals a day and a roof over their heads in their old age? Is it the granting of a substantial pension to widows and orphans so as to enable the widowed mother to remain at home to raise her family, to prevent her from being insulted while performing her duty, and to prevent young boys from being taken to the courts to answer for some of their misdoings? Is it this kind of protection we hear so much about, or is it tariff protection, that the present Government is so anxious to give to their friends? We have been able to judge by the change in economic conditions even in the short period of sixteen months, and true enough, our great manufacturers have reason to be satisfied with their present conditions.

In the name of the workers of the country I ask the Government right here and now: Can we expect a substantial reduction of tariff on the absolute necessities of life? Can we expect some protection for labour as well as for the manufacturers? Mr. Speaker, on this very important question of reduction of tariff I would like to again bring to the knowledge of the House, and to the country, some figures on importation of foodstuffs, for which we are paying enormous sums of money for duty, and also compare the amount paid by each workman's family. To be sure that my calculation will meet with the approval of the House, I will say at the outset that the figures are from the last report of the Departments of Labour and of Customs for the year ending the 31st March, 1912. I have gone carefully over the items of actual necessities of life, and find the amount of foodstuffs remarkably large and also the amount of duty paid on same by the consumers of the country. Hon. gentlemen will see that I am entering on the line which I have not yet covered. I hope, Mr. Speaker, that when I am through the hon. Minister of Finance will see his way clear to legislate in favour of a substantial reduction of the tariff, so as to enable the poorest classes to feed themselves in a reasonable way. We have imported in the year 1912 the following articles of food on which we have paid the following duty:

Imports.	Quantity.	Duty.
Butter	3,987,332 lbs	$128,536 14
Cheese	2,426,217 "	27,279 41
Lard	7,960,540 "	158,054 24
Bacon and ham	11,256,684 "	224,899 61
Beef, salted	3,074,684 "	39,538 18
Canned meats and poultry	2,197,762 "	72,339 20
Mutton and lamb, fresh	4,041,263 "	118,520 72
Pork, salted	6,442,838 "	123,805 74
Meats, dryed, smoked, preserved	1,420,461 "	28,518 92
Other meats, fresh	2,339,252 "	68,050 54
		$990,142 70

Vegetables.

Potatoes	494,834 bushels	$ 84,977 11
Tomatoes, fresh	82,613 "	68,474 70
Tomatoes and corn, canned	9,244,307 lbs	132,066 36
Vegetable beans, canned	9,829,594 "	134,139 13
Vegetables, N.O.P.	$1,085,448 value	321,841 05
		$741,498 35
Eggs	7,577,826 dozens	226,567 00
Rice	13,200,390 lbs	82,583 00
Macaroni and vermicelli	6,852,701 "	68,673 00
		$377,823 00

We see by these figures that we have paid in duty enormous sums of money on goods we are producing ourselves.

The importation of butter for example of 3,987,332 pounds, on which we had to pay in tariff alone $128,536, looks ridiculous from the consumer's standpoint. We are producing an enormous quantity of butter in our country; the returns show that we have exported during the year 1912 to all parts of the world 8,844,402 pounds of Canadian butter. This high tariff question is responsible for what we have had to pay, 3 cents per pound more for our butter, to which must be added double transportation charges. In the productive months of the year the great trusts exports all the butter available, thus creating a scarcity for the home market, which has to be met by importation, which adds double profits to the exporter who is also the importer. Where is the benefit to our farmers? Where is the reasonable price which the consumers expect to pay?

The great public is treated in the same way in respect of cheese, for we have exported from Canada in the same year 163,450,684 pounds and we have imported 2,426,217 pounds of cheese, on which we had to pay $27,279 for tariff alone.

If we take the total amount we had to pay for tariff on goods we are producing, we get the following figures:

On cheese, butter and meats	$ 990,138
On vegetables	741,497
On eggs, macaroni and vermicelli	377,823
Making a total on food stuffs	$2,109,458

Now, if we go into details as to the amount of foodstuffs required for one year for a family of five we are astonished as to how families, generally speaking, can meet their obligations. The figures I am going to give are taken from the last report of the Labour Department, which was laid on the table not very long ago. They are as follows:

Meats for the year will cost	$ 91 00
Lard for the year will cost	18 82
Eggs for the year will cost	33 17
Milk for the year will cost	25 89
Butter for the year will cost	48 88
Cheese for the year will cost	21 11
Bread for the year will cost	31 98
Flour for the year will cost	17 10
Rolled oats for the year will cost	11 44
Rice for the year will cost	5 72
Beans for the year will cost	5 72
Apples, evaporated, for the year will cost	7 07
Prunes for the year will cost	6 76
Sugar for the year will cost	19 76
Tea and coffee for the year will cost	12 58
Potatoes	26 83
Total	$381 83

From the items I have just given, we see that many other necessities of life in

respect of foodstuffs are omitted. If we were to add those other articles for which $50 would be a moderate figure, we would then have $431.83 for foodstuffs alone. But, adding to this the following, we have:

Fuel	$ 79 34	
Laundry	10 00	
Rent according to Labour Department	229 34	
Lighting	11 80	
Clothing, same figures as last year	138 25	
School books and taxes	7 00	
Street car tickets	24 00	
Dishes and breakage	20 00	
Linen	25 00	
Medical attendance	25 00	
Church dues	7 20	
Total		576,93
Food stuffs		431 83
Total		$1,008 76

My calculations of last year were far below the present figures, and the hon. Minister of Labour must find another way, to show me that the cost of living has only increased six per cent. These figures shows clearly that the tariff must be lowered, whether the manufacturers like it or not.

I would also like to bring to the knowledge of the members of the House what a workman has to pay in the form of tariff before he and his family eat any of the following articles:

He pays for the year on eggs		$ 3 12
" " butter		6 12
" " lard		2 08
" " fruits		6 00
" " vegetables		6 00
" " potatoes		5 00
" " rolled oats		1 50
" " rice		75
" " apples, evaporated		1 75
" " prunes		1 50
" " cheese		3 12
" " meats		10 40
" " fish		3 65
Total		$ 51 11

This is the amount he has to pay for tariff on the above specified foodstuffs. If we add to this the rental, as per the report of the Department of Labour, we see he has then to pay $280.35; and, as the report goes on to show that the figures given on page 15 are based on an income of $800 a year, or, in other words, $15.60 per week, this poor workman has to work 18 weeks or 108 days of the year to pay that amount. This is a very serious problem, and if the protection to which I have alluded is not soon granted, I shall take the responsibility of telling the Government that my duty as well as that of all the members of this House who have the interest of the country at heart will be to fight to a finish all those who wish to protect the classes to the detriment of the masses. The Government, with its great generosity and its good-fellowship, wishes to help the Mother Country to the extent of thirty-five millions. This may be a mere bagatelle for those who are accustomed to play with millions, and especially when they, by their business transactions, will make sure that the burden will fall on those they have so well learned to exploit. But what about the masses of consumers? If we take, directly or indirectly, thirty-five millions from the public treasury, will this not be an excellent occasion for our great protectionists to demand a higher protective tariff, giving for their reason that the wealth of the country has diminished in that proportion and that in order to administer the public affairs thirty-five millions more must enter the public treasury? It may not be put before the public in that light, but I defy the Government to prove the contrary.

If the announcement could have been made that our surplus this year was not above that of last year, and that the explanation was lower tariffs or the free entry of food stuffs, I claim that we could say that the country is more prosperous, because the difference in the number of millions, whatever it might be, would be in the pocket of the consumers of the country. But under present conditions the contrary exists and instead of having been protected, I claim that the workers of Canada have been deprived and robbed of their most vital needs, viz., foodstuffs.

Is it any wonder that the masses of the consumers of Canada will not stand for all time the conditions I have just described to the House?

I may be accused of arousing the masses against other classes of society. I may be told that instead of preaching peace and harmony amongst men, I wish them divided, and that a war of classes brought about under the present circumstances would be detrimental to our country. My answer is that if such conditions exist, they were created by those who represent large aggregations of capital and their friends, and I warn them now that they will sooner or later assume a terrible responsibility.

We are supposed to live in a world of Christianity and under Christian conditions. Will any one, either on the public platform or on the floor of this House, dare to say that present conditions of society are not absolutely contrary to the true spirit of Christianity? We have asked the masses to reason, to tolerate, to live in faithful hopes of better days and they have done so; but nevertheless the cemeteries in our cities and towns are being rapidly filled with those who carry these hopes to the grave.

Instead of giving away millions, why not spend some of our time and money for the betterment of mankind, by furnishing more work and better conditions, and endeavour

to satisfy millions of empty stomaches which are in need of food?

It has been said in England that you cannot teach a child with an empty stomach. Neither can you teach men to love their country and her institutions if they are subjected to starvation conditions. The waving of the flag may have a temporary effect; so may an appeal to their loyalty, but they will soon understand that the greatest object of that cry is to furnish occasion to some great trusts to create more millionaires.

The Parliament of Canada has appointed a commission for the preservation of our forests and everyone admits the necessity of preserving our natural resources. Cannot the masses of consumers of the country expect to be treated at least on an equal footing with these natural resources?

The assets of a country can be estimated only by the machinery that sets them in operation. The biggest asset is surely the population. If so, the people have a right to say that the consumers have been ignored for political as well as anti-economic considerations and that they recommend, like the people of European countries, a return to a more liberal policy. They should not be obliged to petition and pray for their rights. If they only knew their strength and power, they would be the masters of the members of this House, who, after all, are only the servants of the people of Canada.

I hope to see the day, Sir, when the great producers of wealth, the great creators of industries, the great users of natural resources, will understand, will feel more strongly than they do now the constant oppression of high protective tariffs, specially on natural products. I hope to see the day when the masses of the people will understand, that their immediate interest lies with those whom are willing to protect them by the enactment of modern legislation, that will have for effect the diminishing of the burden now imposed on them for the benefit of a few.

I hope that the day of the retribution will soon come, when the masses of consumers, in accordance with the great producers of our country, will demand and will obtain, a diminution in the cost of living. They, too, are anxious to breathe the air of liberty; they too have a right to the rays of sunshine of prosperity; they too have a right to protection in the fullest sense that word to peace, harmony, amongst our fellowmen and nation; and to achieve such, the present Government will be compelled to legislate in the form of a reduction of tariff, at least on first necessities of life. We, as legislators, are confronted with this great problem, and no one in this House has any right to shrink from such a responsibility.

I will conclude, Mr. Speaker, by making an appeal to the Government, to all the members of this House, not to ignore any longer those who have built this country. They are hoping for, and expecting to receive, fair treatment in accordance with, and in proportion of their number, their power, their needs and their rights.

Mr. W. F. COCKSHUTT (Brantford): The hon. member for Maisonneuve (Mr. Verville) has given us a very long discourse presumably in the interest of the labouring classes. I myself represent a labouring constituency and I should be very sorry indeed for the lot of the workingman, if I thought that many of the statements the hon. gentleman has placed on 'Hansard' were in any sense true or could be borne out by facts. The figures that he has quoted with regard to the necessities of life, particularly with regard to fruit, vegetables and dairy products, may apply to some hole or corner in the Dominion of Canada, but in no sense can be said to represent what the average workingman of Canada has to pay for these products. He made the broad statement in the early part of his address that the cost of living in Montreal is practically one hundred per cent higher than in New York. I wonder how many citizens of Canada the hon. gentleman expects to believe such a statement. I believe he said also that Montreal was eighty per cent higher in cost of living than Chicago. The figures he quoted on some ordinary necessaries of life it is unnecessary for me to spend even a moment in recounting, because they bear their refutation on their face; they are absolutely not in accord with the facts well known to the workingmen whom he presumes to represent. The workingmen of Canada are in no such disposition as he has given us to understand. The city from which I come, is not a large city, having a population in round figures of 25,000, of whom 7,000 are classed as workingmen and working in the factories of that city, and before I get through I shall endeavour to show what they are producing and how they are living. But the hon. gentleman has made broad statements and I think it a pity that such statements should go on 'Hansard' uncontradicted, because they are absolutely untrue in regard to the large majority of products which are usually classed as necessities of life. It may be that Ontario differs from Quebec in that respect. The factories of Ontario are located largely in agricultural centres, and it is well known by everyone who frequents the markets of the various towns and cities of Ontario that the prices that obtain there—and I call the hon. member for North Oxford (Mr. Nesbitt) as a witness—are very moderate indeed, and not more than from twenty-five to fifty per cent

of those the hon. member for Maisonneuve has just stated. It was to be expected that when he made the statement that there was great unrest and disquiet in Canada among the workingmen, he would have given a few facts to bear out that statement. I take the ground that the workingmen of Canada are thrifty, prosperous and contented. I think that statement cannot be refuted. In order to prove it let me give a few figures. I take the facts of industrial disputes for 1911, the last year for which I have such figures at hand. In that year there were one hundred industrial disputes in Canada. Of these, forty-two were settled between the parties, two were settled by arbitration and seven by conciliation. In seventeen cases work was resumed on the employers' terms: in ten cases, the strikers places were filled. Of the total, thirty-four ended favourably to the employers, twenty-one favourably to the employees, and there were compromises in twenty-four. That surely does not show great dissatisfaction among the workingmen of Canada; it shows that the workingmen are well satisfied with their lot. Let me give the returns for the past ten years in order that there may be no misunderstanding as to how many industrial disputes we have had, and as to whether or not the workingmen are satisfied with present conditions. The total number of disputes that we have had during the ten year period between 1902 and 1911 was 1,069, nearly all of them in Ontario. Of the 1,069, 394 were settled in favour of the employers, 279 in favour of the employees, and 246 were settled by compromise. Therefore I say that the average lot of the workingmen in Canada is unexcelled in any country in the world. I am sorry that the hon. member for Red Deer (Mr. Clark) has just withdrawn from the Chamber, because I was about to compare free trade England with protectionist Canada in that respect.

My hon. friend who has just spoken has attributed many of the disabilities under which the workingmen of Canada labour to the fact that we have a tariff in Canada, and he endeavoured to show that the existence of this tariff was raising the price of goods to the extent of one hundred per cent in Montreal. No free trader, so far as I am aware, has ever made the contention that a tariff can raise the price of goods higher than the amount of the tariff itself. The average tariff on the goods my hon. friend mentions runs from twenty per cent to thirty-five per cent, so that, providing the whole of the duty collected on those items—and it certainly would not be anything like the whole duty—were added to the price of these products, the price could not be more than thirty-five per cent higher than the price in the markets of New York or Chicago. I think, therefore, that the ground upon which the hon. gentleman based his argument is entirely fallacious, and that the workingmen of Canada are well satisfied with their lot. They are receiving good wages; they are living under prosperous conditions, and the fact that labour is so well employed, and employed at satisfactory rates, proves that the conditions existing in Canada so far as labour is concerned are of the best. It is true they may not be ideal, but I repeat that they are of the best. I invite my hon. friend to come to Brantford, and if we cannot show him comfortable, prosperous homes, in which the workingmen are living in content, happiness and peace, then I will admit that something must be done to relieve the workingmen of Canada.

I propose to place upon 'Hansard' the value of the products turned out by fourteen of the principal manufacturing cities of the Dominion. The city of Montreal leads, with a production valued at $115,000,000, in round numbers, showing an increase of one hundred and sixty-eight per cent in twenty years. Toronto comes second with a production of $154,000,000, an increase of two hundred and thirty-four per cent in twenty years. Hamilton takes third place, with a production of $65,000,000. Winnipeg is fourth—a western city, in spite of the fact that it is contended that they do not manufacture anything in the West—with a production of $32,000,000. Ottawa is fifth, $20,000,000; Quebec sixth, $17,000,000; London, seventh, $16,000,000; Brantford, eighth, $15,000,000; Vancouver, ninth, $13,000,000; Halifax, tenth, $12,000,000; St. John, eleventh, $10,000,000; Sydney, twelfth, $9,000,000; Berlin, thirteenth, $9,000,000; Calgary, fourteenth, $7,000,000. So that the manufacturing cities of Canada are turning out a vast amount of manufactured products. I think that the city of Brantford, from which I come, is perhaps a fair indication of what the workingmen are producing in Canada. I presume it is desirable that we should have placed upon the records some indication of the efficiency of the average workingman in the Dominion of Canada. It is said, and I think with some truth, that we are not producing as much goods for export as we should, and I shall deal with that later on. In regard to the city from which I come, which has a population of 25,000, a factory employment of 7,000 and a total production of $15,000,000; if you divide $15,000,000 between 7,000 workmen, you will find that on the average they are producing about $2,000 per man. That, I think, is a very respectable amount for the workingmen to produce, and will probably compare favourably with the work of men in any other calling in life.

Mr. NESBITT: Does my hon. friend know the average wage paid for that production?

Mr. COCKSHUTT: I have not before me the average wage paid in the city of Brantford, but, speaking in round figures, I should say that $1.75 a day or seven shillings sterling, is about the average wage of the workingman in that city. Many of them obtain $2.50, $3 and $4, but I think the lowest wage paid for labour in that city is from $1.50 to $1.75. The wage obtained by employees of the railways of Canada might be said to be typical of the average wage paid in the factories of this country. The Canadian railways employ 141,000 men, who are paid an annual wage of $74,000,000. If you divide $74,000,000 by 141,000, you will get an average of $525 per man, or, in round figures, $1.75 a day for every man employed by the railways of Canada. I think that will bear out my assertion that the lot of the workingman in Canada is a fairly satisfactory one, and that the average wage paid in this country will compare favourably with that paid in any other country of the world. That being the case, it appears to me that my hon. friend the member for Maisonneuve has very little ground of complaint with regard to the position of the workingman in Canada. I for one would be sorry if it were otherwise, because I think that there are no persons who are more worthy of consideration by hon. gentlemen of this House than the workingmen of this country.

My hon. friend evidenced a desire to give us to understand that a good deal of unrest was caused in Canada because a large amount of duty was extracted from the workingmen. As my hon. friend the member for Red Deer has now come into the House, I may be pardoned if I draw attention to the labour conditions that have existed in Great Britain during the last year or two. I think I shall not be doing an injustice to the country from which my hon. friend comes if I say that no country in the world has had more industrial unrest within the past two years than has the United Kingdom of Great Britain and Ireland. I was in London last year when some of these periods of unrest were in progress; that city was almost threatened with a famine at that time because the workingmen were refusing to unload ships in the docks at London. The coal men and railway men were on strike, so that I may remind my hon. friend who represents labour, that labour conditions in a free trade country are not at all comparable with what they are in a country which has such moderate protection as we have in Canada. I submit that the lot of the workingman in Canada will compare favourably with that of any free trade or protectionist nation in the world. I have seldom listened to two speeches of such length as those of the hon. member for Halifax and the hon. member for Maisonneuve which contained so little meat, so little constructive thought and suggestion for improving conditions if conditions are wrong. The hon. member for Halifax laboured close unto three hours and I must say that, following him very closely and making notes at the time, I was unable to detect one single suggestive thought during the whole of the discourse for the improving of existing conditions. That is rather a reflection on the acuteness of the hon. member for Halifax, or else it speaks in very loud tones in favour of the splendid policy being pursued by the Minister of Finance in the direction of our trade, commerce and transportation questions. The fact that the hon. member has nothing to suggest by way of improvement, shows that things must be very nearly right. The hon. member spent considerable time upon the lumber duties. That is an issue that has been fairly well threshed out in this House, and although he referred to this at considerable length, it will not be necessary for me to touch on it further than to say that since this Government came into power the tariff as it exists on the statute book is being enforced and collections are being made in a way that they were not under the late Government. That is rather a serious charge and may reflect on the incumbent in the office under the late Government, a respected and honoured gentleman from my own county whom I have known personally for the past forty years and whom I respect very highly. But in order that it may be seen that I am not making a statement now that he is out of the House, that had not been made when he was in the House, I will refer to an address of my own on March 19, 1908, in which I charged that the then Minister of Customs was not collecting the amounts of duty that the Acts on the Statute book called for, and further than that, I gave him concrete instances and examples that called on him as Minister of Customs to do his duty and cause to be collected in this country duties that were levied according to the statutes he was supposed to administer. But did he do that? No, Sir, in one of the cases to which I referred here in the year 1908, I called his attention to a tunnel that was being constructed under the Detroit river. I distinctly showed him on that occasion that he was not collecting the duty called for under the statute. I said:

I do not think that he has told anything new in regard to that. His own department,

it has generally been supported, is purity itself, but I have given the hon. gentleman one case, we know of a few others and we may be able to bring them to his attention before the session closes. I have been informed that in his department there are fraudulent entries and under valuations. I believe that favours are granted to certain ones. We would like to find out why it is in connection with that immense tunnel crossing from Windsor to Detroit everything being brought in from the United States to be used on the Canadian end of it is coming in free of duty under an Order in Council. Was that done in order to benefit some friends of the Government? If so, who are they?

So that on that occasion I pointed out to the Minister of Customs that he was not collecting the duties called for under the Customs Act. I want to bear testimony to the efficiency of the Customs Department as at present administered compared to its condition under the late Government. -I say that the Minister of Finance has been able to show this House that we are collecting in round figures $113,000,000 in customs duties. That is being collected because the department is doing its duty, it is not all owing to increased trade that these duties are being collected. Since the present Minister of Customs has come into that department he has strengthened the staff throughout Canada, he has put competent men in charge of the offices and they are collecting the duty as called for under the statutes. This is one of the main reasons why the buoyancy of our revenue is so apparent to-day, that the duties which should have been collected under the late Government, but were not, are now being collected. In my own city of Brantford the present Government is collecting about 50 per cent more duty than the late Government. That shows that it is not all owing to increased trade, that because the men who are importing into all different parts of Canada are now checked up and examined, an efficient staff is on the job, and if under-valuations are accepted, if imports are being entered below their proper value, if the goods are being taken in in any way contrary to the law, they are detected and the full duty is collected. I say all honour to the gentleman who has brought that about. Owing to the efficiency of the department as at present administered a large amount of duty is now being collected that under the late Government escaped attention altogether. I have under my hand a sample of what was done under the late Government. I brought it to the attention of the House in the same address in 1908. That was the case of Donald Fraser of British Columbia. Most of the citizens of British Columbia are very honest, but the Hon. Mr. Paterson had in his employ a man who systematically for years had been defrauding the Government. An investigation was held and it was settled in quiet for less than one-third the amount that the man himself boasted he had taken from the Government. I brought the matter to the attention of the minister, I gave the name of the man and the amount, and the late minister without saying anything on that occasion, had an inspector verify the truth of my statement and made the man cough up over $6,000 after the case had been settled quietly by the Customs Department. That is one sample that goes to show that the statement I made is correct, that under the late Government things were at loose ends and the customs duties were not collected. Under this Administration they are collected and the result is that we have a buoyant revenue.

The hon. member for Halifax also took exception to the fact that the Government are not going on with the creation of a tariff commission. He seems to be worrying because the Senate killed the Bill and it has not been introduced again this year. I do not know that the member for Halifax should be necessarily very much concerned about the tariff commission. I do not think that he can find very much fault with the present tariff seeing that it is almost identically as it was left by the Government which he supported so valiantly for so many years, and surely within less than two years the tariff they left in force cannot have gone very far wrong, so that there would be a necessity for the very early creation of a board of tariff commissioners. The hon. gentleman went on and dwelt at great length upon the extravagance of the present Government. Extravagance may consist of two things, of a party, a Government or a nation living beyond their means, or it may consist of paying two prices for any given article or any public work. I think that certainly the hon. gentleman will have to say that I have made out a good case in regard to meaning number one, that is that we are now living within our means. I think that the hon. member for Halifax will agree to that because he later on pointed out the fact that we have $55,000,000 of a surplus over and above all our expenses and therefore we are not living nearly as highly as we should be, according to the statement of my hon. friend, because he has told us that the Government has $55,000,000 of a surplus that it might have spent. As far as the first count is concerned it falls to the ground. Did the hon. gentleman point out a single expenditure made so far for which the Government had not received value? Is there one single case that the hon. gentleman has at his disposal which will show that this Government has not received value for the money expended? I think the hon. gentleman will admit that if that

is the case now, it was not the case when the late Government was in power. The other day we had placed in 'Hansard' the cost of the Transcontinental railway up to date, and it was given in round figures at $130,000,000. On the construction of the Transcontinental railway, which was estimated by hon. gentlemen opposite to cost all the way from $13,000,000 up to $55,000,000, $130,000,000 has been paid, and it is now thought that before it is completed it will approach $150,000,000 or $175,000,000.

I want to call my hon. friend's attention to one or two reasons why this Government should spend a lot of money now that they are in power. My hon. friend says that we used to criticise the previous Government for spending large amounts of money on wharfs, breakwaters and canals. It is true that we did, and I think upon very good grounds. But the trouble was that in the past much of the money that the Government had to spend went to the province from which my hon. friend comes. These breakwaters and wharfs were placed where they were not wanted, canals were dug where there was no water, both in Nova Scotia and in Ontario, and in many ways the Government which my hon. friend supported was one of gross extravagance. The Government that is extravagant in one part of the country is bound to be economical in another, and that is the reason why the present Government has to make good the deficiencies of the last ten years. For fifteen years the Government had ignored the provinces of Ontario, British Columbia and Manitoba, and they were absolutely robbed of their legitimate rights in the way of expenditure. That is the reason why the expenditures are high, and they are going to be high.

Look at the city of Toronto, with its post office producing about one-sixth or one-seventh of the whole post office revenue of Canada crowded into a little bit of a box. When the Postmaster General (Mr. Pelletier) visited that office a few months ago he could hardly squeeze into it, his officials were packed into a small space, they had to work with electric light and they were not in a position, for lack of proper accommodation, to perform their duties. My hon. friend from Rouville (Mr. Lemieux) is waking up at that. That took place under his regime.

Mr. LEMIEUX: The post office in Toronto is one of the finest in Canada.

Mr. COCKSHUTT: That shows how Toronto was served at that time. What applies to Toronto applies also to a very large portion of the province of Ontario, and that is the reason why the Minister of Public Works comes down with estimates of $28,000,000, which the hon. member for Halifax asserts is an evidence of gross extravagance. We have to make good what we were deprived of during the last fifteen years.

Mr. MACLEAN (Halifax): There are a good many constituencies in Ontario.

Mr. COCKSHUTT: Yes, and most of them have been robbed by the Government that held the power for fifteen years. They were not given their fair share although we have in Ontario a province that pays one-third of the entire taxation of the Dominion. Under these circumstances I think they are entitled to a fair share of the distribution of public works. The city from which I come, during the time that the late Minister of Customs, Mr. Paterson, held power, got scarcely enough to enable it to eke out a miserable existence in the way of public services, and Brant county, from which my hon. friend (Mr. Fisher) comes, was treated in very much the same way. We were robbed in that city and county of our rights for many years, and now that we are restored to power, the Government recognizes the claims of a city like Brantford which is among the large and important cities of Ontario, and we have at last got a little of the public expenditure. British Columbia has received some, Manitoba has received some and it is not all going down to the sea as the hon. member for Halifax would like to have it.

Mr. MACLEAN: Never.

Mr. COCKSHUTT: That part of the country got a great deal more than its share and the late Minister of Finance saw to it that his own native province was spoon-fed with a vengeance. Therefore, we had breakwaters, wharfs and other public works placed both in position and out of position, where they were wanted and where they were not wanted—any place to spend money. It is true that we had one or two exceptions in Ontario when useless works were provided. Let me remind my hon. friend of that famous Newmarket canal running through the constituency from which the late Minister of Justice, Sir Allen Aylesworth, came. That is only one out of a good many constituencies that got more than their share possibly during the time of the late Government, but when my hon. friend charges extravagance, I think he will have to wait a considerable time before he will find such a flagrant waste of public money as was exhibited in the construction of the Newmarket canal.

My hon. friend has charged that we are setting out on a most extravagant course and that we are collecting money that should be left in the pockets of the people. These are very fine sounding words, but this money is being collected under the same

tariff that existed when the Government that he was supporting was in power. If they were not then exorbitant duties they are not to-day. The taxation of the Dominion increased very largely under the administration of my hon. friend. I have under my hand, but I shall not read them unless the statement is disputed, the figures showing that in 1878, when the national policy was first brought into existence, the taxation per head was less than $4. Before the Conservative Government went out of power in 1896 it was between $4 and $5 per head. Under the late Government it rose to between $11 and $12. When they went out of power they were collecting three times as much duty per head as they were when they assumed office. That was a very fair advance for the time they were at it. If they increased the amount of taxation taken from the people three times over what it was when they assumed office, I think my hon. friend should not begin to grumble because we have such a large surplus as that which is disclosed this year. He says that we have no public uses to which we can apply this money satisfactorily. I take issue with my hon. friend. I think that in a country such as Canada we have now, and we will have for many years, very many public works to construct, very many national necessities in which a large amount of public money can safely be invested. We all know that we must go on constructing railways and canals. We have a very large expenditure to face in this regard and when my hon. friend was looking around for places at which to spend money he must have forgotten that during the present session he has been backing the proposition which calls for a very large amount of money, and further that if the Laurier navy with these two fleet units became a practical fact all of this $55,000,000 would be swallowed up and there might be required a great deal more. Australia has embarked on a policy costing $440,000,000, and surely Canada, with nearly double the population, would not be satisfied with anything which would involve an expenditure less than that of Australia. My hon. friend who thinks the tariff is too high, was ready to join with the hon. member for St. John (Mr. Pugsley), and the hon. member for Carleton (Mr. Carvell), in advocating that a ship-building plant, or plants, with subsidies and tariffs, should be established forthwith. Why? Because they would be down by the sea from whence these hon. gentlemen come and from which I expect some of them will not come if there is a general election. But, however, these hon. gentlemen, when they talk of industries that are going to locate near their own homes, are quite ready to back those enterprises.

They have both hands up for building shipyards and dreadnoughts and entering on such reckless expenditure that even we so-called high tariff men cannot stand for it. These gentlemen opposite are not satisfied with existing industries, but they must embark on dreadnought building, one of the most difficult industries to establish it is possible to conceive, and with failure staring them in the face. In forty years we have built up a manufacturing system in Canada that is second to none in the world. The products of our factories are of such quality, quantity and value as to fully justify the policy of protection. If we are wise and consistent we will stick closely to the tariff as at present we have it. I, who am sometimes accused of being a high tariff protectionist, am making no kick whatever against the tariff the Liberal party left behind them; I say it is a moderate, a wise, and a sane tariff for our purposes at present. There are some anomalies in it and there should be some little pruning here and there, but taking it on the whole it is very satisfactory and it has proved that the Dominion of Canada can prosper under it. I do not, however, give the late Government credit for establishing that tariff; they found it when they came to office mostly as it is to-day and whenever they attempted to change it as they did in some cases they made a mistake.

Mr. MACLEAN (Halifax) : I have heard you complain of it in this House.

Mr. COCKSHUTT: I complained when the duty was struck off binder twine and when twelve factories were closed in Canada. I complained when the duty was taken off barbed wire and all the barbed wire factories shut down. But these things are gone and I suppose there is no use lamenting them to-day. Let me tell hon. gentlemen opposite that many thousands of farmers in Ontario had considerable sums invested in the manufacture of binder twine and that investment was wiped out when the Liberals undertook to admit binder twine free. I tell these gentlemen further that when they did admit binder twine free they did not succeed in cheapening the price of it to the farmer. Last summer we had a persistent call from the West that all restrictions be now removed from binder twine. Binder twine is absolutely free of duty, but the restrictions they referred to were as to the quality and the weight and the application was that the United States binder twine, which did not come up to the Canadian standard should be admitted, even without inspection. Let my hon. friend from Halifax (Mr. Maclean) take that home and think over it. I say we will do very well if we stick pretty closely to the well beaten path in tariff matters. Canada with its natural advantages is destined to become a great nation, but you cannot have a great nation without a di-

versity of labour and you cannot have a diversity of labour unless you have manufacturing institutions of all kinds; mercantile, industrial and agricultural. Every man is not cut out for a farmer, and every man is not cut out for an artizan and the man who follows the calling he is best suited for is the man who is best serving the country in which he lives. For the last thirty years under both the Conservative and Liberal governments, the progress in Canadian manufacturing has been most satisfactory. I have figures here which show the total manufacturing product of 1900 as compared with 1910, and they are worthy of being placed on 'Hansard.'

Canada's manufacturing expansion, 1900-1910.

Schedule.	1900.	1910.	Per cent Incr.
Factories	14,650	19,218	31·18
Capital..	$446,916,487	$1,247,583,609	179·15
*Employees. ..	30,691	44,077	43·61
Salaries.	$23,676,146	$43,779,715	84·91
†Employees ..	308,482	471,126	52·72
Wages	$89,573,204	$197,228,701	120·19
Raw and mfd. materials ..	$266,527,858	$601,509,018	125·68
Products	$481,053,375	$1,165,975,639	142·38

* On salary. † On wages.

That statement will give to the people of Canada a fair idea of the progress of our manufacturing industries and I think that progress will compare very favourably with the progress of any country in the world. Canada to-day occupies the proud position of being at least in the second place, if not the first, in the products of its industries, and there is perhaps no country in the world in which products of a certain class are sold cheaper. My hon. friend from Halifax (Mr. Maclean) has attributed the cost of living to the tariff, but he failed to tell us that the tariff is also responsible for a large increase in the wages of the workingman. I contend that the wages of the workingmen have advanced, so as to put them in as good, or perhaps a little better position, than if the cost of living had not been increased.

Mr. MACLEAN: I deny that.

Mr. COCKSHUTT: I am speaking of the high cost of living as applied to the necessaries of life. My hon. friend (Mr. Maclean) has in his mind the cost of high living which is a very different thing.

Mr. MACLEAN: Quite different.

Mr. COCKSHUTT: The cost of high living is pretty expensive. Where a man fifteen or twenty years ago was content to drive a pony chaise, he now wants a carriage and pair, and the man who had a carriage and pair ten years ago now wants a motor car, and some of them not content with a high-priced car are looking around for aeroplanes.

Mr. COCKSHUTT.

Mr. GRAHAM: Ham and eggs come high.

Mr. COCKSHUTT: They come high because the farmer is getting more for his products; but we are quite content that he should, because bacon and eggs have now become a dish fit for a king. I can assure my hon. friend that living is not so much higher now than it used to be, if people will only live as they used to do. Men are not content to live now as they used to do, when men walked to church on the Sabbath and thought, if they got a new suit of clothes once in two years, they were doing well, even if it did not happen to be cut by a high-class tailor. My hon. friends want to have the best tailor-made clothes, the latest neckties, the best style of hat; that is what increases the cost of living. It is the cost of high living that troubles hon. gentlemen opposite. If we could only simplify our habits and come back to what our forefathers lived upon, we would find a vast shrinkage of the bills of hon. gentlemen opposite and perhaps of hon. gentlemen on this side of the House as well. Our habits have become extravagant. That is one of the features that are not so comforting when we look over the Dominion to-day and see the vast amount of money spent in extravagances. When we say: Money is beginning to be a little tight, we should think of the millions invested in motor cars and other luxuries that were unknown fifteen or twenty years ago. That is only one item of a hundred that might be named when we consider what living is costing. My hon. friend from Maisonneuve (Mr. Verville) gave figures showing that it costs a man about $900 a year to live and to bring up his family. I know of families that are living almost in affluence on not much over half that amount; they have comfortable homes of their own; they have well dressed wives and children, and they are able to give their children a first-class education in the public schools, costing ten or fifteen cents a month for each child, so that the workingman of to-day has practically got what the rich man of twenty years ago could not get at any price. That is the reason that conditions in Canada are as good as if not better than conditions in any other country in the world.

My hon. friend spoke at length in regard to extravagant living. Extravagance in any people is not wise. I am free to confess that I would be a good deal better if I ate a little less and worked a little more with my hands; and I think that will apply to hon. gentlemen opposite as well, especially while they are in Ottawa. If we live high and do not take much exercise, the result is not very satisfactory.

Mr. GRAHAM: Back to the soil.

Mr. COCKSHUTT: If we would be content with the simpler modes of life and if

only the simpler wants of life were supplied, we would be to-day a better, a more prosperous and a more contented people than we are, because it is a well-known fact that the more a people have the more they become discontented.

Mr. MACLEAN: Put that policy in your platform.

Mr. COCKSHUTT: The various expenditures made on our own selfish pleasures often work our own destruction. I think my hon. friend, the member for Norfolk (Mr. Charlton), in his address on war, might also have touched on the extravagance of human nature at the present time, which is costing almost as much as excessive armaments. I said that my hon. friend might have got rid of a considerable amount of this $55,000,000 that he complains of us collecting, if the Laurier navy had become an established fact. Fortunately it has not.

I think he criticised only one other department, the Department of Militia. I have been accused of making a warlike speech in this House during the present session. I do not wish to be misunderstood; I am a man of peace, but I believe in being ready for war. I believe that every Christian city should be able to get along without police, but I have yet to discover a city in the Dominion of Canada that has been able to disband its police force, and to trust to the honesty, integrity and Christian charity of its citizens to enact and to carry out such laws as are for the best interests of the community. If it is a fact that such a condition is obtainable in the most Christian city in this or any other country, you cannot get away from the fact that we must have military and naval defence in this country. My hon. friend has criticised the expenditure of $10,000,000 for the Militia Department. I am no sponsor for the Minister of Militia; he is well able to take care of himself. He is a fighting man. I am not. I do not think $10,000,000 for the Militia Department is too much for this reason: We have in the militia of the Dominion of Canada to-day less than 100,000 men, nearly all volunteers, who are very poorly paid for the few days they put in per annum, and who, at great personal sacrifice, go week in and week out to the armouries and take their drill in the evenings, sacrificing their personal pleasures in order to serve their country. When they go to camp, they get about fifty cents a day. Surely no hon. gentleman would complain that that is excessive. These men, who are in the ranks of the militia of Canada and who are self-sacrificing enough to place their services at the disposal of their country for a mere bagatelle, should be supported in the very best spirit. Hon. gentlemen opposite may say: Oh, they are never going to be required; everything will be peaceable. If you have been reading the papers for the last few days, you will see that they may be wanted very soon.

Mr. LEMIEUX: Germany.

Mr. COCKSHUTT: I see my hon. friend who has been to Japan knows that the truth of what I am saying. The United States is full of unrest over the Japanese question. My hon. friend settled that question once off-hand without any force of arms. The next time he is sent on a mission of that kind, he may have to take some force with him to back him up. Suppose the United States and Japan were to go to war in the coming year. What would happen? Canada must remain neutral or be drawn into the fight on one side or the other. What does 'neutral' mean? It means that the whole of our borders from Vancouver to Halifax must be policed. Who will do that? We have no one on whom we can rely except our militia to police that four thousand miles of boundary. If you allow arms, ammunition and men to cross that boundary to go into the fight for the United States against Japan, you have violated the law of nations; you have become a party to the fight and would be subject to attack. I think it ill becomes my hon. friend from Halifax, who looks very thrifty and prosperous himself, to find fault with this expenditure on the Militia Department.

My hon. friend criticised two departments, the Department of Public Works and the Department of Militia. I think I have justified both of them. The thinking people of Canada will agree with me that we, as a people, are the most peaceable on earth to-day, as the hon. member for Norfolk stated a few days ago. The small militia expenditure, which is only a little over a dollar per head for the whole of our population, surely cannot be called excessive. That being the case, I think this House will vote both the appropriations asked for under the Public Works Department and the Militia Department.

I have shown that the Customs Department is collecting the necessary revenues. The Excise Department is also bringing us a very buoyant revenue, and the Post Office Department is following suit. Therefore, in all these avenues of public revenue we find that our coffers are very well filled, and we have a comfortable surplus of $55,000,000 for the present year, with a reduction of public debt of $23,000,000 in a single year. Surely that should be satisfactory to hon. gentlemen opposite. The financial statement given by the hon. Minister of Finance is one that must commend itself to every thoughtful man in the Dominion of Canada. It is the most important business state-

ment made in the Dominion of Canada. It indicates to the country the results of our stock-taking; it tells the country what we have received and what we have spent; it indicates the sources from which we have derived our revenue, and the avenues in which our expenditure has gone, and shows the annual balance, credit or debit, as it may be, at the end of the fiscal year. In a statement of that kind, no one could excel the performance of the Minister of Finance. And he has given a statement of our finances which must be satisfactory and reassuring to every business man who reads it.

There is one feature in the outlook that I myself—and I speak only for myself and do not wish to be misunderstood—do not view with equanimity. I did not view with equanimity a similar condition when I was in opposition, and I wish to be consistent in this respect. The feature to which I refer is the relative amount of our annual exports and imports. Sir, I cannot view with equanimity a policy under which our imports are almost two dollars for every dollar of our exports. That, to my mind, is a state of things that cannot go on perpetually. And, though the Minister of Finance has given us some very good explanation, and though I am willing to give those explanations all the weight to which they are entitled, I must say they are not wholly convincing to my mind, nor do they show us to be in good shape relatively to countries similarly situated with ourselves. To have a total import of nearly $692,000,000, and an export of only $393,000,000, is not, to my mind, a very reassuring sign. It is the one cloud I see upon the horizon, and I think it ultimately must be corrected to a very large extent. I do not see how we can continue, without producing intense stringency, to settle a balance of trade of from $250,000,000 to $300,000,000 in cold cash; for, when we have sent all the products of the farm, of the mine, of the forest, of the fishery and of the factory that we have to spare, we have to put our hands in our pockets and pay between $250,000,000 and $300,000,000 in cash to settle the account for the year. We receive in Canada almost half a million people per annum. The Finance Minister's argument is—and it carries weight—that these newcomers bring in in their pockets nearly as much money as will represent this balance of trade against us. That may or may not be the case; I have not the figures by me and am not prepared to dispute the figures given by the Minister of Finance, but on the other hand I am hardly ready to accept them. Countries similarly situated to Canada are in a better position in my judgment than we are in this respect. I wish particularly to call the attention of the House to three of our principal competitors in the markets of the world, two being in the British Empire and the third the Argentine Republic. I have not the very recent figures of the exports per head, but I think I can give them from memory for the year 1909, which will be near enough for practical purposes to show the House the point of my argument. In 1909, Canada exported a little over forty dollars per head of her population. Australia, a country that has practically our own conditions in this respect though it has only about half our size and receives about half as many immigrants as we do, produces enough to export about ninety dollars per head of its population. And New Zealand, which leads the whole world, exported about one hundred and five dollars for every man, woman and child in the islands. Is there any argument that can be advanced with regard to Canada as a new country that cannot be advanced with regard to Australia and New Zealand? If there is, I should very much like to hear it; I have never heard it yet. I visited Australia a few years ago and then got these figures and saw the production, and I know no reason why we in Canada, who are just as thrifty and just as able, who have the appliances that ought to produce as much per man, should have only forty dollars per head to export while Australia had nearly ninety dollars per head, or double ours, and New Zealand about two and a half times ours. And what applies to Australia and New Zealand practically applies to Argentine. Then, the United States has not for many years made up its balance sheet without a large excess of exports over imports. Therefore, there is nothing to my mind that fully explains the discrepancy in our trade figures; and I commend to the Finance Minister close attention to this matter in the coming year to see if he cannot arrive at some explanation or something that will relieve—

Mr. MACLEAN (Halifax): Why not ask the Finance Minister to wipe it out and be done with the question?

Mr. COCKSHUTT: That might not be possible, for the reason that the Finance Minister gave—that the large influx of immigrants bring in settlers' effects which are included among our imports. That accounts for a large part, but it is not convincing to my mind that we are producing as much as we should produce. I trust that whatever is decided upon as the policy of Canada for the future, we shall endeavour to bring close together the totals of our imports and our exports. Of course, the total makes admirable reading if you do not analyse it—a foreign trade of $1,085,000,000 during the past year.

I have occupied pretty close on an hour, to which I desired to confine my remarks, though I have a large number of items I have not yet been able to touch on. But I think I should be frank enough to deal with a question which has been thrust upon me not only by gentlemen opposite but sometimes by my own friends who have asked me to say a word with regard to the particular line of manufacturing in which I am supposed to be most especially interested. I may say frankly that I, for one, would never ask any individual in Canada to suffer any penalizing in the way of duties for my benefit and on my behalf. And while I speak, it may be said, for the moment, as a manufacturer, as a matter of fact I have never followed manufacturing as a business, as everybody knows who knows me. I was brought up a merchant, and for nearly the whole of my business career have been engaged in merchandising. That is why I think I know something about tariffs, as for many years I made my own entries at the customs, and I think I learned a good deal of how things were done in the Customs Department. But that is aside from the question for the moment. I have here a few figures, and I trust I shall not weary the House if I place these where they may be read by the people. I have been asked by many of my friends as well as by hon. gentlemen opposite if the agricultural implement business is not in a position to stand a good substantial cut or, some even go so far as to ask, to have its goods placed upon the free list. I have obtained from the Customs Department a statement showing the value of importations of agricultural implements into Canada during the years, 1909, 1910, 1911, 1912 and 1913, respectively, and it is as follows:

—	1909.	1910.	1911.	1912.	1913.
	Value.	Value.	Value.	Value.	Value.
	$	$	$	$	$
Threshing machine separators	362,083	629,799	741,360	1,404,455	2,176,077
Portable engines with boilers in combination, and traction engines for farm purposes	794,854	1,817,209	3,636,392	6,063,960	7,369,219
Mowing machines	61,599	62,978	52,999	79,539	76,662
Reapers	17,009	8,350	60,677	75,455	68,599
Harvesters, self-binding	129,775	166,013	115,794	264,890	215,129
Ploughs	462,184	953,716	1,993,214	1,352,323	1,317,243
Seed-drills	123,542	218,599	355,821	349,499	282,478
Harrows	61,220	114,586	229,911	143,546	176,853
All other agricultural implements and parts	755,491	1,126,111	1,707,729	1,962,427	2,254,520
Totals	$2,767,763	$5,097,361	$8,891,097	$11,696,094	$13,936,781

This will show hon. gentlemen that in five years the importation of agricultural implements and machinery has increased from $3,000,000 to nearly $14,000,000, and that it now amounts to four or five times as much as it did five years ago. That, I think, will indicate to the House that the tariff is not unduly high, and that the importation of farm implements has been very large for a country that manufactures them so well as Canada does. I make the broad statement that no country in the world to-day has cheaper agricultural implements than the Dominion of Canada, excepting, perhaps the United States. The quality of the manufactured goods turned out by Canadian manufacturers is of the best, and the fact that they have competed in the markets of the world against all competitors shows that they are able to compete with the world in quality and in price. I am asked whether agricultural implements should not stand a reduction so that the farmer would get his implements cheaper. I say at once that I believe they would under certain conditions, but if this country should embark upon the conditions which I shall name, I think they would be doing a very unwise thing. To reduce largely the duty on agricultural implements, which is now from fifteen per cent to twenty per cent, would mean that you would hit probably fifty or one hundred subsidiary interests that produce the raw material of which the agricultural implements turned out by these factories are composed. You certainly could not reduce the duty on the implements without reducing the duties on the raw material which enters into their manufacture.

Mr. MACLEAN: Do the manufacturers not get a rebate of ninety-nine per cent?

Mr. COCKSHUTT: Only on reapers and mowers. They receive a refund on export of ninety-nine per cent of the duty paid, one per cent being retained for collection and redistribution, but only in the case of mowers and reapers are any concessions made with regard to the raw material that enters into their manufacture. That concession was made because the duty was reduced some two and one-half per cent years ago by the Government of which my hon. friend was then a supporter. So I think that it would only be possible to reduce the duty on agricultural implements if the accessory parts entering into the manufacture of the goods were made subject to the same concession. These materials would include iron and steel goods, bolts, screws, bars, angles, paint, varnishes, and everything entering into the manufacture of that line of goods. Therefore if that reduction were effected, instead of penalizing just a few manufacturers of agricultural machinery, you would hit forty, fifty or one hundred industries which manufacture the various materials entering into the construction of these implements. In my judgment we are not hitting the farmers by the high duty. The implements in Canada to-day are sold as cheaply as in any country in the world, with the exception of the United States. It has been charged that these goods are being sold cheaper in England than they are in Canada, but I have figures to refute that assertion.

Mr. MACLEAN: Why does production cost less in the United States than in Canada?

Mr. COCKSHUTT: Where Canada has a million dollars employed in the agricultural implement business, the United States probably has fifteen or twenty millions. The International Harvester Company has probably more capital engaged in the implement manufacturing business than all the implement manufacturers of the Dominion. Their production is enormously large; everyone knows that in order to have goods turned out efficiently and at the lowest possible cost, they must be manufactured in large quantities. Therefore all the small dealers and manufacturers have gone to the wall under recent competition. Hon. gentlemen may say that the manufacturer is making too much money, but the fact remains that all the small men have been driven out of business by the fierceness of home competition. About thirty years ago there were twenty-five different kinds of binders and reapers manufactured in the Province of Ontario alone; how many are there to-day? Three. What has become of the rest? They have all been driven out of business by the fierceness of home competition and by the large production of the few manufacturers who have been enabled, by the use of larger capital, to turn out a thousand machines where the small man turned out only ten. I am not speaking at the instigation of any single manufacturer, but I say that if every branch of industry in Canada were as efficiently managed and turned out goods as cheaply as the implement manufacturers, there would not be much cause for complaint. I say that, knowing it to be absolutely by the book. Although hon. gentlemen opposite may think that we are hard-hearted wretches to pursue those who do not pay up I can tell the country why our goods are not sold even cheaper to-day to Canadians. The terms of credit are entirely out of proportion to what they should be and are probably in excess of almost any country in the world. Six months is considered a very short time. Agricultural goods run from six months to two years credit and this year only about forty per cent of collections have been collected and yet hon. gentlemen think we are hard-hearted because we ask that occasionally these accounts should be paid up.

Mr. NESBITT: The hon. member says that the terms are from six months to two years, after six months the manufacturers charge interest do they not?

Mr. COCKSHUTT: That is altogether by arrangement. If the hon. gentleman is referring to a man who wants to buy at six months credit, the exact price is named at the time of the purchase. Many men want to buy on two to four payments fixed over a period of from six months to two years. Of course, after six months, interest is charged in those cases, but there is a cash price also quoted; if the man wants to buy for cash he gets a liberal discount.

Mr. NESBITT: How much?

Mr. COCKSHUTT: From five per cent to ten per cent on the average and on large orders such as are placed by some farmers in the West who buy in quantities there is a still more liberal discount.

Mr. NESBITT: It is impossible for me to get a better discount than six per cent per annum, no discount of five per cent or ten per cent but a discount of six per cent per annum. That is to say, I can buy a binder to-day dated in October. I can pay for it any time in October, but if I buy if for cash I get a discount of six per cent per annum.

Mr. COCKSHUTT: My hon. friend is speaking from personal experience and I cannot say whether he is correct, but I am speaking of the western trade.

Mr. NESBITT: I am speaking from experience and experience with the Massey Harris Company.

Mr. COCKSHUTT: Of course I am not posted as to the terms on which the Massey Harris Company do business and, therefore, cannot say what they allow, but in round figures, I think, I can say five per cent to ten per cent discount can be got from any agricultural implement dealer if a man wishes to pay cash.

Mr. NESBITT: That is all I could get. I offered to pay cash and the only discount I could get was six per cent per annum, and that was not sufficient to induce me to pay cash as I had to pay that for money.

Mr. COCKSHUTT: Another reason why implements are higher than some of our friends think they should be is on account of the high cost of transportation. If my friends only knew the cost of getting these goods here out to the West and distributing them into the various business centres they would see that a large part of the cost of machinery is made up of transportation charges. I have in my hand a few of the freight rates charged on a reaper to certain points from Toronto. They are as follows:

Carberry, Manitoba	$12 42
Regina	14 17
Saskatoon	16 29
Red Deer	20 53

The freight from Toronto to Liverpool on the same machines would be $7.16; only one-half as much as to Regina. To London the charge would be $9.59; to Havre, $8.92; to Hamburg, $9.75; to Odessa, $12.84; to Buenos Ayres, $12.83; and to Melbourne, $10. So it costs nearly twice as much to deliver a machine in Red Deer as to deliver the same machine in Melbourne, the most distant part of the earth from Canada. There is one reason why implements are not as cheap as some would like to see them. Speaking for myself and for my own interests, I would be prepared to say that if we got all our raw materials at an equally reduced duty, either no duty or a duty commensurate with the amount knocked off implements, we could afford, there is no question about that, to reduce the duty on agricultural implements; but it would be at the cost of displacing probably one hundred thousand men in the Dominion of Canada in all these implement works and their tributary industries that supply them with raw material. In my judgment, that is too big a price to pay for the small advantage that would be obtained, because, after all, the implements are sold, as I have said, as cheaply as in any country of the earth except the United States and a large part of the difference in that case is caused by the larger transportation charges over which we have no control.

As far as I can see, the present financial outlook of Canada is very reassuring. Whether we look at the position of the agriculturist, the workingman, the lumberman, the miner, all the avenues which supply the lifeblood of our trade and commerce appear to me to be thriving and on the up-grade and that in the face of the fact that the reciprocity Bill to which my hon. friend just referred was not accepted. I think that even he, looking at the prosperity of our country and the high prices which the hon. member for Maisonneuve, has given us, will agree that it is well that we did not go into that deal on the occasion when it was offered to us.

I would say in conclusion that a great deal is being said in the papers to-day about the present position of the United States and their tariff and the proposals of President Wilson now before the House. We are told that the United Stated are going in for a kind of free-trade proposition. But that only applies to a very few items, and I give my opinion that when the United States free trade policy under Mr. Wilson is adopted, it will be found that the duties average higher than they do in the Dominion of Canada to-day without any free trade policy. They have a long way to come before they get down to our level. Their average tariff on dutiable goods is about forty-five per cent, and yet they are able to manufacture many lines against the world, and do so. They manufacture in some lines better than any other nation on earth, and, as a matter of fact, they could do with free trade in some lines better than any nation on earth. Yet, with their forty-five per cent tariff they have a long way to come before they get as low as our tariff. Do not let us shout before they get out of the woods over there. Do not let us be too sure that the propositions that President Wilson has put before Congress and the Senate of the United States will be adopted. , He has troubles ahead of him yet. I think it will be found that the propositions that are made there are not going through as easily as is generally supposed. There will be a tremendous upheaval in the United States and trade conditions will be disorganized if they go into effect. Why do I say that ? Wilson represents only about forty per cent of the voters of the United States and the other sixty per cent voted for Taft and Roosevelt, both of whom stood for a higher tariff than that which Wilson has proposed. He has not at his back nearly half of the people of the United States for his proposition, and if he is a wise man he will go slow.

The cost of living is not going to be materially reduced even if he succeeds in

putting his measure through, but he may succeed in injuring labouring conditions and reducing the workingman's wages. It is a serious proposition. It is easy to say that things ought to be better than they are. We are too ambitious to be content with conditions that are good and I say that the conditions in Canada to-day, whether in regard to the workman or the farmer, are probably as good as they are in any country in the world. Why do I say that? Because from all nations, from every sea and with every wind that blows, we find immigrants coming into Canada, so that to-day we are speaking about one hundred languages in this Dominion. We offer a home to the people of all the nations of the earth. Why is that? It is because it is recognized that the conditions in Canada are as good as the best, and there is streaming in from many of the countries of the world, the United States included, a very large influx of people.

That would not obtain unless the conditions in Canada were sound. That is evidence to me that we would be wise in following well beaten paths and not taking up with any fad ideas or any nostrums that may perhaps be put forward as a reason for upsetting conditions as they are. It is a great deal easier to upset conditions that are good than to establish conditions that are better. An examination of the trade statistics and of the speech of my hon. friend the Minister of Finance in presenting the budget will convince any man who reads them with a desire to understand things as they are and as they compare with the conditions in any other country in the world, that the conditions that obtain in Canada to-day are unequalled, or at least unexcelled, by those of any other country. That condition has been produced by hard labour, by an immense amount of thought on the part of those who preceded us, by an immense effort on the part of our forefathers who came and hewed out homes for themselves in the province of Ontario under conditions that were perhaps more rugged, more severe, than are exacted from the most distant dwellers in our western or northern country to-day. There are men still living in the province of Ontario who can remember the struggles that were had by those who preceded us in the older counties of that province—how wheat and the products of the farm were taken from fifty to seventy-five miles to the point of shipment. The prices that are obtained in the West to-day are very high as compared with the prices that our forefathers obtained in Ontario fifty or seventy-five years ago.

We have seen great changes, we have seen the farmer develop, we have seen him broaden out, until to-day we see him enjoying a great many of the luxuries of life, driving in his carriage, in some cases in his motor car, and giving evidence to the world that he is an independent man, a man who has money and time to enjoy himself and to live in a prosperous way. That is the condition that obtains to-day and if we pursue a wise and sane policy and do not allow ourselves to be carried away with nostrums that may be proposed by those who think that every experiment would be better than a tried doctrine that has stood the test for twenty-five or thirty years and that has proved itself true and good, we will continue to drain from other countries some of the very best blood and a large amount of capital and we will transfer to Canada some of the brawn and muscle to be found in all the enlightened, and it may be some of the unenlightened, nations of the world.

What is the condition to-day in Canada? We are drawing from the United States 150,000 of its citizens per annum most of whom settle in the West as farmers, some coming to Ontario and Quebec to engage in manufacturing industries and bringing their plants and capital with them. We have invested in manufacturing in Canada to-day $300,000,000 of American capital. Only last year the American Steel Company proposed to spend $20,000,000 upon the erection of a steel plant on the shores of the Detroit river. I do not know whether this enterprise will be proceeded with right away but I think it will. Look at the $20,000,000 of American capital invested in and around the city of Hamilton and you will realize from that how much American enterprise has been transplanted to that city. Similarly, we might go through the Dominion of Canada and we find that the conditions that obtain are tempting men from all the countries of the world, that we are bringing them in here and affording them conditions which enable them to become prosperous and contented citizens. Whether you look to the farm, the factory or the mine you will find in Canada enterprise, a reward for labour, a prosperity, a civilization and a christianity that are equal to those of any country in the world.

Why should we disturb these conditions? Why should we be discontented with conditions that are good and a past that has justified itself? Surely these conditions should not be upset and I trust that we will not have any movement to upset conditions that are sound and true and good and that have given the very best results that the Dominion of Canada has ever experienced.

On motion of Mr. Carvell the debate was adjourned.

QUEBEC SAVINGS BANKS.

On motion of Hon. T. W. White (Minister of Finance), Bill No. 212, respecting certain

savings banks in the province of Quebec, was read the second time and the House went into Committee thereon. (Mr. Deputy Speaker in the Chair.)

Mr. WHITE: The object of this Bill is to extend for a period of ten years the charters of the Montreal City and District Savings Bank and the Caisse d'Economie de Notre-Dame de Quebec. The capital stock of the City and District Savings Bank is $2,000,000, of which $1,000,000 is paid up; the capital stock of the Caisse d'Economie de Notre-Dame de Quebec is $1,000,000 of which $250,000 is paid up; the total liabilities of the City and District Savings Bank are $30,000,000 and of the Caisse d'Economie $10,000,000; the total assets of the City and District Savings Bank are $32,000,000 and the total assets of the Caisse d'Economie $12,000,000.

Mr. MACLEAN (Halifax): Why do these banks not come under the Bank Act?

Mr. WHITE: They have not the same powers as the chartered banks but their charters expire on the same day. They have no right of note issue nor do they do a discount business. They invest in bonds, debentures, and loan upon collateral security.

Mr. NESBITT: Is this Bill based on the Bank Act?

Mr. WHITE: Yes, and that is why I delayed presenting it until it was seen what action this House would take on the Bank Act. The provisions for auditing are very similar.

Mr. MACLEAN: I suppose this Bill has been very carefully considered?

Mr. WHITE: It has. Section 29 is a new clause but it is precisely the same as the clause in the Bank Act. The committee will observe there is a restriction upon the acquisition of real estate to the amount required for the actual use and occupation of the bank.

Mr. GRAHAM: I suppose they will observe that the same as the bankers observe the Bank Act?

Mr. WHITE: So far as the clause is concerned the restriction is absolute and I do not think it can be made stronger. By section 34 they are allowed to invest in school bonds or debentures in the Dominion of Canada. Formerly it was confined to the province of Quebec and they requested wide powers and I thought they well might be given them.

On section 48—appointment of auditors by shareholders:

Mr WHITE: I think it is advisable that I should make an explanation with regard to this section. Many members will recall that provision is made in the Bank Act for external audit, the auditors to be appointed by the shareholders, but from a list selected by ballot by the general managers of the chartered banks. These two savings banks do not come under the Bank Act, and are not in any way connected with the Canadian Bankers' Association. Therefore we have not put in any provision that the general managers of the banks shall select the auditors from whom the shareholders shall make the appointments. There is this distinction between two classes of banks: the chartered banks are commercial banks, banks of discount; these are savings banks and analagous to loan and trust companies in the province of Ontario. My hon. friend from South Renfrew (Mr. Graham) is acquainted with their mode of operation and audit. The provisions for audit here are practically the same as those appearing in the Bank Act at the time that I presented it to the House, without the qualification of auditors subsequently provided for by the committee. A clause has been inserted here analagous to the clause in the Bank Act:

> After the appointment of an auditor or auditors under subsection 1 of this section, shareholders the aggregate of whose paid-up capital stock is equal to at least one-third of the paid-up capital stock of the bank, who in writing under their respective hands allege that they are dissatisfied with the appointment so made, may, in and by the same writing, make application to the minister to have the person or persons so appointed superseded, and the minister may, after such inquiry as he may deem necessary, select an auditor or auditors instead of the auditor or auditors appointed at the annual meeting and the auditors so appointed shall thereupon cease to be the auditors of the bank and the auditors so selected shall be the auditors of the bank until the next annual meeting.

Section agreed to.

On section 49—examination by auditor appointed by minister:

Mr. GRAHAM: I suppose that is in harmony with section 48.

Mr. WHITE: That is the same section as appears in the Bank Act, and in substance is to this effect, that the minister may at any time require the auditor appointed by the shareholders, or any other auditor whom he may select, to make inquiry into the affairs or business of the bank. I explained the other day, when the Bank Act was under consideration that, if the Minister of Finance receives notice of any irregularities, at present he has no power to make an inquiry, and he is given such power under the provisions of the new Bank Act and under the provisions of this Act.

Section agreed to.

Bill reported, read the third time and passed.

BOUNTIES ON LEAD.

On motion of Hon. W. T. White (Minister of Finance) Bill No. 213, respecting the payment of Bounties on Lead contained in lead-bearing ores mined in Canada, was read the second time, and House went into Committee thereon. (Mr. Deputy Speaker in the Chair).

On section 2, sub-section 2—bounties on lead refined in Canada; limitation of amount:

Mr. NESBITT: Does this include all that has already been paid?

Mr. WHITE: If the hon. member will look at the preamble he will see that there is unexpended approximately $600,000. Then under this sub-section 2 of section 2, he will see that

> The total amount of bounty payable under the provisions of chapter 31 of the statutes of 1903, chapter 43 of the statutes of 1908 (as amended by chapter 37 of the statutes of 1910), and of this Act, shall not exceed two million four hundred and fifty thousand dollars.

That covers all the legislation affecting this matter. My hon. friend was absent when I explained that $2,500,000 was set aside originally, of which about $50,000 was set aside out of that for investigations connected with the zinc industry. Out of the $2,450,000 remaining $1,800,000 was expended on bounties, leaving, as stated, approximately $600,000, which will now be available to pay bounties if required within the period of five years provided by this Bill. The amount to be paid in any one year is not to exceed $250,000. Last year the amount paid was $60,000. At the present prices of lead, no bounty is payable at all.

Bill reported, read the third time and passed.

On motion of Mr. Rogers, House adjourned at 11.20 p.m.

HOUSE OF COMMONS.

THURSDAY, May 22, 1913

The SPEAKER took the Chair at eleven o'clock.

OLD AGE PENSIONS.

Mr. BURNHAM moved that the third report of the Select Special Committee appointed to inquire into an Old Age Pension System for Canada be adopted.

Mr. BORDEN: What is the effect of this report?

Mr. WHITE (Leeds)

Mr. BURNHAM: The committee present the result of their investigations, the evidence, and the communications sent out by the secretary, and the replies received, and they recommend that these be filed in the usual way and printed.

Mr. JAMESON: As the committee have taken the evidence of a large number of witnesses during this and the preceding sessions, I think it well that the tentative conclusions which have been drawn from the evidence should be placed in 'Hansard.'

Mr. SPEAKER: My attention has been drawn to this report, and I think its adoption would be irregular at this time. The report would involve considerable printing, which can only be done after the report has been referred to the Printing Committee. It would be a violation of the rules to concur in the report in this way. Then, I would say to the hon. member for Digby (Mr. Jameson), that, as this is an interim report of the committee, not a final report, it would scarcely be in order to discuss the whole question which has been referred to the committee. I therefore think that the hon. member would be premature in discussing it now.

Mr. JAMESON: I do not wish to question your ruling, but I had discussed this point with the hon. member for Pictou (Mr. Macdonald), who is a good parliamentarian, and he entertains the view that the question can be discussed now. If, however, you rule otherwise I shall bow to your ruling, although I think that the question is one that should be discussed.

Mr. SPEAKER: The rule is well known, that it is not in order to discuss work that has been referred to a committee until there is a report from that committee.

Mr. JAMESON: I regret that you think that the discussion should be postponed, but I bow to your ruling.

Mr. SPEAKER: That is my ruling. This report had better stand or be referred to the Committee on Printing.

Mr. JAMESON: I respectfully request that the motion be allowed to stand for the time being.

Motion stands.

PRIVATE BILLS.

FIRST READINGS.

Bill No. 224, respecting the Western Trust Company.—Mr. Turriff.

Bill No. 225, respecting the Great West Permanent Loan Company.—Mr. Meighen.

Bill No. 226, respecting the Alberta-Saskatchewan Life Insurance Company.—Mr. Meighen.

Bill No. 227, respecting the Western Canada Accident and Guarantee Insurance Company.—Mr. Macdonell.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

PASPEBIAC WHARF.

Mr. MARCIL:

1. Has the Department of Public Works been asked to take over the wharf owned by Robins, Jones and Whitman, at Paspebiac, Quebec?
2. If so, has any decision been reached, and on what conditions is the said wharf to be acquired?

Mr. ROGERS:

1. Yes.
2. No.

NOUVELLE RIVER LAND DAMAGES.

Mr. MARCIL:

1. Has the Government received any request, and from whom, for a grant to continue the work of protecting the farms, roads and bridges from the damage caused by the Nouvelle River, Bonaventure county?
2. If so, has the Government reached any decision in the matter and what is it?

Mr. ROGERS:

1. Yes; from the municipality of St. Jean l'Evangéliste.
2. Matter under consideration.

DISMISSAL.

Mr. MARCIL:

1. Has Simon Chapados, wharfinger of the Government wharf at Anse aux Gascons, Bonaventure county, been dismissed and on what grounds?
2. If charges were made against him, what was their nature?
3. Was Chapados informed of them and were they investigated?
4. Who held the investigation, if any was held, and if none was held, why not?
5. If Chapados has been dismissed, who succeeded him, on whose recommendation was he appointed, and at what salary?

Mr. HAZEN:

1. No. Mr. Chapados resigned the position.

2, 3 and 4. Answered by No. 1.

5. Mr. S. A. Huard was, on the recommendation of the Minister of Marine and Fisheries, appointed to the position. Remuneration twenty-five per cent of the wharfage collections.

TREATMENT OF RUSSIAN IMMIGRANTS.

On the Orders of the Day being called:

Mr. KNOWLES: I would ask the Prime Minister if he has received from the Trades and Labour Council of Moosejaw a communication with regard to seventeen Russians who, as alleged by the Trades and Labour Council, were improperly imported under the Alien Labour Act, kept in an iron car, improperly housed, and, on their escape, fired on by their guards, and ran away from their employment and have not yet been found. The resolution of the council directs that copies of their report be sent to the Premier of Canada, to the Minister of Justice, to the Minister of the Interior, and to the Minister of Labour. Has the Prime Minister any knowledge of it, and, if not, would he be good enough to give it his attention?

Mr. BORDEN: I never heard of the matter until this moment. If the resolution came to my office, it has not been placed before me. I do not think it could have come, because such matters are invariably placed before me. If the hon. gentleman has a copy of the resolution, and would be good enough to send it to me, I will have the matter inquired into without delay.

Mr. KNOWLES: I am going away today, and I will leave this resolution with the Prime Minister, leaving in his hands the whole matter, which is a very serious one.

WAYS AND MEANS—THE BUDGET.

Consideration of the proposed motion of Hon. W. T. White, (Minister of Finance), for the House to go into Committee of Ways and Means, resumed from May 21.

Mr. F. B. CARVELL (Carleton, N.B.): Mr. Speaker, I desire to call the attention of the House for a very brief period to the important subject under discussion in this debate, probably the most important that can be brought before the House of Commons of Canada to-day. I am aware that the Minister of Finance does not propose any radical changes in the customs tariff. In fact, the changes which he does propose are of so little importance that practically no time has been taken up in discussing them, and the debate has proceeded entirely along the general lines of what the tariff of Canada should be and what it should not be, what we should do and what we should not do, in order to develop trade and industry in the country. Therefore, I shall devote the few moments I wish to take to discussions along the same lines that have been followed by hon. gentlemen who have preceded me. We all congratulate the Minister of Finance as well as ourselves on the great prosperity that exists in Canada and that has existed for the last two years, and I sincerely hope that it will continue. It does sound, however, a little strange to hear members like the hon. member for St. Antoine division (Mr. Ames) and the hon. member for Brantford

(Mr. Cockshutt) taking to themselves so much glory for the splendid financial condition of the country. The hon. member for St. Antoine division even went so far as to give the financial returns on certain transactions for ten years prior to 1911 and for two years since 1911, and then to strike an average and say: Behold what this Government hath done. And yet in the same breath he has to admit that this Government has not done anything. If there has been any great advance in our trade in this last two years, certainly my hon. friends cannot take very much credit for it because they have done nothing either for or against it. So I think we may leave that as it is, and thank the legislation which has existed, and thank the Almighty, and thank the business instincts and ability of the people of Canada, and thank the immigrants who are pouring into the country, and thank all those things which make a country great for the splendid financial conditions which exist to-day. The real question to be considered is, what shall we do in the future? Shall our trade relations with the rest of the world remain as they are, or shall they be changed? That is the great question that we have to consider, and that is the question to which I wish to devote my attention for a few moments.

My hon. friend the Minister of Finance was, I think, very modest in presenting his budget. He simply gave a statement of the facts as they are. He did not have sufficient egotism to take unto himself any particular glory for the facts as they are, and I give him credit for that. He did not prophesy or promise that he was going to do anything in order to change the conditions very much; but I am sorry to say I cannot give him so much credit for that as I can for the other part of his budget. The Minister of Finance has told us that we have had during the last year a surplus of $55,000,000 over and above the expenditure on consolidated revenue account; and, when he takes into consideration all expenditures, capital as well as revenue, he has reduced the national debt by $23,000,000. That is good so far as it goes. I am not one of those who find fault with the reduction of the national debt when it is done under proper conditions. I believe that a nation should carry on its business in the same way as an individual. If an individual can reduce his debts, he is doing the proper thing, and it is the same with a nation. The only question that arises in the case of a nation is: is it good policy in every respect so to adjust your tariff relations that you will have sufficient money to pay your debts? I think that political economists the world over will admit that in every case it is good policy to reduce your national debt if you can do it without injuring your people; but if, on the other hand, you are injuring your people, making life not as pleasant as it would be otherwise, then I think political economists will admit that it is not good policy to so adjust your tariff that your national debt will be reduced. My hon. friend the Minister of Finance frankly admits that he takes advantage of the condition of affairs which was handed over to him by his predecessor, and which for the last financial year resulted in the splendid surplus of $55,000,000. For the year before, the financial conditions handed over to him by his predecessor produced a surplus of $32,000,000 or $33,000,000, and for the year before that, a surplus of something over $20,000,000. My hon. friend from St. Antoine (Mr. Ames) last evening went down the list as far as 1900, and gave the results of the financial operations during each year, showing that for the ten years prior to 1911 we produced an average surplus of $7,000,000 or $8,000,000; in one or two years it dropped to the vanishing point, while sometimes it was as much as $15,000,000. But, taking the average, the surplus under the late Government was $7,000,000 or $8,000,000. At the same time we were borrowing money on capital for the construction of the Transcontinental railway and other great works, so that during those ten years the national debt of Canada was increased, though not to a very great extent. Now, if the proper policy of Canada is to go on paying off the national debt, there may be some argument for these surpluses, but I do not think that is the argument put forward by my hon. friends opposite. If I can judge of the intention of the Government from the arguments of their exponents, I do not see any evidence of an intention to pay off the national debt. The sole object of the Government and of their followers seems to be to eat up these surpluses—to get as much money as they possibly can, and to spend it. I think it was my hon. friend from Brantford (Mr. Cockshutt) who stated that during the time the Liberals were in power the provinces of Ontario, Manitoba, and British Columbia were starved, and that this Government was going to see that the rights of these three provinces were restored to them. The result was that the Minister of Public Works had in the estimates for this year over $26,000,000 or $27,000,000 for public works, and, according to my hon. friend, he was going to do justice to the provinces of Ontario, Manitoba and British Columbia. It is the first time that I have heard that these provinces were ever starved. If my hon. friend will take the different estimates for the last ten years—I have not had time to compare them, and I do not know that any good would be accomplished by comparing them—he will find that these provinces got as much as any of the other

provinces, in proportion to their population. The principal ground of complaint on the part of my hon. friend from Brantford, was that the late Liberal Government gave so much to the province of Nova Scotia. While he was speaking I went over the supplementary estimates laid on the table of the House two days ago, and I find there are 125 items for harbour and river improvements in the province of Nova Scotia, amounting to nearly $1,000,000, in addition to, and above and beyond a similar amount in the main estimates.

Mr. WHITE (Minister of Finance): There is nothing too good for the Maritime provinces.

Mr. CARVELL: Of course not, but I want to point out that when my hon. friend from Brantford talks about the province of Nova Scotia, he talks without the book.

An hon. MEMBER: He talks through his hat.

Mr. CARVELL: I do not wish to use a slang expression. Either the hon. member has not taken the trouble to look into the estimates, or he is not treating the House fairly. The province of Nova Scotia, never got so much as it is getting this year. Some of my hon. friends from Nova Scotia will see no harm in that. I have no hesitation in admitting what is true, it is patent on the face of it. But if my hon. friend from Brantford makes the argument that we spent money for political purposes, and not for real business purposes, surely we can throw back the argument to him with double energy, and say if we were wrong, you are wrong to double the extent. I am not arguing that there is a public work being advanced in the province of Nova Scotia that is not a necessary public work. I do not think there is a public work in Ontario that is not a necessary work. Unfortunately my hon. friends opposite have talked about everything else during this session except the estimates and business. We have never had a chance to get down to the public works supply, and we do not know what they are asking for. All we know is that they are asking for certain amounts for certain places, but the reasons so far remain blank. My hon. friends seem to be very anxious to draw this session to a close, and it seems to me that their intention, or hope, is to do so without giving us a chance to discuss those estimates to any extent. I am afraid we will not have a chance to discuss them to find out whether the proposed expenditures are fair or unfair. But we will have to do the best we can, and if my hon. friends do not apply the closure to us, I, for one, hope to find out something about the expenditures in the different provinces, and I know my friends around me have the same desire.

But it was not this that I wished to discuss, and therefore, I will make no further reference to it. I do submit, however, that there has been an enormous increase in the expenditures in two years. My hon. friends opposite may be able to justify it, and I hope they will be able to justify it. If they can do so, no fault will be found on this side of the house. But even with the enormous expenditures which they propose during the present year, according to the hypothesis of the Minister of Finance, we will have an enormous surplus of revenue over expenditure. The condition which has existed during the past two years seems to have become almost chronic. It seems that even with the enormous expenditures which my hon. friends opposite are advocating, there is going to be a great surplus. My hon. friend from Halifax (Mr. Maclean) stated time and again yesterday that that surplus would be $80,000,000 or $85,000,000. If that be a fact, and I have no doubt it is, and if my hon. friends opposite, with all their extravagance, cannot find opportunities to expend this enormous surplus, is it just and right that that revenue should be taken from the people's pockets? That I think is the great question we have to consider in this debate. I had always supposed that the true theory of government was that the people should be asked to contribute sufficient money to honestly and efficiently carry on the affairs of the country, to provide for the King's Government, and in Canada to provide for whatever necessary public works should be constructed. I admit that the science or theory of government in Canada is very different from that in Great Britain. In Canada, a new country, it is necessary to develop the country by the construction of public works. It is necessary to assist railway companies, and other transportation companies, to develop our harbours, and to do everything possible to increase the output of the natural resources of the country and of the manufacturing resources as well. That would not be true in Great Britain, because there they have an old established country, transportation facilities are provided by private capital, and the Government are not required to assist. They expend the money which they have over and above what is required for the King's Government on the army and navy, and I am afraid that if my hon. friends opposite are allowed to continue the mad course which they are pursuing to-day we will have the same condition of affairs in Canada. I for one sincerely hope that such a condition of affairs will not develop. I am not going into an analysis of the proposed expenditures of the different departments, but when I find this Government asking for between ten and twelve

million dollars for the militia, I say it is a useless and unwarranted waste of public money. When any man tells me it is necessary to spend ten or eleven million dollars on the militia of this country, my answer to him is that it is downright robbery of the people. If the money went to the people I would not care so much about it; but I do not suppose that out of the eleven million dollars, two million dollars will actually go to the men; the rest goes to the dudes and warlords who are running the show. My hon. friend from Brantford (Mr. Cockshutt) justifies this militia expenditure because there might possibly be a war between Japan and the United States, and, if so, we must have our whole 100,000 men along the border line to see that nothing got out of Canada.

Mr. LEMIEUX: And they won't have a navy in Vancouver.

Mr. CARVELL: No. The Minister of Finance wants to build a tariff wall around the country and allow nothing to come in, and the member for Brantford wants to build a militia wall around the border and allow nothing to go out. Well, I don't think that idea is approved of by the ordinary Canadian business man. The Government admits, as they must admit, that under present conditions they are taking from the people of Canada enough to carry on the King's Government, enough to provide for all our public works, enough to provide for subsidies to railways and transportation companies, and fifty or sixty million dollars in addition. The proposition of the member for St. Antoine (Mr. Ames) is, not that we should take from the people sufficient to pay the expenses of Government, but that we should tax them all they can stand. His logic is: are the people taxed more than they can stand? and, in the second place, does the tariff take too much out of our people? Let us see about that. I give the hon. member for St. Antoine credit for being honest in his opinion and for never attempting to deceive the House as to his real views. The same remark will apply to the hon. member for Brantford—and I wish all hon. gentlemen opposite were as honest as they in expressing their thoughts. But the logic of the argument of the hon. member for St. Antoine is: we will so adjust our tariff that we will make the people pay every dollar they can pay and live, and to sustain that theory the hon. member for Brantford comes forward and says: you don't want to let the people have too many privileges, because the more they have the more discontented they become, and so we will take away from them by means of taxation everything except enough to exist on. The hon. gentleman told us that years ago people had but one suit of homespun a year; that they did not go to the theatre; that they did not drive carriages and motor cars, and that they were much happier than they are to-day. His argument is: do not allow the people to have these comforts of life and they will be more contented. That is good Tory doctrine and it is in line with about everything this Government is doing. Then, these hon. gentlemen opposite say: if this tariff is bad it is your tariff and you are responsible for it. But let it be remembered that what was good in 1900 may not be good in 1913. I think it was the hon. member for Brantford who said that the Liberals took the Tory tariff and did not make many changes in it, and the member for St. Antoine sought to prove that the tariff was practically the same as it was in 1896, because he showed that the total percentage of taxation to-day was very little less than then, his claim being that the actual reduction of taxation is on an average three or four per cent on the taxable goods. But these gentlemen opposite are not quite consistent in their statements. Sometimes they will say this is the old national policy of 1878, and if you tell them it is not, they will say it is the Liberal tariff, and if it is bad you must take the blame for it, and then if they are further cornered they will say it is the Tory tariff which the Liberals adopted. In the first place it is not the old tariff of 1878, and possibly when the Liberals came into power in 1896 they did not go as far as they should to reduce the burden upon the people. I am not apologizing for them or attempting to palliate their conduct in any way, but I do say that the Liberal government did something for which they have received credit all around, they introduced the British preference which the first year it was in operation reduced taxation on British goods imported into Canada by twenty-five per cent, and which a few years afterwards reduced that taxation by thirty-three and one-third per cent. That has remained in force to the present day except that in a few cases they took away from the people some of the rights they had obtained by the British preference of earlier years, but on the whole the people of Canada are relieved from one-third of the taxation on British imported goods. The British preference very materially developed the trade between Great Britain and Canada, which went forward with leaps and bounds and which still continues to make marked progress. True, our trade with Great Britain has not grown as rapidly as our trade with the United States, even in the face of a higher tariff, and for the present I will not stop to discuss that, but not only did the preference increase our trade with Great Britain, but it reduced the cost of living to the people of Canada. The preference reduced the cost of living to our people in

two ways: it reduced the cost of every article consumed by the people of Canada which came from Great Britain, and in the second place it reduced the cost of similar articles imported from the United States, or produced in Canada. For instance, if you reduce the cost of a yard of cotton manufactured in Great Britain, the American manufacturer when he sends it into this country has to reduce his cost to meet the decreased price of the British article, and so has the Canadian manufacturer of cotton to reduce his price to meet the competition. If a Canadian manufacturer produces cotton, he must sell it at a price not greater than the cost in Great Britain plus the duty under the preferential tariff. Therefore, any man can figure out what the saving to the people of Canada has been during the last thirteen or fourteen years by reason of the British preference. You can take the importations from Great Britain, calculate their value to a dollar, and say that you have saved so many million dollars by reason of the British preference. I do not believe, however, that half as many goods would have been imported from Great Britain if it had not been for the preference. But you cannot figure out how much the people of Canada have saved on the rest of the importations, because millions of dollars worth have been imported from the rest of the world, which have been sold to the people of Canada more cheaply by reason of the British preference. Then you have the third class. Millions and millions of dollars worth of manufactured products have been sold to the people more cheaply by reason of the preference. When my hon. friends opposite say that the Liberal party did nothing to ameliorate the conditions of the people through the tariff, they are not treating us fairly; they are not treating themselves fairly, and they are not stating the facts as they are.

Mr. HENDERSON: The hon. gentleman seems to be very well informed on this question. Can he give us a statement of how much the duties were increased on goods coming from Great Britain before the British preference was applied?

Mr. CARVELL: No, I cannot. It seems to me that a year or two ago my hon. friend from Halton (Mr. Henderson) had a little altercation with the hon. member for Edmonton (Mr. Oliver) on that question. I think it had reference to rifles.

Mr. HENDERSON: A great many more things.

Mr. CARVELL: There was one instance in the case of rifles, where the general tariff was increased; and the net result was that, after the British preference was applied, it did not make very much difference in the duty paid. The number of rifles we import into this country is a mere bagatelle. A rifle is not something which the ordinary labouring man has to eat or wear; it is something which is used by the sportsman and the man who is able to spend money. If you must raise money by taxation, there is nothing you could tax better than rifles. So far as I am able to remember, that is the only article that is treated in that way.

Mr. HENDERSON: The hon. gentleman knows about the increases on cotton goods and a host of other articles. I am not, however, going to interrupt him in his speech.

Mr. CARVELL: The hon. member for Halton is always courteous and well informed, and I hope he will give us the benefit of his great store of information on these important questions before this debate is concluded.

Hon. friends opposite say: When you gave the British preference, you stopped. We did stop for a time; we stopped because it seemed that we required all the money we were taking from the people in order to carry on the affairs of the country. It must be remembered that we were building great public works in those days; we were developing our transportation systems as they had never been developed before; we were building the great National Transcontinental railway which cost a lot of money. My hon. friends say that it cost too much. I do not think so; and I should like to discuss that question with the Minister of Railways, if we ever have an opportunity of considering his estimates. After spending $50,000 in investigation, he has had to admit that it did not cost too much. That is, however, another matter. In 1910 and 1911, we found that we were taking from the people more than was required to carry on the government and the ordinary business affairs of the country. The late Government decided to ameliorate the conditions of the people to some extent by extending our trade and making it freer than it had been before. We went out of power upon that principle. So far as I am concerned, I have not a particle of regret on account of it. I do not mean to say that I would not rather be in power than in opposition, but I would rather be in opposition on a question of principle in reducing the cost of living to the people of this country, than remain on the other side of the House and tax them more than they are entitled to pay and more than is necessary in order to carry on the affairs of the country. My hon. friends know that we were right and they are afraid of the fact to-day.

Some hon. MEMBERS: Oh, oh.

Mr. CARVELL: My hon. friends laugh. What was the meaning of that most remarkably patronizing speech made last evening by the hon. member for St. Antoine (Mr. Ames)? He practically said to the hon. Minister of Finance: We do not like you very much; we are afraid you are tinged with low protection ideas. We are afraid you are going to give in to men like the hon. member for Portage la Prairie (Mr. Meighen), who has been very quiet in debates of this character during the last year or two. The hon. member for Selkirk (Mr. Bradbury) bristled up last night a little when the hon. member for Brantford (Mr. Cockshutt) was speaking about agricultural machinery.

Mr. BRADBURY: I have not changed a bit.

Mr. CARVELL: They were afraid that my hon. friend would be affected by the argument of these people. Therefore they say to him: It is all right; we shall not find any fault with you, but you must not lower the tariff; you must leave it where it is. The country was told by the hon. member for St. Antoine: The hon. Minister of Finance will not lower the tariff; we shall see that he does not. My hon. friend has a very close friend, the president of the Canadian Manufacturers' Association, who made a speech in Montreal the other day, sending out a note of warning to the manufacturers, and saying: Remember, we manufacturers must stand together on this matter; I understand there is to be a revision of the tariff; we must see that our rights are protected. That is what my hon. friends are afraid of. We wanted to reduce the cost of living.

Mr. THOBURN: You say that you want to reduce the cost of living. What was the principal plank in the reciprocity platform if it was not that the farmers were to get a better price than they were getting? If so, how to what extent were you going to reduce the cost of living?

Mr. CARVELL: That is a very pertinent question, and I am glad my hon. friend has asked it. I shall try to show him how we were going to do it. So far as I am concerned, I never argued, either in this House or in the country, any other doctrine than that under the reciprocity agreement the farmer would get a better price for his products. I argue that now. I had not the slightest doubt then that I was right, and I believe I am right now. Seeing that the United States Government propose to take the duty off some of these articles, I prophesy that on every one of them the farmer will get a better price than he got before. The United States Government believe that, by remitting the duties on these foodstuffs, they will reduce the cost to the people. If they did not believe that, they would not take off the duty. No one is in a position to tell exactly what will happen. My opinion is that in some cases it will not reduce the cost to the American consumer, and in that case the Canadian producer will get all the benefit. In other cases it will reduce the cost to the American consumer to some extent, and to that extent the Canadian producer will not receive the benefit. It is purely a question of supply and demand. If the Canadian producer can produce enough to overstock the American market, he will put down the price; if he cannot do so, he will not. I believe the Canadian producer, after supplying the home demand, will not have enough to affect materially the price in the United States. If so, he will get the benefit of the tariff. I want my views to be thoroughly understood on this question. While the reciprocity agreement would, to a great extent, have increased the price to the Canadian farmer, that was a very small portion of the benefits which the Canadian farmer would have received by reason of it. He would have had ten times the market for his produce that he has to-day. He would have been able to plant his crop every year with a knowledge that he would have a market for it. It is the same with the manufacturer. If a manufacturer knows he has a market where he can sell 10,000 machines instead of 1,000, according to the evidence of my hon. friend from Brantford last evening, he can produce that machine more cheaply; he will extend his industry, buy more plant, employ more men, do more business and make more money.

Mr. DEVLIN: And he will not be subject to the trusts.

Mr. CARVELL: I can give my hon. friends an illustration from my own constituency. One of the principal industries there is the cultivation of potatoes; in fact, that is the case throughout western and northern New Brunswick, in very many portions of Nova Scotia, in the Gaspé peninsula, and in the eastern portions of the province of Quebec. We produce a better quality of potatoes than is produced elsewhere in Canada or in the United States, except in the northern part of Maine. I believe it is due, to some extent, to the condition of the soil.

Mr. WRIGHT: No.

Mr. CARVELL: My hon. friend says 'no.' I am not here to advertise the industry of my constituents. If my hon. friend will look at the quotations in the Toronto Globe or the Daily Mail and Empire, he will find that New Brunswick potatoes are quoted at ten cents per bag more wholesale than the native potatoes. That is twenty cents a barrel, and therefore they must be of superior quality.

Mr. WRIGHT: As good potatoes can be grown in my section of the country as in New Brunswick.

Mr. CARVELL: I do not want to enter into a controversy with my hon. friend from Muskoka upon the question of potatoes. I simply want to discuss this question from a business standpoint. A New Brunswick farmer does not raise on an average more than five acres of potatoes, the reason simply being that he is compelled to rely upon the Montreal and Toronto markets, which will not absorb more than that amount of potatoes per farm. Last year we could have sold twice as much as we produced, because there was a famine in potatoes on the American continent. The previous year we could have sold more because there was a famine west of lake Superior. In the year 1911, hundreds of carloads of New Brunswick potatoes were transported to Calgary and even into British Columbia. That is not an ordinary condition of affairs. It is not reasonable that the people of that section of the country should be compelled to pay the cost of those potatoes plus the transportation charges. They have the right to get the potatoes at a much cheaper price.

We have a market within four or five hundred miles of the point of production, of probably fifteen or twenty million people. With the American duty on potatoes reduced, I prophesy that the average farmer in the province of New Brunswick during this year will probably have ten acres of potatoes, and next year twenty acres. How do I know that? I know, simply because of what is going on within ten miles of my own home. Right across the American boundary line from where I live, with the same soil, the same transportation conditions and the same market, farmers are raising on an average twenty acres of potatoes, in some cases thirty or forty acres, and are getting rich at it. This year our farmers have been compelled to sell their potatoes for seventy or eighty cents a barrel, that would be thirty-five to forty cents a bag. Why? Because there was a big crop of potatoes in the province of Ontario. The only men in Ontario who buy New Brunswick potatoes to-day are the men who want a superior article. The ordinary man buys an ordinary article. Thousands of bushels of potatoes in the county of Carleton in the province of New Brunswick have been thrown into the dump because the farmers could not get a market for them. At present there is a duty of seventy cents a barrel on potatoes imported into the United States, and there is a big crop in the United States. The price there has been around $1.15 to $1.20 a barrel, which has not been equal to the Canadian price plus the duty.

Mr. WRIGHT: Does the hon. gentleman know that hundreds of carloads of potatoes have been sold at 25 cents a bushel in counties in the United States nearer New York than the hon. gentleman's county is? His confrere, the hon. member for Maisonneuve (Mr. Verville) yesterday proved, to his own satisfaction at least, that potatoes were sold eighty or a hundred per cent more cheaply in New York than in eastern Canadian cities.

Mr. CARVELL: My hon. friend from Maisonneuve was speaking about potatoes produced in the month of June and July. We do not produce potatoes in Canada in those months; we import them from the States. That is the reason why they cost more in Montreal than in New York. You do not raise a bushel of potatoes in Canada in June and July.

Some hon. MEMBERS: Yes, you do.

Mr. CARVELL: No, you do not. My hon. friend (Mr. Wright) asked me if I did not know that hundreds of carloads of potatoes were sold at 25 cents a bushel in counties in the United States nearer to New York than the Maritime provinces are. I do not.

Mr. WRIGHT: I do.

Mr. CARVELL: What is more, I do not believe it, for this reason. If you go to northern Maine, which is the great potato producing country of the eastern portions of the United States, you will find that potatoes are worth to-day $1.25 a barrel, or fifty cents a bushel. They are worth that to the farmers along the line of railway. It is only 500 miles from there to New York. If the farmer in eastern Maine can get fifty cents a bushel for his potatoes, the man who has potatoes of equal quality elsewhere in the United States will not be compelled to sell them at 25 cents a bushel if he is equally near to New York. It is no use trying to get round the facts. If the New York consumer can buy the same quality of potatoes for 25 cents a bushel at points 500 miles west of New York, he will not go to northern Maine and pay fifty cents a bushel. There is no doubt about it, and my friend could argue until he was black in the face and he could not convince me or any other man who knows the transaction to the contrary of what I have said.

Mr. WRIGHT: I am not trying to convince my hon. friend, I am only stating the facts.

Mr. CARVELL: Unless my hon. friend has personal knowledge, I cannot accept the statement he makes as a fact without proof, because I know it cannot be correct. I have given an illustration of what reciprocity would have done in the one item of potatoes. I would not have gone into this had I not been asked to do so by my hon. friend from Muskoka. I do believe that the result of the reciprocity agreement would

have been not only to increase the price to the farmer in many cases, but to increase his market, which would have been worth to him ten times the increased price of the article itself.

Mr. THOBURN: The hon. member stated that owing to the good crop of potatoes in the United States last year they were not able to export their potatoes from New Brunswick. To my mind the same thing would apply under reciprocity. It will not be disputed that the United States export almost every article in the shape of farm produce that Canada does, and for that reason will you tell me why there is a market in the United States for Canadian farm products?

Mr. CARVELL: My hon. friend is trying to draw me from the point. I did not say that you could not send potatoes to the United States, because they had a big crop. I said that the price was so low that you could not do it commercially. I stated that the duty to-day is about sixty-seven cents a barrel, and if you send potatoes to the United States from Canada to-day, you have to pay that duty. That means ruination to the Canadian farmer. But it would be different if that duty were removed, then you would have a splendid price. If the farmers of the Maritime provinces can get $1.25 for their potatoes they will get wealthy; they will ride in automobiles in a few years. That is at the rate of fifty cents a bushel. But I am told: If what you say about the price to the farmer is true, what about the labouring man, what about the consumer? I am willing to admit, and I always did admit in my argument on the reciprocity question, that the consumer would pay more for the particular articles included in that agreement. It would not amount to very much, it would amount in the case of the ordinary household, which I suppose does not use more than three or four barrels of potatoes in a year, to a difference of $2 or $3 a year. It would be the same with a few other items. There is another side to this question that my friends do not take into consideration and that is the advantage that would accrue to the consumer in Canada had the reciprocity agreement become law. I wish to give some of the benefits that would have accrued. I have here the trade and navigations returns for the last year down to and including February, eleven months. I have not been able to procure the full returns, for the year and therefore, any figures that I have along this line will be for eleven months only. It is known by my hon. friends if they have taken the trouble to read the reciprocity agreement—but I am afraid that some of them did not read it very carefully—practically all farm products were to be free. We know that many vegetables and fruits would have come into this country free of duty under the reciprocity agreement. I have here a list of the articles of consumption by the ordinary people of Canada that came into Canada for the first eleven months of the last fiscal year. These articles would have come in free of duty had that arrangement gone through. I will read the list, giving the articles, the value of the imports and the duty paid. The list is as follows:

Vegetables and Fruits.

Articles.	Value.	Duty.
Melons	$113,412	$ 54,543
Potatoes	428,896	92,780
Sweet potatoes	56,248	5,390
Tomatoes	273,617	82,085
Vegetables, N.O.P.	909,079	363,743
Dried apples	16,185	6,474
Green "	751,399	112,325
Blackberries, strawberries, &c.	565,651	138,146
Cherries	102,831	25,707
Cranberries	129,883	32,470
Grapes	279,685	100,833
Peaches	330,585	145,770
Quinces, &c.	372,746	66,937
Plums	266,974	75,650
	$4,811,929	$1,302,841
Eggs, 11,529,686 doz.	2,456,832	345,890
Butter, from all other countries under general tariff	350,145	50,206
Butter, from New Zealand and Great Britain	1,479,189	171,825
	$9,098,095	$1,870,762

In vegetables and fruit alone we imported last year in the eleven months $4,811,929 in value and on this we paid $1,302,341 in duty. In other words, the consumer, the labouring man, the man in the city, village and town, all over the country, would have saved $1,302,000 in duty if that agreement had become law.

Mr. THOBURN: Did the Canadian farmer benefit by that?

Mr. CARVELL: He did not lose to the extent of a dollar, as I shall try to convince my hon. friend. At least what I say will convince any man who wants to be convinced that the farmer did not lose a dollar. Hon. gentlemen may say that the reciprocity agreement is ancient history. It is not ancient history so far as the people of this country are concerned. I am not saying that we will ever get the reciprocity treaty exactly as it was proposed to us, we never will while I live get anything from any country that will be worth as much to Canada as the reciprocity treaty would have been. But the principle for which we fought is not gone, the principle is there to-day as vital as it was two years ago, just as important to the consuming people of Canada as it was two years ago and the

people want it and will have it regardless of whether my hon. friends opposite are willing to give it or not. If my hon. friends opposite will not give it to them they will put in power a party that will give it to them, because I tell the manufacturers, the trusts and combines of this country that they cannot bleed the labouring people of Canada any longer, they will demand cheaper living and they will obtain it. It is only part of the story. It is well known that under the construction of our laws and the proposed agreement anything which came in from the States free of duty would also have come in free of duty from Great Britain or from any of the colonies of Great Britain enjoying our preferential tariff. That was not in the agreement, but it is the proper construction and interpretation of that agreement read in connection with our existing laws. That was one of the great arguments used by my hon. friends opposite with the farmers of Canada that, if they adopted reciprocity, butter would come from Australia and New Zealand, or from any part of the British Empire as well as from other nations with which Great Britain had trade treaties. Of butter last year we imported $350,145 from the United States and other countries excepting Great Britain and her colonies, on which we paid $50,260 in duty. We imported from New Zealand and Great Britain $1,479,189 worth of butter, on which we paid $171,825 of duty. That is a total of something like $1,800,000 worth of butter from the whole world and all that with the exception perhaps of $300 or $400 worth came from the United States, New Zealand and Great Britain, and if the reciprocity agreement had gone ino effect every pound of that except a small quantity would have come free of duty and the people of this country would have avoided paying over $200,000 duty which they paid on butter alone in the first eleven months of last year.

Then we come to the question of eggs. It is most remarkable that the Canadian farmer will not produce the eggs which are required in Canada, but he does not. We cannot make him, we have no power over him. I have wondered at this fact many times. I admit that the Agricultural Department has been doing a great deal in trying to influence the farmers to engage more extensively in this business, but they do not become interested and do not produce the eggs. In the first eleven months of last year we imported $2,456,832 worth of eggs and nine-tenths of these eggs came from the United States of America. On these eggs we paid $345,890 in duty. Or, if you take fruit, vegetables, butter and eggs alone, just those four articles, we imported in eleven months $9,098,000 and paid $1,870,762 in duty, and for the twelve months we imported $10,000,000 worth and the people of this country paid $2,000,000 in duty which they need not have paid and would not have paid if reciprocity had gone into effect. I want my hon. friends to state if it would not have been better for the people of this country, if it would not have been of benefit to the man in Toronto, Montreal and Ottawa and the manufacturing centres of Ontario, if he could have bought his eggs, butter and fruit and saved that $2,000,000 because, Sir, he is the man who paid it. Out in the farming districts they probably produce enough eggs and butter for themselves; it is the labouring man in the manufacturing centres of Canada who purchases these articles, and who paid the $2,000,000 duty on these ordinary articles of food last year. Would my friend say that would have been of no benefit to him?

Mr. THOBURN: Would my hon. friend give me the privilege of answering that question? That was not the issue in the reciprocity question. You never advocated the cause of the workingman, it was the agricultural classes of the community that you professed to benefit.

Mr. CARVELL: I advocated it, and I went into my own town and met the labouring men and told them and preached to them this doctrine, and I got a bigger majority in my town than ever before in my life. I have had no trouble with the labouring men of my constituency, I have treated them honestly. I have told them that, I tell them that to-day and they stood for it and will stand for it again. I tell my hon. friends opposite that the labouring men all over Canada will respond to the call when it is made.

Mr. THOBURN: Still, the farmers did not respond to the call.

Mr. CARVELL: I am dealing with facts, and my hon. friend can deal with the matter in any way he chooses. The people of Canada did not respond, the people of Canada defeated the Government that proposed reciprocity. I think that everybody in the world who knows anything of Canada knows that. We are not trying to get away from that, but I want my hon. friend now to answer my question. He tried to and did not. Does he think that it would have been any benefit to the labouring man of Canada?

Mr. THOBURN: Reciprocity?

Mr. CARVELL: No, the remission of $2,000,000 of duty.

Mr. THOBURN: Possibly it would be of benefit to the consumer, but not to the agricultural classes. That is my contention.

Mr. CARVELL: Now we have a contribution of some value. We have possibly the greatest apostle of high protection, the man who has grown rich by making the poor little boy who runs in the street pay $35 on every $100 worth of clothing he buys in order to keep from freezing to death, admitting that it would have been some benefit to the labouring man of Canada if he had been remitted that $2,000,000 of duty. That is something we have gained in this debate.

Mr. WRIGHT: I think that is a very unjust statement of the hon. member for Carleton to make.

Mr. CARVELL: I shall stand by it anyway.

Mr. SPEAKER: Order. The hon. member for Carleton has the floor.

Mr. CARVELL: I have pointed out the other side of this picture. I have not drawn on my imagination, I have not asked anyone to admit my conclusions, but they are based on cold facts taken from the trade and navigation returns of Canada. I have given figures which my hon. friends cannot deny, and I will make the statement here that in my judgment it would have been worth more to the people of Canada than their possible loss by reason of the increased cost of the articles they would have had to buy from the farmers of this country. The farmer would have got more for his produce, the lumberman would have got more for his lumber, the fisherman would have got more for his labours, the consumer would have been in as good a position as before because he would have got his fruits, vegetables, eggs and butter cheaper than he gets them at the present time.

I now come to the broader question asked by my hon. friend: Do I think that the introduction of these articles into this country free of duty would have hurt the Canadian farmer. My answer was: not a dollar; and I stand by that answer, and I will try to prove it to the hon. member. I take, in the first case, melons. We do not produce melons in Canada to any extent.

Mr. BEATTIE: The best melons in the world are produced in Montreal and that neighbourhood.

Mr. CARVELL: But the amount of melons produced in Canada is only a bagatelle. There may be a few fancy gardeners raising them in hot-houses, but that is only insignificant. The fact is that we do not produce melons.

I come next to potatoes. I have discussed potatoes to a considerable extent. I tell my hon. friends opposite that practically all of the potatoes which we imported last year, amounting to $428,000, which came in during the months of April, May and June, 1912, were the new article, the early variety brought into this country before our potatoes were ready for the market. I know that there may be a few instances when potatoes are ready in the month of July. I have known potatoes in New Brunswick to be so advanced that we could dig a few and eat them in July, but we do not produce them in large quantities.

Mr. BLAIN: They do in Ontario.

Mr. CARVELL: They cannot, for Ontario purchases.

Mr. BLAIN: Oh, yes, they do; ask any of your associates.

Mr. CARVELL: They may possibly along in the latter part of July get a few ready for market, but they are very few. I know this business as well as the hon. member for Peel.

Mr. BLAIN: In my own county there are thousands of bags of potatoes produced in July and sent into Toronto, and that applies all over that section of the province of Ontario.

Mr. CARVELL: That is pretty late in July.

Mr. BLAIN: Not late, before the 12th of July.

Mr. CARVELL: In my province, where we produce potatoes on a large scale, we do not have them until the last of July, and that is true also in the province of Quebec. There may be a few places in Ontario where, under special circumstances, they can get a few ready in the latter part of July, but they are very few; it is not a commercial proposition. If my hon. friends will turn to page 280 of the trade and navigation returns for July, they will find there that in the month of July alone we imported from the United States $198,835 worth of potatoes. During the first four months of the fiscal year—April, May, June and July—we imported $287,413 worth, and for the whole year we imported only $428,000 worth, so that more than two-thirds of the potatoes imported into Canada during last year were imported in the first four months of the fiscal year. What does that prove? It proves that in the first four months of the year, when we do not produce those articles in Canada, they are brought in from the United States. It proves that they are brought in at a time when the Canadian farmer cannot produce them, and therefore when they could not hurt him. I got a return from the Customs Department for the

months of October, November and December, and during these months only $5,000 worth of potatoes were imported, I think. I have not seen the returns for January, February and March, but they practically amount to nothing. Turn, however, to April, May and June, and you find the potatoes coming into Canada in large quantities, but as I have said, they do not hurt the Canadian farmer because the Canadian farmer has not the potatoes to sell at that time.

Let me take another item, tomatoes, which is the next item. In the eleven months of last year, we imported $273,000 worth of tomatoes, on which we paid $82,000 of duty, and in the first four months of that year, we imported from the United States alone, $226,896 worth. In other words, practically all the tomatoes that were imported last year came in during the first four months of the year. Will any hon. gentleman opposite tell me that we had tomatoes on sale in large quantities in the month of July? No one will say yes to that. We do not produce tomatoes in this country in July, and all the tomatoes that we imported last year came in during the months of May, June and July. Why? Because they have them in the United States at that time, and we do not have them in Canada. We brought them in when we did not have them, and we did not hurt the Canadian producer to the extent of one dollar, because the Canadian producer did not have the article to sell at that time. The result was that the Canadian consumer was compelled to pay duty to the extent of $82,000. That amount went into the coffers of the Government, but no producer was injured, and no consumer was benefited, and the people of Canada had to pay duty on those tomatoes. Then you can take strawberries, or early fruits.

Mr. MUNSON: When did you observe all this?

Mr. CARVELL: I have been looking it up for the last few months.

Mr. MUNSON: Did it never strike you to look it up during the fifteen years when the former Government was in power?

Mr. CARVELL: We did look it up, and we found that this condition existed. We tried to pass a law in 1911, and my hon. friends opposite succeeded in preventing us from doing so. If that is any consolation to my hon. friend he is welcome to it. I give him the facts, and if he can gainsay them I would like him to try.

Mr. MUNSON: I wondered why you did not do so before.

Mr. CARVELL: We tried to do so and failed, but we are going to keep on trying and we are going to succeed.

Some hon. MEMBERS: Oh, oh.

Mr. CARVELL: Do not make any mistake about it. I was going to refer to blackberries, strawberries, cherries, cranberries, peaches and quinces. If my hon. friends will go over the trade returns they will find the same thing in regard to these fruits; they come into Canada very largely during the first three or four months of the year up to July, when we do not have them for sale in large quantities. It is true that Canadian strawberries are on the market by the middle of July, but not before that time, and the fruits mentioned come in before the Canadian article is on the market. In other words, the people of Canada are compelled to pay duty on these articles at a time when the Canadian producer has not them for sale, and when he cannot be injured. By the time our fruits are ready for the market the season in the United States is past, and if reciprocity had gone into effect we would have been able to sell largely in the United States when their supply was gone. I do not believe there is a class of producer in Canada who would have benefited so much as the fruit producer in Ontario. I know they took the opposite view; they were convinced by their friends that they would be injured, but the trade and navigation returns convince me that there is not an industry that would have benefited so much from reciprocity as the fruit industry of Canada. I am satisfied that when these facts are placed before the people of Canada they will see the error of their ways. If the Canadian producer will not see it the Canadian consumer will; no man can read the statements made by my hon. friend from Maisonneuve (Mr. Verville) last evening without pondering over what the end of this condition of affairs is going to be. My hon. friend from Muskoka (Mr. Wright) thought he saw something wrong in the statement of my hon. friend as to the cost of potatoes and other articles of food in Montreal as compared with New York, but he was giving the cost of living in the months of June and July, when all those articles are cheaper in the United States than in Canada. If we made the same comparison in the months of September and October we would find that they were cheaper in Canada than in the United States. Why? Because in the months of May, June and July we do not produce foodstuffs, and in the United States they do, while in the months of September and October we have an abundance of foodstuffs while many classes of foodstuffs are out of season in the United States. It is simply a question of supply and demand, and that is the question that the people of this country have to face and will face. My hon. friends opposite may jeer at reciprocity as much as they like, and my hon. friend the Minister of Finance may say that it is dead. I

want to tell him that the principles of reciprocity are not dead, the principle of cheaper production, the principle of cheaper cost of living, the principle of ameliorating the conditions of the masses; they are not dead, and they will stare him in the face this year, and next year, and as long as the present conditions exist.

I wish to point out to my hon. friend the Minister of Finance the logical deduction from the facts I have given to the House. The Americans are taking the duty off many foodstuffs which were included in the reciprocity agreement. So far as the West is concerned, I do not look upon the new American tariff as worth anything at all. They have reduced the duty on wheat from 25 cents to 10 cents a bushel, but that is not going to benefit the western wheat producer, because the spread between the prices in Minneapolis and Winnipeg never exceeds ten cents, and seldom reaches that point; so that a duty of 10 cents per bushel of wheat is just as prohibitory as a duty of 25 cents a bushel. If they reduce the duty on live animals to ten per cent that will be a benefit, but, of course, whether or not the Canadian producer does get the benefit, will depend on the supply and demand. This year, it would be an enormous benefit, because millions of dollars worth of live animals have been taken from Canada into the United States showing the demand, and if the demand still prevails under the reduced duty there will be a benefit to the Canadian producer and possibly to the American consumer as well. I believe the reduction in the United States tariff will help the people of Ontario with respect to their cattle and cheese and I know it will help the people of the Maritime provinces in the matter of potatoes, fish, and lumber which are made free. It will not help the Maritime provinces to a great extent on sheep and lambs, because the proposed reduction is not very great and as to cattle, we do not produce cattle to the extent we ought to in the Maritime provinces. It will help the haygrowers of the province of Quebec, who have been sending millions of dollars worth of hay to the United States on which they have paid four dollars per ton, and which is now reduced to two dollars per ton. Of course that reduction may be divided between the consumer and the producer, but nevertheless it will help. Then, if I am right in my contention, it will increase the price of these articles to the Canadian consumer. If it increases the price to the Canadian consumer on live stock, hay, potatoes, fish and lumber, it will necessarily increase the cost of living in Canada. To the Finance Minister I say: What are you going to do about it? Will you stand still and do nothing? Will you reduce taxation. I believe I have convinced the Minister of Finance, although possibly I have not convinced some of his supporters behind him, that the importation of these articles free of duty would hurt nobody and would relieve the consumers in the large cities to the extent of $2,000,000 a year. Is the minister ready to do that? That is the question which the labouring men of Canada will ask him; it is the question I will ask him every time I get the opportunity; it is the question I hope the Liberal party will ask him. If he will not reduce the duty on foodstuffs, will he reduce the duty on anything else? My hon. friend from St. Antoine will tell him: leave well enough alone; we will keep you where you are, but you must keep your unholy hands off the tariff; it was a bad tariff as long as the Liberals were in power, but now it is a sacred thing. Will the Minister of Finance bow to the dictation of the member for St. Antoine or will he ameliorate the condition of the masses by reducing the duty.

I am now going to deal with a question which is of considerable importance to my hon. friend from North Lanark (Mr. Thoburn), who seems to take a lively interest in the reciprocity question. I have here some figures regarding woolens which will be of interest to that hon. gentleman. If I have any condemnation to make of my political friends, it is for the manner in which they treated the woolen tariff in 1907 when they practically wiped out a good proportion of the British preference. I say the Liberals were not treating the consumers of this country fairly in doing that, and I blame them for it. When a man tells me it is a good economic principle to tax the poor man from twenty-two per cent to thirty-five per cent for the clothing which he and his family must wear in this rigorous Canadian climate to keep them from freezing to death, I say that it is nothing but legalized robbery and I have no milder term for it. Why should a man have to pay thirty-five per cent duty on a suit of clothes which is required to keep his child from freezing to death. I do not want woolen industries in this country at that price; the labouring people of Canada do not want woolen industries at that price. I will give some facts concerning this iniquitous woolen tariff which is imposed on the people of Canada. I give the following table which will show the total imports of woolens into Canada during the last eleven months; the imports from Great Britain; the imports from all other countries, the value of the goods which came from Great Britain; the duty paid on them; the value of the goods which came from all other countries, and the duty paid on them:

Woolen Imports During Eleven Months.

	Great Britain. Value.	All other countries. Value.
Blankets	$ 82,976	$ 48,660
Cassimeres, &c.	2,637,587	314,085
Coatings, &c	1,004,892	61,570
Tweeds, &c.	1,280,992	63,059
Flannels	86,995	26,777
Knitted goods	1,005,759	383,329
Socks and stockings	1,324,009	171,278
Yarns	1,937,269	107,114
Worsted	208,826	75,908
Wool and worsted N.O.P.	7,384,431	2,021,292
Clothing ready made	1,020,592	1,106,794
Lustres, &c.	1,223,275	106,820
Miscellaneous	577,840	394,407
Total value	$19,775,443	$4,784,955
Total duty	$ 4,449,474	$1,654,535

I have estimated the duty on the British goods at twenty-two and a half per cent, which I think is below the actual duty, but not having the complete returns, I could only make an estimate. Therefore, estimating the duty at twenty-two and a half per cent the people of Canada paid in duty on British woollens, $4,449,474, and on the woollens imported from other countries, estimating the duty at thirty-five per cent, the people of Canada paid $1,654,535. The total value of woollens imported in this period was $24,560,396 and the people of Canada were forced to pay on that a duty of $6,124,009. I want to know if even a dyed-in-the-wool protectionist could justify taking out of the people of Canada over six million dollars in duty on this absolute necessity of life. But there is worse than that. I am satisfied that the home production of woollens would probably be nearly as much as the importations, and on every dollar's worth of home production the people of Canada paid a duty just the same as they did on the goods which were imported. That is why the woollen manufacturers vote for protection. They admit they are charging the people the cost in a foreign country plus the duty. My friend from Lanark does not deny that. He may on some lines cut his price one per cent or just enough to get the business, but what he and the other manufacturers do is to charge the people the cost in the foreign country plus the duty, and so the people have virtually to pay the duty on the home product as well as on the imported goods. Therefore, instead of paying $6,000,000 in duty on woollens we pay probably $12,000,000;—twelve millions of dollars on goods which are just as much a necessary of life as fruit or vegetables. And yet our friends opposite say: Keep your unholy hands off this tariff; give those interested a chance to wax fat and grow rich on it. They tell us that these industries cannot remain in business if you take these duties off, that manufacturing business in Canada cannot be carried on with less than twenty-five per cent to thirty-five per cent protection. I simply do not believe it.

If any man in this House contends that this protection is necessary, I want him to give some proof of it. I am open to reason on this subject; I do not want to put my dogmas and ideas against facts and arguments. I have been in this House for a good many years, and have heard the statement made a good many times that if you reduce the duties on woollen goods you will close up the factories. But when a man comes into court and tells me that such and such a thing is true, I do not accept that; I want his reasons, and if those reasons appeal to my judgment, I accept his statement. So, I want the manufacturer of woollen goods to give reasons why he cannot carry on business if these duties are reduced. We know that there are woollen industries in this country that are rich. We know that they grow so large that they have to organize themselves into companies, and then they have to water the stock, and they do water the stock. And hon. gentlemen opposite know it. I do not wish to be personal, but I think I could put my finger on a few people, and that without going more than a couple of rods from where I stand, who have engaged in the woollen industry and who have taken part in companies with watered stock, the stock being watered because they did not wish the people to know what they were making. Why, you see these stocks quoted in the financial papers every day. You find that there are bonds, preferred stock and common stock. The common stock is all water, yet it has a value in the market. And if we were to try to reduce the woollen duties, hundreds of people would come forward and say: I have common stock in the woollen industry and if you reduce the tariff I cannot get dividends on my stock. It is unfortunate for the bona fide holder of stock, but if that stock is all water, if the original holder gave no value for it, is the existence of that stock a reason why every poor man and woman in Canada should be bled white to pay dividends? These are the conditions that stare the people of Canada in the face.

Not only is this true of woollen goods, but it is true of practically every line of manufacture in Canada. The same is true of cotton. I do not know how much the stock of the cotton industry in Canada is watered, but it must be two or three or four times over. And the cry is raised that if the duties are reduced, dividends cannot be paid on the watered stock. Well, why should they? The cotton industry is practically in the hands of one great combine. There was one establishment in New Brunswick which would not join the combine; they simply came down there, closed

them up and they had to join. I venture to make the statement here that three quarters of their common stock is water. One of the best evidences that these things are not as they ought to be is seen right in this House.

Last year my hon. friend from St. Antoine (Mr. Ames) got the Government to bring in his pet scheme of a Tariff Commission. He told us at the time what kind of men were to be appointed to this commission—they must be protectionists. They put this Bill through this House and then it went to the Senate. The Senate made an amendment which simply provided that if the commission undertook to investigate any particular line of business with a view to increasing or reducing the tariff, they should have the right to investigate the capital account, that it might be known how much of that capital was real money and how much was water. And what did the manufacturers compel their friends here to do? Why, my hon. friend from St. Antoine dropped the thing as if it had been a serpent, and the Government turned from it as they would from a reptile. And from that day until this they have not referred to it. Why do not they introduce it and pass it again? They say their Highways Bill was a good measure and would be of benefit to the people. When the Senate amended it last year, they refused to accept the amendment; but they have this year introduced the Bill again in the same words, and have sent it to the Senate. And they go to the people of the country and say that because the Senate did not pass their Highways Bill the people are without money for their roads and bridges. That is the cry that is raised all over Canada. There is not a general election or a bye-election in which that plea is not put forward. But, how different is their treatment of the Tariff Commission Bill: they are as dumb as oysters about that measure. Why do not they introduce it again, and when they go before the country, tell the people that the wicked Senate has killed the Tariff Commission Bill? Rather than allow the people to have one peep into the inside conditions of these manufacturing concerns, that it may be known how much water is in the stock, they will drop the whole thing, and we shall never hear of it again so long as these people remain in power.

To show what ground the consumers of Canada have to complain against this Government, let me give some facts with regard to cotton. I believe that cottons are quite as much a necessity as are woollens, and I believe there is more water in the stock of the cotton industry than in the stock of the woollen industry—and that is saying a good deal. Hon. gentlemen opposite say: If you reduce the duties on cottons, the industry cannot pay dividends.

But water on which dividends are paid, as I have told you, is just so much found money for the manufacturers. Last year we imported cottons to something like the extent to which we imported woollens, which shows that the cotton trade is very largely in the hands of one huge interest. I have here a statement showing the imports from Great Britain and the imports from other countries. And when I speak of 'other countries' in this connection, I think I am safe in saying that ninety-nine per cent of that business means the United States of America. It is something marvellous, when you look over the trade returns, to find that almost our whole outside trade, besides what we do with Great Britain, Australia, New Zealand and South America, is done with the United States, these people with whom hon. gentlemen opposite told us they wanted no truck or trade.

Cotton Imports for eleven months.

	Great Britain. Value.	All other Countries. Value.
Duck, &c..	$ 205,112	$ 76,751
Cottons, gray, unbleached	536,391	343,864
Cotton, white..	2,011,401	567,396
Fabrics, &c..	4,515,093	1,667,131
Miscellaneous..	5,770,805	7,576,655
Total value.. ..	$13,038,802	$11,021,797
Total duty	2,281,790	2,755,449

Total imports, $24,060,599; total duty, $5,037,229.

These figures represent the foreign trade. And here again the same conditions exist as in the case of the woollens, except that the duty is not more than two-thirds as great on cottons as on woollens, and that is a benefit so far as it goes. I have not the figures of our home production of cotton goods, but I dare say this might be obtained from the census returns if one looked it up. But I find that our raw cotton imports for eleven months were over $7,000,000. I do not know what proportion the value of the raw cotton bears to that of the finished article, but I assume that it cannot be more than half. Therefore, I think I am safe in assuming that we manufacture in Canada about half the cottons we consume. If I am right in that assumption, then the people of this country pay $10,000,000 a year by reason of the cotton duties either to the Government or to the manufacturer. Now, the cotton industry is in the hands of a great combine, one that is rolling in wealth, a combine that has been compelled to water, and water, and water its stock to keep the people from knowing what its profits are. Take a business like this, then, that is in the hands of a combine that practically controls this line of trade for the country, is it fair, in the face of a surplus of $55,000,000 that the poor people of this country should pay

$10,000,000, half to the Government and half to the cotton manufacturer? That is something which must make my friends opposite consider. I do not wish to drive the cotton industry out of the country; I desire the cottons to be made here; but I say that a condition of affairs has grown up in this country—and I frankly acknowledge that my own friends may be blamed to some extent; but I do not care who is to blame—I say a condition exists to-day which it is our duty to face, for it is sapping the life-blood out of the labouring people. And these high duties are exacted, not because we need the revenue, but only to make the rich richer and the poor poorer.

At one o'clock, House took recess.

House resumed at three o'clock.

Mr. CARVELL: When the House rose at one o'clock, I was pointing out some of the iniquities of the present tariff system under which the people of Canada were compelled to pay more than they should in order to produce a revenue to carry on the business of the country. I referred to the foodstuffs which came into this country, upon which a duty of $2,000,000 was paid, and which would have come in free under the reciprocity agreement. I also referred to the fact that something like $24,000,000 worth of woollen goods, and practically the same amount of cottons, were brought into the country and subjected to an enormous duty. I now wish to discuss very briefly another product which is of as great importance to the people of Canada as foodstuffs, woollens and cottons, and that is farm machinery. Of all the industries in Canada, farm machinery is taxed the least; yet the trade returns for the past year show that the people of Canada are paying more for farm machinery than they should be compelled to pay. I was much impressed last evening with the straightforward manner in which this matter was dealt with by the hon. member for Brantford (Mr. Cockshutt). He said that we could produce farm machinery in this country of as good a quality and at as low a price as the machinery produced in any country of the world except the United States, although he did not say to what extent the United States can produce farm machinery cheaper than we can in Canada. My hon. friend admitted also that if the duty were entirely removed from the materials entering into the manufacture of farm machinery, the agricultural implement industry could get along with a reduction of duty. He did not say to what extent the duty should be removed, nor did he tell us any of the subsidiary articles the duty upon which would have to be reduced; he mentioned screws, but nothing else. He said that if you reduced the duty on farm machinery, you would probably have to reduce the duty on from fifty to one hundred different articles entering into its manufacture. I have had some personal experience in the manufacture of farm machinery, and I may say that I failed because of the competition which I had to meet on the part of the Massey-Harris Company and the other great concerns to which my hon. friend has referred. The hon. gentleman was honest enough to admit that the small manufacturers had been driven out of business in Canada by the larger concerns, and that the manufacture of agricultural implements was now confined to three great concerns, forming a large combine. This combine is protected by a duty of from 17½ per cent to 25 per cent, and the large manufacturers can and do charge the people of Canada for their machinery an amount equivalent to from 17½ to 25 per cent over and above what the goods would be sold for if the duty were removed. This duty is not and never has been justified by any contention put forward by hon. gentlemen of this House, but it has been proved to be unnecessary and unfair by a number of hon. gentlemen, notably the hon member for Portage la Prairie (Mr. Meighen) who, I am sorry to say, is not so anxious to ventilate the grievance of his constituents at the present time as he was prior to September 21, 1911. We all have a certain degree of knowledge as to the manufacturing industry of this country. As I have said, I myself lost some money in trying to manufacture farm machinery in competition with an upper Canadian firm. The underselling carried on by that firm was not so serious a matter, as far as we were concerned, as the selling of goods on one, two and three years' time, with interest, and as we did not have sufficient funds to do that, we had to close up our business. My hon. friend has said that you would have to reduce the duty on the materials entering into the manufacture of agricultural implements before you could reduce the duty on the finished article, and as he has also said that if you did reduce or eliminate the duty on these materials, you could reduce the duty on the manufactured article. He even went so far as to intimate, although he did not say so, that the duty could be entirely eliminated. I know something about what enters into the manufacture of farm machinery in Canada, and I submit that ninety-five per cent of the whole cost of farm machinery, so far as material is concerned, is the cost of iron and steel. There is a little wood—a mere bagatelle; there is a little paint, but the expense of the paint is so small compared with the total cost of the article that it is not worth mentioning. The labour of

putting on the paint would amount to something, but the cost of the paint itself would not amount to one-quarter of one per cent of the cost of the machinery. I have not time, and this is not the occasion, to enter into an elaborate discussion of the duties on and cost of iron and steel in Canada as compared with the duties on and cost of iron and steel in other parts of the world, but if hon. gentlemen refer to the customs tariff of 1907, and look at the items relating to the very articles which enter into the construction of farm machinery, they will see that the duties are very small. The following item appears under the heading 'Iron':

Rolled iron or steel, in bars, bands, hoop, scroll, strip, sheet or plate, of any size, thickness or width, galvanized or coated with any material or not, and steel blanks for the manufacture of milling cutters, when of greater value than three and one-half cents per pound.

This material is free if it comes from Great Britain, and only five per cent duty is imposed if it is imported from any other country in the world. Some of that material would be used in the manufacture of farm machinery. Steel bars or sheets, to be used exclusively in the manufacture of shovels, when imported by manufacturers of shovels, are subject to a duty of two dollars a ton. A large amount of this material would be used in the manufacture of ordinary farm machinery. Then take these items:

Rolled bar iron or steel, whether in coils, bars, rods or bundles, comprising rounds, ovals, and squares and flats; steel billets, per ton, $4.25.

Rolled iron or steel beams, channels, angles and other rolled shapes of iron or steel, not punched, drilled, or further manufactured than rolled weighing not less than thirty-five pounds per lineal yard, not being flat, oval or round shapes, and not being railway bars or rails, per ton, $2.00.

A large quantity of this material is used in the manufacture of the heavier agricultural implements produced in this country.

Boiler plate of iron or steel, not less than twenty inches in width, &c.

That is used for the manufacture of boilers and goes into farm machinery. So you cannot find in any case that the material of which farm machinery is manufactured pays more than $2 to $4 a ton. How many tons of material go into an ordinary farm implement? Take a plow or a threshing machine or a mowing machine or a rake or a harrow or anything else, unless you go into the high-priced traction engines which I am not discussing, but take the ordinary run of farm machinery and you do not have anything weighing a ton, no, not half a ton. I tell you that the duty would be only from $2 to $4 on all the material entering into the manufacture of a farm machine, and yet my hon. friend says you must have some seventeen per cent to twenty-five per cent duty in order to compensate the manufacturer because he has to pay a duty on raw material, and a little duty on a few cents worth of paint that goes on the outside of an article to cover up the defects. To show the unfairness with which my hon. friend from Brantford treated the House last evening, I will point out that he said you have got to have a duty on plows of twenty per cent in order to manufacture them in Canada. He started in to discuss plows because, as he said, that was a thing about which he knew something. My hon. friend will not be surprised, nor will the Minister of Customs, but there are many members of this House and many people in Canada who will be, when I say that practically all the raw material that goes into a plough comes into this country free of duty. If he will refer to section 444 of the present tariff he will find:

Mould boards or shares, or plough plates, landsides, and other plates for agricultural implements, when cut and shaped from rolled plates of steel, but not moulded, punched, polished or otherwise manufactured.

These are free not only from the British Empire but from the whole world.

Mr. CURRIE: Who made that tariff?

Mr. CARVELL: Why, we did; I am not denying that at all. My hon. friend from Simcoe was not here this morning, or he would have heard what I had to say on that branch of the subject. I am not finding fault with it; I am telling my friends that it may have been necessary to have that tariff five years ago; but, to-day, with a surplus of $55,000,000, it is not necessary to tax the people to that extent; and, if there is an article on which the duty should be reduced or removed, it is ploughs. I do not see why, on the evidence and confessions of the hon. member for Brantford, ploughs should not be put upon the free list because he admits that the only thing you require in Canada in order to put these products on the free list is free raw materials. But he has that now, he can buy his wood surely as cheaply in Canada as any place else in the world. He shakes his head, no, there are a few other things on which he pays duty. He pays on the nuts and bolts he puts into his plough.

Mr. CURRIE: They are made in Canada.

Mr. CARVELL: The man who makes them in Canada charges the consumer in Canada the duty.

Mr. CURRIE: The plates are not made in Canada.

Mr. CARVELL: My hon. friend either brings in or buys from the Canadian manufacturer nuts and bolts and pays duty on them. I want to know how many pounds of nuts and bolts he will have in an ordinary plough? More than half a dozen? I guess not. He will pay duty on a half dozen and what do you suppose that duty comes to? Three-quarters of one cent per pound so he will have to pay about four cents duty on the nuts and bolts he puts into a plough. Yet he must have 20 per cent on the whole finished product in order to pay that four cents duty for nuts and bolts.

Mr. COCKSHUTT: Is there no ad valorem duty in addition to the three-quarters of a cent?

Mr. CARVELL: Yes, 25 per cent.

Mr. COCKSHUTT: Oh, yes; 25 per cent.

Mr. CARVELL: But on the little half dozen pounds of nuts and bolts, the 25 per cent is so small it should not be counted.

Mr. STANFIELD: Every little helps.

Mr. CARVELL: Yes, every little helps. My hon. friends grab at straws, they cling to any little argument but do not deal with the main issues. Could we reduce the duty on farm machinery? I do not see for the life of me how the Minister of Finance can justify the retention of this duty on farm machinery with a surplus of $55,000,000 and an estimated surplus for the next year of $85,000,000. I cannot understand how it is possible to justify it. There is not a farmer in the Dominion of Canada who is not compelled to buy farm machinery to some extent and he is compelled to pay that duty every time he buys it. There is no use my friend saying it is as cheap in Canada as in the United States. It is not, and the hon. member for Brantford admitted it last night. He admits that farm machinery is cheaper in the United States than in Canada and if you take off three-quarters of the duty you would still have enough left to more than provide for the duty the manufacturer has to pay on his raw material. Last year we imported of farm machinery, including traction engines and ploughing outfits, $13,128,327 worth. Of wagons, &c., we imported $772,035, and of gasoline engines, which have really become an article of farm machinery, $2,864,693, or a total of $16,865,055 upon which we paid a duty of $3,373,000. If that was all, I perhaps would not have as strong a case as I have today. My hon. friend, if I stopped there might say: Well, we cannot compete with the rest of the world; it is true that we have the best article, it is true that we have done all we can do, and yet they bring in $17,000,000 worth over a tariff wall and pay 17 per cent to 25 per cent duty. But let us take the other side of the picture. These same gentlemen who have to have a duty to protect them of from 17 per cent to 25 per cent in order to compete with the American manufacturer, actually last year sold outside of Canada the enormous amount of $5,671,838 worth. Can any reasonable man tell me or try to argue logically with me or anybody else that three firms in Canada who can manufacture and compete with the rest of the world and sell in the markets of the rest of the world $5,671,000 worth of farm machinery need a protection of from 17 per cent to 25 per cent in order to manufacture machinery for the home market and are compelled to charge the home consumers 20 per cent more than he can get the same goods for elsewhere? The thing is not logical or common sense, it simply means that for the benefit of these manufacturers the farmers of Canada are compelled to pay about one-fifth more than they ought to for their farm machinery, and they could reduce the duty on farm machinery one-half, yes, three-quarters, and still these men would not be hurt. They would carry on business just the same, they would not make as much money, I grant you, but they do not deserve to. The farmers of Canada would have a chance, they would have an innings sometime and get that to which they are entitled, which they will get in the end, the agitation for which my hon. friends have not heard the last.

The hon. member for Selkirk (Mr. Bradbury) last night was inclined to differ with the hon. member for Brantford (Mr. Cockshutt). There was a lively tilt, sub rosa, between them. I would like to hear the hon. member for Selkirk make some remarks on the budget and hear what he has to say about the duty on farm machinery, My hon. friend from Portage la Prairie (Mr. Meighen) discreetly keeps out of the Chamber, but I would like to ask him to tell us what he thinks about it. I would also like some of my hon. friends opposite who represent farming constituencies in the province of Ontario to give us their views on this subject.

Mr. BRADBURY: When a motion was made in this House by the hon. member for Portage la Prairie for the reduction of the duty on farm implements, did my hon. friend support it?

Mr. CARVELL: I do not think I did. If it was moved, it was moved in a way that would make it a vote of no confidence in the Government, and I would not vote to turn the old Government out of power. Since I have been a member, and I have been here since 1904, the matter has never been brought up on its merits. It is true that when the last tariff was brought down, some Conservative members from the West introduced on the third reading, I think, an amendment that there should be a re-

duction of the duty on farm machinery, but they took mighty good care not to introduce it at a time when it could be treated on its merits, or otherwise than as a vote of no confidence. But that was six years ago. Things have changed in six years, and there is no use of my hon. friends opposite asking, what did you do when you were in power? We were turned out of power; if we sinned we paid the penalty. The question is what is the Minister of Finance going to do to meet present day conditions under which he has a surplus of $55,000,000. What are the Government going to do about it? That is what we want to know and what the country wants to know. If the hon. member for Selkirk (Mr. Bradbury) has any question to ask, let him ask the Minister of Finance what he is going to do about it. But my hon. friend is the very last man in the world to make trouble for the Minister of Finance. If the hon. minister has no more dangerous a man to fear than the hon. member for Selkirk or the hon. member for Portage la Prairie, he is absolutely safe. He can allow the hon. member for St. Antoine (Mr. Ames) and the hon. member for Brantford (Mr. Cockshutt) to direct his policy. There will not be any trouble, and the Government will not go to pieces because of a vote of no confidence moved by my hon. friend from Selkirk.

Mr. BRADBURY: I may be in the same position as that in which my hon. friend found himself.

Mr. CARVELL: There is another matter which seems to me to require consideration. It does not affect the farmers of Canada to any great extent, but it furnishes an argument along the line I have been following. I refer to an article which is not a necessity to the farmers of the country, but a luxury. Still in my judgment the duty upon it, is far beyond what it ought to be. I refer to the duty on automobiles and motor vehicles of all kinds, a protection of thirty-five per cent. These vehicles are not necessities to the farmer, they are luxuries, but they are becoming a necessity to many of my constituents. The farmers are just as anxious to have an automobile as I am, and they are buying them, and will continue to buy them.

Mr. CURRIE: They are prospering under the national policy.

Mr. CARVELL: To some extent they are prospering. If my hon. friend wants comparisons, however, I can tell him that for every farmer in the county of Carleton who has an automobile, across in the state of Maine, where they have the market of which my hon. friends were afraid, there are five hundred. I could take him to one little township in the state of Maine where they have that market, and where he will find six hundred automobiles in the hands of farmers.

Mr. WHITE: What is the United States tariff on automobiles?

Mr. CARVELL: I cannot tell my hon. friend, but you can buy an automobile in the United States for about two-thirds of what it costs in Canada. An automobile that costs $1,500 in Canada can be bought across the boundary line in the State of Maine for $1,085, and it is exactly the same class of vehicle, manufactured by the same people, and with the same interchangeable parts. I own one of them, and know what I am talking about. I might give a little illustration from my own experience last summer. I was called out into the country to see an old gentleman who was supposed to be in extremis, and who wanted his will drawn. I found a good Conservative doctor attending him. He wanted to know what a certain car was selling there for. I told him $1,500. The doctor had been driving a little runabout, but he had caught the automobile fever and asked what that car would cost over in the state of Maine, the boundary of which was just a mile and a half away. I said $1.050. He said it was highway robbery. I said to him: when you had a chance to vote for it, you voted against it. The boys laughed and the doctor moved on.

Mr. MACDONALD: Did the old man die?

Mr. CARVELL: No, the old man is still alive.

Mr. CURRIE: They have their own market in the United States, and can make their cars cheaper.

Mr. CARVELL: I just mentioned this incident to show that we do not need a protection of thirty-five per cent on automobiles. Personally, I do not care very much about it, because an automobile is something without which the farmer can get along, although he would like very much to have one, and if the duty were reduced, thousands of farmers would be able to purchase automobiles who are not able to do so to-day.

Another phase of the subject is that relating to boots and shoes. I suppose that my hon. friend from St. Antoine (Mr. Ames) would feel that I was not treating him with courtesy if I did not refer to that. In looking over the trade returns for the last eleven months, I find that we practically imported no boots and shoes at all. The figures show that $225,000 worth of boots and shoes were imported from the whole world during the last eleven months, showing that the tariff wall is so high that we are compelled to buy our boots and

shoes from the home manufacturers. When a man tells me that I can buy boots and shoes as cheaply in Canada as in the United States, I say he does not know what he is talking about. All he has to do is to run a shoe business ten or fifteen miles from the boundary line, anywhere from Ste. Croix to the Pacific ocean, and he will find that while perhaps you can buy heavy shoes fairly cheap in Canada, the moment you want a good article, especially ladies' shoes, to advantage, you have to go to the United States. If a Canadian woman, who I think is a little inclined to smuggle, is within ten miles of the border, she will go to the United States to buy her shoes, because she will get a better article for less money. If the Canadian manufacturer produced as good an article, and sells it as cheaply as the producer in the United States, I ask the Minister of Finance, why does he not take the duty off boots and shoes? The great American Republic is going to be thrown open to our Canadian manufacturers, and if the latter want a larger field, they have 100,000,000 people to whom they can sell boots and shoes. If they can produce these articles as cheaply at home, and I believe they can, then throw down the tariff wall and let the Americans come in here, and we will go over there. As the hon. member for Brantford said, if you have a big market, if you can manufacture those things by the million instead of by the hundred, you can sell them cheaper, and if the American tariff wall is going to be thrown down let us throw down our tariff wall. If we can get a better article cheaper we will get the benefit. If the hon. member for Brantford is right, our people will have a chance to expand their business. But I think I can see the electricity flying around the seat of the hon. member for St. Antoine if the Minister of Finance attempted to touch the sacred duty on boots and shoes. My hon. friend from St. Antoine would not treat the minister in the patronizing manner he did yesterday, and the minister would find the fury of the whole Tory party vented on him if he attempted to touch that sacred subject.

Mr. AMES: Is the hon. member aware that, when the Liberals came into power, the duty on boots and shoes was twenty-five per cent, and that they raised it to thirty per cent?

Mr. CARVELL: I am perfectly aware of it; my hon. friend is not giving me any news. If he had been listening to what I said this forenoon, he would have found that I did not defend my political friends. My political friends listened to him and the likes of him and they got their reward, and in some cases it was a just reward.

Mr. CLARK (Red Deer): By way of bringing this matter up to date, would the hon. gentleman tell me what it is proposed to do with boots and shoes under President Wilson's tariff?

Mr. CARVELL: It is proposed to make them free.

Mr. CLARK (Red Deer): That is up to date.

Mr. CARVELL: That is up to date. My hon. friend (Mr. Ames) will use the old argument: If you make boots and shoes free, you must make leather free. I admit that. Every man who has protection in Canada charges for his goods the price plus the protection. The man who produces leather enjoys a protection of from twelve to fifteen per cent and he makes the consumer pay that duty every time, but the man who produces boots and shoes has a protection of thirty per cent. Does my hon. friend from St. Antoine wish us to believe we cannot make boots and shoes as cheaply in Canada as they can make them in the United States? Why, it is all the same combine; they all use the same machinery; they get as cheap labour in Canada; they have cheaper power; the people live as cheaply, and he cannot contend that the Canadian workman does not turn out as much in a day as does the American workman. Under these conditions you can make boots and shoes as cheaply in Canada as they can make them in the United States if the raw material costs the same. Why does the maker of boots and shoes have a protection of thirty per cent, when the leather manufacturer has a duty only of from twelve to fifteen per cent and even the leather manufacturer is not entitled to what he is getting because he gets his hides free. Argue it any way you have a mind to, the time has come when we have to face these great problems and we have to face them in a businesslike way so as to reduce the cost of living which has become almost intolerable.

Mr. CURRIE: Does the hon. gentleman think the duty should be taken off leather?

Mr. CARVELL: I did not say so; I said it should be reduced, and that brings me to that branch of the case which my friends opposite expect me to discuss, and that is what I would do about it.

Mr. AMES: Are you speaking for your party?

Mr. CARVELL: No, Sir, I am speaking for myself; I am speaking for what I believe to be the proper policy for Canada, and the policy which I believe my party will adopt, and the policy which my friends opposite would do well to consider. I have shown—

Mr. AMES: Show where your party stands.

Mr. CARVELL: If the hon. gentleman will possess his soul in patience he will find where I stand, and I am only an humble individual member of the party, I have the honesty at least to state what I believe and I am going to state it, and if my hon. friend does not like it he does not have to take it, and if I do not represent my party I do not do him any harm. But what the hon. member is afraid of is that I am representing my party, and I know that I am not only representing a great many in my party but I am representing a great many in his party, and I certainly am representing millions of people in Canada whose views will prevail in the near future. I have shown that we are paying duty on fruits and vegetables which come into this country at a time of the year when our own producers have not these fruits and vegetables, and which if put on the free list it would hurt nobody. I have shown that we paid last year $345,000 duty on eggs which were not produced in Canada at the time of the year they were imported here, and the importation of which free of duty would hurt nobody. For the first four months of the fiscal year, 1912, April, May, June and July, when eggs are being produced in thousands in Canada, we only imported $605,000 worth, but in October, November, December, January, February, when eggs are scarce in Canada, the amount ran up to $2,456,000 worth, or an increase of one and a half million dollars in the last five months of the fiscal year as compared with the previous six months. The importation of eggs when they are not to be had in Canada would, of course, not hurt the Canadian producer. Then, as to butter: in the months of April, May, June, July, August and September, the first six months of the fiscal year, when we were producing butter in this country we only imported $658,000 worth, but in the next five months of the fiscal year we brought in $1,170,000 worth, most of which came from New Zealand. In these months of the year we were not producing butter in Canada, but nevertheless we made the consumers pay the duty on the imported butter they consumed. There is no doubt at all that we had to pay the duty on this butter because we have to compete with the London market which regulates the price of butter for the whole world. You can transport a pound of butter from New Zealand to London a great deal less than you can from New Zealand to Toronto and therefor the Canadian consumer has got to pay the London price plus the duty, because if he did not do so the butter would go to London. The very fact that it comes to Canada is proof that the consumers here pay the duty.

Mr. AMES.

Mr. CURRIE: The hon. gentleman would take the duty off eggs and butter?

Mr. CARVELL: Most certainly I would.

Mr. BENNETT (East Simcoe): Then why do you not move to do it?

Mr. CARVELL: Yes, and I represent a constituency of farmers and I am not afraid of my farmers and I am not afraid of the farmers anywhere in Canada when the real facts of the matter are placed before them. Am I to be told that when butter gets up to thirty cents a pound wholesale price, it is necessary to put a duty on it. It is an outrage to do so. How is the poor man earning $1.50 a day to provide butter for his family when he has to pay thirty cents per pound for it wholesale.

Mr. MARCIL: Fresh eggs sold in Montreal last year as high as seventy cents a dozen.

Mr. CARVELL: Yes, but that is not the ordinary price, although eggs sold all over Canada at from thirty-five to forty cents a dozen, and in the big cities at from fifty to sixty cents a dozen. Does anyone mean to tell me you should keep a duty on eggs and make the labouring man pay fifty cents a dozen, especially at a season of the year when these eggs are not produced in Canada.

Mr, THOBURN: Would you leave the duty on anything?

Mr. CARVELL: Yes, I would. I would give my hon. friend about half the duty on the cheap woollen goods he is producing. I am willing to give the rest of them some protection. My friends opposite ask me what I would do. In the first place, I would make free every article of foodstuffs that we can send free into the United States to-day, because the United States is our great market. Eggs come very largely from the United States.

Mr. THOBURN: Are you sure of that?

Mr. CARVELL: During the first eleven months of the last fiscal year, we imported from Great Britain 6,030 dozens eggs; from the United States we imported 11,529,686 dozen eggs, and from the rest of the world 60,000 dozen. Is my hon. friend satisfied?

Mr. CURRIE: What about butter?

Mr. CARVELL: I think I can convince my hon. friend that there is not very much difference between eggs and butter. He will find the information on page 230 of the unrevised monthly statements of the Trade and Navigation Returns for February. These are the latest figures I have. Last year we imported from Great Britain under the general tariff $8,578

worth; I do not know what 'under the general tariff' means in this case. We imported from the United States $309,857 worth; from Australia, $25,212 worth; from New Zealand, $6,347 worth; from all other countries $951 worth. Under the preferential tariff we imported from Great Britain $151,267 worth, and from New Zealand, $1,327,922 worth. Therefore, the greater portion of all the butter imported into Canada came from Great Britain and New Zealand; but where $1,400,000 worth came in under the preferential tariff, $309,000 worth came from the United States, or over one-fifth as much butter came from the United States under the general tariff as came from the British Empire under the preferential tariff. I hope and pray that this Government will take the duty off all foodstuffs which are allowed to go into the United States free of duty. I would not have the duty taken off foodstuffs which we cannot send into the United States free of duty. We have to sell our surplus products somewhere. The United States is our market. I think this Government ought to increase the British preference, not a nominal increase, but a real, genuine increase.

Some hon. MEMEBRS: Oh, oh.

Mr. CARVELL: Why do my hon. friends jeer? My friends, who wrap the flag around them and say, We want no truck or trade with the Yankees; my friends, who say, Hold on to the flag and save the Empire—when I say that they ought to increase the British preference, I am the subject of their derisive laughter. I advocated a British preference when addressing this House on the reciprocity question in March, 1911. I advocated it when discussing the Speech from the Throne last November. I advocate it to-day. I want to encourage trade with Great Britain rather than with the United States, disloyal as my hon. friends think I am. I would rather trade with the Old Country than with a foreign nation. I want to see this Empire knit together for the common good, just as much as my hon. friends opposite do, but I do not want to see that done at the cost of almost the heart's blood of the people of Canada. I want to see the British preference increased so that the labouring and consuming people of Canada may have a chance to buy everything which comes from that country at a cheaper rate than they are buying it at to-day. When that happens, they will be able to buy it more cheaply if it comes from any other part of the world, and to buy it more cheaply in some cases if produced in Canada, because the Canadian producer is bound to meet all competition. There is nothing that strikes terror to the hearts of the manufacturers of Canada so much as the word 'British preference.' A proposition was put up to the Canadian Manufacturers' Association at their last meeting that they should advocate British preference. They treated the whole matter with scorn and contempt; they made a joke of it and refused to consider the matter.

Mr. THOBURN: Does my hon. friend advocate having a preference in the British market for any article we have to sell, in return for the preference that Canada has on goods coming from Great Britain.

Mr. CARVELL: No loyal Canadian would want to increase the cost of the food that goes into the mouth of the British workman. You cannot give the Canadian producer a preference in the British market without doing that. That was the reason that the policy of tariff reform has been abandoned in the Old Country. It was seen that the people would not stand for it and that it was illogical. If my hon. friends opposite have no more loyalty than to say that they will not allow British produce to come into Canada under the preference until the British people give us the preference in their market, they are not the loyal people they profess to be.

Mr. THOBURN: What would you do?

Mr. CARVELL: I would put those men, that are running little one-horse woollen mills, with antiquated machinery about fifty years old in them, where they would have to put in new machinery and do business on business principles or get out of the business. I would put them where they would not wring money out of the pockets of the people of Canada. You can manufacture woollen goods in Canada almost as cheap as you can in any other country in the world. You have cheap power; your labour is no greater and you can get the machinery practically as cheap, because much of it comes over free of duty. The Canadian producer can turn out as many yards of cloth in a day as the English producer can. So, if you have the same machinery and the same conditions, you can do as good work. But the trouble is that you have 35 per cent duty on woollen goods.

Mr. THOBURN: No, Sir.

Mr. CARVELL: I say, we have. My hon. friend will have a chance to talk if he wants to. We have a duty of thirty-five per cent on goods coming from countries outside the British Empire, and of from twenty-two to twenty-five per cent on goods from within the Empire. And these manufacturers go on with their antiquated machinery and say they have to have big prices or they cannot live. Why, it is absolutely preposterous. I will give an example of one case that came within my own observation. In my own town, eight or nine

years ago, we had a little mill such as I have described. Its machinery was thirty or forty years old, and its methods were inefficient. It went to the wall, owing about $8,000 to the bank. The manager of the bank took hold of it. He had no experience and he had machinery about half a century behind the times. But the protection on the goods was so great that in three years he had wiped off the debt and had the property free of all charges and expenses. Is it reasonable to have a tariff which will allow such conditions as that? It can only be done under conditions of law that make the people pay more than they ought to pay for their goods. I do not know how much these duties can be reduced, but I believe the business could stand an enormous cut. And the effect of a cut would be to make these manufacturers employ modern methods and be satisfied with reasonable profits. I do not wish to drive manufacturers out of business; I should be very sorry if a word of mine should drive out of business a single manufacturer; I am as anxious that these people should thrive as is my hon. friend from West Lanark (Mr. Thoburn), and believe just as much as he does that manufacturers are necessary to the country's prosperity. But I believe that the consumer has as good a right to live as the manufacturer has to live and grow rich.

Now, reverting to cottons; they have not so great protection as the woollens. I think the greatest sinners in this matter are the woollen manufacturers. As I said before lunch, the cotton industry is in the hands of one combine whose stock has been watered three or four times. And, in a few years, if we propose to raise the duties, the cry will be raised by innocent purchasers everywhere that they will be wronged if the dividends on stock for which they paid good money are not paid. The cement merger is probably the best example of that kind of operation. Three or four years ago, some financiers bought up practically all the cement plants in Canada, paying for them about $9,000,000 or $10,000,000. They issued bonds and preferred stock to pay for the plant, and then issued $13,000,000 of common stock, which has been sold to innocent purchasers and distributed all over the country. In the course of five years there will be thousands of people holding this stock for which they have paid good money. If, after that time, you propose to reduce the cement duties, these people will come forward with a just grievance. I tell you now is the time we have to grapple with these things. These trusts and combines are the product of only the last four or five years.

An hon. MEMBER: Why did not you grapple with them?

Mr. CARVELL.

Mr. CARVELL: Why did not we grapple with them? Why, these trusts and combines are the product of only the last three or four years.

Mr. BRADBURY: The cement merger was created under the Government that the hon. gentleman supported.

Mr. CARVELL: That is exactly what I said—that it was created three or four years ago; the hon. gentleman has simply found a mare's nest. I have not tried to deceive the committee one iota, and where my hon. friends were to blame I have acknowledged it. Some of these hon. gentlemen opposite, including the hon. gentleman who occupies the Chair in this House, were anxious when in opposition to investigate that cement merger, and many of us were anxious to have them investigate it. Now they are in power and have every chance to make an investigation; but if they were in power till doomsday with men like the hon. member for Selkirk (Mr. Bradbury) supporting them it would never be investigated. I have mentioned this matter only to show the iniquity which is growing up under our system of high protection. There is no use of hon. gentlemen opposite saying: You are to blame. I admit our share of it. But the conditions have changed within the last three or four years, and are changing very rapidly. There is hardly a big industry in Canada that has not been reorganized, and for every dollar of cash in it a dollar of water has been added. In a few years, that common stock will be in the hands of bona fide holders everywhere; these men who manage these big combines do not keep the common stock themselves; they get the good cash for it. The time to meet this thing is now; you cannot meet it too soon; you cannot too soon reduce duties to prevent the growth of these great mergers in Canada. The condition grows worse every day. You are not only taking from the consumer and the labouring man what you have no right to take from him, but you are creating conditions which it will be almost impossible to meet in five years' time. Innocent people are buying this watered stock, and if a reduction of duty is proposed these people can in all fairness come to Parliament and say: You have no right to interfere with the duties in such a way as to prevent our receiving dividends on which that for which we paid good money.

As to how much the duty could be reduced, I do not know. I have not taken the trouble to investigate that question, and some hon. members might say I have not the ability to do so. But that is the Finance Minister's duty, not mine. If I have depicted a condition of affairs that ought not to exist, it is the duty of the Finance Minister to apply the remedy. It

is his duty to get the information—it is his duty to go on with the tariff commission if he thinks that necessary to the purpose, so long as he does not make it a means of preventing us from finding out what water is in the stock of these enterprises—it is his duty to learn the facts and to submit to Parliament some measure that will relieve the people of unjust taxation. He has come before Parliament, and with what result? The mountain in labour brought forth a mouse. He reduces the duty on sugar to the extent of twenty cents per one hundred pounds—I suppose that is about three or four cents on a dollar's worth—and to meet that he has put a duty on cocoa and products thereof which have been free up to the present time; and then he says he has tried to ameliorate the condition of the masses. He has done worse than that, he has made a treaty with the British West India islands for ten years by which he has absolutely precluded himself from putting sugar on the free list, because under all conditions he must retain the duty on sugar coming from all parts of the world except the West India islands only, to the extent of fifteen cents per one hundred pounds. If there is an article of consumption in Canada that ought to be placed upon the free list—something which the poorest man in the country must have for himself and his family—it is sugar; and yet these hon. gentlemen have tied their hands and made it impossible to give this boon to the people for the next ten years. If my hon. friend had reduced the duty on raw sugar to fifteen cents, had then reduced the manufactured article accordingly, it would be something of which he might be proud. But when he comes to this House and says: 'We have reduced the duty on sugar twenty cents a hundred pounds,' I can only say that that means practically nothing. It is true that the sugar magnates, after my hon. friend had delivered his budget speech, said: We have reduced the price of sugar twenty cents a hundred pounds. But the matter is all in the hands of a combine, and the price will rapidly go up, five cents this week and five cents next week, until it will be as high as ever. Hon. gentlemen talk about the reducing of the cost to the consumer because the raw material is reduced twenty cents a hundred pounds. If you went to the Canadian Manufacturers Association with that proposition, they would meet it with the same derision as that with which they met the proposal to increase the British preference. If my hon. friend had reduced the duty on the manufactured article to correspond with the reduction on raw material, he would have given the people some real measure of relief, for the foreign manufacturer could send his sugar into this country that much cheaper.

I do not accept the argument advanced by the hon. member for St. Antoine (Mr. Ames) last evening, that the moment you reduce the duty you drive the manufacturer out of business. I have a number of reasons for not accepting that argument. In the first place, I claim to have a little common sense and ordinary intelligence. I have been trying to carry on a manufacturing business in a small way for ten or fifteen years, and I have at least gained some experience which is of value in discussing matters of this kind. No man need tell me you have got to have from twenty-five per cent to thirty-five per cent in order to manufacture goods in Canada; I do not believe it. No man need tell me you have got to have from fifteen per cent to twenty-five per cent protection upon cotton goods in this country; I do not believe it. No man need tell me you have got to have from seventeen and one-half per cent to twenty-five per cent in order to manufacture farm machinery; I know better. It is needless to say that you have got to have protection of thirty per cent duty in order to manufacture boots and shoes, in view of the fact that leather is taxed from twelve per cent to fifteen per cent. The Conservative party have never repeated the wail they sent up when the late Government introduced the British preference in 1897. They said then that the factories would be closed; that there would be smokeless chimneys all over the country, and they preached blue ruin generally. What has been the result? Have the factories closed down? Where there was one factory in Canada in 1897, there were three in 1910. In the face of the British preference, the manufacturers of Canada have never in their history made such strides as they have made during the past ten years. Reduce the duty, and you put the people in a better position to buy; the manufacturers will do a bigger business. They will make as much money as ever, and make it not by means of I might almost say the highway robbery which, so far as the labouring man is concerned, appears to be their practice to-day. The hon. member for North Lanark did not close his shop when the British preference was brought into effect, and knows that he would make more money if the duty were cut in two. There is not a manufacturer in Canada who would close down his factories if a reduction in the duty were made. If the Conservative party will preach to the labouring men of Canada the doctrine I have expounded to-day, my hon. friend the hon. member for North Lanark can post up notices until he is black in the face and he will not convince the people that a reduction of duties will be harmful. The day of high protection is gone. Certain persons

have tried to resurrect it in Great Britain, and they have failed; it is receiving its death-blow in the United States, and Canada is the only civilized country in the world to-day in which there is a government that will stand up and openly defend high protection. I hope my hon. friend will take this to heart, and that he will consider the plea I have made to-day on behalf of the farmers, the labouring men and the consumers of Canada. I hope he will bring down a budget speech next year in which he will announce that steps will be taken to alleviate the sufferings of the people to some extent, and if he does he will find at least one member on this side of the House who will say amen to every step in that direction.

Mr. J. W. EDWARDS (Frontenac): I may, I think, very properly offer my congratulations to the hon. the Minister of Finance, as has been done by every speaker who has preceded me in this debate. It must be very pleasing indeed to him to realize that no very serious criticism of his budget speech has been made, and to find that it has been received as it has been by members on both sides of the House. I do not think, however, that any hon. gentleman would expect the hon. member who has just taken his seat (Mr. Carvell) to speak for an hour without finding fault. In the earlier part of his address he made a personal attack upon the hon. member for North Lanark (Mr. Thoburn), than whom there is no more highly respected gentleman in this House. And when rebuked for his uncalled for words, by one of the members on this side of the House, he said: 'Well, I stand by them.' These words, and the tone in which they were uttered, were characteristic of the hon. member for Carleton. I think I am correct in saying that he has never been noted in this House, and, I venture to say, out of this House, for any sentiments of generosity towards his political opponents. His largeness of heart will never rupture his wish-bone. The words 'robbery,' 'legalized robbery,' and other kindred terms, fell fluently from his lips during the course of his speech; I think there is no person more qualified to express an opinion upon so delicate a point than is the hon. member for Carleton. I would ask hon. gentlemen not only on this side but on the other side of the House, who have had the privilege of sitting here for a number of years and who have noted the career of the hon. member for Carleton; who have seen him in season and out of season defending saw-dust wharf transactions, land deals, and the like; I would ask hon. gentlemen if there is any person in this House who believes that there could be anything politically so evil and crooked that it would give to the member for Carleton, N.B., the shock of a new experience. For my part, I am of the opinion that you could not discover anything that would impart to the hon. member a shock of that description.

Mr. CARVELL: If the hon. member has any charges to make against me personally for my conduct during all the time I have been in Parliament, in my handling of public affairs, in my dealing with the departments of the Government, I want him to be man enough to make them. I challenge the fullest investigation of my conduct.

Mr. EDWARDS: If I were like the hon. member for Carleton, New Brunswick, I would at once give a kind of contemptuous laugh and say: Oh yes, the shoe must pinch or you would not get up. I was drawing conclusions from my observations of the career of the hon. member since I have been in this House and have had an opportunity of observing it. I knew that he was possessed of very versatile talent, which he has very assiduously cultivated, but I do not think that any member has ever suspected that even the hon. member for Carleton could perform such feats of political gymnastics as he has performed to-day in this House. I think that he has proved beyond the shadow of a doubt that he is entitled to the medal as the champion political acrobat of the Grit party, and in being entitled to that medal he has achieved no small distinction when we consider the number of competitors for that title on the other side of the House. His turnings and twistings on matters of trade and tariff would make a snake turn green with envy. In all the speeches I have heard in this House I have never heard anything so twisty and turny as the speech delivered by the hon. member to-day. In the course of his remarks he gave us the information that the labouring men in the town where he resides were so thoroughly impressed with his arguments in regard to reciprocity that they gave him the largest majority that had ever been given to him in that town. If that is true as regards the labouring men in the town where he resides, it must also be true that of the rural parts of his constituency he did not get a majority because I understand that his total majority was only nine, and I believe that if he had not taken an unworthy advantage of a little technicality and refused to allow a recount, he would have found himself in a minority of sixty or seventy without a seat in this House at all. He said: I always argued that the farmer would get a better price if reciprocity passed. He went on to argue that the price depended upon the relation of supply and demand, a basic principle generally acknowledged. But he said the Canadian produce would not materially affect

the price if it went into the United States, because the amount of Canadian produce going over there would be small compared with the total supply and so would not materially affect it. In one breath he is arguing that if reciprocity had passed, the Canadian farmer would have received a better price for his stuff; but he then goes on to prove that the supply would not be materially affected in the United States if our stuff went over there, and consequently there would be no material change in the relations of supply and demand, and no change in the price. Taking his argument in connection with the statements made by the hon. member for Maisonneuve (Mr. Verville) that the prices in Montreal were higher than the prices in New York, I fail to see how he can argue that had reciprocity passed and our goods been admitted in to the United States it would have meant a larger price to the farmer. He argued that if reciprocity had passed there would have been a very largely increased market for Canadian farm produce. If his other argument was correct, that there would be no material advance in price in New York or in the United States, and that the supply over there was sufficient, in fact, so large that what we would send would not materially affect that supply, I ask where would our farmers get the very much enlarged market? If his argument is right it could not be in the United States. A little later he said: I always said that the consumer would pay more on every item in the pact. Yet he supported the pact in this House and before the country.

The hon. gentleman now sheds tears because of the price the consumer is paying for goods. As I said before, he has a most peculiar mode of reasoning. The hon. member referred at some length to the matter of potatoes. I do not think his statements on this subject will be taken very seriously because he did not even seem to know when potatoes are grown, or what time of the year we dig potatoes. He was entirely at sea on that. Let us see what the position is in regard to potatoes. As I understood him, he would allow potatoes to come in free not only from the United States, but from other countries as well. The favoured nations which would have had the right to send their produce to Canada on the same terms as the United States in case the reciprocity pact had passed, export annually nearly twelve million bushels of potatoes, all of which would have had the right to come into Canada in the event of that pact having passed. I am perfectly willing that the hon. gentleman, or other hon. members on that side of the House, should argue in favour of throwing down the bars and allowing all this stuff to come into the country free of duty, but I would not like to see any member on this side of the House argue in that way, and I am confident that this Government will not support any such move. I am confident that the farmers of this country would not like to see the idea thrown out by the hon. member for Carleton, N.B., carried into effect. It would be most unfair to them and I really think that in his heart he must see that himself. He refers to the introduction into this country of tomatoes, strawberries, &c., and said that they would have come in free, had reciprocity carried, at a time when our produce was not ready for the market in this country. Is that fair to the producers of fruit in this country? He was arguing, as his party argued in 1911, in favour of allowing the products from the warm country to the south and from other countries to come into Canada and get the cream of the price on all these goods and articles which people want to use. If tomatoes, strawberries and raspberries can be produced on the other side of the line, as they can be, cheaper than here, if they are brought into this country before ours are ready, as they are, who buys them? It is the rich people who are able to pay the high prices for them, and there is no duty in our tariff which we are better justified in collecting than the duty imposed upon these early fruits and vegetables coming into this country and being used by the very wealthy classes who are able to pay the price for them. I am surprised at the hon. member for Carleton—no, I am not surprised at him; I will take that back. I will say that I would have been surprised if any other hon. member had argued in the way he did this afternoon. At one time we have tears and wailing over the price paid by the consumer and the labouring man for his goods; at another time, we find him advocating that these early fruits should be brought in free of duty so that they could be placed on the table of the rich man in this country. The people of this country knew perfectly well what they were doing, and all the sophistry and argument of the hon. member for Carleton, and of other hon. members on that side of the House, cannot convince them to the contrary, because they have common sense, and they used it at the last election. The hon. member for Carleton referred to eggs and butter and meats. I was very much interested in the figures given to the House by the hon. member for Maisonneuve (Mr. Verville). He said that the prices of various articles of food were higher in Montreal than in New York. The hon. member for Halifax (Mr. Maclean), in his remarks, referred to the very large increase in the price of farm produce in Canada, compared with what it was a number of years ago. Allow me to refer to one or two items alluded to by the hon. member for Carleton. He referred to the eggs, butter and meats imported into this

country. I shall not detain the House by going into details, for we can argue the principle without taking up all the articles. Let us see what is the position of affairs. What did my hon. friends opposite propose to do under the reciprocity pact? In regard to butter, they proposed to permit free entry into Canada of over 400,000,000 pounds of butter a year, because the countries, in addition to the United States, which under that pact would have had the right to bring their products free into this country, are annually seeking a market outside of their own country for over 400,000,000 pounds of butter. I need not point out how much more cheaply articles can be carried by water than by rail. Every person is aware of that fact. I need not refer to the fact that eggs and butter and meat in vast quantities can be stored away in very small space. I say it was absolutely unjustifiable to propose that the farmers of this country, living under the climatic conditions which they have, should be forced, as the last Government would have forced them, to compete with the various countries of the world in regard to these articles. In regard to meat, what would it have meant to this country? Over 2,200,000,000 lbs. of meat are exported by those countries which, under the reciprocity pact, would have had the right of free entry into the Canadian market. The United States export over 600,000,000 pounds of meat per annum. Let us see how that affects our own country. In the year ending 31st March, 1912, there were entered in Canada from United States, for home consumption, 23,343,989 pounds of meat. Of that amount, 11,233,000 pounds were bacon. Under the tariff as it exists in this country we permit those meats to come in for a duty of 2 cents per pound. The United States, on the other hand, is charging to-day 5 cents per pound on any meats going into their country. Do our farmers export any meat? Most assuredly they do. The Dominion of Canada has to find a market for 58,351,000 pounds of bacon outside of this country. Let us look at that for a moment. I have denounced the present tariff arrangement regarding bacon as unfair to the farmers. I denounced it when the former Government was in power, I denounced it last session, and I denounce it again to-day as unfair. Under our tariff we permit the American farmer to come into the Dominion of Canada and take possession of our bacon market, and the farmers of Canada are thereby forced to seek a market for their surplus bacon across the sea. I say that that is not as it should be, and I do not care which party is in power, I for one would be in favour of increasing the duty of two cents per pound on bacon coming into this country to four or five cents per pound. Who has a better right to the market in this country than our own farmers? What is the principle of protection? I would ask my hon. friends on the other side of the House who are interested in manufactures, and we have them on both sides, how they would like it if the tariff were so arranged that goods could come into this country from the United States or from other countries, and absolutely displace what they manufactured in this country, forcing them to seek a market for their product in other parts of the world, and denying to them a market at home? How would they like that? How would my hon. friend from Brantford (Mr. Cockshutt) like that? He would say it was manifestly unjust, and he would be right. In all fairness, the manufacturers of this country should have the first claim on the market of this country, and those who manufacture bacon are just as much entitled to it as those who manufacture anything else. But the hon. member for Carleton argues that we should throw down our bars, and allow the surplus products of all the agricultural countries in the world to come into Canada free of any incumbrance whatever. It is absolutely unfair, just as all the talk of free trade by the hon. member for Red Deer (Mr. Clark), and by the few other converts on the other side of the House, is manifestly unfair. It is not only unfair to talk of free trade in a country like Canada, it is absolutely unreasonable. I maintain that when it comes to the point of a Government fixing a tariff regulating the tariff on goods produced in and coming into a country, in all fairness to the people, the Government should take into consideration the climatic and other conditions pertaining, not only to that country, but to the countries which are competing with it. Why is it that we place a head tax on Chinese coming into this country? Is it merely for social reasons? Do we not recognize, as I am sure the people of British Columbia recognize, that because of their cheap and low way of living they can work for a wage that the white man cannot work for, that those people who are not up to our standard of civilization should not be permitted to come into Canada freely and at their will, and that we should place restrictions with the view of keeping them out of this country, because, if they were allowed to come in freely and to compete in the labour market, the standard of living of the white people would necessarily be reduced? If we are right in placing restrictions on the immigration of Orientals—and I challenge any man in this House, whether on this side or the other, to say that he would set aside the restrictions, and allow free entry of Orientals into this country—is it not logical that we should place restrictions upon the products of that cheap labour coming from China or Japan or any

other country? We Canadians are proud of the country we live in; our people will compare more than favourably with the people of any other nation on the face of the earth; we expect our citizens to educate their children; we set up standards of comfort and civilization; we wish our people to live in comfortable homes, and they wish to have their homes decorated with books and musical instruments. Is there a public man who would dare say he would so restrict wages that the workingmen of Canada would not be able to spend money in beautifying their homes and making them comfortable? Is there a public man in Canada who would dare to say that he would so restrict the wages of Canadian labouring men that they could not properly educate their children? And yet that is precisely what hon. gentlemen opposite are arguing. That is what the hon. member for Red Deer (Mr. Clark) and the hon. member for Moosejaw (Mr. Knowles) argue when they say: Throw the tariff down and force the Canadian labouring man and the Canadian artisan to compete with the cheap labour of several parts of the world. The position of these hon. gentlemen in that respect is absolutely illogical. Is it fair to the farmer of Canada, who has to pay $2 or $2.50 per day, and in some seasons more, to his labourer? Is it fair to the farmer who has to spend thousands of dollars putting up buildings in the winter to house his stock and feed them during the months they are giving no return? Is it fair to tell the Canadian farmer that he should be forced to compete with farmers living in the Argentine and other countries, who because of the climatic conditions they live under are not obliged to house their stocks and erect expensive buildings, and who can get labour for one-fourth or one-fifth what the Canadian farmer has to pay? Well, Sir, that is the kind of thing the Liberal party proposed to the people of Canada in September, 1911, and that is the kind of thing which the people of Canada in their good sense turned down, and that is why they turned the Liberals out.

The hon. member for Carleton (Mr. Carvell) did not offer any criticism of the budget speech. He said if there had been an advance in our trade it was due to immigration; it was due to this, that and the other thing, it was due to everything except the Government. The hon. gentleman even went so far as to say that thanks were due to the Almighty, which sounds a little strange from Liberals because I have a very distinct recollection that when the country was prospering, as it did prosper for years under the Laurier government, they very seldom gave Providence credit for anything; they told us the country was prosperous because of Laurier and the Laurier government. Once in a very rare while you would find one of them who would say the prosperity of the country was due to Laurier and the Almighty, but they invariably put the Almighty last, just as the hon. member for Carleton did this afternoon when he was speaking of the prosperity of the country and what it was due to. The hon. gentleman (Mr. Carvell) said if the country were prosperous no thanks were due to the Government because no change had been made in the tariff. Summarized, his argument was: the country prospers, no change in tariff; conclusion: change the tariff. That is very remarkable reasoning. His contention is that under the tariff the country is prosperous and therefore you muct change the tariff, and that is about the extent of his logic. Then the hon. gentleman (Mr. Carvell) told us that the expenditure was too high, but he did not say that any of the public works now undertaken are not necessary. The hon. member for Halifax (Mr. Maclean) said something like that too. He deplored the high expenditure, and I feel like asking him now if he would object to the $102,870 in the estimates for highway improvement in Nova Scotia—I need not ask him that because he has already objected to it; he does not want Nova Scotia to get that money. But, I notice in the estimates there is $500,000 for the Halifax dry-dock. Does the hon. gentleman (Mr. Maclean) object to that?

Mr. MACLEAN (Halifax): I do not think I would, so far as I know.

Mr. EDWARDS: There are several other items in the estimates, to wit: Halifax post office, $4,000; does he object to that; Halifax postal station, north end, $50,000; does he object to that? Halifax customs House, $2,500; Halifax customs examining warehouse, $100,000; Halifax drill hall, for the 63rd Regiment, $45,000; does the hon. gentleman from Halifax object to any of these items I have read?

Some hon. MEMBERS: Answer.

Mr. EDWARDS: Am I to take his silence as indicating that he does not object?

Mr. MACLEAN (Halifax): I do not object to some of them; some of them I do not know anything about. I do not object to any justifiable and necessary expenditure.

Mr. EDWARDS: That is a very diplomatic and skilful answer, and gives the hon. member a loophole to get through if necessary. But I venture to make the prophecy that when these expenditures come to be criticised in committee, we will find no objection raised by the hon. member for Halifax. I do not believe he will object to a single one of these items, not

even the one for the drill hall; and I would not be surprised if he might prevail upon his desk mate (Mr. Carvell) to restrain himself from objecting when that particular item is under our consideration.

The hon. member for Carleton (Mr. Carvell) told us that in his judgment his party had not gone as far as it should have gone in lowering the tariff. The judgment of the hon. member has undergone a very sudden change, and one which is apt to have very disastrous effects on him if he is not careful. For fifteen years his judgment did not work along the same lines as it is working on to-day. Now he thinks his party did not go far enough in regard to cutting down the tariff, but he says the Liberals gave the British preference and then they stopped. The reason he gave why they stopped was because the country needed the money; and that may be a very strong reason. He says that in 1910 and 1911 the Liberals found they were taking more from the people than they should take, and so they introduced the reciprocity pact. After fifteen years they found all at once they were taking more from the people than they ought to and they proposed reciprocity. Then, the hon. member for Carleton (Mr. Carvell) told us we should reduce the duties on farm machinery, and he further made the statement that he never had had the opportunity in this House since he entered it in 1904 to vote for a reduction of duty on farm machinery, on its merits. If I am not quoting his words accurately, I wish he would correct me now, but I took them down and I think my record of them is correct. He said: Whenever a motion was made for a reduction of the duty on farm machinery, it was always worked in with a motion of want of confidence or something of that kind. I may not be as well posted on the rules of this House as many other hon. gentlemen are. I think, however, I am right in saying that, when a Bill is in committee, any member may move to change a section in it without being charged with moving a want of confidence motion. What happened? On April 2, 1907, when the House was in Committee on Bill 134, respecting the duties of customs, the hon. Mr. Fielding's Bill, the hon. member for Souris (Mr. Schaffner), moved a resolution which was in these words:

That the committee reconsider item 445, and that it be amended by striking out the figures 17½ per cent in the general tariff, and inserting in lieu thereof the figures 10 per cent.

Mr. LANCASTER: What did the item relate to?

Mr. EDWARDS: It related to the duty on agricultural implements which Mr. Fielding proposed to reduce from twenty per cent to seventeen and a half per cent. I submit that there was nothing in that resolution, if it had been carried, to indicate a want of confidence in the Government. The Government were in a position to accept that motion, if they felt disposed so to do. I believe the hon. member for Carleton (Mr. Carvell) was in the House at that time, and was one of those who had the untrammeled opportunity to vote for a reduction in the duty on agricultural implements. Not only did he not vote for it, but he recorded his vote straight against it. He did not at that time speak to the resolution. The present hon. member for Moosejaw (Mr. Knowles) and the present hon. member for Assiniboia (Mr. Turriff) spoke against that resolution at that time. Here are some of the statements made. As reported on page 5597 of 'Hansard,' Mr. Knowles said:

I shall give the Government hearty support for I believe that the policy of the Government is in the interest of the country.

As reported at page 5582 of 'Hansard,' the hon. Mr. Paterson used these words:

I do not disguise the fact that we propose to give these people nearly the amount of reduction in duty that has been made. For it must be remembered that 17½ per cent is no more than a revenue tariff.

These are the words of the then Minister of Customs in the late Administration. If he did not disguise that fact, then the hon. member for Carleton knew that it was a bluff. What did the former Government do in regard to agricultural implements? Previous to this change, the duty was twenty per cent, but the value of a binder for duty purposes was $80. Therefore the duty collected at twenty per cent was $16. When these gentlemen made the reduction from twenty per cent to seventeen and a half per cent, what did they do? They said to the manufacturer: You need not be alarmed; we will fix that by simply raising the price on the binders for purposes of duty from $80 to $100, and will collect $17.50 duty on the binder, where formerly under the Conservative tariff $16 was collected. These hon. gentlemen went from one end of the country to the other, appealing to the farmers and saying: See what we are doing; we are reducing the duty on agricultural implements. This is only a step; we intend to go further, but you ought to support us because we have made this reduction. They turned around and winked the other eye to the manufacturers and said: The farmers will not catch on to it; it will be all right. The farmers did not catch on to it at the next election; but they caught on to it at the last election in 1911, and hon. gentlemen are in opposition and they are

there to stay. The time has gone by when the Grit party in the Dominion of Canada can hoodwink the people of this country. The farmers are too intelligent a class; they read and think for themselves, and they know just where these hon. gentlemen stand.

There are circumstances which happen in the political world which remind me of nature. The rains descend and the floods come and a good deal of driftwood is carried down the stream. Some of it sticks in the bank until the later current loosens it and carries it out to sea. In the political world, the floods of public opinion descended on hon. gentlemen opposite; and Messrs. Paterson and Fielding, the little pink tea Mackenzie King, Sir Frederick Borden, the Minister of War, and Mr. Fisher, the Minister of Agriculture, who had said that the farmers of this country were a slipshod, lazy and indifferent class of people, were carried away by the current. Some others stuck partly in the oozy bank and partly in the current, waiting the time when the flood would come down on them and carry them out into the sea of political oblivion. At that time one hon. gentleman was carried into the stream, but he was picked out and brought to the shore. I have often wondered about that. It reminds me of a picture of a mother bird feeding a lot of little nestlings. She comes with a little worm, and they all open their mouths and say in bird language: Me, me, give it to me. She cannot give it to all of them; she selects one, her favourite no doubt. That was the case here. They were all drifting down the current, Graham along with the rest, and were shouting to Sir Wilfrid Laurier on the bank: You have a seat down in South Renfrew; me, me, give it to me. Sir Wilfrid Laurier said: I do not want you, Mr. Paterson, or you, Mr. Fielding; you went down to Washington and ran us on the rocks. I do not want you, Sir Frederick Borden; there are certain things in regard to you that require explanation. We do not want you, Mr. Mackenzie King; you are too fond of pink teas; we will let you go by. We do not want you, Mr. Fisher, because you have said that the farmers of this country are slipshod, lazy and indifferent, and they have resented it. Come on, George! So the hand was reached out to George, and he was pulled out of the stream and led to a seat in this House.

Mr. LANCASTER: They let them all into the caucus just the same.

Mr. EDWARDS: That is as far as they got inside of the door of the caucus. I do not know whether they have had entry into the Senate Chamber or not; that remains to be seen.

We were informed by the hon. member for Carleton that trusts and combines only came into being within the last three or four years. I have some recollection of having read somewhere in Grit literature previous to 1896 statements which would indicate that the members of that party in those days were stricken with a sort of political hydrophobia about trusts and combines. But the hon. gentleman says they go back only three or four years. Under what tariff? Under the tariff which they themselves formed. They tell us that we are taking too much from the people in taxation. But under what tariff are we taking it? Under the tariff which they placed on the statute-book. It is true that that tariff does not very materially differ from the tariff enacted under Sir John Macdonald. That tariff they denounced for eighteen years, saying that protection was robbery and everything that was bad. They were going to uproot it, to destroy it utterly. They came into office in 1896, and they let the tariff strictly alone until 1907. Any changes they made outside the British preference were infinitesimal, as I think any honourable man will admit. And in 1907, when they professed to make reductions, they turned around and gave it back in the form of a bounty or some other way. The tariff stood practically as it has stood; and if the country prospered under that tariff, as I admit it did, that is to the credit of that tariff and of the Conservative party that inaugurated it. True, under the reciprocity pact hon. gentlemen opposite proposed to make a few little changes on manufactured articles. They were very much concerned about the interests of the farmer and were going to reduce the duty on agricultural implements by two and a half per cent. But evidently they had listened to such talk as that of the hon. member for Carleton, and they were going to reduce the duty on automobiles by five per cent. That is the way they showed their keen regard for the interests of the farmer.

In what condition did the Liberal party find this country when they came to power in 1896? I must go back a little into history, but I will try to be brief. I make this statement, that in 1889-90 there was a world-wide depression which continued for three or four years. Is it necessary for me to prove that assertion? It may easily be proved by referring to the exports and imports of various countries between 1890 and 1894. The total foreign trade of Great Britain fell off by $295,000,000; that of France by $160,000,000; that of Germany by $90,000,000; that of the United States by $310,000,000; that of Australia by $190,000,000;—an aggregate falling off for these five countries of over one billion dollars. It is true that Canada was affected by that

world-wide depression, but it is also true that there was no country in the world that came through that depression as well as Canada did. Her import trade remained about stationary but her exports increased by $17,000,000, her savings by $46,000,000, and her railways by 2,700 miles, while the exports of agricultural products increased 65 per cent. As reference has been made to the reduction of the tariff, I wish to call attention to the fact that the Conservative party at that time of stress—because at that time, I repeat, it was a world-wide depression and was felt in Canada—felt it incumbent on them to reduce the burdens of the people, and in 1890 they granted relief by taking the duty off the common necessaries of life to the extent of half a million dollars. In 1891 they struck the duty off raw sugar and reduced the duty on refined sugar thereby effecting a saving to the people of $17,851,000 in the four years from 1891 to 1895. In 1894 they made a general reduction of a million and a half in taxation. In other words the Conservative party at that time when the people were being affected by a world-wide depression, lessened the taxation to the extent of nearly $22,000,000.

I have already said that Canada came through that period of depression better than any other country in the world. As a result of this, she was in a better position than any other country to avail herself of the rising tide of prosperity which followed that period of depression, as can be proven by the statistics of trade of the various countries to which I have referred. The Northwest had passed through the experimental stage; the Canadian Pacific railway had been in operation for about ten years, and though it passed through hundreds of miles of territory from which it received no revenue, still it had even at that date demonstrated the wisdom of those who proposed it; the early settlers had made a success of their settlement in various parts of the West, particularly in Manitoba, and that was the means of attracting to that country a tide of immigration which taxed the resources of the Government of the day to look after properly. This was the condition of affairs in 1896 when the Liberal party came into power, and no government ever came into power under more favourable auspices than did that government; they came in on a tide of prosperity which they had not created and they swept along on that tide of prosperity which was due to the national policy inaugurated by Sir John Macdonald, and which had done its splendid work for the country notwithstanding all that our political opponents could say against it.

Now, just a word in regard to what hon. gentlemen opposite did when they came into power. They came into power having made certain definite pledges. They pledged themselves to reduce the expenditure. The Conservative party, between 1892 and 1896, spent an average of $42,000,000. Sir Richard Cartwright and other members of the Liberal party denounced an expenditure of $38,000,000 to $40,000,000 as recklessly extravagant, and the right hon. gentleman who now leads the Opposition is on record as having said that if his party came into power they could and would reduce that expenditure by two or three millions of dollars per annum. Is there any member of this House who will dispute that statement? And what did they do? In the first five years of their regime, from 1897 to 1901, they had an average expenditure of $50,000,000, or an average of $8,000,000 over the average of the previous five years. For the next five years, their expenditure averaged $29,000,000 over the average of the last five years of Conservative rule. From 1907 to 1911 the average expenditure was $113,500,000, an increase of $71,374,000 over the average amount spent by the Conservative party in the last five years they were in power. And yet, with these facts before us, hon. gentlemen on the other side of the House, notably the hon. member for Carleton, complain with regard to the increased expenditure. The question is not so much the amount of money which is being spent, as it is whether or not it is spent properly. I was surprised that an hon. gentleman of the intelligence and ability of the junior member for Halifax (Mr. Maclean) should make a comparison between the expenditure of Great Britain and the expenditure of Canada. Great Britain is an old and well-established country, and Canada is a young and growing nation, with a rapidly increasing population which is making ever-increasing demands upon the Government. For many years to come I do not see how it will be possible for this or any other Government in Canada to curtail the expenditure to a very great extent. The demands are too great; we must make use of our natural resources; we must improve our transportation facilities, and these things cannot be done in any country so vast in area as Canada is without the expenditure of a large sum of money.

The Liberal party said they would reduce taxation. Our chief source of revenue is that obtained from customs and excise. In 1896 we were receiving only $27,759,000 from both sources, or about $5.46 per head of the population. In 1906, ten years later, this party which had promised to reduce taxation was collecting over $60,000,000, or an average of $10 per head of population, and in 1911 they were collecting nearly $90,000,000, or $12 per head of population. I think it is proper that the question

should be asked: Are the people of this country in a position to pay the taxes which they are paying at the present time? If a period of depression should come, such as existed in 1889 and 1890, the Government should, perhaps, take steps to relieve the conditions, but, in a time of general prosperity such as we have at present, and have had for many years, it would not be advisable for us to lessen materially the amount of revenue which we are receiving from various sources.

The Liberal party also promised to eliminate the principle of protection. Is there a man in this country to-day who will say that pledge was kept? Is there a man who will say that the Liberal party did make any serious effort to eliminate the principle of protection? The Liberal party were going to reduce the national debt, but the national debt under their regime was increased by $81,000,000. They were also going to eliminate newspaper and printing patronage. In 1896 newspaper advertising cost the Government $42,000, and printing, $189,000. Ten years later, under Liberal rule, newspaper advertising cost $181,000 and printing $689,000, an increase of three hundred and twenty-four per cent in the one case and two hundred and sixty-three per cent in the other. During their first ten years of office they spent over $5,670,000 on advertising and printing. The Liberal party were going to abolish the bounties. Under the Conservative party the bounties paid on pig iron, puddled iron bars and steel amounted to $169,000. The Liberals extended the bounty and made it applicable to manufacturers of steel and lead, manilla fibre and crude petroleum, and during their regime they paid out about $20,000,000. They promised also that the public lands should be kept for actual settlers. I would ask the hon. gentleman to bear in mind the circumstances connected with the Halifax land deal, by which B. F. Pearson, M.P.P., editor of the Halifax Chronicle and the St. John Sun, bought land for less than $19,000 in April, 1906, and sold it to the Government in June for $45,400. Then there was the Moncton land deal, in which Mr. Matthew Lodge bought a piece of land for $5,075, for which the Government paid him $13,880. These were deals in which the hon. member for Westmorland (Mr. Emmerson) was more or less mixed up, to his discredit. Then there was the Robins irrigation deal, by which the Government sold for one dollar an acre, 9,450 acres of grazing lands, giving leases in which the cancellation clause was ommitted. The party to whom these leases were given by the Government sold their rights at a profit of $350,000 and the same men subsequently got 380,000 acres upon which they cleaned up half a million dollars. The Liberal party were also going to elevate the standard of public life and public morals, and purify the electorate. I wonder if any hon. gentleman has ever heard of a man by the name of J. B. Jackson, a man who sought to obtain perjured evidence in order to force from his seat a gentleman who had won it honestly and honourably? Have hon. gentlemen heard of one Philip Wagner? For further particulars apply to the hon. member for Edmonton. This man Wagner was sent to prison, and having served his term, the hon. member for Edmonton, who was then Minister of the Interior, rewarded Wagner by giving him two offices from which he derived a larger salary than he was getting before. Then there was the case of Hug-the-Machine Preston who was rewarded for his rascally work by being given a good position in the old country. Of such men as Jackson and Preston, Sir Richard Cartwright said their only offence was in getting found out. I might refer also to other efforts on the part of hon. gentlemen opposite to purify the electorate in the counties of Frontenac and Hastings by means of bogus ballot boxes. I do not wish to go into details, but I would refer any person desiring full particulars to the hon. member for South Renfrew (Mr. Graham) in whose office the bogus ballots, I understand, were printed, and at whose residence these bogus ballot box manipulators were wont to call on their trips between Watertown and Kingston. It was the Laurier Government which a few years ago appointed to a position in Kingston a man who had served one term in Belleville jail, another in the Central prison at Toronto, and who had twenty-three convictions against him in the police court of Kingston at the time he was appointed to guard the convicts in Kingston penitentiary. These are the gentlemen who hold up their hands in horror and who try to make the people believe that, if they had the chance, they would do their utmost to purify political life in Canada. I have no doubt that the intentions of some of these hon. gentlemen are good, but our experience as to the course adopted by them in carrying out their promises is such that we may be excused if we show lack of confidence in their ability to purify the electorate of this country. The Liberal party were going to reform the Senate but, through the lapse of time and the interposition of Providence, the Senate was reformed to their satisfaction, and they let it alone. It remains to be seen whether they have reformed it sufficiently to meet with general approval. I presume we shall know very shortly whether or not we have the proper men in the Senate, and, if it is found that we have not, it may be necessary to effect some further reform.

While the trade of this country has been very large, it does not in every respect meet with my entire approval; it is not exactly what I would like it to be. Our total trade in 1911 amounted to $769,000,000, and in 1913 our total trade amounted to over a billion dollars, of which $691,000,000 were imports and $393,000,000 exports. Of this trade $586,000,000 was with the United States and $316,000,000 with Great Britain. Our trade was therefore very much enhanced both with Great Britain and the United States, but the major part of it was carried on with the republic to the south. Our imports from the United States amounted to $435,000,000 and our exports to the United States to $150,000,000, a balance of trade against Canada of $284,000,000 and this is the part which is not, in my opinion, entirely satisfactory to me as I have studied trade conditions. It may be that under the Wilson tariff we may send a larger quantity of stuff into the United States though we will not do so if the argument of the hon. member for Carleton, N.B., is good, that they have such large quantities there now that they are not in need of ours. Our exports to Great Britain amounted to $177,000,000 and our imports from Great Britain to $138,000,000. In other words, we had a balance of trade in our favour of $39,000,000 in our trade with Great Britain. Canada's best customer is Canada itself; Canada's second best customer is Great Britain. This is particularly true so far as the farmers of this country are concerned and when I make that statement I want it to apply just as strongly to the farmers of the Northwest as to the farmers of Ontario, Quebec and the martime provinces. I repeat that the best market for the farmers of Canada is the Canadian market, the market at home, and, Sir, you may go where you will, in Ontario, in Quebec or in the Northwest, and wherever you find a prosperous and growing city you will find among the farming community an ever-increasing and growing sentiment in favour of maintaining manufactures in that city and thus making it a market for the farming population. The farmers are not slow to appreciate the advantage of being near a great city. Suppose you have a farm of one hundred acres five miles from the city of Toronto and I have a farm of one hundred acres five miles from the city of Kingston and that the buildings on those farms and the quality of the land are identical, whic. farm is the more valuable? Anyone will at once say that the farm near Toronto is the more valuable. I ask, why is that the case? Your answer is, because of the difference in the size of those two cities, assuring the farmer near Toronto a very much larger market than the farmer near the smaller city will have. Apply that to the country all over and I say that wherever you find growing cities, in the West or in the East, the farmers living in the neighbourhood of the cities are realizing the advantage of the proximity of the cities and are in favour of adequate and fair protection to build up those cities and maintain their industries. That is why hon. gentlemen opposite will remain on that side as long as they continue to advocate the policy which apparently they are advocating to day.

I want further to point to this fact that our exports of animals and their products to Great Britain in 1912 amounted to nearly $37,000,000 and our exports of agricultural products amounted to $81,000,000, or a total of $118,000,000. In 1912 we sent to the United States nearly $10,000,000 of animals and their products and $11,000,000 of agricultural produce, a total of $21,000,000. Of a total export by the farmers of this country of animals and their products and of agricultural produce of $155,000,000, only $21,000,000 goes to the United States and $134,000,000 is carried across the water. I have a reason for placing these figures before you and it is this: As soon as this matter is placed before the farmers of this country, they will support and support heartily the movement to contribute $35,000,000 to the supremacy of the British navy. There is no class of people in Canada who are more interested in that $35,000,000 grant for those three dreadnoughts than the farmers. $134,000,000 worth of their products out of a total of $155,000,000 exported is carried across the water and depend for a safe conduct to the markets of the world, on what? On the British fleet, towards the supremacy and maintenance of which hon. gentlemen opposite, if given their way, would not give a dollar. I have talked this over with farmers regardless of their politics and I have not a particle of doubt of the correctness of my statement that the farmers of the Dominion of Canada are heartily behind the Conservative party in their policy of granting $35,000,000 for the construction of three dreadnoughts for the strengthening of the British navy, on the supremacy of which the safety of their products depends, and will depend for many years to come. I shall not go into a discussion of the naval policy, but I want to make that statement, representing as I do a farming constituency. I believe that the constituency which I represent is more strictly agricultural than any other constituency in the Dominion of Canada for the reason that I have not within the bounds of my county a single incorporated town or village. That is about as strictly agricultural as you can get it. I move amongst the people of my county and I believe I know their sentiments; and although the hon. member for Carleton, N.B., may refer in jeering tones as he did to

the flag and wrapping the flag around us, I want to say that I am a British subject in this House and in this country, not ashamed to wrap that flag around me at any time and in any place. It ill becomes the hon. member for Carleton, or any other member sitting on the other side of the House, or on this side of the House, or anyone in this country, to cast a sneer and a jeer at the British flag, as some in this House and out of it have been guilty of doing time and again. I have heard those men talk derisively about the old man, the old flag, and the old policy, and what did they do? They adopted that policy, because they had not the courage to change it a particle. What about the old flag? Are there any people on the face of the earth who have as great a right as we have to reverence and respect that flag and all that it represents? It is not merely the colours on that flag, it is its glorious history in the past, which is our history, as well as that of the people of Britain. The people of this Dominion should never permit themselves to speak derisively of the old flag, as some hon. members have. Attack your opponents if you will, but leave the flag alone.

Some hon. MEMBERS: Hear, hear.

Mr. EDWARDS: I am not one of those who say that hon. members opposite are disloyal. I do not say that. The Liberal party contains hundreds and thousands of good loyal men from one end of the Dominion to the other. At the last election, in September, 1911, the Liberals of the Dominion gave evidence of the fact that they were loyal. I do not say that the Liberal party are disloyal, but I do say that if you find a rebel you will find a Grit in politics. I do not say that Grits are rebels, but I do say that if you find a rebel you will find a Grit, because that will be his politics.

The hon. member for Carleton has referred to our trade with the United States. He is on the penitent bench now. There are a number of hon. members opposite working in that direction. They were in office for fifteen years and worked under a protective policy. There is no getting around that fact. Now they are out of power, and I am wondering if they are going to duplicate their political antics of the eighteen years they were out of power before. It will puzzle even them to duplicate the numerous political antics of which they were guilty during the eighteen years they were out of office. They had as many policies as there were elections, unrestricted reciprocity, tariff for revenue only, free trade as we have it in England, and a host of others. They were ready to adopt anything if it would get them into power. Why do they not candidly admit that their whole course as a party in this country has committed them irrevocably to the principle of protection? Why not admit that the principle of protection is the proper principle for a growing country such as Canada is.

I want to say a word in regard to the reference made by hon. gentlemen opposite to the creation of a tariff commission, which was proposed by this Government last session, and which was thrown out by the Senate. I want to repeat here what I said on that occasion, that I believe that the creation of a tariff commission in this country was the most reasonable, the most sensible, and the most logical step ever proposed by a government in this country. When it comes to the discussion of the items of a tariff, whether it be a manufactured article or an article of farm produce, we are bound to depend upon, and to be influenced by the views of men who have special knowledge of these particular items. If it is a manufactured article, the man who is engaged in the manufacture of that article, must, from his experience, have a keener and deeper knowledge of the industry than any other individual. If it is a matter pertaining to a particular branch of farming, any man who is a practical farmer can give information as to that. The idea is to get definite, absolute, and reliable information on which we can all depend. For instance, in figuring out what duty we should place on eggs, or on wheat, or on potatoes, or on any other article which is produced by the farmer, a tariff commission should inquire into the climatic conditions here and in the countries with which the farmer of Canada will have to compete. They should inquire into the rates of wages paid here and in other parts of the world with which the Canadian farmer will have to compete, and then give the Canadian farmer just such a percentage of protection as will place him on a level footing with those other countries. His competitors in those other countries have certain conditions which he cannot enjoy in Canada. Give him fair play. He wants no more than that, but he is entitled to that, and should have it. The same is true in regard to manufactures. I do not care what article of manufacture you take, I say it is the duty of this Government, and it would be the duty of the Tariff Commission, to inquire into the cost of labour in the production of that manufactured article, the cost of living in this country, the cost of transportation, and the cost of materials entering into the manufacture of the article, and to compare them with the conditions in the countries with which the manufacturer here has to compete, and then to give the Canadian manufacturer just such protection as would place him on a level footing with the people of those other countries, and no more. He is not entitled to more than that, and he should not ask for more than that.

In regard to the reduction of the duty

on farm implements, I find myself in this position: If I am asked if I favour a reduction of the duty on farm implements I say yes, undoubtedly. Why do I say that? I say that because of the study I have given to the question. It appears to me that a reduction might be made without injuring the manufacturer. But I am in this position in expressing an opinion on that subject, I do so with the knowledge which I have at the present time. It appears to me that a reduction might be made, but I must admit that my knowledge is not perfect in regard to that, and I would like a tariff commission or anything else, which in regard to that matter would give me information which I frankly own I do not at present possess.

I do not propose to detain the House at any greater length; I want simply to add a few words in regard to the argument advanced by the hon. member for Carleton in favour of reciprocity. What would it mean to this country? It would mean not only that the Canadian farmer would have to compete with any surplus production that might exist in the United States, but with the surplus production of many other countries, which production, in many lines, is very great indeed. Is there a market in the United States for many of our products? Let us take a few of them. Take barley. The United States exports about 10,000,000 bushels of barley a year. Take wheat. The average exportation of wheat from the United States in the last five years amounted to over 62,000,000 bushels. Take wheat flour. The average exportation from the United States amounted to 12,000,000 barrels in the last five years. Take bacon. In 1911 they exported 156,000,000 pounds. Take butter. They exported 4,877,000 pounds. Take cheese. They exported over 10,366,000 pounds. Does it look as if they were starving for butter, and bacon, and wheat flour, and barley in that country, when they are sending all that stuff out? If I desired to take up time I could refer to many other things which they are exporting in large quantities, and for which it is claimed we would have a ready market on the other side of the line. Take horses. I find that they exported to Canada 20,000 horses in 1912, and they took from us 1,428. They exported to Canada 192,918 sheep and lambs, and they took from us 16,829 sheep and lambs. And so I might go on and extend the list. I might go on with an extended list which would include the very things the farmer has to sell and which the farmer was told in 1911 he would find a market for on the other side of the line. But the official figures given in the United States returns indicate beyond the shadow of a doubt that of all these things which the Canadian farmer has a surplus of and for which he must find a market, there is an even greater surplus in the United States for which they must find a market. The fact is that the people of the United States are actually seeking markets in other parts of the world for much larger quantities of the very things we were told we would find a ready market for in the United States if reciprocity were adopted, than we ourselves have to sell. If hon. gentlemen opposite are disposed to follow the cue of the hon. member for Carleton (Mr. Carvell), and to advocate for this country free trade with the United States, and the throwing down of the tariff walls between Canada and the United States, then, speaking politically, we on this side of the House have nothing to regret; it is gentlemen opposite who will have to do all the regretting when the elections come. But if they were absolutely sincere in their contention along these lines they would move an amendment to the tariff proposals and I venture to say that not one of them dare do that; not one of them thinks for a moment of doing anything of the kind. Therefore, we can only conclude that they are not sincere in their expressions, but they find the situation as exemplified by the budget speech so entirely satisfactory that being unable to criticise it they must fill in the time talking about reciprocity and other extraneous questions. I thank the House, Mr. Speaker, for the very patient hearing that has been given to me.

Mr. FRANK OLIVER (Edmonton): Before dealing with the subject of the budget, I want to make one reference to a remark made by my hon. friend (Mr. Edwards). It is a remark that has been made in this House and in the Conservative press very frequently and has been spread broadcast throughout the country; it is that the Liberal party through the Senate killed the Tariff Commission Bill. I do not know that it is important that that misstatement should be corrected, but I make the correction because of the bearing the question has on the subject now under consideration. The proposal was made by the Minister of Finance last session to provide for the establishment of a tariff commission with certain duties and powers. When that Bill went to the Senate, the Senate saw fit, as it has a right to do, to amend it by requiring that whatever person or interest made application for an increase in the duties, that person or interest would be required to show the profits made and the means by which the profits were made. And because of that amendment put in the Bill by the Senate, the Government refused to present the amended Bill for acceptance by the Commons; and thereby the Government killed the Bill which they introduced into Parliament on the plea—I will not say the pretense—of

securing information. They killed the Bill because the Senate made provision that the commission to be appointed should secure information that would be for the protection of the public interest. And because the Bill in the shape in which it came back from the Senate would have effectively protected the public interest, the Government killed it. That gives the standard of the Government's position in regard to all questions of public interest where the tariff is concerned. It has been said that the Government of the day represents the interests rather than the people, and I say that the action of the Government in regard to that measure is all the evidence any unbiased citizen needs to establish the fact that the Government is a government to protect the interests and not the people.

Referring to the budget and to its presentation by the Minister of Finance, there are nothing but expressions of pleasure at the fact that so far as the increase in the revenues indicate a prosperous condition in the country, to that extent the budget statement is very satisfactory. We are glad to know trade has increased to such an extent that our revenue has amounted to many millions more than it ever did before, and we are also glad to know that while expenditures have been liberal, the expenditures have still been less than the revenue, so that there is a substantial surplus in the treasury. While that is of itself a very satisfactory condition, it must also be admitted that the fact that the revenues of Canada are vastly higher than they ever were before; so high that even a lavish expenditure did not catch up to them, in itself indicates a condition which may fairly call for reasonable comment. If the abounding revenue were accompanied by an abounding prosperity on the part of the individual citizen, then we would say that is a very desirable condition. If the prosperity of the revenue were reflected in the prosperity of the individual, there would be nothing but favourable comment to be made on the budget and on the fact that the Government in presenting the budget had not seen fit to make any serious changes in the amounts or methods of taxation.

Looking at the matter from the particular point of view of those who believe in lower taxes, we are very glad to know that the Government, up to date, have not justified our fears of last year. To quote a saying used by the hon. Minister of Finance, I believe, in the election of 1911, we recognize it rather as a respite than as a pardon. We are glad to be free so long, but we still fear what is to come hereafter.

I said, if the condition of the individual was as is the condition of the treasury, it would be entirely satisfactory; but, when we have such remarkable increase in revenue and a financial condition in Canada such as we have not had during the past five years—when we have a condition of money stringency throughout Canada that is felt by all classes—and I have it on the authority of our friends on the other side —when we have a stringency of money and a condition of excessively high cost of living coming together—and I understand that the record for the month of April last is the highest for any month of April in the Dominion in that regard—it seems to be a question of very serious interest if there is not some connection between this enormous revenue, this prosperity of the treasury, and the lack of prosperity amongst the individual citizens of the country. It seems to me that would have been a fair subject for inquiry by the Administration, who are charged with the responsibility of doing the best that can be done for the welfare of the people of Canada as a whole. Finding a condition in which the treasury is abundantly prosperous, a condition in which it costs the individual citizens more to live than it ever did before, and a condition in which the money with which he is able to pay this cost is scarcer than it has been before for many years, the Minister of Finance, before presenting his budget to the House, should have made it his business to look over the field and see first if there was any connection between these situations; and, if there were such a connection, he should have placed such proposals before the House as would tend to relieve the situation for the individual citizen of Canada. I submit that the paramount interest is not what amount of money is in the public treasury, but what is the condition of the people. What are the conditions of business generally? Are those conditions prosperous or are they not? It must be clear, that if there is an excessive revenue, that revenue comes out of the pockets of the people. It must be evident, the more you take out of a pocket, the less there is in it.

Mr. SMYTH: That seems good logic.

Mr. OLIVER: Even my hon. friend from Algoma can understand that. If the Minister of Finance finds that the treasury is full, and the pocket is empty, the treasury being full because the pocket has been emptied, it would seem to be fair and reasonable that his proposal would be, if he has the interest of the individual at heart, to right matters by keeping something out of the treasury and leaving it in the pocket of the individual who needs it, when the treasury does not need it. It is to be regretted that, in the presentation of this budget, the hon. Minister of Finance has not seen fit to provide for that balance

or readjustment of conditions that, it seems to me, is desirable and necessary for the well-being of this country.

Although the treasury is overflowing to-day, if the pockets of the people are empty, or comparatively so, the overflow of the treasury will not continue. It seems to me that conditions being as they are admitted to be, it would have been the duty of the Government to relieve the situation by reducing taxation. I am not sure that I gathered it from the hon. minister's address, but it has been stated very freely in the papers that the tariff proposals brought down by the Government do carry a reduction in taxation. Those proposals do not amount to very much, one way or the other. They are not in themselves seriously important; that is to say, they are not important in a positive direction; they are not either going to increase the burden or to lighten the burden of the taxpayer to a serious degree. The objection I take to them is that they do not relieve the burden of the taxpayer as I think they should. If it is shown that under circumstances such as exist at the present time, the minister has brought down proposals which increase the burden rather than decrease it, I think we have established that certainly the Government is not on the side of the people where tariff questions are concerned.

I have studied carefully the figures submitted in connection with the West Indian trade agreement. The House will remember that it was stated by the hon. Minister of Finance that the changes made in the tariff were made chiefly because of that agreement. The general impression was created that, because of this agreement, and these subsequent changes in the tariff, there had been a reduction in taxation to the consumer in Canada. I find however that the West Indian trade agreement provides that certain articles, products of the West Indies, which to-day come in from all the world free of duty, will hereafter carry a duty when coming from any other point than the West Indies.

These articles are not important; but I will mention one, the cocoa bean, formerly free, but now dutiable if coming from any other country than the West Indies. We import only about $600,000 of these cocoabeans, and it does not matter much whether they are dutiable or free. But the changes of the tariff which the Minister of Finance proposes include not only an increase of the duties on cocoa beans, but an increase of the duties on the manufactured articles derived from cocoa beans directly or indirectly. We import about $1,800,000 of these products of cocoa beans. And so the increase works out in this way—we are going to pay increased duties on $1,800,000 worth of finished food products used by the people of Canada, while the only possible benefit to the West Indies will be in regard to a little over $600,000 of their raw products.

Mr. BLAIN: What are the articles?

Mr. OLIVER: The cocoa bean is the only article I desire to deal with.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

Mr. OLIVER: When the House rose at six o'clock I had brought to the attention of the House the fact, as I gathered it from the tariff schedule and the remarks of the Minister of Finance, that, in order to give the people of the West Indies a preference on something under $700,000 worth of cocoa beans, which was the total amount of imports into Canada, we had, in pursuance of our agreement with the West Indies, increased the duties payable by our consumers on cocoa beans and the manufactured products thereof to the amount of a duty on food products valued at $1,800,000. That is to say we had taxed our consumers on $1,800,000 worth of the products that they consumed for the sake of giving the West Indies a preference on one of their products to the amount of something less than $700,000. As to the matter of amount, this item might not be considered as seriously important, but as a matter of principle it is an outstanding feature of this trade agreement, which entitles it to the careful attention of the people of Canada at large, especially in their capacity of consumers, at this time when the cost of living is higher than ever before.

While cocoa is an important product of the West Indies, the great product is sugar, and it is of sugar that Canada uses an amount which makes the question of the readjustment of the sugar duties one not of minor but of major importance.

Mr. BLAIN: Could the hon. gentleman give a list of the manufactured products of which cocoa beans form a part?

Mr. OLIVER: If my hon. friend will refer to 'Hansard,' page 9890, he will find there that items 20a, 22, 23 and 77a deal with the manufactured products into which cocoa enters materially, and upon which the duties have been substantially increased.

Everyone will agree that sugar is not only an important product of the West Indies, but it is one of Canada's most important imports, carries a very large proportion of the taxes in the way of customs

revenue, and is consumed by all classes of the people under such circumstances that the tax upon sugar is borne rather by the poor than by the rich. That is to say, the consumption of sugar depends upon the taste of the person rather than upon his wealth. In one of the Ottawa newspapers I find a summarized statement of the tariff changes, published, I presume, on information derived directly from the Minister of Finance, which is as follows:

Raw sugar, under British preference, is reduced to 40¾ cents per 100 pounds as against 52½ cents under old tariff. Intermediate and general schedules are reduced from 83¾ cents to 57½ cents.

On refined sugar British preference remains at 83 cents per 100 pounds and general and intermediate schedules are reduced from $1.24½ to $1.07⅞.

I use this reference in the newspaper because it is, I presume, given with authority, and it conveys the idea better than a reference to the wording of the schedule would. The schedule itself is technical, and is somewhat difficult of understanding by the ordinary person. I deduce the following. On raw sugar there is a reduction under the preference from 52½ cents to 40¾ cents per hundred pounds, a reduction of 11¾ cents per hundred pounds. There is a reduction under the general tariff from 83¾ cents to 57½ cents per hundred pounds, a reduction of 26¼ cents per hundred pounds. We have a reduction in raw sugar which is 26¼ cents under the general tariff and 11¾ cents under the preferential tariff; in other words, we have reduced the general tariff twice as much as we have reduced the preferential tariff. Again, in other words, we have reduced the preference to the West Indian sugar producers to the amount of the difference between 11¾ cents and 26¼ cents per hundred pounds. We have negotiated a trade treaty with the West Indies for the purpose of expanding our mutual trade, and in the effort to do so we have actually reduced the preference formerly given to the West Indies on their principal and most important product.

On refined sugar the general tariff was $1.24½ per hundred pounds, which has been reduced to $1.07⅞ per hundred pounds, a reduction of about 17 cents. The tariff under the preference was 83 cents, and it remains 83 cents. That is to say, we made a reduction on refined sugar, but we made no reduction at all in regard to the sugar imported under the British preference. We import raw sugar from the West Indies and from other parts of the world but we do not import refined sugar to any serious extent. The figures as I make them out are as follows: We imported in 1912 $17,000,000 worth of sugar and molasses. Of this amount $14,500,000 was raw sugar and the reduction in the duty on raw sugar, if we strike an average between the eleven and three-quarters per cent and the twenty-six and a quarter per cent on the general tariff, and say there is an average of seventeen per cent per hundred pounds on the raw sugar under the preference, we find that there is a total reduction in the tariff on raw sugar of nearly $1,000,000. That is a substantial reduction and on the face of it would appear to be a reduction which must necessarily be to the benefit of the consumer. But sugar is not consumed in its raw condition, it is only consumed by the ordinary citizen in its refined condition, and while the duty on sugar has been reduced to a total amount of some $1,000,000 on the actual imports, the refined sugar imported as I read the return amounted in 1912 to only $843,466 worth or a little over three-quarters of a million dollars. There is a reduction of seventeen cents per hundred pounds provided it comes from other countries than Great Britain which would net to the consumer a benefit of $40,000 on the year's operations, provided that every pound of that refined sugar came from some other country than Great Britain. But, as a matter of fact, I take it for granted that every pound of it comes from Great Britain and, therefore, when the British preference on raw sugar is not reduced, and it is not reduced, the consumer gets absolutely not one cent of benefit from this reduction in the duty on raw sugar under the West Indies treaty. If I read the returns correctly, the reduction in the duty on raw sugar is a present of $1,000,000 to the sugar refineries of Canada and is not a relief to the extent of one single cent to the consumer of sugar in Canada. While that is the condition, that is to say that the Canadian consumer does not benefit, the preference to the West India producer, as I have pointed out, is cut in two under this most remarkable trade treaty which proposes to expand trade between Canada and the West Indies by placing taxes upon the Canadian consumer upon products that he formerly secured free of duty or at a lower duty, and by cutting in half the preference that the West Indies formerly enjoyed in the Canadian market on their principal product. If I were to discuss this West Indies trade agreement further I would say that the Minister of Trade and Commerce was liable to prosecution for having entered into an agreement in restraint of trade; I would say further that the effort of the Government to improve the trade relations by dealing with the steamship subsidies does not seem to be much more fortunate than their arrangement in regard to trade, inasmuch, if I understand the matter aright, we double the present steamship subsidy and we do not get any improvement in the service. The hand out to the sugar refiners is accompanied by a

hand out to the steamship companies and neither the Canadian consumer nor the Canadian producer stands to get any benefit and Canadian taxation is substantially increased.

It is not only in relation to the products of the West Indies that the high cost of living is felt. Let me take one or two articles as an illustration. I maintain that under the conditions of excessively high cost of living and revenue in excess of the country's requirements, it was a time for the minister to look over the field and see where a reduction might be made in the taxation that would be reflected in a lowering of the cost of living. The cost of living has increased. An example of the way in which it has increased is to be found in the prices of canned fruit and vegetables. I am informed that in 1907 the wholesale price for canned tomatoes in Ontario was from seventy-two cents to seventy-five cents per dozen three-pound cans, and that in 1912 the price at the opening of the season was $1.25 per dozen cans, with a subsequent rise to $1.35 and $1.65 per dozen. That is, there was an increase in the five years of not less than seventy per cent in the cost at wholesale points in Ontario of this article which is one of the prime necessities of life in the western country. When we speak of the cost to the consumer, we are frequently reminded that the increased cost to the consumer means a better price to the producer. But this case of canned fruit or tomatoes may be taken as an instance. There is nothing more untrue than that an increase paid by the consumer means a proportionately increased price to the producer. While the price of canned tomatoes to the consumer has increased in five years not less than seventy per cent, I am credibly informed that the price to the producer has increased very little if any. It has increased to such a small extent that it can hardly be reduced to a percentage. This increase of the cost of canned tomatoes comes about by reason of the operation of the canners' combine, the Dominion Canners' Association, which has been successful in absorbing not only a majority but a very large proportion of the fruit canneries in Ontario. Having acquired a large proportion of these canneries, they are in a position to dictate terms to the wholesale dealers, and the terms which they dictate are along these lines. The wholesaler who desires to buy canned fruit or vegetables in Ontario must, if his order is large, go to the Dominion Association, sign an agreement that he will not buy from any other supply house.

Mr. MARTIN (St. Mary's, Montreal): Like the American tobacco combine.

Mr. OLIVER.

Mr. OLIVER: The price is fixed at the beginning of the season, and he sells to his retail dealers on that price. At the end of the year his accounts are settled. If he is able to prove, and he has to prove it, that he has not bought from anyone else than the Dominion Canners' Association, he gets ten per cent rebate, and that is his profit. The facts being as they are, the price to the consumer having been increased abnormally in the past five years by the artificial means, which I have laid before the House, and which no one will pretend to deny, and the price to the producer not having been correspondingly increased, I submit that the Minister of Finance has not given due attention to the conditions pressing upon the consumers and taxpayers of this country when, in framing his readjustment of the tariff which he has recently placed before the House, he did not take cognizance of the conditions in regard to canned fruit and vegetables. I may correct myself: in regard to vegetables, the rebate is ten per cent, and in regard to fruit twelve and one-half per cent. In regard to the balance between what the producer gets and the consumer pays, I may mention the case of corn. I am credibly informed that corn nets the producer $7.50 per ton, and costs the consumer $150 a ton under the beneficient operations of the canners' combine.

Not to delay the House, but to step outside of the question of food and deal with wearing apparel for a moment, I have had figures brought to my attention on the subject of woollen goods. Industrial Canada, the organ of the Manufacturers' Association states that the wool imports into Canada amount to $33,000,000 a year, that the woollen manufacturers in Canada are carried on by 4,700 employees, and that the average wage of these employees is $325 a year. If these figures are correct, the wages bill of the woollen industry in Canada amounts to $1,527,500 a year, while the people of Canada pay in duty on the woollen goods imported $10,000,000. Further, I am credibly informed that while the investment in the woollen industry in Canada in 1901 amounted to $10,587,808, in 1911 it amounted to $8,539,305. That is to say, that although we have been giving this enormous protection to the woollen industry of Canada, that industry represents a smaller investment of capital to-day than it did five years ago, and the committee will surely admit that the average wage paid to the employees in that industry is not such as to warrant the amount of protection that that industry receives at the hands of the taxpayers of this country. I submit again that, under the existing conditions, with a revenue such as we have never had, with a surplus such as we have never had, and with the cost of living as it never was be-

fore, the minister was derelict in his duty when he did not take up these questions, and deal with them in the presentation of his budget to the House.

There is an article that can be neither eaten nor worn, but which is still an article of prime necessity to the people of Canada, and particularly of western Canada. I refer to cement. I find that the duty on cement has been reduced from twelve and one-half cents per one hundred pounds to ten cents per one hundred pounds. That is to say there has been a reduction of two and one-half cents per one hundred pounds, or eight and three-quarter cents per barrel of three hundred and fifty pounds. I am not able to give authentically the actual cost of cement, but assuming it to be two dollars a barrel, we have a reduction of duty of something less than five per cent. Now it will be remembered that we have already had some discussion in Parliament with regard to the reduction of cement duty, and the Minister of Finance is my authority for believing that the cement duty is so high as to constitute a serious burden upon the industries and the conditions of life in Canada that call for the use of cement in large quantities. I have the authority of the minister for believing that it was a right and proper thing in the interests, not only of the consumers of cement in western Canada, but of Canada at large, and of good government, that the duty on cement should have been cut in half last July and allowed to remain during four or five months. That is to say: I have his authority for believing that under the circumstances then existing the cement duty should be reduced from twelve and a half cents to six and a quarter cents per hundred pounds, or from forty-three and three-quarters cents per barrel to say twenty-two cents per barrel. During the discussion we had in the House some time in the early part of the session the facts were placed before the House and the country as to the amount of cement that was used, as to the necessity of its use, as to the burdensome character of the rate of duty prevailing and as to the propriety of reducing that duty, and I then had the honour to say to the minister, and I hope he will remember it, that what I wanted was that he should permanently reduce the duty down to six and a quarter cents, and that if he did so he would have support. I am sorry the Minister of Finance did not consider my support sufficiently valuable to warrant him in following the suggestion I made, but I ask him and I ask those members of the House who supported him in that reduction of the duty at that time, who asserted loudly that it was a proper and a necessary thing to do; I ask him and I ask them what they have to say to-day in defence of a reduction of only two and a half cents per hundred pounds. The Minister of Finance was seriously offended at the suggestion made, that the reduction in duty at that time was because of the probable effect it might have on the Saskatchewan elections, and not because of any desire to benefit the people of the West. Now, I ask him, what has he to say in the light of his own statement then and his own action now. What has he to say now with reference to that suggestion which he repelled so very earnestly at that time? I do not wish to make any accusation, but the Minister of Finance must surely see that the circumstantial evidence is absolutely against him.

There is another article that is neither cement nor clothing nor food, I speak of steel rails. If there is one need in the western country more than another, it is the construction of railroads, and the cost of the rails enters largely into the cost of railroad construction. I do not think I need take time to suggest to the House that the welfare of Canada depends upon railway lines being pushed throughout that great producing country as rapidly as possible; because even to-day, although great work has been done, there are still thousands and tens of thousands of men, who either have to get railway connection within a year or two or be at such loss as will discourage them very seriously in their efforts. And, it was with a full appreciation of that condition that my hon. friend made provision sometime last summer for the admission of steel rails free of duty. He did well; it was a good thing to do. But I am afraid in view of the fact that while the need is greater than ever because of the financial stringency that prevails, the Minister of Finance in the preparation of his budget absolutely forgot about the interests of the country in regard to lower cost of the construction of railroads, and there is no mention of any reduction of duty on steel rails in the budget speech.

I am afraid the suggestion that has been made, that the Government of the day has deliberately juggled with the tariff for political purposes and for private ends, will have to absolutely stand now that the budget has been brought down and the readjustment of the tariff has been placed before the House. I am all the more at a loss to understand how it is that this condition which exists in this country to-day did not claim the attention of the Minister of Finance, because I find that in the United States—I hope the Minister of Finance will pardon me for alluding to the United States and will revise any suggestion that may arise in his mind at the moment that because I allude to the United States I therefore am disloyal to Great Britain—in the United States that country to which the high protectionists of Canada have looked during so many years for guidance, direction and example, they have seen the neces-

sity for reducing their tariff and readjusting it with special regard to the cost of living. I find that they propose to make cocoa free, whereas for the first time we in Canada are putting a tax on cocoa. Then, the United States proposes to make free of duty, fresh fish, fruits, fresh beef and mutton, bacon and ham, milk and cream, potatoes, salt, coffee, tea, and last but not least on my list, steel rails. Then, the United States proposes to bring down the duties on cement to five per cent, on cattle to ten per cent, on sheep to ten per cent, on other live animals to ten per cent, on barley to fifteen, on oats to ten, wheat to ten, cheese to twenty, eggs two cents per dozen, hay two dollars per ton, cotton goods of cheap quality seven and a half per cent, and wool fifteen per cent. The United States is facing the condition of high cost of living as we are in this country, but according to the evidence placed before this House yesterday by the member for Maisonneuve the cost of living in the United States is not as high as it is in Canada, and the Government of the United States takes the opportunity to make substantial reductions in the cost of living in that country. But at the very same time, this party in Canada which has looked to the United States for guidance and example in matters of tariff up to the present time, is now increasing the duty while the United States is reducing it. I would suggest to our hon. friends that, having followed the example or guidance of the United States during so many years, they would do well to follow it just a little further; and, when the taxes are not needed by the treasury and when they are needed by the people, they should give us in this country relief from taxation similar to that which is being given by the Government of the United States to the people of that country.

Mr. WRIGHT: Is my hon. friend aware that, if the proposition before Congress should go through as introduced, it will still leave their tariff as high as ours?

Mr. OLIVER: I do not know that that has anything to do with the case. I am glad to know that my hon. friend is following the tariff situation in the United States. What does he think of the wisdom or folly of the proposed reductions in the United States tariff?

Mr. WRIGHT: I think that is a matter entirely for our American friends.

Mr. OLIVER: I think so too. Our friends on the other side were following the policy of the United States as long as the latter were putting their tariff up. As soon as the United States lower their tariff, our friends forget all about following their example. That reminds me that, in the elections of 1911, the policy of our friends on the other side was: No truck or trade with the Yankees. I remember hearing of an election procession through the streets of Ottawa of about a dozen automobiles labelled: No truck or trade with the Yankees. Every automobile in that procession was made in the United States. I may also mention that, throughout the Dominion of Canada, of all the newspapers which voiced that sentiment, there was not a press upon which those papers were printed that was not built in the United States. I think our friends were not in good faith in making that plea; or, if they were in good faith then, they have discredited themselves to-day. Our trade with the United States depends somewhat upon the tariff. We have had a readjustment of the tariff at the hands of the Minister of Finance. On looking over the trade returns, we find that not only has our trade with the United States not decreased under the administration of these gentlemen, but it has increased enormously; further, it has increased enormously in proportion to our trade with Great Britain; not only that, but our imports from the United States have increased enormously in comparison with our exports. In other words, much as we were buying from the United States, and little as we were selling them in 1911, we are now buying more from them in proportion to what we are selling them. We are buying more from the United States to-day in proportion to what we are buying from Great Britain. Yet my hon. friend (Mr. White) has not a word to say about it in the tariff. That is sufficient evidence that our hon. friends either were not in good faith in 1911, or are not in good faith to-day. If they want to do what they said in 1911 ought to be done, the time to do it was when the hon. Minister of Finance brought down his budget and his tariff schedule. When he did not do so, we assume that he did not mean what he said. I believe there was no member of Parliament or of the Government on that side of the House who was more emphatic and possibly more efficient in declaring the principle which I voiced to the House to-night than my hon. friend the Minister of Finance in the election of 1911.

The following information is taken from the hon. minister's statement: The total imports into Canada in 1913 were $692,000,000. Of this we imported from the United Kingdom, $139,000,000, and from the United States, $436,000,000. Our imports from the United States more than doubled in six years; our exports to the United States did not double in that period. Our imports

from the United Kingdom did not double in six years, while our exports to the United Kingdom increased one-third in that period. In 1908 our exports to the United States were nearly half of our imports. In 1913 our exports to the United States are slightly over one-third of our imports. Yet our hon. friends have no suggestion to make as to how that condition can be remedied. They do not even suggest that it ought to be remedied. They boast of the amount of revenue they are collecting on this enormously increased importation from the United States. I do not know what they would say to-day if the suggestion were again brought forward of securing a reduction in the United States duty upon farm products, whereby it might be expected that the balance of trade could be measurably redressed. If such a suggestion were made to-day, would they say, as they said less than two years ago, that such a proposal meant the annexation of Canada to the United States commercial and political? It appears to me that a condition, in which Canada finds herself compelled to increase her buying from the United States in proportion to her selling to the United States, brings Canada very much more closely to a condition of commercial dependence upon the United States than if Canada were able to pay for what she bought with what she sold. An arrangement whereby Canada could sell to the United States as much as she bought from them would place Canada in a position of commercial independence, in comparison with her present position.

And what suggestion has the Government to make to redress the balance of trade, so to speak, with Great Britain? Our buying from Great Britain does not increase as does our buying from the United States. It is true, as my hon. friend from Frontenac (Mr. Edwards) mentioned, that we are proposing to present, $35,000,000, or loan $35,000,000, to Great Britain for the construction of three dreadnoughts. But I fancy that the businessmen of England would be better pleased if we would do with Great Britain such a proportion of trade as we do to-day with the United States, for then they could buy their dreadnoughts out of their profits, and we should be better off. But our friends opposite have no suggestion with regard to that. They are prepared to shout 'loyalty,' but they are not prepared to reduce the tariff which now protects their manufacturing friends. Their loyalty goes so far as to shout 'disloyalty' against their opponents in politics, but it does not go so far as to reduce the duties on woollen goods, or even on cotton goods, more than they were reduced by those disloyal Grits fifteen years ago.

Mr. THOBURN: Why woollen and cotton goods? Is there nothing else?

Mr. OLIVER: For this reason, since my hon. friend has mentioned it: Woollens are a special necessity in this country of Canada with its cold winter; woollen goods are manufactured in England cheaper and better than anywhere else in the world. We are paying, as I have already said, an enormous protection to an insignificant woollen industry in Canada, and it is not sound economics to do so. It would be cheaper and better for the people of Canada to pension my hon. friend and his employees and let the woollens in free. The people of Canada would make millions of dollars a year by doing that very thing.

Mr. THOBURN: A few moments ago the hon. gentleman stated that though there was an increased cost to the consumer, the producer did not get a corresponding benefit.

Mr. OLIVER: In many cases.

Mr. THOBURN: Now, I wonder if the hon. gentleman would apply that to the woollen manufacturer. I do not think he would. But I wish to state for the information of that hon. gentleman and others here to-night that perhaps they are not aware of the small cost of making a suit of clothes, that is the small cost of Canadian manufacture. I will make this assertion and I can prove it: There is not a suit of clothes on any hon. gentleman in this Chamber to-night—

Some hon. MEMBERS: Yes, there is.

Other hon. MEMBERS: Oh, oh.

Mr. THOBURN: Listen to what I have to say, and you can make your comments afterwards. On a suit of clothes that will average $30, which is a fair average price, the textile manufacturer does not receive more than $5. Now, where is the $25 gone?

Mr. OLIVER: I cannot answer that question. I am prepared to admit that there is similar leakage between the manufacturer of woollens and the consumer that there is between the grower of wheat and the buyer of flour. But that does not come into this question at the present time. The point is that we pay to-day a protective tax of $10,000,000 a year for the maintenance of our woollen industry and on the figures as they have been given to me, which I believe to be correct, the industry is not worth the money. I do not want to be understood as making any attack upon the manufacturing industry. The manufacturing industry is just as legitimate as any other industry, but it is no more legitimate. It is entitled to a square deal, and it is entitled to no more. If it cannot stand on fair terms, it has no business to stand at all. If there is

an industry in Canada that cannot stand while receiving the protection of a fair revenue tariff, then I say that industry on the face of it, is not suitable to Canada and is costing Canada more than it is worth. I am speaking on behalf of an industry which—in the nature of things, I will admit—gets no protection; which, in the nature of things, can get no protection, and therefore those who are dependent upon it and connected with it, naturally are not in sympathy with the argument that this, that or the other industry should be maintained by a process of protection. I have heard some hon. members here today speak of the 'unreasonableness of free trade'. We are not arguing for free trade; we are arguing for a fair deal. As long as we are dependent upon a tariff for our revenue there is incidental protection, and nobody is suggesting anything else. But it is not that kind of a tariff that our friends on the other side believe in or that they support, or that they propose to force on this country whenever they are able to do so. We are not now asking for free trade; we are asking for freer trade; we are asking for lower taxes and freer trade; and we believe this is now an especial time, when, no matter what the principles of the Government may be, taxation should be reduced wherever it can be reduced, and particularly upon the necessities of life.

Now, I am speaking of course for the production of wheat—that is the great product of the western country. Owing to circumstances, some of which could be controlled and some of which not, during this past year the value of wheat, oats and flax to the farmer of the West has been considerably, materially and seriously below the price of the previous year, and below the price he expected to receive for these products. As a matter of fact, in an enormous number of cases the profit of the farmer of the West has been wiped out by the depression in the price of wheat and other grains. Roughly speaking, the price of wheat to the farmer this year is ten cents a bushel less than it was last year, and the price of oats is as much or nearly as much less. Here is a condition where the profits of a tremendous industry, employing thousands of people and producing the great source of the original wealth of this country, is largely wiped out by a depression in prices. At the moment we are not blaming anybody for that, but it is not satisfying to us to tell us that some other industry is entitled to protection at our expense when we cannot get protection in return. The price of wheat to the farmer this year is ten cents less than it was last year; is the price of bread to the consumer of eastern Canada less than it was last year? I saw in the papers since this session commenced that the price of bread had risen materially in eastern Canada. Let this be established beyond question: that under our present conditions the price received by the producer is not governed by the price paid by the consumer, nor is the price paid by the consumer governed by the price received by the producer. The conditions with regard to, wheat, flour and bread, the great and most important products of the country, is the evidence on that point. Taking the estimate of the Government as to the production of wheat, oats, barley and flax in the prairie provinces, we find a total of 426,000,000 bushels, and estimating a difference of ten cents a bushel between this year's price and last, we find a loss to the farmers of the prairie provinces of $42,000,000. In the face of that my hon. friend brings in a budget in which he glories, because he has taken $168,000,000 in taxes from the people, and he offers practically no relief in his adjustment of the tariff.

I do not know that it would be out of place, in this connection, when we are speaking of our overflowing treasury, to point out that during the second week of May the bank clearances in the various cities of Canada showed a decrease, as compared with the same week of the previous year. Montreal, Toronto, Winnipeg, Vancouver, Calgary, Ottawa, Victoria, and others showed a decrease; the only large city showing an increase is Edmonton. I maintain again that the minister should have considered those conditions and should have dealt with them in his tariff schedule.

The minister dealt with the subject of immigration. I will not delay the House at any length, but there are certain important points in this connection, which, I think should have attention. I find that the immigration in 1911 was 311,000, in 1912, 354,000 and in 1913, 402,000, an increase of immigration in the three years of 100,000, which, as everybody will agree, is a very satisfactory increase. But I find in looking at the returns of the Department of the Interior that the homestead entries in 1911 were 44,479, in 1912, 39,151 and in 1913, 34,500, a decrease in the three years of 10,000 homestead entries. I want to draw the attention of the Government to the fact that while we have been getting an increase of 100,000 emigrants, in the three years, there has been a decrease of 10,000 homesteads in the three years. I do not elaborate on that point, but I think it will be evident that we are not getting people who are going on the land to the same degree that we were getting them in former years.

I desire to mention another point in connection with the matter of immigration. In 1911 we received from the United States nearly as many people as we received from Great Britain, and we received from countries other than the United States or Great Britain a third as many as from Great

Britain. In 1912 again we received nearly the same number from the United States as from Great Britain, and over half as many from countries other than the United States or Great Britain. In 1913 we again received nearly as many from the United States as from Great Britain, but from other countries we received four-fifths as many as from Great Britain. Let me draw the attention of the Government to the important fact that while our total immigration has been increasing our immigration from continental Europe has increased much more rapidly than our immigration from Great Britain. I would argue that it is important that the Government should have a knowledge of these facts and should bend their energies more strongly than they are doing to-day to the securing of immigration from Great Britain, if we are to maintain the predominance of the British character of the people of this country.

My hon. friend's strong point was our great revenue: $168,000,000, $35,000,000 more than last year; an expenditure of $133,000,000, a surplus of $55,000,000, and a net surplus of $23,000,000. This is a magnificient statement looked at from a national standpoint, if the individual standpoint in any degree corresponds. But I notice that for the year that is now current my hon. friend has brought down main estimates of $179,000,000 and supplementary estimates of $23,500,000, a total estimate on the table at the present time of $202,000,000 as against the revenue last year of $168,000,000. As compared with the estimates of last year there is an increase in the main estimates of this year of $10,000,000 and with the supplementaries of $23,500,000 an increase over the estimates of last year of $33,500,000. Then with $10,000,000 more which will probably be taken for the construction of dreadnoughts in England and, say, $12,000,000 for railway subsidies, there will be an increase in our estimates of this year of $55,000,000 over those of last year.

Mr. WHITE: That would nearly wipe out the surplus would it not?

Mr. OLIVER: An increase of 25 per cent over the estimates of last year. We have had a long era of prosperity, we have had a swelling revenue. Our returns during the past year have been magnificent; but in view of the facts which are within the knowledge of the minister and of the Government,—with the statement of the bank clearings, with the knowledge of the money stringency, with the knowledge of lower prices for farm products, with all this knowledge, I ask my hon. friend how he justifies estimates which not only wipe out the surplus of the present year, but go far beyond any reasonable expectation of revenue of the current year. My hon. friend or the Government of which he is a distinguished member appear to me, as far as I can judge from the budget that he has presented, from the consideration I have been able to give it, to consider that the function of government is simply that of a tax gatherer and a spender—that so long as the money comes in there is nothing to be done except get rid of it. There is no recognition of the conditions under which this revenue has been derived or the conditions under which revenues will be derived during the coming year. I say that the time was ripe for recognition of those conditions in the tariff that was brought down. My hon. friend has not seen fit to recognize those conditions, and while it is true that he has not at the moment saddled us with increased taxation such as we certainly feared, and we are glad of that, we can only assume that he is prepared to take that course at the first favourable opportunity. He ignores the conditions which to-day demand a lowering of the rate of taxation, which demand a fair measure looking to the expansion of our trade, he boasts of the amount of money that he has been able to collect and he takes measures to increase rather than decrease the collections, while taking care of special friends in the meantime.

Hon. W. T. WHITE (Minister of Finance): Mr. Speaker, if no other member desires to engage in the discussion, I would like now to conclude the debate. We have had some interesting criticisms of the budget. Some very valuable information has been placed before the House and upon 'Hansard,' and some interesting arguments have been advanced. The tone of the debate has been fair, moderate and temperate, and in my reply I shall endeavour to emulate that spirit and tone. I followed each of the speakers with a great deal of interest and if the hour were not so late I should like to reply at considerable length; but as the debate has been somewhat protracted and as we are all desirous of bringing the session to an end at as early a date as possible and of concluding the legislation now before the House, I shall occupy but a small space in my reply. The Government has been charged, as was to be expected, with extravagance. An opposition, if it is an orthodox opposition, always accuses the Government of extravagance. I could hardly imagine an opposition thinking that it was discharging its whole duty to the country unless it charged the Government with extravagance and so I have no particular exception to take to the charge—

Mr. OLIVER: Is it not true?

Mr. WHITE:—which, however, I desire to confute. The hon. member for Halifax

(Mr. Maclean) followed by the hon. member for Carleton (Mr. Carvell) and of course, the hon. member for Edmonton (Mr. Oliver) has denounced the extravagance of the Government. But I observe that the denunciation was in very general terms. The main estimates have been before the House for some considerable time and the supplementaries were brought down before this debate commenced and yet I have not heard any criticism of the details of the estimates. I have not heard my hon. friend from Halifax condemn any of the large expenditures which we propose to make in his native city of Halifax. I should imagine that my hon. friend would be pleased at the expenditures which the Government is making this year in the city of Halifax. For example, the main estimates contain $2,500,000 for terminal facilities for the Intercolonial railway. I have heard no criticism or denunciation of that item on the part of my hon. friend. In the same way, the hon. member for Carleton denounced in a general way the extravagance of the Government, and when I said that nothing was too good for the Maritime provinces, he at once concurred and admitted that nothing was too good for the Maritime provinces.

Mr. CARVELL: I do not participate myself in any of these expenditures.

Mr. WHITE: I did not hear my hon. friend raise any exception to the large expenditures in the city of St. John which will inure to the benefit of the entire province of New Brunswick and the constituency of my hon. friend will derive its proportion of the advantage, and so I say that the denunciation has been very general in its character. When I was listening to it I could not but think of the lines of the late James Russell Lowell in the Bigelow papers.

> I do believe in freedom's cause,
> As far away as Paris is:
> I like to see her stick her claws,
> In them infernal Pharises.

As I have said, the criticism of the extravagances of the Government has been in the most general terms imaginable, and no hon. gentleman opposite had the temerity to come out and criticise any of the large items of expenditure which appear in the estimates. That has been noticeable in the discussion to which we have listened with so much interest during the past couple of days. My hon. friend from Halifax (Mr. Maclean) has pointed out that our expenditures are the largest in the history of Canada. I should expect that they would be. Canada is now larger than ever before, she has a greater population, greater trade, greater business, she is greater in every way than ever before. Why should not our expenditure be greater than ever before in the history of Canada? My hon. friend has pointed out that our estimates will reach one-fifth of the estimates of the United Kingdom. Well, our population is nearly one-fifth of the population of the United Kingdom, and our trade is about one-fifth of the total trade of the United Kingdom; so that as a matter of fact our trade and our estimates are keeping pace proportionately with the trade and the estimates of the United Kingdom.

My hon. friend from Halifax (Mr. Maclean) expressed his alarm at our expenditures, and put forward the opinion that we should curtail them this year. My hon. friend from Edmonton (Mr. Oliver) has also expressed alarm. He asks how can we justify these expenditures in view of the financial stringency? My hon. friend from Halifax called attention to the fact that we should likely have reduced revenues on account of the financial stringency. Possibly, that may be, but I do not think so. To me, a most hopeful sign, a very hopeful sign indeed, is that notwithstanding the financial depression of the past year our revenues have kept up so well and are still increasing over those of last year. And we shall emerge in time from the financial depression. It is never well to be over timid about these matters, it is never well to be over cautious, especially in time of stringency. My hon. friend from Halifax said he thought that the immediate future was not roseate, and he referred to certain land speculations throughout Canada. While he stated that he was not pessimistic, the tone of his speech seemed to me to be decidedly pessimistic. Let me say to my hon. friend that I do not believe in the Government curtailing expenditure simply because it appears that, on account of financial depression, there might be a limitation of trade. My view is that that is the time to maintain your expenditure, because, by curtailing your expenditure, you aggravate the very condition that exists. The Government of Canada, with its surplus of the past year, and with its splendid financial position, would have no justification whatever for unduly limiting its expenditure, simply because we happen to be passing through a temporary period of financial depression, and even of diminished trade, although I am sure we shall not have a period of diminished trade, even if, on account of the financial stringency, we do not proceed at the same proportionate rate of increase over last year, as last year showed over the preceding year. I remembered a saying, I think it was by the late J. Pierpont Morgan, that a man should never be a bear in the United States. I say the same thing with regard to Canada, a man should never be a bear in Canada. There is only one spirit for Canada, and that is a spirit of unquenchable optimism. There is no other spirit possible in this country, having regard to

our resources, to which I will refer at greater length a little later, and to the quality of the people who are our fellow citizens. We often hear that Canada will have a temporary setback. I confess that I see no signs of it at the present time and it is my belief that even if there should be a temporary cessation of trade activity, having regard to five year periods, or decades, there is only one future possible for Canada. We have a population to-day of 8,000,000, and it will soon be 10,000,000, 15,000,000, 25,000,000. The future can hold only one destiny for Canada, and that is continuous progress. I think we are all assured of that, and therefore to curtail our expenditure simply because we happen to have had a financial depression, which is world-wide, would seem to me to be an utterly unsound policy. So far as I can see, there is nothing to occasion undue caution, and, as I stated before, such a policy would aggravate the very condition which we seek to avoid.

My hon. friend from Halifax has contended for a reduction in taxation. He says that we should borrow for capital expenditure, and that we are taking too much money from the people of Canada. He also referred to the increased cost of living, and I shall briefly address myself to these two topics. My own view is that in times of abounding prosperity, it is well that the Government should pay its way, if possible. It will not always be able to do so. As I stated in my budget speech, it is not to be expected that Canada will be able to pay from her revenues her current expenditure, and also that expenditure which is properly chargeable to capital account, that expenditure which is made on those national undertakings that become part of the assets or plant of the people of Canada. But I think it is well, especially in times of prosperity, to aim to establish an equilibrium between income and outgo, and therefore I do not agree with my hon. friend that, in times such as these, we should adopt a policy of borrowing largely to meet our capital expenditures. We may have to borrow, I understand that we shall, but I think that as far as we can, we should aim at paying as we go. My hon. friend stated, and truly stated, that there is a distinction between current expenditure and capital expenditure. There is no doubt about that. That is a distinction which is observed, not only in connection with governmental finance, but in other finance. It is a well recognized principle, and I do not dissent from his view as to that. But I would say this, that if we preserve our credit in times of prosperity, and are able from time to time to reduce our national debt, if by any chance we should have a period of adversity, that would be the time to use our credit, to borrow, and to proceed with national expenditures which would innure to the benefit of the entire community upon national plant. Expenditure of that kind is fruitful expenditure; it is expenditure which will provide additional facilities for the carrying on of the business of the country. The estimates show that we shall require the revenues of 1913 and 1914.

A plea has been made that we should reduce the taxation, that we should return to the people a part of this large surplus, that we should substantially cut down the taxation. There are just a few observations that I have to make as to that. In the first place this is a low tariff country. The tariff of the United States, which has commanded the admiration of my hon. friend from Edmonton, is almost double our tariff.

Mr. OLIVER: I beg my hon. friend's pardon, the United States tariff does not command my admiration.

Mr. WHITE: I understood my hon. friend to speak just a few moments ago in terms of unqualified admiration of the tariff of the United States.

Mr. OLIVER: I was speaking in favour of the reductions in the United States tariff, not in favour of the tariff.

Mr. WHITE: I do not know whether the reductions have yet been made, but I understood my hon. friend to speak with admiration of the tariff of the United States, and to commend it to myself. I intended to ask him whether he would like me to adopt the United States tariff, even with the reductions. I do not think he would.

Mr. OLIVER: I was trying to say that my hon. friend and his friends had borrowed the example and the leadership of the Government of the United States in tariff matters, and I suggested that they should still continue to follow them, now that a reduction was being made.

Mr. WHITE: I do not see in what we could have followed the example of the United States in its tariff legislation, because the average tariff of the United States is forty-five per cent, while ours is only twenty-five per cent, and if the hon. gentleman will take our entire imports of dutiable and free goods he will find that our average tariff is only fifteen per cent, which shows that Canada is a very low tariff country as compared with the United States. The hon. gentleman (Mr. Oliver) would become a very hostile critic if I suggested we should adopt the tariff of the United States even if it should be lowered as proposed to Congress. We have presented estimates exceeding two hundred millions, and in addition to that there are railway

subsidies, and we have to provide twelve million dollars for the purchase of Grand Trunk Pacific bonds, one million dollars a month during the year, on account of the so-called implementing judgment. We have a very large programme before us, not too large having regard to the requirements of the public and the necessities of the public service, but still large and comprehensive. It seems to me that unless our revenues are increased beyond what we anticipate, if we attempted to reduce the taxation to such an extent as has been suggested, Canada would enter upon a period of deficits which would come in for the most earnest condemnation of hon. gentlemen opposite who now suggest this course.

This country is growing. My hon. friend from Carleton (Mr. Carvell) spoke about the expenditure the old Government had made and of the large national undertakings they had in hand. Does he think the country is going to stand still simply because the Liberal Government went out of power and the Conservative Government came into power? There are other great national undertakings under way and there are still others which will be carrired out in the future, and this Government must provide the revenues to carry them to a successful conclusion unless it is derelict in its duty to the Canadian people. Hon. gentlemen opposite must not lose confidence in the country simply because they are in opposition. The country is growing; our trade is increasing; our population will be ten millions, fifteen millions, twenty-five millions, and we must look to the future and provide for carrying on the nation's business. Railways must be constructed, canals must be built, navigation must be improved, harbours must be deepened, docks must be built on the Atlantic and on the Pacific, and the public service must be efficiently maintained. So far as I can see this country will need large revenues for years to come. The people of Canada realize that; they know that expenditure must be made and they are quite content that expenditure should be made, provided it is made honestly and for the purpose of providing national facilities for the carrying on of the business of the country. I think it was my predecessor who said that wise expenditure was true economy; it is not a question as to the amount of the expenditure, but as to whether that expenditure is justified and honestly made, and the people of Canada will find no fault with any government which keeps these things in view.

Among other things, we are building the Hudson Bay railway this year, and in the supplementary estimates we have placed four million dollars for the erection of terminal elevators throughout the West. My hon. friend from Edmonton (Mr. Oliver) raised no objection to that. His criticism of our extravagance, as he calls it, has been most general in character. I think he would hesitate to rise in his place and criticise any of the items in the estimates relating to the prairie provinces. If we look at the criticism launched against the budget we find it is not well founded; it is just the stock orthodox criticism of all oppositions. It seems natural for an opposition to adopt a pessimistic tone, but for the Government of Canada there is only one outlook and that is of optimism. We must be optimistic in regard to the future of this great country if we discharge our duties to the people who have placed us in office. My hon. friend from Halifax (Mr. Maclean) said that when you had an excessive surplus, you were apt to have expenditure which was unwise, unproductive, and corrupt, and in the same breath he mentioned the subsidy we had given to the province of Manitoba. I need not say that the increased subsidy to Manitoba was abundantly justified. The boundaries of Manitoba were extended and Manitoba was simply put in the position of her sister provinces, Saskatchewan and Alberta. It was but a simple act of justice to a great province; there was nothing unwise, unproductive or corrupt about it.

We are making other expenditures; we are providing to expend ten million dollars over a period of ten years for the improvement of agriculture, and I think every one will say that is a wise expenditure. And, on highways, if hon. gentlemen opposite will let us do it, we are prepared to spend one-half million dollars a year. All this expenditure, I believe, will meet with the approval of the Canadian people.

Let me deal for a few moments with the cost of living, which has been discussed at very great length during the last couple of days by my hon. friend from Maisonneuve (Mr. Verville) and by my hon. friend from Carleton (Mr. Carvell). There is no doubt the cost of living is a live question in the world to-day. It is not confined to Canada; the cost of living has increased all over the world, and it is a phenomenon which is not confined to this continent. It may be interesting, in view of the discussion, to examine briefly some of the causes which have been alleged for the increase in prices. In the first place, it has been stated that the increased gold production has had something to do with it. My own view is that is not nearly as important a cause as some seem to think. It is true the gold production has greatly increased during the past few years. Between 1871 and 1875 the average annual gold production was $115,000,000; from 1891 to 1895 it was

$163,000,000; and it is now $500,000,000. That is a very large increase, and the argument has been that as gold is the standard of value, you may either measure commodities in terms of gold or gold in terms of commodities, and as gold has become cheap, commodities become dear. Those who put forward that argument lose sight of the fact that the commercial transactions of the world are carried on not so much upon gold as upon credit, and that the amount of gold which is used in connection with payments is very small indeed. Gold is not only the standard of value but an article of commerce. Of the production of gold every year a very large amount is used in commerce and finds its way into the several arts. Of the balance a very considerable amount forms part of the bankers' reserves. In addition to that, a great deal of gold is hoarded, I think, particularly in India. During the war in the Balkan peninsula, a great deal of gold has been hoarded in Europe.

It is a curious fact that, notwithstanding the increase in the production of gold, credit has not been cheapened. On the contrary, the price of money has been going up during the past fifteen years. There are very many causes for that. In the first place many new sections of the world have been opened up and are being developed. In Japan, China, India, Egypt, South America, Canada, in fact, in all parts of the world there has been a great period of development and of increased commerce and trade. Good times have prevailed for ten or fifteen years. As a result, rates of interest have been high. That, of course, has had its effect upon the cost of commodities. Speaking for myself, I do not believe that the increased production of gold has been a very important factor in the increase in cost of commodities.

Passing over rapidly the other factors which have been referred to, namely: the increase in urban population, which has been very considerable, and the profits of the middleman, I should like to deal for a moment with the Canadian situation so far as it relates to the increased cost of living. We must bear in mind that, in this country during the past few years, we have been engaged in the construction of enormous national undertakings. Three transcontinental railways traverse our part of this continent. The railway construction has been on a vast scale. Other constructions have been on a proportionate scale, so that our consuming population has been greatly increased, while our production has not correspondingly increased. The result is that in Canada the demands of the home market have been greatly enlarged over those of previous years. Therefore I think we can find an explanation for the falling off in our exports of certain of our agricultural products such as animals and their products, to which I referred in my budget.

The House is familiar with the method of determining the index number of a particular year. I understand that, in Canada, we take the period of ten years between 1890 and 1899, and some 200 commodities. We represent that period by 100. Then, by taking the average price of the same commodities in any particular year, we relate that to the 100 and determine what the index number for that particular year is. Following that method, I understand that the cost of living has increased in Canada about 37 per cent. The cost of living, having regard to those staple commodities, is between 35 and 40 per cent higher than it was between the years 1890 and 1899.

I wish to put forward a theory, which is not mine, but which appeals to me more than any other theory, in explanation of the phenomenon of the high cost of living. I found it interesting and I hope the House will not find it otherwise. It is that the chief factor in the high cost of living throughout the world is war and the cost of armanents. It is a very curious thing that the cost of living from 1867 to 1872 was higher, in Great Britain at least—I am not sure as to this continent—than almost at any period since. The period between 1890 and 1899 has, I have pointed out, a very low index number. Let us see what happened. The period in the early seventies succeeded the American war, the Franco-Prussian war and the war between Germany and Austria. After the war between Turkey and Russia, there was a long period of peace in the eighties and the nineties. The index number went down and the cost of living was lower then than at almost any other period preceding or succeeding. Then we come to 1898, when the Spanish-American war broke out. After that, we have the Boer war, and after that the great war between Russia and Japan. It is estimated that in these wars no less a sum than $5,000,000,000 was expended. Following that, we have the war between Greece and Turkey, and now the Balkan war. These wars have used up an enormous amount of the fruit of human industry, because money spent unproductively is just as much lost as if it had been cast into the sea. That money has been withdrawn from the capital of the world available for the development of agricutural districts, and for the opening up and settlement of new countries. These wars have withdrawn a very large number of men from productive employment, and have interrupted the occupations of millions more. The result has been a profound effect upon the economy of the world. I put the view forward, not as original, but as appealing to

me more than any other that I have read, as being the cause of the world-wide phenomenon of the high cost of living. In addition to the actual amount expended in these wars, the increasing cost of armaments for similar reasons is having its effect also.

Therefore, so far as tariffs are concerned, while tariffs have an important influence upon the cost of living, I do not believe our tariff has a very serious effect upon the cost of living in this country. In the first place, it is a low tariff, not a high tariff, and this is an agricultural country; we produce the necessities of life. In time I have no doubt that the evil will cure itself. There is no reason why, with the influx of immigration and improved methods of farming, products should not greatly increase and the cost of living should not be materially decreased.

My hon. friend from Carleton touched on a subject which I do not propose to go into to-night; that is reciprocity. If we all started to discuss reciprocity and re-hashed the arguments of the 1911 campaign, we would be here all summer. But to my hon. friend it seems to be a Banquo's ghost, it will not down. He rehearses the arguments which are familiar to us about these benefits as giving a higher price to the farmer and at the same time reducing the price to the consumer. I would point out to him that, while that argument may avail in the province of New Brunswick it did not avail in the province of Ontario. The people of Ontario could not understand how a farmer with a farm on the confines of a town could get more for his butter and eggs, and at the same time the people of the town be able to get their butter and eggs at a less price. I do not know whether they are as intellectual as the people of my hon. friend's constituency, I think they are both intellectual peoples. But in Ontario they could not be made to understand that, and I doubt if they can ever be made to understand it. My hon. friend says he is going to hope on, hope ever, with regard to reciprocity. Well,

> Hope springs eternal in the human breast;
> Man never is, but always to be, blest.

So we will leave it at that.

Some discussion has taken place of a more or less desultory character with regard to our tariff. I am not going to discuss that now. I said in my budget that it seemed to me a sound policy that there should be a revision of the tariff of a general character from time to time, and that in the intervening periods tariff modifications should be very sparingly made if at all. And I still believe that that is a sound policy. I do not like to refer to the policy of our neighbours to the south, but I may say in a general way that I have been told by business men there that the continuous tariff interference, usually called tariff tinkering, has a very bad effect upon business, and that at the present time it is having quite an unsettling effect; however, I pass no opinion on that. I simply desire to say that our tariff, presenting as it does, many anomalies, should be revised at certain intervals, and that in the meantime changes should be made sparingly, if at all.

My hon. friend from Edmonton touched upon the sugar question, and he was in pretty deep waters. The sugar question is one of the most complicated that we have to deal with, as I pointed out before. My hon. friend has found out that we presented two and a half million dollars to the sugar refineries. Well, I never knew a journalist who was good at figures, and I think the hon. gentleman is no exception to that rule.

Mr. OLIVER: I understand that my hon. friend is a journalist also.

Mr. WHITE: Well, I never was good at figures.

Mr. OLIVER: If so, the hon. gentleman may easily be wrong now.

Mr. WHITE: When the hon. gentleman took his pen in hand this time, he got into very deep waters indeed. I would point out that nearly all the refined sugar consumed in Canada is manufactured in our own refineries. The amount that comes in except from Great Britain is almost negligible, and I think that fully ninety-five per cent of the whole consumption is manufactured in Canada. How the hon. gentleman makes out that two and a half million dollars was presented to the sugar refiners passes my comprehension. I think he chose $2,500,000 as being a good round sum, and he introduced it as helping to give plausibility to his criticism of our tariff changes.

Mr. OLIVER: I said the hon. gentleman had reduced the duty on raw sugar and had not reduced it on the refined, and the refiner got the benefit.

Mr. WHITE: The hon. gentleman is an economist of the Liberal school. Suppose the sugar comes in at a low duty, why should not the public get the benefit? Why should not the manufacturer turn out the goods more cheaply?

Mr. OLIVER: He could, but he will not.

Mr. WHITE: Then, the hon. gentleman's contention with regard to the tariff changes falls to the ground.

Mr. OLIVER: If my hon. friend had reduced the duty on refined to correspond with the raw sugar, the consumer would have got the benefit.

Mr. WHITE: My hon. friend does not realise that the duty on refined sugar under the preferential tariff remains precisely where it was.

Mr. OLIVER: That is precisely what I do know.

Mr. WHITE: It remains at 83, while the other was cut down from 53 to 40. And I pointed out that we had taken from the sugar refiners the benefit given them by my predecessor of importing free foreign raw sugar to the extent of twenty per cent of their production. I also quoted on the occasion of my budget speech, and the hon. gentleman must have heard it, the opinion of my predecessor, Mr. Fielding, that he aimed to give a protection of one half cent a pound. We give less than that. My hon. friend is really criticising my predecessor, his own colleague. He does not realise what an intricate question this sugar question is. I do not blame him, because I have put in a good deal of time trying to understand it. The modifications of the tariff with regard to sugar were given the most careful consideration. The sugar refiners are not in any better position than they were in before, and there has been a reduction in the price of sugar to the consumer.

Mr. OLIVER: I must say that what aroused my interest was that the sugar refiners approved strongly of the reduction. I thought it was worth looking into.

Mr. WHITE: I understand that my hon. friend approves of reduction in the tariff. The price of sugar came down correspondingly immediately after the announcement was made. I stated that we did not desire to make any sweeping reductions that would cause substantial loss of revenue on sugar.

Mr. CARVELL: Would the Minister like to guarantee that the price will remain down?

Mr. WHITE: I would not; but I think it will remain down. I think competition applies with regard to sugar.

Mr. OLIVER: Not in Canada.

Mr. WHITE: I think so. The modifications have not only been carefully considered but they are modifications that had to be made to the terms of the agreement. The hon. member complains that we cut down the preference to the West India grower. But he knows that that course was recommended by the imperial commission of which Mr. Fielding was a member, and the report of that commission was the very basis of our action. They suggested that the preference of 31 cents might be reduced to 15 cents, in order to prevent the grower from taking the whole of the British preference to the disadvantage of the Canadian sugar refiner; and the West India grower desired to obtain an exclusive preference of the Canadian product and insisted that the twenty-per-cent privilege should be abolished. We have abolished it and have endeavoured to put our refiners in the position they were in before. They are in no better position. That twenty-per-cent privilege was very valuable to them. I do not believe they are in as good a position as they were before. So, when the hon. gentleman says we have presented $2,500,000 to the Canadian sugar refiners, he is simply out in his arithmetic.

Mr. OLIVER: My hon. friend is a journalist and I am afraid he is out. May I ask him a question?

Mr. WHITE: Might I suggest that it would be well to wait until we get into Committee and have the special items under discussion. The hon. gentleman has also referred to the cement reduction. In the debate on the Address, my hon. friend apparently acquiesced in and approved of the cut we made temporarily in the cement duty, but said our motive was wrong. He would rather not have the cut because it happened to be made just before the Saskatchewan elections, but the very paper of which my hon. friend is proprietor—and I suppose he sometimes has time to write editorials—the Edmonton Bulletin, clamoured for the reduction for weeks before we made it. Yet my hon. friend has the temerity to get up in this House and criticise the Government for taking a course which was advocated by his paper in the strongest possible manner.

Mr. OLIVER: Will my hon. friend tell the House why he does not continue that reduction?

Mr. WHITE: My hon. friend promised me his support if I would do a certain thing; fancy this Government being supported by my hon. friend. I do not believe, however, that he would be a very permanent prop; I think he would not be likely to remain very long. However we did reduce the rate from 12½ cents to 10 cents. My hon. friend, I have heard, approved the reciprocity agreement. If my hon. friend were in his seat now, I would ask him what the extent of the cut was under that agreement. I think he is aware of the fact that the duty was reduced to eleven cents; we reduced it to ten cents.

Mr. OLIVER: It was one and a half cents under reciprocity and two and a half cents under your arrangement.

Mr. WHITE: Under the reciprocity agreement it was standing at eleven cents; under our arrangement it stands at ten cents, and yet my hon. friend gets up and criticises. We are all anxious to please

our loving friends on both sides of the House, and yet no matter what we do, even if we cut the duty on cement below the reciprocity figure, my hon. friend is not satisfied. My hon. friend speaks about wheat. I desire to quote from the Toronto Globe, a journal of repute—

Some hon. MEMBERS: No.

Mr. WHITE: Some of my hon. friends deny that, but certainly it is in sympathy with the opinions of the hon. member for Edmonton. Speaking about the United States tariff revision, the article says:

The reduction proposed in the duty on wheat will affect the Canadian producer very little now. The United States is producing too much surplus wheat in these days to afford us a profitable market there. With reserves on March 31 amounting to about 156,000,000 bushels and a new winter crop coming in about the 1st of July which promises to greatly exceed that of a year ago, the United States is a huge exporter yet. With her new irrigation methods there are large wheat areas yet untouched. There is promise that she will be a large exporter for many years to come.

To show how unreasonable my hon. friend is in his criticism, I may say that he criticised me for not lowering the duty upon steel rails. He called attention to the fact that we had remitted the duty upon rails. He called attention to the fact that we had remitted the duty upon steel rails, and he approved of that. His hon. leader got up in this House and criticised the Government very severely for remitting that duty.

Sir WILFRID LAURIER: Not exactly that: the method by which it was done.

Mr. WHITE: My right hon. friend was, then, satisfied with the remission of duty, but not with the method by which it was done. The hon. member for Edmonton expressed no dissatisfaction at all; he approved of what was done. So that my right hon. friend the leader of the Opposition and the hon. member for Edmonton apparently do not see eye to eye in regard to this matter.

I have taken up a good deal of time replying to the criticism which has been made of the budget speech, and I just desire to say this in conclusion. We shall have in this country, a large revenue, and we shall have large expenditures to make. I think there is, as I have said before, only one spirit for Canada, and that is the spirit of optimism. We can look forward to a great future in this country, a future of which, I am sure, we shall all be proud. We have here, a dominion in area the size of Europe; I sometimes think we do not fully realize what a vast heritage has been handed down to us. We have not only the historical maritime provinces and the provinces of Quebec and Ontario but we have the three great prairie provinces, each one the size of modern Germany, and we have the great province of British Columbia, potentially one of the richest, if not the richest, province in the confederation. Great responsibilities devolve upon the Government of this country. We must have a vision for the future; we must not be timid with regard to making expenditures, if those expenditures can be justified from a national standpoint. As I say, confederation in this country is only possible when we have the freest intercourse between the several provinces. We shall have our transportation problems, and the matter of transportation is the most important question in Canada to-day. We must be prepared to assist railway development in Canada; we must be prepared to build and deepen our canals, improve our navigation, and construct docks and other facilities for our shipping on both coasts. We must be prepared to maintain our public service. All this will require a vast expenditure, but, as I said a little while ago, the people of Canada will approve of any expenditure on the part of the Government, no matter how large it may be, if it is reasonably within our revenues or our borrowing powers—if they are capital expenditures—and provided they are required by the country and are honestly made. I have to thank hon. gentlemen opposite for the very temperate and moderate tone in which the debate upon the budget speech has been conducted; I think it has been well received. It bears all the evidences of the prosperity which this country is now enjoying, and, notwithstanding the financial stringency to which attention has been drawn, I think we may look forward with confidence to increasing trade and increasing prosperity. Personally, I always feel optimistic with regard to Canada's future; I do not think there is any room for the pessimist in this country. In making generous provision, therefore, for the public services in a growing period such as we are now passing through, we feel that we can abundantly justify our proposed expenditures before the people of Canada.

Motion (Mr. White) agreed to, and House went into Committee of Ways and Means. (Mr. Deputy Speaker in the Chair.)

20. Cocoa paste or liquor and chocolate paste or liquor not sweetened, in blocks or cakes per pound: British preferential tariff, 3½ cents; intermediate, 4 cents; general, 4 cents.

Mr. WHITE: The old rates were two and a half cents, three cents and three cents. There has been an increase of one cent a pound. The reason for the change is the duty placed on cocoa beans under schedule C of the West Indies agree-

ment. My hon. friend will recall that cocoa beans are placed on the free list so far as the West Indies are concerned, but that there is a duty as against foreign countries. The average quantity of chocolate paste obtained from one hundred pounds of cocoa beans is seventy-five pounds. The tariff of the United Kingdom, based on the principle of furnishing no protection to the manufacturer, is as follows: On raw cocoa, the cocoa bean, one penny per pound; on cocoa or chocolate, ground, prepared or in any way manufactured, two pence per pound. That is a difference of one penny per pound. Our manufacturers will not be able to obtain all their cocoa from the West Indies, although the production from the West Indies would, so far as amount is concerned, be adequate. They require to use certain blends, different colours in their products, and, after giving the matter very careful considerasideration, the experts of my department and of the Customs Department came to the conclusion that one cent should be added.

20a. Butter produced from the cocoa bean, per pound: British preference, 1½ cents; intermediate, 2 cents; general, 2 cents.

Mr. White: The old rates were two and a half cents, three cents and three cents.

21. Cocoa paste or liquor and chocolate paste, per pound: British preference, 3½ cents; intermediate, 4 cents; general, 4 cents.

Mr. WHITE: The old rate was two and three-quarters cents, and the new rate is three and a half cents under the preference. The reason for this change is the duty placed on raw cocoa under schedule C. There is an increase of three-quarters of a cent under the British preference.

22. Preparations of cocoa or chocolate on powder form: British preference 20 p. c.; intermediate, 25 p. c.; general, 25 p. c.

Mr. WHITE: It was fifteen per cent under the old tariff under the preference, the intermediate twenty per cent, and the general twenty per cent.

23. Preparations of cocoa and chocolate in powder form: British preferenc , ½ cent per pound and 22½ per cent; intermediate, ½ cent per pound and 35 per cent; general, ½ cent per pound and 35 per cent.

Mr. WHITE: One-half cent a pound has been added there under all three rates. The reason is the change made in the duty on cocoa beans under schedule C.

Mr. CARVELL: That was an ad valorem before ?

Mr. WHITE: It is retained ad volorem plus one-half cent a pound. There is a combination tariff there now.

Mr. CARVELL: That is a pretty severe tax, is it not ?

Mr. WHITE: No, I think not; at all events, it is rendered necessary by the agreement.

39a. Rice flour, sago flour, cassava flour, tapioca flour and rice meal: British preference, ¾ cent per pound; intermediate tariff, 1 cent per pound; general tariff, 1 cent per pound.

Mr. WHITE: The reason for inserting this item here is that cassava flour has been introduced. The rate is exactly the same.

39b. Arrowroot, per pound: British preference, ½ cent; intermediate, 1 cent; general, 1 cent.

Mr. WHITE: The old rate was fifteen per cent, seventeen and a half per cent, and seventeen and a half per cent.

Mr. MACLEAN (Halifax): How will that work out ad valorem ?

Mr. WHITE: The agreement calls for one-half cent preference. The reduction in revenue is about two hundred dollars.

63a. Rice bran: British preference, 12½ per cent; intermediate, 17½ per cent; general, 17½ per cent.

Mr. WHITE: There is a reduction from fifteen per cent to twelve and a half per cent; a reduction of two and a half per cent on the British preference.

69a. Cattle food containing molasses: British preference, 15 per cent; intermediate, 20 per cent; general, 20 per cent.

Mr. NESBITT: What is the difference there ?

Mr. WHITE: The general tariff is increased two and a half per cent there. The reason for that change is to be found in section 2 of the agreement. The preference is the same, fifteen per cent.

77. Beans, tonquin and vanilla, crude only: free.

Mr. WHITE: There is no change in the duty there, they are all on the free list. Cocoa beans are left out, as they are especially dealt with under the agreement, and therefore the words 'cocoa beans' have been eliminated from this particular item.

77a. Cocoa, beans, not roasted, crushed or ground, per 100 pounds: British preference, free; intermediate, 75 cents; general, 75 cents.

Mr. WHITE: This change is made to comply with the agreement.

Mr. MACLEAN (Halifax): How would that tariff work out in ad valorem rates, seventy-five cents per hundred pounds, at present cost?

Mr. WHITE: About six per cent.

101. Oranges, shaddocks or grape fruit, and lemons: free.

Mr. WHITE: The word 'limes' is eliminated from this item. That is the reason the item is inserted here.

101a. Limes: British preferential, free; intermediate, 10 per cent; general, ten per cent.

Mr. CARVELL: What are limes to be now?

Mr. WHITE: Ten per cent in the general tariff.

Mr. MACLEAN (Halifax): Do we import limes from any other country? Will there be any competition?

Mr. WHITE: I think not. We import lemons, but not limes. We import a number of lemons from Italy, I think.

Mr. NESBITT: Do we not get limes from the South?

Mr. WHITE: Practically none, I am told.

109. Nuts of all kinds, n.o.p., including shelled peanuts, per pound: British preference, 1 cent; intermediate, 2 cents; general, 2 cents.

Mr. CARVELL: Is that an increase?

Mr. WHITE: The new rates are three-quarters of a cent less on the British preferential tariff, and the same on the general tariff.

111. Cocoanuts, when imported from the place of growth, by ship, direct to a Canadian port, per one hundred: British preference, free; intermediate, 50 cents; general, 50 cents.

Mr. CARVELL: Is that a reduction?

Mr. WHITE: This is free. The old rate was thirty cents per one hundred in the British preferential tariff and the same in the general tariff, and the intermediate has been made the same as the general.

134. All sugar above number sixteen Dutch standard in colour, and all refined sugars of whatever kinds, grades or standards, testing not more than eighty-eight degrees by the polariscope, per one hundred pounds: British preference, 72 cents; intermediate, 93 cents; general, 93 cents.

Mr. MACLEAN (Halifax): I would like to call the attention of the minister to a matter in connection with the sugar tariff. My attention has been called to the fact that the dumping clause is applied against importations of American granulated sugar purchased at the market price, because the United States Government make a rebate of five per cent of the duty paid on raw sugar when it is exported as refined. Perhaps it will make my point clear if I read a short extract from a letter I have received from an importer of sugar. Upon the point I have just mentioned, he says:

What we would like to see done for the protection of the consumer in Canada is to have the dumping clause as applied to sugar cancelled. As you of course are aware, the object of this dumping clause was to prevent goods being sold in Canada at a lower price than they were sold for home consumption in the country they were manufactured. Now, in buying American granulated sugar, one has to buy at the ruling market price in New York, Boston, or Philadelphia; and when that sugar is exported, the seller secures from the United States Government a drawback of a certain proportion of the duty paid on the raw sugar from which the refined is manufactured. This we are sure you will agree with us, is not a case of selling at a lower price for export than for home consumption; but, ever since the dumping clause came into effect in Canada, the customs officials have insisted that the dumping clause should be applied for this reason, which on American granulated sugar increased the duty to about $1.95 per 100 pounds.

I refer to this for the purpose of calling the minister's attention to it. It strikes me that it is worth investigation. The objection seems to me rather substantial. It is hardly a case where the dumping clause should be applied.

Mr. WHITE: I am not quite sure that I understood my hon. friend. He is no doubt aware that the dumping clause does not apply to sugar refined in the United Kingdom, but does apply to sugar refined in the United States.

Mr. MACLEAN: When sold below the market price there.

Mr. WHITE: Yes, when sold below the market price there. But the United Kingdom is especially excepted from its provisions. I am not quite sure whether the point my hon. friend was making is that the Department of Customs is, or is not, enforcing it.

Mr. MACLEAN: They are enforcing it against American refined sugar imported. I assume the customs officials take the ground that although American sugar may be bought by Canadian buyers at the ruling market price, because the exporter or the American seller secures a rebate of five per cent on account of that sugar being exported, there has been a sale below the market price. That is the way I understand it.

Mr. WHITE: My hon. friend having called my attention to the matter, I shall be glad to look into it. I am not in a position to discuss it at present. I am told by my officer here that the dumping clause would apply under such circumstances.

Mr. MACLEAN: I am instructed that it is applied, and the Canadian importers ob-

ject to that. They say that the only reason that it is applied is because the American exporter secures a refund of five per cent upon his raw sugar when the refined sugar is exported, but the Canadian buyer of that sugar does not receive any advantage from the refund of duty. He buys apparently at the market rate, but because the seller secures a refund, the customs officials rule that it is a sale below the current market price.

Mr. WHITE: I am glad to have had my attention directed to that.

Mr. NESBITT: The minister stated the other night in his speech that the provision, allowing the beet sugar factories here to bring in sugar at a certain price while their factories were not running, so as to keep them employed, expires in 1914. I would like to say for the beet sugar refiners, and the only beet sugar refiners I know in Canada that do a large business are those at Wallaceburg and Berlin, that they have been in the habit of selling direct to the retailer. I suppose my hon. friend knows that the other large sugar refiners throughout the country sell to the wholesaler, and the price is arranged as between the refiner and the wholesaler. These beet sugar people have been in the habit of selling direct to the retailer throughout the province of Ontario, and as far west as Winnipeg, to my certain knowledge, and I know that the retail people throughout the country think it is a benefit, not only to themselves but to their customers, because they are able by selling direct to sell more closely to their customers than they would otherwise be able to do. I understand that the arrangement does not expire till 1914, and perhaps it is rather early to bring it up now, but I would like to draw the attention of the minister to the fact, which I think is worth while considering in the interests of the public.

Mr. WHITE: I am glad to have that information.

Mr. OLIVER: I would like to get a little better understanding of the situation with regard to sugar.

Mr. WHITE: We estimate there will be a reduction in revenue of $622,000 by virtue of this change.

Mr. OLIVER: Our importations of raw sugar for the last year were fourteen and one half million pounds.

Mr. WHITE: Yes, about that.

Mr. LEMIEUX: How much do you import from Germany and how much from Great Britain?

Mr. WHITE: Raw sugar, 1912, imported under the general tariff, 204,000,000 pounds; under the preferential tariff, 358,000,000 pounds.

Mr. CARVELL: Then if the manufacturer does not reduce the price of his manufactured article to the consumer, he benefits entirely to the extent of the $622,000; is that correct?

Mr. WHITE: No, the key of this tariff modification we are making is the twenty per cent privilege that the sugar refiner had which enabled him to import twenty per cent of his product of foreign raw sugar at preferential rates. We have set off this further reduction as against the taking away of that privilege.

Mr. CARVELL: How much does that figure out?

Mr. WHITE: It is a set-off for the abolition of that privilege. It is of course absolutely impossible to precisely set the one off against the other. My statement to the House was that it would give rise to a slight reduction in the price of sugar. The thing I had in mind was that the price of sugar should not be increased but rather reduced.

Mr. LEMIEUX: Since the tariff was announced has there been a reduction in the price of sugar to the consumer?

Mr. WHITE: Yes, I am told it has been reduced by twenty cents per hundred pounds.

Mr. CARVELL: The minister sees the manufacturer will have to pay in the end the same price for his sugar, because while he receives fifty per cent on the West India product he has to pay twenty per cent more to the foreigner.

Mr. WHITE: No, we have reduced the rate from fifty-three to forty.

Mr. CARVELL: If the manufacturer gives the consumer a square deal, the consumer will get a reduction of twenty cents on the hundred pounds. If the manufacturer does not give this fair deal to the consumer, we have no way of getting at him because he still has the same protection on the finished product. Why did not the minister reduce the duty on the finished product the same as he did on the raw sugar?

Mr. WHITE: There is a reduction in the general tariff of seventeen cents on refined sugar.

Mr. OLIVER: Is there any refined sugar imported under the general tariff?

Mr. WHITE: Under the general tariff we imported 4,000,000 pounds value $154,000; under the preferential 18,000,000 pounds, value $650,000; total quantity 23,000,000 pounds valued at $814,000. Under the general tariff there comes in about one-fourth

of that which comes in under the preferential. There is a reduction on refined sugar of seventeen cents per hundred pounds under the general tariff. The preferential tariff on refined sugar remains the same. We have reduced the British preference from fifty-three to forty on raw sugar and the change that is made is a set-off, so far as the manufacturer is concerned, against the privilege he lost.

Mr. CARVELL: There is no reduction in the British preferential on the refined product.

Mr. WHITE: No.

Mr. CARVELL: Then if there is no reduction in the preferential, nothing is done for the consumer because the man who imports under the general tariff has to meet the competition of the importation under the preferential tariff.

Mr. WHITE: We have cut the general down from $1.24 to $1.07.

Mr. CARVELL: Yes, but the price of sugar is governed by the preferential rate. The man whom the Canadian refiner fears is the man on the Clyde. He does not fear the man in Germany. The only way in which my hon. friend can reduce the cost of sugar to the consumer in Canada is to reduce the preferential tariff. If he cuts the preferential tariff down twenty cents a hundred pounds, the Clyde manufacturer will send it in that much cheaper and the Canadian refiner will have to meet that competition.

Mr. WHITE: My hon. friend knows that the British manufacturer is supposed to get the advantage of the British preference. He may not get it all, but the idea is that he shall get it all.

Mr. CARVELL: Certainly.

Mr. WHITE: Therefore the general tariff is the tariff that determines the rate. The preferential tariff is for the purpose of giving the British manufacturer a preference in the Canadian market. Take the case of the Greenock refiner. He does not pay any duty upon his raw sugar, whereas the Canadian refiner pays forty cents on his raw sugar from the West Indies; and, if it comes in from any other place, he pays fifty-seven cents. That is his disadvantage. That is due to the fact that we derive a revenue upon sugar; we impose a tariff upon it. It is perfectly obvious that, if some advantage were not given to the Canadian manufacturer to off-set this disadvantage, he would go out of business. Therefore the tariff is amended accordingly.

Mr. CARVELL: If you made raw sugar free in Canada, you would put the Canadian refiner in a position to compete with the Greenock refiner. My hon. friend has prevented himself from doing that, because he has stated that for the next ten years we must give fifteen per cent protection.

Mr. WHITE: You can make raw sugar free.

Mr. CARVELL: You have to give the West Indian producer a twenty per cent preference. You cannot make raw sugar free by reason of the West Indian Trade Agreement, but you can make it as free as possible by getting the duty down to fifteen cents per hundred pounds. Then you could get the manufactured article down to a correspondingly low figure. My hon. friend makes a slight reduction in the general tariff. I understand that means that there will be a proportionate reduction in the preferential tariff. He makes a reduction of only seventeen and one-half cents in the general tariff; that means only five and one-half cents reduction in the British preference which is a mere nothing. You are only giving the consumer a benefit of about five cents a hundred pounds. I contend that you should make the raw sugar as nearly free as you can; let the West Indian Trade Agreement remain as it is, and then reduce the duty on the refined article proportionately. You will then be doing something for the Canadian consumer. We should not be compelled to pay four or five million dollars duty on sugar when we have $55,000,000 of a surplus.

Mr. WHITE: As I pointed out before, the ex-Minister of Finance went into this matter—

Mr. CARVELL: The ex-minister of Finance is out of office and has been out for two years. We want the present Minister of Finance to consider things as they are.

Mr. WHITE: I submit that Mr. Fielding's finding as to the protection that should be afforded to sugar refiners in Canada, having regard to the fact that the British refiner buys in a free market and that the Canadian manufacturer buys subject to a duty, is worthy of respect. His opinion is that the protection should be half a cent a pound or fifty cents a hundred pounds. We have made it forty cents, that is to say, ten cents less a hundred pounds than, in Mr. Fielding's opinion, would constitute a proper protection.

My hon. friend has referred to the fact that we have deprived ourselves of the position of being able to put raw sugar on the free list. That is true so far as foreign raw sugar is concerned. It is not with regard to the British West Indies, from which 70 per cent of our importations of raw sugar come. If you decide to put raw sugar on the

free list, only the other thirty per cent of raw sugar coming from foreign countries will be affected. So far as the agreement is concerned, it would not be a very serious matter if Canada decided to put raw sugar on the free list. We have decided not to do so for the reason that we need the revenue.

Mr. OLIVER: Need the revenue?

Mr. WHITE: Half a million dollars.

Mr. OLIVER: That is exactly our point. We claim that under present conditions we do not need the revenue. That is where the difference exists between present conditions and conditions under Mr. Fielding. He needed the revenue; we do not.

Mr. WHITE: I thought I converted my hon. friend a little while ago in regard to the fact that we need the revenue. My hon. friend pointed out that our expenditure is running over $200,000,000; that we are extravagant, and I suppose he is wondering whether or not we will have a deficit. Of course we need the revenue. That is the point I am making. If we had decided to cut off what my hon. friend never thought of doing when he was in office, that is to say, the duty on sugar, of course we could have it except in so far as foreign raw sugar is concerned.

Mr. OLIVER: I understood my hon. friend to say that he had in some way reduced the protection to the refiners by putting the duty on raw sugar at 40 cents a hundred.

Mr. WHITE: Instead of 53.

Mr. OLIVER: He had reduced the protection to the refiner, by giving him raw sugar at forty cents instead of at 53 cents?

Mr. WHITE: My hon. friend, in order to ascertain the protection, must take into consideration the duty on raw sugar; and the duty on refined sugar. The difference is 42 cents in the preferential tariff, which is really the important figure, and 50½ cents in the general.

Mr. OLIVER: I thought my hon. friend was speaking of the duties. He is speaking of the difference between the duties on the raw and the refined.

Mr. WHITE: Yes, there is forty cents of a difference.

Mr. OLIVER: What I say here is that, whereas the refiners formerly paid a duty of 52½ cents on his raw sugar, he will now pay a duty of 40¾ cents. He has the same protection as he had before, namely 83 cents per hundred pounds on his refined sugar, because it is the preference that governs in the case of sugar, just as it is the preference that governs in the case of woollens, because Great Britain is the supplier of that article. In the same way the British preference on agricultural implements does not amount to anything, because we get our implements from the United States. The general tariff in regard to sugar, which we do not get from any other country except the West Indies, does not govern; it is the preferential rate that governs. We have reduced the raw sugar to the refiners and we have not reduced the protection to the refiners. We are benefiting the refiner in that case. If he likes to hand on the benefit to the consumer, well and good. He may have done so for the purpose of making an argument for this West Indian treaty. I would be willing to grant that it will not be long until the price is back to what it was before, unless the duty on refined sugar is reduced in proportion to the duty on raw sugar. If my hon. friend innocently imagines that there is a free market in refined sugar in Canada—well, I cannot imagine that he imagines such a thing. He knows that there is a hard and fast combine among the makers of refined sugar in Canada.

Mr. WHITE: My hon. friend's acquaintance with combines is much better than mine. I have heard it stated that there is a combine, but I do not know it.

Mr. OLIVER: But the hon. gentleman has heard it stated.

Mr. WHITE: I have heard it stated in this House. I think the hon. member for South York (Mr. Maclean) stated it. My hon. friend from Edmonton has not correctly stated the position. The preferential rate of duty on raw sugar has been reduced from fifty-three to forty, and the preferential duty on refined remains at eighty-three. But my hon. friend has omitted to mention what I have again and again referred to, and which must be taken into consideration—the twenty-per-cent privilege enjoyed by refiners which is now taken away. The reduction of fifty-three to forty is an offset to the withdrawal of that advantage. The figures have been arrived at with a view to leaving the matter as nearly as we could where it was, except to make a slight reduction in sugar.

Mr. SINCLAIR: If it is correct that the preferential duty remains the same as before, the protection to the refiner is the same as it was before. Why then does the refiner make any reduction?

Mr. WHITE: I think it is not exactly the same as before. My hon. friend knows that it is very difficult to estimate what was the value to the refiners of the twenty-per-cent privilege.

Mr. SINCLAIR: That does not matter; that is a question relating to the raw sugar, which is a matter of interest to the refiner. But that concession was taken away from him and another concern is given in place of it. It may be a matter of book-keeping with him; but he had a certain protection before, and he has got it yet. That would enable him to keep his sugar at exactly the same price as he sold it at before, if he takes advantage of that protection. Apparently he has not done so. Can the minister explain why the refiner has reduced his price when he did not need to do so?

Mr. WHITE: My hon. friend has overlooked the fact that we have reduced the duty on refined sugar under the general tariff by seventeen cents.

Mr. NESBITT: How much is brought in under the general tariff?

Mr. WHITE: I gave that a little while ago. It is a substantial amount. Then there was the twenty-per-cent privilege which was a valuable one, and shown to be a valuable one by the attitude towards it of the British West India representatives when they were here. They made it a condition precedent that that concession should be abolished, because they wanted an exclusive preference in our market. It is impossible to ascertain mathematically what that privilege was worth. It enabled the refiners to buy at certain times to prevent the British West India planter from taking the full benefit of the preference. It had been found by the commission that the West India planter did take the entire preference at some certain times of the year and a very substantial part of it at other times. Mr. Fielding gave the refiners this twenty per cent privilege to meet the situation. Taking away that privilege, we sought to make a readjustment which would compensate the refiner for that privilege, and, not being able to determine mathematically what that compensation should be, I wished the adjustment to be such that, if the price of sugar were affected at all, there should be a reduction. In other words, I would not like to see the price of sugar increase, but preferred a decrease. I said it would decrease, and it has.

Mr. CARVELL: I like to see it decrease too. But I submit that the Minister should have taken means in this budget, while dealing with the sugar duty, to give the people a chance to get their sugar cheaply. The hon. gentleman says he does not know that combines exist neither do I know it; but I have a shrewd suspicion that they do exist. I will tell the hon. gentleman something which was given to me by a very responsible member of this House—and he gave me permission to use it if I chose to do so. That hon. gentleman has in his possession what was originally a $500 stock certificate in a sugar refinery in this country. Within the last few years that has increased by bonus addition to $1,500, and he is drawing figures eight per cent on that $1,500. And this year, they are going to have it doubled again and still get the big dividends on the amount. I will give the hon. minister the name of that member of the House and of the sugar refining company in confidence, if he wishes. He can investigate the matter and see whether, in view of evidence like this, something should not be done by amendment of the sugar duties to take away the enormous profits that refiners are making; and give the people a fair deal in the matter of sugar.

Mr. WHITE: If the sugar comes in to all the sugar refineries in Canada on the same terms, it is only the existence of a combine that would prevent the free play of the law of supply. I understand the hon. gentleman to suggest that there are combines and that the manufacturers are making undue profits.

Mr. CARVELL: Of course.

Mr. WHITE: They could do that if the raw sugar came in free.

Mr. CARVELL: Reduce the duty on the manufactured article.

Mr. OLIVER: What we are asking for is a reduction in the duty on the manufactured article corresponding to that made on the raw sugar. We complain that that has not been done.

Mr. WHITE: I do not want to employ the tu quoque argument, but my hon. friend might have thought of that a good while ago.

Mr. OLIVER: No, that is no good. There never was a surplus of $55,000,000 before; we never before saw the time when the Government had so much money it did not know how to spend, which is the condition to-day. The hon. gentleman never expected to have the revenue he has or he would have made provision last year to spend it, as he is now providently making in order to be sure that he will not have it again.

Mr. WHITE: But my hon. friend from Halifax (Mr. Maclean) said there never were such expenditures in the estimates before.

Mr. OLIVER: And there never were.

Mr. WHITE: That is the situation; it is a record revenue and a record expenditure required by the needs of the country.

Mr. DOUGLAS: What will be the effect of these changes on the Hawaiian sugar

coming in through British Columbian ports?

Mr. WHITE: The British Columbia situation has been kept in mind as well as the other. I do not know whether the hon. gentleman has in mind the interest of the manufacturer or whether he was thinking of it from another standpoint. At all events, that question had to be carefully considered.

Mr. DOUGLAS: I was speakng from the standpoint of the consumer. The British Columbia refiners provide refined sugar for the whole of the western provinces as far east as Brandon, where the Montreal refiners meet them in competition. What I want to know is if this West Indian treaty is going to affect the supply of raw material to the British Columbia refineries to the extent that it may increase the cost of sugar in western Canada.

Mr. WHITE: We have control of the tariff; we could reduce it from forty cents to anything we liked on raw sugar under the British preference, but we would have to give the West Indies a fifteen cents per hundred preference.

290. Cement, Portland, and hydraulic or water lime, in barrels, bags, or casks, the weight of the package to be included in the weight for duty.... per one hundred pounds: British preference, 7 cents; intermediate, 10 cents; general, 10 cents.

Mr. OLIVER: Is the weight of the package included in the duty, as it has been?

Mr. WHITE: Yes.

447a. Traction ditching machines (not being ploughs) adapted for tile drainage on farms, valued by retail at not more than three thousand dollars each: free.

Mr. NESBITT: I understand that these $3,000 traction ditchers are capable of digging a trench only a foot wide and four feet deep. That is all right, as a rule, for a private individual, but in the section of the country which is supposed to benefit from the use of these machines, the farming localities, where the land is low-lying, the individual farmer does not do the ditching himself; he has to have the assistance of his neighbours in putting down a large ditch or drain. In Ontario that is done under the Drainage Act, which gives authority to the municipalities or to any individual in the municipality, when draining is required, to call in the engineer. The engineer is authorized under the Drainage Act to assess, upon the various farms that are improved or interested, the cost of the drain. The municipalities are then authorized to issue debentures running over a period of years for the putting down of this main drain, and that main drain often takes eighteen or twenty-four inch tile, which would not be covered by this $3,000 ditcher. Not one farmer in 500 or one in 1,000 will bring in ditching machines, even at $2,500, but a number of farmers will join together, and therefore, if the hon. minister's object is to benefit the farmers, and I think it is, he could do so to a much greater extent by increasing the value mentioned in this item to $5,000. If he is going to benefit the farmers individually, surely he can have no objection to benefiting them collectively, and he can only do so by increasing this amount to $5,000, thus allowing the farmers to sink this main drain into which they can drain their land through smaller trenches. It has been said that this will be a benefit to the contractor. That might be true, but the contractors for the digging of these main municipal drains are ordinary farmers. In former times these drains were nearly all open ditches, but the farmers found that in two or three years they filled up, and had to be constantly cleaned This has cost a lot of money, and the consequence has been that nearly all open ditches have been converted into tile drains, and those now being put in are nearly all tile drains. To make a long story short, it is impossible for them to tile-drain those main drains with this class of traction ditcher. Therefore I ask the minister to increase the amount fixed to $5,000, and by that means assist the the farmers to put down those drains collectively as they do now through their Municipal Drainage Act in Ontario, and I suppose it is Ontario largely that this is intended to benefit. At least that is where they do most of this draining, and I hope that the minister can see his way clear to increase that limit because as it is now it is not anything like the benefit it would be if the limit was increased to $5,000.

Mr. WHITE: I am sorry to be unable to comply with the request of my hon. friend. After he brought the matter to my attention on the day of the budget I had it inquired into very carefully, and I find that the $3,000 limit will meet the case of all individual farmers. The $3,000 machine will dig a trench twenty inches wide by five and a half feet deep. The reason I cannot comply with the request to raise the limit to $5,000 is on account of dredges used by contractors for digging sewers and drains in connection with railway construction, &c. I have given it great attention and it would give me pleasure on personal grounds to comply with my hon. friend's request, but I am satisfied that the $3,000 will meet all the requirements of those who made the request of us that these machines should be placed on the free list, and to extend it to $5,000 would mean that contractors

would bring in ditchers for use in contracting work free of duty, and we are not prepared to permit that at present.

Mr. NESBITT: What harm would that do?

Mr. WHITE: I suppose a great number of things would not do any harm, but it is not our policy to carry it further than to serve the needs of the farmers at present. It may some day be done.

Mr. NESBITT: Any of my hon. friends opposite or on this side of the House who know anything about this kind of farming know that twenty inches wide and five and a half feet deep would not meet the case, because you have to put in drains very frequently more than five and a half feet deep. There might be a little rise to get through and there your ditching machine stops, so far as that part is concerned, and it certainly will not ditch the main drains that I speak of.

Mr. PARDEE: Is there any intention or could anything be put in the schedule that would allow the duty to be remitted on machines of this kind which have been imported within the last month or two months in ignorance of the approaching reduction in duty? It would appear to me to be only fair, nobody is prejudiced by it, but I think some provision might be made along those lines.

Mr. WHITE: Remission of duty could be granted by the Treasury Board or by Order in Council, but I doubt the expediency of doing so. Whenever changes are made in the tariff, such cases as this must arise and it would be difficult to deal with them.

535. Cotton sewing thread in hanks: British preference, 7½ per cent; intermediate, 10 per cent; general, 10 per cent.

Mr. WHITE: That is a reduction. I explained it.

Mr. NESBITT: My hon. friend said the other night that there was confusion in the ports of entry, that some officers did not know the difference between twisted thread and yarn. I am told that anybody who had once been shown the difference could not possibly make a mistake between the two, that there is no likeness between them and for that reason, while my hon. friend says there is a reduction, as a matter of fact there is an increase in so far as twisted yarn is concerned, because twisted yarn came in free before and twisted thread did not come in free, that is number forty and finer. Twisted thread is used very largely by the manufacturer of cotton underwear and, therefore, this will increase the prices of that cotton underwear that is made of thread forty and finer. I am told on the very best authority that there should be no difficulty in distinguishing between twisted thread and twisted yarn.

Mr. WHITE: I desire to say that there is no mistake about it at all. It was looked into very carefully and we had down here not only the parties interested in retaining the duties, that is to say the thread manufacturers of Montreal, but the representatives of the T. Eaton Company and the representatives of the Hamilton and other concerns engaged in spooling this twisted yarn or thread, forty or finer. They all agreed that it is thread, and there is no question that it is thread. That has been coming in under the item by virtue of which yarns are admitted free and, therefore, these manufacturers outside of Montreal—

Mr. NESBITT: Of thread?

Mr. WHITE: Manufacturers engaged in the winding and spooling of thread. It was to their interest to get this in free and they had been getting it in free. On the other hand, in Montreal a duty was charged because yarn forty and finer is classified as thread. That being so, the Customs Department had to enforce the law. The law was that the British preference was ten per cent, the intermediate twelve and one-half per cent, and the general tariff fifteen per cent. Having regard to the whole situation and the misunderstanding that had been growing up, we decided to reduce the tariff to seven and one-half per cent and ten per cent instead of ten per cent and fifteen per cent.

Mr. NESBITT: My hon. friend did not have any manufacturers of knitted goods tell him that there could be any mistake in telling the difference between thread and yarn. He says that the spoolers were in favour of this. I have not the slightest doubt they were in favour of it, because they wanted to maintain the duty so as to keep the manufacturers of knitted goods from getting these goods in free. I have no doubt they wanted it, not the slightest.

Mr. WHITE: My hon. friend, I think, is entirely wrong about that. Cotton sewing thread in hanks under the present item is ten per cent; twelve and one-half per cent and fifteen per cent. The particular goods to which I refer undoubtedly are cotton sewing thread in hanks. This had been admitted free notwithstanding the tariff item, improperly admitted.

Mr. NESBITT: Quite right, improperly admitted free.

Mr. WHITE: The spoolers were interested in the continuance of that improper admission free because it is their raw material, they were in competition with the Coates people in Montreal. In other words

the western people were interested in having the Customs Department continue to admit this free while the Coates people were interested in having the duty imposed. What we did was to reduce the duty to seven and one-half per cent and ten per cent as a sort of happy way out of it.

Mr. NESBITT: The Coates people were anxious to have the duty put on and the other people who were bringing in this thread and winding it in competition with the Coates people were anxious to have it as it was.

Mr. WHITE: But they admitted it was thread.

Mr. NESBITT: That was thread; but the knitting people also bring in twisted yarn and were allowed to bring it in free and by that means were not forced to buy from the Coates people and their competitors.

Mr. WHITE: They get it free now, if it is yarn it comes in free.

Mr. SINCLAIR: On behalf of the fishermen of the Maritime provinces I wish to express my very deep regret that the Minister of Finance has not seen fit to pay any attention to the promise made by the Minister of Customs last year that the question of lobster twine would be dealt with at the first consideration of the tariff. I drew the attention of the Minister of Customs on more than one occasion last year to the fact that the particular kind of twine that is used in the manufacture of traps with which the lobsters are caught on the coast of Canada, is taxable to the extent of 25 per cent. That is a very heavy tax upon the fishermen. There was a theory in the province from which I come that twine used in connection with the fisheries was free. A good many people thought so, but it is not free. There is a kind that is free; that is barked marline. If my hon. friend will refer to item 682 of the tariff he will find that—

Barked marline, and net norsels of cotton, hemp or flax; and fishing nets or seines, when used exclusively for the fisheries——

—is free. But that kind of marline is not used, or scarcely used at all in the making of lobster traps. The minister could do what I am asking for by striking out the word 'barked' and leaving the word 'marline.' Then the marline used for the fisheries would be free. As it is at present, only the barked marline is free, and as I have said, it is very little used in connection with the fishery trade. When this question was up last year, I read a letter from one of the largest firms in Yarmouth, Parker, Eakins and Company, who are dealers in twine. and who know perhaps more about this question than anybody else in the Maritime provinces, and they explained it in this way:

The only other twine, which pays a duty under the tariff, is made from manilla and sold under the name of 'marline.' It appears that this may be entered free only when it is barked (dyed with extract of hemlock), but as in actual practice the fisherman uses it mostly in its white, unbarked condition, dealers have to buy it from the Consumers Cordage Company, Halifax, and pay a price equivalent to the American article laid down duty paid. There does not seem to be any reason why barked marline should be free, and marline not barked dutiable, particularly as it is the intention and desire of the Government to put all these necessary supplies of the fishermen on the free list. The elimination of the word 'barked' from this tariff item would settle the whole matter.

I read that letter to the Minister of Customs last year, and after considerable discussion, in which everybody admitted that the change ought to be made, he used the following language:

I should be pleased to lay this matter before the tariff commission to be appointed and have them take the matter up, and the Government will be pleased to consider the subject before introducing any change in the tariff next session.

As there is no tariff commission, I could not expect the Minister of Customs to lay this matter before it, but he said that the Government would take it up and deal with it before any changes were made in the tariff. Now changes are proposed in the tariff, and this matter has not been dealt with. I expected the Minister of Customs to keep his word, and to give to the fishermen of the Maritime provinces the benefit of this reduction this session. I am very much surprised that he has forgotten his promise to the House, and to the people of this country last session, and I hope that he is prepared to deal with it now by amending item 682 and striking uot the word 'barked.'

Mr. REID (Minister of Customs): I am sorry I was not able to carry out my promise, but I do not think it was through any fault of mine. If the Senate had not killed the Bill that was put through this House to appoint a tariff commission there would not have been any trouble about carrying out my word.

Mr. GRAHAM: It does not need a commission to do that.

Mr. REID: I promised I would lay it before the Tariff Commission.

Mr. SINCLAIR: If he looks at what I read he will see that he said:

And the Government will be pleased to consider the subject before introducing any changes in the tariff next session.

That was a distinct and positive statement that the Government would consider

this matter when they introduced any changes in the tariff.

Mr. REID: I have not heard any serious complaints on this matter. I think item 682 really covers all the twine and materials of that kind required for the fishing industry.

Mr. LOGGIE: There is a large quantity of manilla marline used in the lobster fishing business. As the hon. member for Guysborough tells us, the manufacturers in this country include the duty in the price which they charged to those engaged in the fishing industry. To all intents and purposes, it is as if the marline were manufactured in the United States and brought into this country and the duty paid. The price of lobster rope is less by about two cents per pound than the larger size, because the larger size is dutiable, although manufactured in Canada. The duty is put on the price because the price is somewhat dearer by two cents per pound than the size used in the lobster business, and the same remark applies to the manilla marline used in the lobster business. The price is greater by reason of the duty, although the rope is manufactured in Canada.

Mr. SINCLAIR: I am very much disappointed at the way the Minister of Customs has met my request. I feel certain that he raised the hopes of the fishermen by the statement he made last year, and there is really no good reason why this request should not be granted. If my hon. friend is afraid of the Consumers Cordage Company, he had better say so, but there is no reason in the world, excepting the personal interest of that firm, why the fishermen of the Maritime provinces, and of the rest of Canada, should not have the benefit of this reduction, especially when this twine is used for fishing purposes. Can the minister state any reason why barked marline should be free, and marline should be taxed twenty-five per cent? Is there any logical reason for that? There is one. It is no concession to the fishermen to make the kind of twine that they do not use free, and to tax to the extent of twenty-five per cent the twine that they do use. I am not certain whether I am in order or not, but I would like to move that item 682 be amended by striking out the word 'barked.'

Mr. WHITE: The amendment of my hon. friend (Mr. Sinclair) is out of order, but I will say to him that the representations he has made, as well as any others he may have to make, shall be most carefully considered by me. However, nothing can be done at the present time.

Mr. SINCLAIR: I understood the Minister of Customs to say he had representations made to him but he did not think my request was important enough to be granted. I would like to know whether the Minister of Customs is in sympathy with this proposal, because it appears to me that he is not. If I can get a positive statement from the Minister of Finance or the Minister of Customs that they intend to deal with this question before the close of the session, I will be satisfied.

The CHAIRMAN: The hon. member can not move an amendment, as the item to which he refers is not before the committee; his motion is out of order.

Mr. KYTE: The imposition of a duty upon this twine is the result of a new interpretation placed on the tariff since the present Government came into power. For many years rope and twine used by fishermen were admitted free of duty, and when the Hon. Mr. Paterson had charge of the department an interpretation was placed upon the tariff which gave free entry into Canada for this particular twine. Twine used by farmers is free of duty, and it is evident that the imposition of a duty on marline was an oversight, as a result of which the present Minister of Customs is able to give an interpretation of the tariff unfavourable to the fishermen. Last year a discussion arose in this House as to a new interpretation placed by the present Minister of Customs upon the tariff affecting rough lumber, and the Minister of Customs was very emphatic in his statement that the late Minister of Customs was improperly admitting rough lumber into Canada free of duty, and he imposed a duty of two dollars a thousand on that class of lumber. On appeal to the Supreme Court it was decided that the Minister of Customs was wrong in interpreting the tariff so as to impose a duty upon that lumber. I have no doubt that if the fishermen of the Maritime provinces were sufficiently wealthy to take a test case to the courts, a similar decision would be given as respects the interpretation put by the Minister of Customs as to the tariff on twine used by lobster fishermen. In view of the experience the Minister of Customs has had with respect to his interpretation of the tariff on rough lumber he might save the fishermen of the Maritime provinces the cost of going into the courts to get the interpretation of the tariff, which has been acted upon for the last eight or nine years, and under which the lobster fishermen of the Maritime provinces got their twine in free of duty.

Mr. SINCLAIR: I would like to know whether the Minister of Finance intends to deal with this.

Mr. WHITE: I cannot make a change in the tariff this year. Tariff changes are made only in connection with the budget;

it is not usual to make them at any othe time, and the budget is now down. I would be quite impossible to comply wit the request of my hon. friend at th present time. I have not looked into th matter, and many considerations arise in connection with the proposed tariff changes. I shall be very glad to give th matter consideration, but whether I shal be able to give it favourable consideration or not, I cannot say. I think it is strictly in accordance with the practice that no changes can be made in the tariff other than those proposed.

Mr. MACLEAN (Halifax): In the meantime, why cannot the Minister of Customs return to the former practice of the department in interpreting this tariff item.

Mr. REID (Minister of Customs): There never was any such practice in the Customs Department that I ever heard of.

Mr. MACLEAN: In September of last year, notice was sent by the Customs Department to the customs officers throughtout the country saying that this particular article, though it had heretofore been admitted free, was dutiable at twenty-five per cent.

Mr. REID: An appraiser in the department sent through mistake a letter to the collector at Charlottetown, but the mistake was immediately rectified. All that was explained last session.

Mr. MACLEAN: Am I to understand that this twine has always been dutiable?

Mr. REID: Marline has always been dutiable and I have no information that it ever was let in free.

Mr. SINCLAIR: The Minister of Finance says it is a new matter to him, but I brought it to the attention of the Minister of Customs a year ago. Is the Minister of Customs in favour of making this twine free?

Mr. REID: This item in the tariff has been there since the tariff was made in 1907.

Mr. SINCLAIR: I understand that.

Mr. REID: I am informed by the department that there has been no serious complaint of any kind during all these years about this item. The fishermen seem to have been satisfied with it and I do not think the hon. member or any of the members of the lower provinces made any complaint, either to the department or in the House, until the question was brought up last year. I am in favour of doing everything necessary to assist the fishermen, but I do not see that there is any emergency to justify bringing the matter up at the present session.

Mr. SINCLAIR: The Minister of Customs is mistaken if he thinks there has been no complaint, because, as a matter of fact, there have been urgent appeals to him in regard to this matter. I do not wish that statement to go on 'Hansard' without protest. There is a complaint and there is a general feeling on the coast against this unjust tax. It is believed that this twine was intended to be let in free but that through some mistake or bungling, a duty was placed upon it.

Mr. WHITE: Does my hon. friend (Mr. Sinclair) state that the duty was not collected during the years 1909, 1910, 1911 upon this particular twine?

Mr. SINCLAIR: No.

Mr. WHITE: Well that had better be settled; there seems to be some dispute as to that.

Mr. LOGGIE: Net ropes come in free. The clause mentions head ropes but the tarred marline is used for the foot rope of the net and on the net it comes free. So far as I am concerned, I am under the impression that it comes in free as a rope for a net, because, when it is on the net, it is clearly free. I am not sure but what the hon. minister could bring it under the item:

Cod, pollack and mackerel fish lines; and mackerel, herring, salmon, seal, seine, mullet, net and trawl twine in hanks, or coils, barked or not.

Mr. SINCLAIR: That is for nets, and this is not a net.

Mr. LOGGIE: When it is used in the fishing business, it seems that under this item it should come in free. If you could omit the word 'barked' further on in the clause, the meaning would be quite clear. As it is, without changing the wording of the item at all, I cannot see why the minister cannot place these marlines under twine in hanks, or coils, barked or not, for it is not very much larger than twine.

Mr. KYTE: The hon. Minister of Customs asked if any complaint is being made with respect to the imposition of this duty. Very serious complaint has been made. I had letters from several firms in the city of Halifax a year ago, in which they complained that the circular sent out by the Customs Department in December, 1911, had the result of imposing a duty upon this class of marlines, which, up to this time, had been admitted free under the interpretation placed on the tariff item read by the hon. member for Northumberland (Mr. Loggie) respecting twines used by fishermen. The hon. Minister of Finance, before he brought down his amendment to the tariff, discovered that some injustice was being done to the man-

ufacturers of thread in the city of Hamilton on account of the interpretation that was placed on that tariff item, and he took the opportunity of correcting the error. The hon. Minister of Customs was aware that this anomaly existed with regard to twine. It was brought to the attention of the House a year ago. I regret exceedingly that, when the hon. Minister of Finance undertook to correct the error which existed in the tariff with respect to threads used by the wholesale manufacturers in the city of Hamilton, he did not go a little further and correct the anomaly that has the effect of imposing an undue tax upon the fishermen of the Maritime provinces.

Resolution reported, read the first and the second time, and concurred in.

Mr. WHITE thereupon moved for leave to introduce Bill No. 231, to amend the Customs Tariff.

Motion agreed to, and Bill read the first time.

BANKS AND BANKING.

Hon. W. T. WHITE (Minister of Finance) moved the third reading of Bill No. 36, respecting Banks and Banking.

Mr. GRAHAM: The hon. member for Westmorland (Mr. Emmerson) spoke to me about this Bill, and I think he wanted to make some remarks upon it. But I saw him in company with the Minister of Finance, and perhaps he may have spoken to that hon. gentleman about it.

Mr. WHITE: The hon. member for Westmorland told me he would like to make some remarks on the Bill, but I understood that he would be back later. Afterwards I discussed the matter with some hon. members opposite, and they thought it would be best to go on. I would like, if possible, to send this Bill up to the Senate.

Mr. F. B. McCURDY (Shelburne and Queens): Before the Bill is read the third time, I wish to draw the attention of the House to some of the amendments which I moved and which were negatived in the Banking and Commerce Committee, and to add a few observations. The first amendment to which I will refer was to 'schedule D' of the Bill. In items, 6, 15 and 17 under 'assets,' the amendment being to strike out the words 'elsewhere than in Canada,' and substitute 'in Great Britain, in the British colonies, in the United States and in other foreign countries.'

The purpose of this amendment was to provide that an intelligent opinion could be formed of the activities of Canadian banks in foreign countries. Under the provisions of the Act as it exists at present, the guide we have, to indicate the nature of a bank's operations in foreign countries, or rather the essential item which is of use to us, is the balance due the banks by their agencies in foreign countries, which is not at all, I think, sufficient.

Canadian banks were, of course, organized primarily to carry on Canadian business. It was natural that, in the course of their development, they should establish branches at their reserve centres, London and New York; but an entirely new development has taken place of recent years, namely the opening up of branches in Mexico, American cities, the West Indies, Central America, Newfoundland, &c., &c. No doubt these banks are doing a flourishing business in these countries, but it is doubtless on account of the credit which they have established in Canada and the volume of business carried on by them here which gives them a prestige enabling them to hold up large operations in those countries. The development of their businesses there should be carefully watched, and I proposed in the Banking and Commerce Committee that columns be provided in the monthly returns to the Government, schedule 'D,' so that the development of business in these foreign countries can be closely scanned. I would say that on the whole, more capital appears, from an examination of the Government bank statements, to be at present received on deposit by these branches in foreign countries than is loaned there, but such a position may some day be reversed. An examination of value regarding this matter cannot, however, be made from the returns at hand under the Bill as printed, and these particulars are essential to an intelligent study of operations in foreign countries. No particulars of cash carried at foreign agencies are available.

There has been some questioning by members of the House of the advisability of granting charters to Canadian banks to do business outside Canada. If the Act were being drafted for the first time, such a restriction might be considered. But in view of the vested interests already created and existing, I would at the present time, in the absence of any indication that banks with a foreign business are not doing their duty by the banking necessities of Canada, be opposed to considering any such action.

I think, however, that the Canadian public are entitled to know what use is being made of the privilege granted to Canadian banks of doing business in foreign countries, and I therefore suggested that the monthly statement to the Government be amplified by giving information as to deposits, loans, &c., in Great Britain, British colonies, United States, and other foreign countries.

The second amendment to which I will refer—also opposed in the committee and not accepted—was to add the following par-

agraph after line six on page 79 of the Bill as printed:

Aggregate amount of loans to joint stock companies in which directors of the bank hold a majority of the issued shares.

The existing Act calls for a monthly statement of the aggregate amount of loans to directors of the bank or firms of which they are partners. It has been found possible, where it was considered advisable that such loans be not shown, for the director to take advantage of the Joint Stock Companies' Act, incorporate his business as a joint stock company, issue all but the qualifying shares to himself, and thus be immune from the requirements of the Act. It is only to cope with such cases that this amendment is proposed, viz., the companies which are 'creatures,' of the directors.

I am unable to understand why any objection to this amendment moved in committee, should be made. The fact that objections are offered invite us to further investigate the condition of directors' loans even as at present shown in the monthly bank statement. I am opposed, as I have before pointed out, to the concentration of loans, and further opposed when such concentration is in the accounts of directors, and for obvious reasons.

I believe, so far as possible, provision should be made, so that every borrower shall have a 'square deal' that enterprising young men wishing to engage in business should be encouraged.

I wish to draw your attention to the government bank statements for some months of 1907, as appearing in the Canadian Gazette. As you are all aware, in the early months of 1907, say in March of that year, signs of a financial panic began to make their presence known in the United States. Owing to the close financial connection between that country and Canada, no unsettlement takes place there that is not reflected here. This panic, as I say, began in March, 1907, although it did not reach its culmination until the autumn. During the summer, the financial conditions were plainly seen and appreciated by leading Canadian bankers.

Business men remember the feverish expansion of 1906—the steady advance in the prices of goods, the insatiable demand for money and the high rates of interest prevailing everywhere until the end of that year. To the average man, it seemed a period of boundless and endless prosperity. Railroads had not cars enough to haul the freight offered them and could not get them made fast enough. Manufacturers in the United States and in Canada had withdrawn their travelling salesmen, because they already had orders for a year and a half ahead. In the United States, a few leaders of finance and industry sounded a note of warning, but most men were too busy to hear it. In Canada, however, it was clearly anticipated as I have said, by bankers. In their annual reports to shareholders early in 1907, bank presidents and general managers had given notice that phenomenal profits in business of the few preceding years could not be expected to continue much longer. To quote from the annual address by the general manager of one of the largest banks, dated January 8, 1907:

There are signs about us of a strain which must bring trouble to those who disregard it. We are passing through a dangerous period just now happily without a general breakdown but unless we mend our ways we are not likely to escape a similar or worse condition next autumn, which may wreck our fair prosperity. As for those who are plunging into real estate at inflated prices, nothing we presume, but the inevitable collapse which follows these seasons of mania would do any good.

As I have stated, this dangerous condition was understood by bankers, and they proceeded to prepare during 1907 for the strain that was expected in the autumn when the crop-moving period began. It was impossible to reduce loans immediately, but turning to the bank statement at the end of the summer, say at August 31st, we find the following:

Call loans, August, $47,765,531; time loans, $580,075,932; total, $627,841,463. Call loans, October, $46,843,488; time loans, $579,860,498; total, $626,703,986. To directors, August, $11,717,200, October, $12,318,811.

You will remember that the panic in New York reached its height on October 26th. Cash payments were suspended that day and credit was in a state of collapse, but for months previous Canadian banks had been straining every effort to curtail and reduce loans. The net result was that in the sixty-one days from August 31st to October 31st, loans to Canadian borrowers were reduced $1,137,477, or really they were reduced $1,739,088. But another set of borrowers appeared, namely Canadian bank directors, and in the period from August 31 to October 31st, loans in this class, actually increased $601,611. As I have said, the New York panic culminated on October 26th with the failure of the Knickerbocker Trust Co., the suspension of cash payments by New York banks, and the general collapse of credit and the lowest prices were recorded in the New-York exchange, but at any rate, the effect was that Canadian bank directors had, at the time when every other borrower was being severely pressed, increased their borrowings from the banks by $600,000.

This matter caused some discussion in the Banking and Commerce Committee, and the minister asked Sir Edmund Walker, as reported on page 22, of the Committee Reports of April 17:

Is it an object to the banks from a business standpoint to have directors who are prominent in the business community?

To which the reply was made:

Yes, men in the active time of life.

The obvious inference being that being in the active time of life, they were apt to be large borrowers.

In view of this statement, an inquiry into the average ages of bank directors is of interest. According to the last available lists, there are twenty-three banks with head offices in Canada. These banks are directed by 211 directors. Reference to 'who's who,' and other similar sources of information in Canada shows that the names of 84 of these do not appear in 'Who's Who,' and other similar books of reference, but the combined ages of the 127 directors mentioned therein is 84,201 years, or an average of 66.3 years. Of those mentioned, the oldest is 93, and the youngest 29. One bank, and that is the one which on February 28, had the largest amount of loans to directors, shows an average age of directors of 72 .8 years.

The third amendment to which I wish to refer was one which suggested the amendment of the Bill by adding after line 5 on page 25 the words:

The statement shall be accompanied by a memorandum giving a full and complete list of all bonds, debentures, stocks and other like investments owned by the bank together with the present book value.

A good deal of criticism has been heard during the discussion of this Act, regarding the large amounts of money which are loaned by the banks on call in New York. Much of this criticism is ill-founded. The New York loans represent partially such assets as would otherwise, to a large extent, be kept unproductive, in the shape of specie on hand. It is a secondary reserve, but it also represents money which is not required for reserve, but is put out in New York, waiting for an opening to loan it at a higher rate of interest in Canada. In the nature of things, I presume we shall continue thus to add largely to New York's supply of cheap money.

As a reserve in case of need, however, its virtue is often overstated. We have found by experience that at the time of the greatest stress, it cannot always be immediately recalled, and that, of course, is the time when it is most needed. The experience of Canadian banks in trying to get this money in the panic of 1907, has demonstrated that it is not what it is supposed to be, namely, a loan which can be converted into gold and made available in Canada within twenty-four hours.

But there is another class of Canadian investment in the States, which has, curiously enough, escaped criticism, and which does not, to my mind, have as much need for existence as do the New York call loans. I have in my hand the annual statement of the Bank of Nova Scotia for the year 1909. Mr. H. C. McLeod, the then general manager of the bank, believed in the policy not only of external bank examination, but of a certain degree of publicity regarding the business of the bank. In 1909 he published a list of the permanent investments of his bank, a procedure which, I regret to say, has not been followed by the general managers of other banks. At the same time, I believe it to be a step in the right direction, and as he published it from choice, I presume there cannot be much objection from the standpoint of the banker. It is also in the direction of publicity, the great corrective of all evils. I do not favour prohibiting our banks from investing their funds at their discretion, they should be perfectly free to do that, but the very fullest information regarding the operation of their property should be available to shareholders. This, to my mind, would give to the shareholders an indication of the class of business being done by the particular banks, and I cannot see where any harm would result. It would not be advisable, of course, to limit the class of securities in which the bank might invest; they might still, as they do to-day, go to the United States, Japan, the West Indies, Germany or South America, but it seems to me it would be entirely in the public interest and in the interest of the shareholders that at least a partial disclosure of assets in that regard should be made for the benefit of the shareholders.

The next amendment to which I wish to refer this evening was that the Bill be amended by adding after line 6 on page 79 the words:

Aggregate amount of loans to joint stock companies of which a director of the bank is a director.

That amendment did not find much favour with the majority of the witnesses who came before the Banking and Commerce Committee. The banks, while they occupy the banking field and exercise their franchise, must accept the responsibility of providing as efficient banking facilities as they possibly can furnish. I think our people are probably more interested in banking than the people of any English-speaking country, because under our system the use made of the bank by the people per capita of population is larger than any other country in the world. No one, I am sure, banker or otherwise, will dissent from the view that in supplying public requirements for banking, the loans should be diffused over the widest possible area. It is not only good banking, but it is advisable that such a condition of affairs should exist. Concentration of loans is unwise, and it is not good banking.

The tendency of business in Canada, as well as in the United States, is towards what

is called 'big business.' Large concerns, as the member for Edmonton would say, trusts, mergers and combines, seek to control their respective lines of business. They, in turn, are often controlled by small groups of capitalists who in turn are generally bank directors. The tendency among banks is to lend to the large concern. If one or more directors of that concern are directors of the bank, this human element furnishes another inducement why the corporation should be a favoured customer.

I am not in favour of limiting a bank's loans to such customers. I am not in favour, as I have before stated in the House, of placing restrictions on banks; but, on the other hand, I cannot see any good reason why the total loans of banks to companies in which their directors are also directors, should not be shown. It would have a repressive influence on the temptation to make excessively large loans in such quarters, and the result of that would be that money would be more available to the ordinary independent seeker after credit, the young man of capacity seeking to make his way in business would have a better chance to obtain credit than he now has.

Another amendment which came up in committee and about which there was considerable controversy, was to add to section 20 the following:

No paid executive official of the bank shall be elected a director.

In theory, the general manager as chief of the bank's executive is supreme. Above him in authority, under the law, are the directors, presided over, of course, by the president and representing the stockholders. The president of a Canadian bank is the chairman of the board of directors. At the meetings of the board, the general manager reports on the business which has come before the bank, and which requires the approval of the board.

Our general managers are, without exception, men who have been in the business since boyhood. They have worked their way up through all the grades of employment, by the force of brains, industry and character. They hold their positions because they have proved their efficiency. At the same time, they are paid executive officers of the banks, and should be, in fact, as they are in theory, subject to the direction of the board of directors, as representing the shareholders. Under the old Act and under this Bill—as at present drafted, one man might occupy the dual position of president and general manager. Surely this is an anomaly. Our banks have boards of directors of from ten to twenty-five members, and it should be possible to find among that number one man qualified to act as president without having to go to the executive staff to secure a president. Such a concentration of power is, I think, unwise. In case it became necessary for the central manager to be disciplined, that duty would naturally fall upon the president of the bank, and how could the president proceed to discipline the general manager, if he were one and the same person?

Of the witnesses examined by this committee only one was asked for an opinion on this matter, and this was his evidence:

Committee report No. 21, April 18:

Q. Are you in favour of having the paid officials of a bank as members of the board of directors?

A. Oh, no. A general manager is worth three directors by himself. If you put him on the board, he is worth the whole five. I do not believe a general manager should be a director.

It is quite apparent, from the manner in which the public has followed the course of the discussion of the Bank Act in the Banking and Commerce Committee, that there is an extraordinary amount of interest in this measure. Naturally this is so, for under our conditions and banking practice, the amount of banking done by the Canadian public is larger per capita than that done by other people.

A great many amendments of various kinds, of more or less value, were moved in the Banking and Commerce Committee, and some improvements adopted, but I am quite within the mark in saying that no 'fundamental' of the Bank Act has been changed in any way in the committee from the Bill as first printed.

During the committee stage, we were favoured with the views of many experienced financiers, and as far as my memory carries me, none of these active bankers suggested any change or improvement from the Bill as printed. I was rather struck with this, as I had not theretofore been of the opinion that the Act was a perfect one.

Whatever may be the judgment of the bankers, the Bank Act is not working out to the satisfaction of the ordinary citizen of Canada—let there be no mistake about that.

I think the free discussion of the Act which we have had will do no harm. It may do good. But I wish to again point out to the House that the fundamentals of the Act have remained untouched. The following very important sections were either not fully considered, or were passed by without amendment:

1. Double liability.
2. Note circulation.
3. Over lending.
4. Excessive concentration of loans.
5. Concentration of control of capital and credit in a few hands.
6. Real estate loans.
7. Slender cash reserves.

I am conscious of difficulty in dealing with the Act by way of improving it in the committee, and am disposed to think that a small commission would by its constitution be better qualified to deal with the question.

If any person will carefully examine the annual statements published by the banks he must come to the conclusion that they are operating on too slender cash reserves. The present scale of cash reserves is, I am satisfied, inadequate to meet conditions of the country and is small compared with the gigantic liabilities incurred. In times of crisis reserves are essential, and it is of supreme importance that banks at the moment when a crisis comes should be able to afford relief to their customers rather than, at that very moment, curtail the assistance which they ordinarily give. It is all very well for banks to give facilities in good times, but the customer looks for facilities when the pinch comes and if, when the pinch comes, the bank itself is obliged to draw in its resources from those to whom it ordinarily lends, it disrupts all the arrangement of the business world and such a bank, in reality, ceases to meet the needs of the country.

I had thought to move in the House the amendments covering the before-mentioned points, as I had already moved and supported them in the more informal Banking and Commerce Committee, but in view of the fact that present business conditions render the present an inopportune time to initiate far-reaching reform, perhaps the further improvements can better be left over until another session of the House.

In the meantime, such abuses as exist may possibly be eradicated.

Mr. J. H. RAINVILLE (Chambly and Verchères): I wish to say in the beginning that our country is indebted to the Minister of Finance and to the hon. member for St. Antoine division (Mr. Ames) for the great energy and the extensive knowledge and ability which they have displayed in the making up of this most important measure. This new Bill will be a great credit to this Government and goes to show that the right hon. the Prime Minister was well inspired when, in forming his Cabinet, he gave the portfolio of Finance to the hon. member for Leeds (Mr. White) who has shown himself to be a worthy successor of the worthy statesmen our country has had since Confederation.

The Montreal Gazette, in reporting the proceedings of the Banking Committee, on the 23rd of April last says:

Mr. J. H. Rainville, member for Chambly-Verchères, supported the grievance aired by Major Sharpe. If there had been an inspection of the St. Hyacinthe bank when the association asked the directors to close its doors, the bank would be still alive, he declared.

Hon. Mr. White: do you mean to say as a matter of fact that the association compelled the directors to close their doors?

Mr. Rainville: If you would allow me to bring three witnesses here, I would prove by correspondence and witnesses that the Bankers' Association closed the doors of that bank when the bank had one hundred cents in the dollar.

The Finance Minister: If anyone will make a definite charge to me by which the Canadian Bankers' Association has violated in any way its powers statutory or otherwise, I will promise to bring the matter up with them and see if we can prevent a repetition of such an occurrence; but I want the charge made to be investigated thoroughly.

On the next day or so, I made a charge to the hon. Minister of Finance as follows:

Dear Sir:

I am creditably informed and believe that, on June 22, 1908, one of the officers of the Bankers' Association, viz, Mr. Knight, arrived at St. Hyacinthe about 9 o'clock in the evening and convened a special session of the directors of the St. Hyacinthe Bank. At that meeting he disclosed the object of his visit and made known the will of the Bankers' Association which was that they, the directors of the St. Hyacinthe Bank, should vote immediately a resolution for the immediate suspension of their payments. The directors being opposed to this drastic and high-handed procedure, discussed the attitude assumed by the Bankers' Association and revolted against the ultimatum of the association. In reply, the agent of the Bankers' Association said in effect: 'Very well, gentlemen, you will have to close your doors, anyway, and unless this be done to-night, your paper will be refused to-morrow by all the banks.

The directors, in view of this pressure, and in order to avoid the possibility of a run on the bank and its consequences, did not open the doors of the bank next morning and the Bank was thus forced into liquidation.

This was on June 23, 1908. Two days afterwards the Bank of Montreal had its signs on the door and its paper printed 'Bank of Montreal, St. Hyacinthe.'

This is an instance where the Bankers' Association through its officers compelled a solvent bank to liquidate and go out of business in the interest of the larger banks.

The Minister of Finance sent my charge to the Bankers' Association, and on May 3, he received from Toronto a letter from Mr. Wilkie, president of the Association, which read as follows:

Canadian Bankers' Association.
Toronto, May 3, 1913.

Dear Mr. White:

In continuation of my letters of 28th and 29th April, I beg to state that I have had a thorough examination made of the condition of affairs at the time of the suspension of the Banque de St. Hyacinthe, and enclose herewith, Mr. Knight's statement, which appears to me to be thorough and full, and I would further beg to draw your attention to the following facts:

(a) Mr. Knight only acted in this matter under the directions of Sir Edward Clouston, as president of the Canadian Bankers' Association.

(b) The statement made by Mr. Rainville, M.P., appears to have been founded upon a misapprehension of the facts.

(c) It is true that the creditors of the bank eventually were paid in full, but this was only owing to a realization of assets that at the time of the suspension were not available or collectible, in fact their very existence was in dispute; but also it became necessary, later on, to call up the unpaid capital of the bank, as well as to call upon the shareholders for their double liability. The sums collected from the claims in dispute, some four or five years after the suspension, amounted to $390,000; the amount paid in on account of the unpaid capital was $66,795.52; the amount paid in on the double liability was $156,051.10; the total liabilities of the bank at the time of the suspension amounted to $1,181,362.74; and from the schedule it would appear that Sir Edward Clouston's judgment was absolutely sound, that it was hopeless for the bank to attempt to go on, and his action probably saved a loss to the creditors.

It is perfectly apparent that at the time of Sir Edward Clouston's action the capital of the bank was wholly gone, and apparently this was admitted by all parties interested.

(d) The Bankers' Association were not interested in the action of the Bank of Montreal, and it is also apparent that that was done not for the benefit of the Bank of Montreal, but at the solicitation of residents of St. Hyacinthe.

Sincerely yours,
(Sgd.) D. R. Wilkie,
President Bankers' Association.

The Honourable W. T. White, M.P.,
Minister of Finance,
Ottawa.

Mr. Knight sent a letter to the hon. Minister of Finance dated Montreal, May 3 1913, as follows:

Secretary Treasurer's Office.
Bank of Montreal Building,
Montreal, May 3, 1913.
La Banque de St. Hyacinthe.

Sir:

I have the honour to knowledge the receipt of a copy of a letter from Mr. J. H. Rainville, M.P., in reference to the action of the association in connection with the suspension of the Banque de St. Hyacinthe, and I make the following statement of fact in connection therewith:

The Banque de St. Jean suspended on the 20th April, 1908, and the Banque de St. Hyacinthe, which was not strong in liquid assets, began to suffer from the disastrous failure of that bank. This was known to all bankers.

The subscribed capital stock of the bank was $504,600, of which $331,235 was paid up. The total deposits at the end of the month of May, 1908, as compared with the preceding month, showed a decline, as stated in the Government returns, of some $75,000.

By reason of the knowledge that the president of the Canadian Bankers' Association, the late Sir Edward Clouston, had as to the situation, I was asked to request the cashier of the bank to come to Montreal. Mr. L. F. Philie, the cashier, accordingly came to Montreal on the 22nd June, 1908. After a conversation with him, I came to the conclusion that it was necessary to have a further examination of the condition of the bank, and so reported to the president of the association. Mr. Philie was of opinion that the financial condition of the bank was serious.

At my request, Mr. Philie returned to St. Hyacinthe to make up, as accurately as possible, a valuation of the assets, and report the result to me as soon as possible. I explained to him that this was necessary because, if the Canadian Bankers' Association could render any assistance to the bank, it would gladly do so, but that it would be necessary to have a statement of its assets.

Mr. Philie, the next day, brought back the statement, which is shown as Exhibit A.

I discussed with him the various items in this statement, as on its face, it showed that the whole of the paid up capital of the Bank was gone. The chief asset was a doubtful claim against the Quebec Southern railway, which was then being wound up as insolvent, by proceedings in the Exchequer Court, at the instance of the Minister of Railways and Canals. The total claim of the bank, which was filed in 1906, was $612,000. The total assets at the time, as represented in the Government returns, was $1,580,097.84. I did not place as high a valuation upon the claim against the Quebec Southern railway as did Mr. Philie, and my judgment in this regard is justified by the result, as, after four and a half years' litigation, at heavy expenses to the bank, the amount realized was $381,000, which sum was paid to the liquidator of the bank in two amounts, on 13th October, 1911, and 2nd January, 1913.

May I refer to the report of the action the Minister of Railways and Canals against the Quebec Southern railway, in re Bank de St. Hyacinthe (claimant) in Vol. 12, Canada, Exchequer reports, p. 61, for a fuller disclosure of the difficulties surrounding the collection of this large claim of the bank.

Another asset I criticised was the item marked 'Debentures.' These were issued on the security of an aqueduct in St. Hyacinthe, and were valued at $33,000, but realized only $9,000.

Mr. Philie also advised me that a claim by L. F. Morrison against the bank for $93,146 was then in litigation.

The criticism of the assets was accurate, as shown by the following:

L. F. Philie's (the cashier valuation.. .. .. $1,190,556 00
Total collected by the liquidator. 1,043,435 30

Further, I was advised by Mr. Philie, at our first interview, that the Eastern Townships bank, the agent for clearing house purpose in Montreal, then had over $15,000 of the bank's notes on hand. They were holding these over to give the bank a chance to secure funds to redeem them, and, in addition, Mr. Philie advised me that, in order to secure money to pay the demands upon the bank, he was forced to rediscount the best paper in his portfolio, and had at that time rediscounted with the Eastern Townships bank $26,493 of current paper.

As soon as I ascertained these facts, and examined the statement, exhibit A, I consulted with the president of the association, and the conclusion arrived at was that, in the in-

terests of the creditors, the only honest thing to do was to recommend the bank to suspend payment.

I accompanied Mr. Philie to St. Hyacinthe the night of the 23rd June, and a meeting of the board was called, at which five of the directors were present. Two of the directors were not available, as they lived outside of St. Hyacinthe; Mr. Philie was present during the conference. I pointed out to the board that the statement of affairs as exhibited, which had their approval before it was submitted to the association, showed that the entire capital of the bank was lost and that possibly their deposits were impaired. The statement of the assets was conceded to be correct by everyone present, and the only objection that the board made to my criticism was that I was placing a lower valuation upon the claim against the Quebec Southern than the board was disposed to do.

At no time during this conference did I say—

It was the will of the Bankers' Association that they, the directors of the Banque de St. Hyacinthe, should vote immediately a resolution for the immediate suspension of their payments.

I never used any language to the effect—

Very well, gentlemen, you will have to close your doors anyway, and unless this be done to-night, your paper will be refused to-morrow by all the banks.

During the discussion, two of the directors were anxious that the bank should not suspend payment until they had an opportunity to go to Ottawa and lay the position of the bank before the Government and seek its assistance. These two directors suggested delay in taking action.

There was a large gathering of citizens outside the bank building while the conference was going on, and it was quite apparent that there was knowledge in the town that the bank was in difficulties and there would be a run on the bank the next morning.

I explained to the directors that the association had no power to order the suspension of the bank, but, if they did not suspend, I would report to the minister in the morning that the bank was insolvent, and I explained to them that in my judgment, it would not be honest to the depositors to open in the morning.

After the fullest possible discussion, a unanimous resolution of the directors, copy of which is marked exhibit B, was passed, and Mr. Philie, the cashier, was left in charge and was instructed to advise the branches of the bank that it had suspended payment.

I beg to append herewith a statement, exhibit C, being the return made by the bank to the association, on the 23rd June, the day it suspended.

Mr. Philie was appointed Curator by the Canadian Bankers' Association on 24th day of June, 1908, and later was appointed liquidator, and had the carriage of the winding up proceedings.

For your information, I beg leave to submit, as exhibit D, a statement of the receipts and disbursements of the liquidator, up to the 7th February, 1913.

Since the 7th February, 1913, a final dividend has been paid to the creditors of the bank with two one-tenths per cent interest on their respective claims.

Mr. RAINVILLE.

With reference to the paragraph in Mr. Rainville's statement that two days afterwards, the bank of Montreal opened a branch at St. Hyacinthe, may I add that three of the directors of the bank of St. Hyacinthe came with me to the president of the Canadian Bankers' Association when I made my report to him the day the bank suspended. After full discussion with the president, he approved of the course that had been taken by the directors on my recommendation that the bank suspend payment.

The president of the bank of St. Hyacinthe expressed the greatest possible concern for the depositors of the Banque de St. Hyacinthe, and told Sir Edward Clouston that very many of them would be seriously inconvenienced by the bank suspending payment and was anxious that something be done to relieve the hardship of their situation. Sir Edward said that the bank of Montreal would immediately open a branch and that whoever was placed in charge would be instructed to do everything possible to help out depositors and others who would be embarrassed by the suspension of the bank.

In a formal report as to the reasons of the association for recommending the directors of the Banque de St. Hyacinthe to suspend payment, the fact that the bank of Montreal opened immediately after may not be any concern of the association; but, as the matter is dealt with by Mr. Rainville in his letter, I wish to add that, in my opinion, Sir Edward Clouston opened a branch of the bank of Montreal in St. Hyacinthe for the purpose of doing what he could to mitigate, in some measure, the hardship that would inevitably follow the suspension of the bank.

You will allow me to say in conclusion—

1. That at the time the Bankers' Association began its investigation into the affairs of the Banque de St. Hyacinthe, there were well founded rumours as to its condition to warrant them in making inquiries.

2. That the statement as discussed by the bank showed that its capital was lost and that this was admitted by the directors.

3. That the associations' recommendation to the directors to suspend payment was the proper one to make.

4. That the result justifies the recommendation and that the creditors have been paid their claims, without the full amount for interest, only after the liquidator called up the unpaid capital and had recourse to the full amount of the double liability.

If I can furnish any further information in reference to the matter, I will be pleased to do so.

I have, &c.,
(Sgd.) John Knight,
Secretary.

Hon. W. T. White.

I do not think, Sir, that the Bankers' Association should exercise a supervision over the operation of banks on the strength of rumours. Their action, founded on rumours, seems to have taken no account of the real situation and their assertion was contrary to the facts. To give strength to his assertion of alleged rumours, Mr. Knight says that there was a great crowd around the bank when the meeting of Directors took place at St. Hyacinthe. That assertion is

denied completely by all the directors I have seen personally, and it is denied most emphatically by the liquidator of the bank of St. Hyacinthe. He passed along the street near the bank about 11 o'clock at night, while the meeting was being held, and he did not even notice that a meeting was being held in the bank. The rumors referred to were so little known that two days before the bank closed two of the directors made very substantial deposits in the bank. When the emergency meeting was called by Mr. Knight at 11 o'clock some of the directors, who were in bed, got up and went to the meeting without even knowing what was in question, or what the meet had been called for. Mr. Knight made it known that he was there to close the bank and the directors revolted. The proof of this is found in Mr. Knight's own letter in which he admits having said that if they would not close their doors he would write to the hon. Minister of Finance and tell him that the bank was in an insolvent state. According to the statement of the directors of the bank, he said, if you do not close your doors to-morrow, all the banks will refuse your paper, and that meant that the bank had to go into liquidation, because I do not think there is a single bank in Canada that would stand under such circumstances. Rumor forsooth, the Bankers Association had known of the condition of that bank for five or six years. They had even helped the Banque de St. Hyacinthe in 1903, although I would not affirm so, but I know that big banks do help the smaller banks when runs have occurred on account of the tightness of money. The Banque de St. Hyacinthe was in better condition in 1908 than it was in 1903. In view of the conservative and careful conduct of the manager and board of directors, the bank, as I say, was stronger in 1908 than in 1903, and the Bankers' Association knew about it and the public knew about it, and confidence had been renewed amongst the public and the deposits were good at that time. If rumours occurred it would be very interesting to find what kind of diplomacy, some would say what kind of conspiracy, was engaged in to get the clientele of the Banque de St. Hyacinthe at St. Césaire where the bank had $160,000 on deposit with practically no discount at all. It would be very interesting to find how it was that the Bank of St. Hyacinthe closed its doors on the 23rd of June, 1908, when the association knew that the said bank had obtained judgment in the Exchequer Court for $331,000, privileged, and that $1,051,000 was deposited by the railroad company, against which the bank had obtained judgment, in the Bank of Montreal at Ottawa, for the purpose of paying the debts of the railroad. This morning I looked into the Exchequer Court Reports, and I find that the date of the judgment obtained by the Banque de St. Hyacinthe was the 25th of May, 1908. That means that one month after, yes, scarcely one month after, the judgement was rendered in favor of the Bank of St. Hyacinthe, the Bankers' Association knowing that fact, knowing that the Bank could get $331,000 and knowing at the same time that that bank had appealed from that judgment because they were claiming over $600,000; one month after that judgment was rendered, the association went to the Banque de St. Hyacinthe and they forced it to close its doors in the manner I have described. It would be very interesting, and people should know, that the very next day after the Banque de St. Hyacinthe was closed the Bank of Montreal opened in the very premises occupied the day before by the Bank of St. Hyacinthe. And it may be noted that papers, books, stamps, all with the name: Bank of Montreal, St. Hyacinthe, were in readiness, mark you, the very day after the Bank of St. Hyacinthe was closed, the Bank of Montreal was ready to do business. It would be interesting to learn from Mr. Knight, the secretary of the Bankers' Asociation, why two days after the suspension of payment orders were given and carried out to destroy by fire three or four full baskets of Banque de St. Hyacinthe bills, moneys, papers, blank checks, blank notes, notwithstanding that the ninety days had not elapsed as provided by the law which is the same for rich and poor alike. It was the wolf devouring the rabbit, after waiting five or six years until its prey might be in proper condition.

Mr. LEMIEUX: When do you say they destroyed all these papers?

Mr. RAINVILLE: Before the ninety days had expired, within which time the Banque de St. Hyacinthe had a chance of obtaining the privileges of the law.

Mr. LEMIEUX: Was that in evidence before the committee?

Mr. RAINVILLE: There was no evidence before the committee on that point, but I state this from information I have obtained from very reliable sources. It seems strange that the cashier of the Banque de St. Hyacinthe was called to Montreal to report to the Bankers' Association without having the manager of the bank know about it, and on the request of the same Mr. Knight. Since when should an employee be asked to go and discuss the financial position of his employers, without their knowledge. The address of the president and manager of the Banque de St. Hyacinthe was well known; he is a man of high reputation; he is Senator Dessaules. Why did he not call upon the president of

this bank to discuss this matter instead of calling an employee, and on what terms was it done? Mr. Knight explains that himself. I explained, said Mr. Knight, to him, that such a course was necessary; that if the Bankers' Association could help the Banque de St. Hyacinthe it would do so with pleasure, but it was necessary to have a statement of its assets. What do you think, Mr. Speaker, of offering help to one of the employees instead of to the president of the bank. It was known very well that very little help would have tided the bank over its difficulties during the time of the appeal from the judgment against the railway company, and money for the payment of which judgment had been already deposited in the Bank of Montreal. I am sure $50,000 advance would have saved the Banque de St. Hyacinthe, and even without any money three weeks' time would have saved it. But due to the drastic manner in which they acted the Banque de St. Hyacinthe had to close its doors. The statement of Mr. Knight was that the report of the bank showed that the paid-up capital had been lost, and that such was admitted by the directors. Such an assertion is certainly strange in face of the opposition raised against the order of Mr. Knight by the directors and in face of the position of the bank. The paid-up capital which Mr. Knight claimed was lost amounted to $331,235. To balance that, there was the judgment, which I mentioned a few minutes ago, against the Quebec Southern Railway Company, of $331,000. The bank, however, on the advice of Senator Beique and Mr. Lafleur, had appealed to the Privy Council. I have more confidence in the judgment on a point of law in Senator Beique, who is a good lawyer, and in Mr. Lafleur, who is one of the best lawyers in Montreal, than I could have in Mr. Knight, the secretary of the Bankers' Association.

Mr. LEMIEUX: They are the two leading lawyers of our province.

Mr. RAINVILLE: One bank at Montreal, knowing the situation of the Bank of St. Hyacinthe, offered to the Government that, out of the deposits of $1,051,000 for the payment of all the debts of the railroad, if the Government would place with them a deposit of $400,000, they would advance $200,000 to the Bank of St. Hyacinthe. That was much more than was needed to meet all the liabilities that could arise from any source. If Mr. Knight had been really willing at that time to do something in behalf of the Bank of St. Hyacinthe, I think he had sufficient influence with the Bank of Montreal to say: You have over a million dollars here on deposit, on which you are drawing profits; you should advance this bank $200,000, not a gift, but money that will hold until they receive a final judgment which might be greater than $331,000. Instead of offering that help, they simply came to St. Hyacinthe and closed the bank.

Mr. Knight made a statement in his report on the Bank of St. Hyacinthe to show that the assets of the bank were not collectable. I have a word to say on that item of $33,000, which was a debenture on an aqueduct. It was sold about $9,000 in liquidation; but the man who borrowed the money, although he made no repairs and did no new work on it, would not sell it for $30,000 because it is paying about $3,000 per annum. The man who bought it was a director of the bank and knew the value of that aqueduct. We know very well that, when a property is sold through liquidation, it has to be sold at a big sacrifice.

The third conclusion of Mr. Knight's report is:

> That the association's recommendation to the directors to suspend payment was the proper one to make.

If there is anything in the law to meet such circumstances, we must abide by the law. Section 39 of the Bank Act reads as follows:

> If any part of the paid-up capital is lost the directors shall, if all the subscribed stock is not paid up, forthwith make call upon the shareholders to an amount equivalent to the loss: Provided that all net profits shall be applied to make good such loss.
>
> 2. Any such loss of capital and the calls, if any made in respect thereof, shall be mentioned in the next return made by the bank to the minister.

The law is clear. Was there any capital which was not paid? Yes, to the amount of $173,565. That is a fairly large amount. If the directors had known two days before that the Association was coming up to close their doors, I am sure they would have immediately called in the capital which was not paid. The law provides for that. The law is made for the Bankers' Association just as much as for the small bank. Before touching the business of the Bank, they should have taken the step first to call in the unpaid capital, $173,565. With the amount of the judgment from which they could get $331,000 if they had given up their appeal to the Privy Council, plus $75,000 which the liquidation of the bank cost and plus a few more thousand dollars on that question of the corset company and others, would have amounted to the sum of about $600,000, and the bank would not have closed its doors. Mr. Knight said in conclusion:

> That the result justifies that recommendation and that the creditors have been paid their claims, without the full amount for in-

terest, only after the liquidator called up the unpaid capital and had recourse to the full amount of the double liability.

This argument will certainly seem extraordinary coming from a banker, who more than anyone knows what considerable loss there is whenever a forced liquidation occurs.

Mr. Knight, I repeat, was not asked to give evidence as to the consequences of the intervention of the Bankers' Association, but to answer as to that very intervention itself—the way he intervened. On the 23rd of June, 1908, I think I can safely say, the affairs of the Bank of St. Hyacinthe were in a better position than they were before. And the situation in 1903 was perfectly known to the Bankers' Association. There have been many failures among banks in recent years, and I do not think there has been a single case in which the bank was able to pay one hundred per cent of its deposits. Take la Banque du Peuple, which everybody says should never have closed its doors; that bank did not pay more than seventy-five per cent of its deposits. Other banks, like the Bank Ville Marie, la Banque de St. Jean, and the Farmers' Bank did not pay a cent of deposits. The Sovereign Bank and the Ontario Bank did not actually fail but were taken over, but I venture to say they would not have been able to pay one hundred per cent of their deposits had they been wound up in the way the Banque de St. Hyacinthe was. La Banque de St. Hyacinthe paid not only one hundred per cent of its deposits but two and a half per cent interest, though there were large losses brought about by the very fact of the liquidation of the bank.

There was something else. If the directors had known what was coming they could have sold their assets, and those assets were of quite large value. They had a minimum circulation of $200,000 which they had loaned at seven per cent, bringing an income of $14,000 a year. They had deposits of $850,000 on which they paid three and a half per cent, and which they loaned on an average of seven per cent, bringing $39,750. This made a total income of $43,750. The cost of administration of the bank was only $16,000. That would leave more than $27,000 a year. So, even if all the capital was gone, they could pay a little over five per cent on that capital which had disappeared.

I think I can say, in conclusion, that the drastic and arbitrary manner in which the Bankers' Association attempted to dictate to the directors, coercing them into closing their doors, was the sole excuse of the failure of this bank. The directors were the proper parties to judge of the course to be taken, free from the dictation of the Bankers' Asssociation. And, if I rise on the third reading of this Bill to give, as well as I can, an answer to the two letters addressed to the hon. Minister of Finance by the Bankers' Association, it is only to prevent other such cases arising in the future. The reputation of the businessmen who were directors of La Banque St. Hyacinthe, a reputation which they still hold, could be no better. Those directors were, Senator J. C. Dessaules, Joseph Morin, provincial auditor of Quebec; L. P. Morin, a big trader of St. Hyacinthe; Dr. Emile Ostigny, a millionaire from Montreal, V. B. Sicotte; Mr. Archambault and Mr. Brillon. These gentlemen, as I have said, had a high reputation amongst all classes of good people. They are good businessmen, honest men. I am sure that the disappearance of La Banque St. Hyacinthe will be forever a black spot in their business life. But that failure was not their fault. It was the fault of one man in the Bankers' Association; not Sir Edward Clouston, who is dead, but Mr. Knight, the secretary of that association. I am bound to say that I am confident that if an inquiry were given we should find that the main responsibility for the disappearance of that bank lay with him.

I have detained the House long enough, I resume my seat with an expression of thanks for the attention with which I have been heard and with the hope that the Minister of Finance will make a careful investigation into this whole matter.

Hon. H. R. EMMERSON (Westmorland): I regret very much indeed that at this hour of the morning I feel constrained to make some observations with regard to the Bill under discussion. I cannot refrain from calling attention to the fact that there is a very great contrast between the entrance of the Bill on its second reading in this Chamber and its exit when it is about to receive its third reading. Its entrance was like, if not a February blizzard, at least a March gale, but it seems to be going out like a summer breeze. I do not wish to complain, but it seems to me that the Government in forcing us to discuss this matter at this hour of the morning, imposes a strain upon the endurance, upon the physical endurance, of hon. members. I have no desire to do other than expedite the business of the House, but still there are limitations, and I think the Government would be better advised if they would give us a more opportune moment for considering the Bill.

We must remember that the banking conditions in Canada have not had and do not now have the confidence of the people of Canada. Rightly or wrongly, there are suspicions with respect to the conditions which prevail in connection with the bank-

ing institutions, not as regards their stability; not, indeed, as regards their good faith, but with respect to the great powers which they have as a monopoly in this country. The Banking Bill was introduced into this House under such conditions that the people of Canada are doubtful, suspicious, not fully understanding with regard to the matter. What have we done to establish their confidence and their good faith in respect to these financial institutions? I am not a rebel as against the banking institutions of Canada. I am not in any way in antagonism to those institutions or to the management of the banks in Canada, but I do say that the banking institutions of this country owed it to themselves and owed it to the people of Canada that there should have been a full and complete inquiry into the conditions which prevail and which have prevailed in Canada. This Bill on its second reading did receive a good deal of marked and emphatic criticism. There were many hon. members on both sides of the House who felt that they were voicing the sentiments of the people of the country when they criticised the Bill and criticised existing conditions; I have no doubt that they felt that in so doing, they were but discharging the obligations which they owed to their constituents. I had supposed, as a result of that criticism, that when the Bill was considered in the Banking and Commerce Committee the facts and the conditions would have been fully inquired into, and that there would have been a complete exposé with respect to the circumstances surrounding the management of the banking institutions, but I am bound to say that the inquiry was not full, was not complete, was not adequate. I made the statement on the second reading that there was a money trust in Canada, and that linked and associated with that trust were the financial and great banking institutions; that there had been merger after merger, combination after combination, until we had reached a period in the financial history of this country when there were to be found some two dozen men who, by reason of interlocking directorates, controlled the financial institutions of Canada. I repeat that assertion; I made it on the floor of this House with due regard for my responsibility as a member. I have felt that there should have been a full and complete inquiry with respect to that phase of the matter, but there has been no such inquiry. I have no right nor do I wish in any way to criticise the conduct of the Banking and Commerce Committee; far be it from me to take any such step. But let me recall the facts. The Banking and Commerce Committee called and examined witnesses, and their statements and utterances are referred to as evidence. Were any of the witnesses called before the committee sworn? It is the usual practice in the committees of this House to swear the witnesses who are called to give evidence. As an illustration of that fact I may say that during the past week a committee has been inquiring into the pollution of the navigable streams of Canada. Every witness called before that committee, whether expert or otherwise, was sworn. I am not going to call into question the statements given by any of the witnesses who were examined before the Banking and Commerce Committee. They are reputable gentlemen of high financial standing, and they hold positions of trust in Canada, but they are as much entitled to be called upon to give their evidence upon the Holy Evangelists as are the witnesses who may be called before other committees. This was not done; I know not for what reason, but when hon. members refer to the evidence that was given—and it was voluminous—I say it is a misnomer. You have a mass of statements; you have a mass of not merely viva voce statements, but of written statements handed in. For what purpose? For the purpose of placing before the committee the opinions of men who are supposed, and I do not question the supposition, to be authorities. Yet, Sir, why should they be permitted to depart from the usual practice in connection with evidence taken before the committees of this House?

Mr. FOSTER (Kings): Did the hon. gentleman as a member of that committee suggest that any such witnesses be sworn?

Mr. EMMERSON: I was a member of that committee; I venture to say I attended as regularly as any member of it, but I am bound to say that the evidence was almost wholly in before it came to my knowledge that the usual practice with regard to the swearing of the witnesses was not being followed. I naturally expected that the usual practice and custom of this House that has been followed for years was being followed with respect to that committee. I am not questioning the good faith or the bona fides of any hon. gentlemen who may have contributed to the testimony, so-called which was placed before the committee, and which has been reported to this House, but I do say that it is a remarkable fact that in dealing with this matter, having regard to the questionings throughout the country; having regard to the fact that there are doubts in the minds of the people generally in regard to the management of the banking institutions, I say it was ill-advised on the part of the committee, or whoever was responsible for it, to have the evidence given and taken in that way. If it is right for that committee and if it is right for the great finance magnates of Canada who come forward and make their statements before committees of this

House without being sworn, surely we are not treating the other committees or the gentlemen who appear before other committees with the same respect. I attended as far as I could the meetings of that committee. I did it with the view of informing myself in the first instance but I soon learned to see the trend of events and I observed the way the wind blew; I am not making any charge of a political character or nature in giving utterance to these sentiments, I am simply presenting the bald, bare facts as they existed and have existed during the past few weeks. The committee was very fully attended by members of this House, who seemed to take great interest in sustaining the Bill as it was presented before that committee. Early in the history of the committee I made a motion to the effect that there should be counsel employed to represent the general interest, the public interest of the country. That did not go to a vote it is true but for a very good reason, because, Sir, it was soon seen that the very mention of the idea was received with an impatience that could not be misunderstood. Remember that the Banking Association had as its representative before this committee, perhaps the most eminent counsel in the Dominion of Canada, and associated with him, representing the banking interests of Canada, were very able counsel, who were on hand on all occasions ready, when any motion was made, if there happened to be any doubt with regard to its fate, to see that the vacancies were filled and that the ranks were placed so that there could be no question of the result. I think that I am speaking what is known to every hon. member of that committee, what will be admitted by every member of that committee as the solemn truth, that there was, in the minds of the committee, the idea that there was a steam roller process going on, that any amendment that might be proposed which seemingly was at all antagonistic to the money interests or to the banking interests, would be frowned down. The committee proceeded with its work. The Bill has emerged from that committee. Can any hon. member say that there has been a change in any substantial manner antagonistic to the interests of the banks? They have been represented by eminent and able counsel. On the other hand, there were no counsel to present the interests of the people at large as against the moneyed class.

Mr. FOSTER (Kings): Does the hon. member not consider that the eminent lawyers who were the representatives of the people on the Banking and Commerce Committee were quite able to take the part of the common people in the matter of the discussion of the Banking Act?

Mr. EMMERSON: It is a very harmless inquiry that my hon. friend makes. I am not questioning the ability of the members of the committee but I am speaking of the counsel outside of the committee. There were none to represent the people's interest, there were a number representing the banking interest.

There was one feature of the inquiry that was never delved into, I had not the opportunity on all occasions to be present, especially during the period when witnesses were being called. I did my duty as best I could in attending the meetings. The proceedings before the committee suggested to the mind of every responsible man in this country one important question: is there a money trust in Canada, and how far are the directors of banks in Canada mixed up in the great corporations of Canada who are utilizing and using the funds of the banks of Canada? It must be a matter of concern to every man whether the banking institutions of Canada, empowered and given privileges as they are by the Parliament of Canada, are controlled by a very few individuals, and whether by reason of the interlocking directorates there is banded together a great and huge money trust. I know that when I was at the committee and any question was asked with respect to the directorate and how far the funds of banking institutions were being loaned either to individual directors or to companies in which individual directors were interested, the witnesses, not the sworn witnesses, but the gentlemen who were simply making their statements, backed away from the inquiry and it was treated as a matter of little concern, as if the committee were not obliged to make inquiry in that channel. I can speak to the credit of some hon. members of the committee, and I can say that my hon. friend from Queens and Shelburne was certainly faithful in that regard. I am pleased and proud to be able to pay this tribute to my hon. friend's endeavour to prove the use of banking funds by banking directors or by companies in which bank directors are interested. That phase of the inquiry was not entered upon as it should have been. I take my share of the responsibility in not being able to have that full probing. Had the suggestion which I made to the committee to have counsel employed been acted upon, that could have been done. We must recognize the circumstances under which this inquiry was made. We must remember that during the meetings of that committee there was before this House some very important questions that demanded, and I think, received the attention of many hon. members of the committee. It was quite impossible for individual members of the committee to give attention to that phase of the question

which it demanded. Had the suggestion which I made been acted upon there could not have been any complaint as regards either the attitude of the committee or its action. But no inquiry has been made as to whether there is a money trust. Questions were asked of one witness, I think it was Mr. Forgan from Chicago, with respect to a money trust in the United States. He said very distinctly that he knew there was, or believed there was, a money trust, but nothing was proved as to that, and men high up in the banking institutions were impatient when any questions were put, were supercilious towards the members of the committee attempting to prove or inquire into that phase of the question. Those gentlemen swept aside almost with a sneer the idea that there was a combination or money trust. That question was not gone into. It was not fully inquired into, and to-day the people of Canada are as ignorant with respect to it as if the committee had never met, and as if a bank Bill had never received the consideration of the House of Commons of Canada.

It is because of these facts, and these conditions and circumstances that I feel called upon to bring to the notice of this House just where we stand with respect to the Bank Bill as it emerges from this chamber into the other chamber of this Parliament. The inquiry before that committee was entirely unsatisfactory. It was not full, it was not complete, and I think the discussion in this House in Committee yesterday fully illustrated the fact. Wherein have there been any material or substantial changes? From every standpoint, the interests of the banks have been protected. There is not a member of that committee but who will concur with me in that regard. Take the question of audit and inspection. Take the question of interest and exchange charges. Take the question as to the right of holding, owning, occupying and utilizing real estate. In all these respects, the banks are to-day in just as good a position as they were when this Bank Bill was first introduced. In no sense has any advance been made in the interests of the people as against the banking institutions. I would like to have had an inquiry into the banking conditions of Australia. There they have a Commonwealth bank. Was there any attempt to show the conditions existing in that Commonwealth, in regard to the conducting of a state bank? There was none, and yet from the distant Pacific to the shores of the Atlantic there is a feeling of distrust on the part of the people with regard to the conditions which prevailed. Rightly or wrongly, Sir, the people have an idea that they are not receiving a fair deal, and I make that statement not from the standpoint of a partisan or of one who is associated with one political party. I am speaking from the standpoint of the people's interests and from that standpoint alone. I would ask this House to calmly reflect when this Bill takes its flight from this chamber to the other, to calmly deliberate as to what has been accomplished after all with regard to the banking system of Canada. Has there been any step forward? Have any advances been made? I see the Minister of Finance is seated beside me. I am glad to have his inspiration. I am glad to know that he has been faithful, I will say that to his credit. He attended every meeting of the committee, and he tried to stem the tide. In some instances he got into the eddies, but in many respects he contributed to whatever improvement was made in the Act. I would have liked this Bill to stand until to-morrow morning, but he was adamant, and I propose to impose upon him the penalty of his resistance. My hon. friend (Mr. Rainville) has given a splendid illustration of the monopoly of the Canadian Bankers' Association. It is a huge monopoly, it has not a parallel on this continent as a monopolistic concern. They control every bank; they can ruin any bank. We have not in any way curbed their power in this Bill or limited their authority. They are licensed by the Parliament of Canada to exercise their authority and Parliament has delegated to them powers which it should have retained to itself.

Mr. FOSTER: In what respect?

Mr. EMMERSON: I do not propose to go into details at this hour, but I might remark that the food mentioned in scripture as a food for babes would be applicable to my hon. friend from Kings; I am not dealing with the question of food that is suitable to his infancy. My hon. friend the Finance Minister has been kind enough to come over and sit beside me as my deskmate, and I feel that he is now penitent enough for having resisted my request to defer the further consideration of this Bill until the next sitting of the House. I have a great deal of human sympathy, and I shall therefore, not impose further upon the members of the House, and least of all upon my esteemed friend the Minister of Finance, who has done me the honour to come and sit beside me while I am making this plea for what I consider the betterment of the conditions under which banking and commerce are conducted in this country.

Motion agreed to and Bill read the third time and passed.

On motion of Mr. Rogers, House adjourned at 1.40 a.m., Friday.

HOUSE OF COMMONS.

FRIDAY, May 23, 1913.

The SPEAKER took the Chair at eleven o'clock.

REPORT PRESENTED.

Supplement to the Annual Report of the Department of Marine and Fisheries, respecting the Indians of Canada.—Mr. Hazen.

OLD AGE PENSIONS.

Mr. BURNHAM: Mr. Speaker, the hon. member for Pictou (Mr. Macdonald), in view of your ruling of yesterday in regard to the report of the Old Age Pensions Committee, has suggested that this report be referred back to the committee. Therefore it is moved by Mr. Macdonald, seconded by myself, that the report of the Old Age Pensions Committee be referred back to the committee.

Mr. SPEAKER: I have been looking into this matter, and I find that the report which was presented to the House has already been dealt with. The only recommendation in the report for which, I think, concurrence was desired, was with regard to printing, which would necessarily require to go to the Printing Committee. After the report was presented to this House, it was submitted to and was dealt with by the Printing Committee; therefore it could not be referred back.

Mr. MACDONALD: The circumstances with regard to the report were these: A sub-committee of the regular committee was appointed for the purpose of drafting a report. That committee did not meet, and the report as presented to the House, though assented to hurriedly by the different members, was not a full expression of the desires of the Committee. I submit that the opportunity to place properly before the House the findings and recommendations of the committee ought not to be barred by the assumption of authority on the part of any other committee of the House. In order that the matter might come before the House in proper shape, and that the views and opinions of the members of the committee might find proper expression, I suggested that the motion which has been stated by the hon. member for West Peterborough, should be made. In order that everything may be regular, and that the report of the committee may be made in proper shape, I would suggest that the consent of the House be given that the report be referred back to the committee.

Mr. SPEAKER: I think the House had a right to assume that the report as presented by the chairman of the committee was a correct and regular report. As a portion of the report refers to printing, it was, by what authority I do not know, referred to the Printing Committee. The Printing Committee having dealt with it, the House assumes that it was a proper report, and, in my judgment, it could not now be referred back.

Mr. MACDONALD: Except by consent of the House. Perhaps I may be permitted again to point out, with all due deference, that the control of the House over the report of any one of its committees is an absolute control, which cannot be abridged at any time by the assumption of authority on the part of any other committee. There is no great principle involved in the matter, except that the record may be proper; there is no political issue involved in it, and I would like to ask the right hon. Prime Minister, with a view to straightening the matter out, that he would consent to the passing of the motion.

Rt. Hon. R. L. BORDEN: I am not thoroughly familiar with the various phases of the situation, and, if the hon. gentleman will let the matter remain until Monday, I will confer with His Honour the Speaker, and members of the committee, and see what can be done.

Mr. SPEAKER: From my knowledge of the situation, as the committee has not yet dissolved, I think that if they desire to give any further consideration to the subject matter which was referred to them, it would be quite in order for them to do so.

Motion stands.

FIRST READINGS.

Bill No. 228, to incorporate the Pointe aux Trembles Terminal Railway Company.—Mr. Baker.

Bill No. 229, for the relief of Albert Britnell.—Mr. Sharpe (North Ontario).

Bill No. 230, respecting certain Patents of Otto R. Barnett.—Mr. Bennett (East Simcoe).

H. M. C. S. RAINBOW.

Mr. EMMERSON: I observed in the papers last night a despatch to the effect that the Rainbow was being dismantled and the men dismissed. I would like to ask the hon. Minister of Naval Service if there is any truth in that report.

Mr. HAZEN: I think there is no truth whatever in the report.

BOUNTY FOR MISS HUTCHINSON.

On motion of Hon. T. W. Crothers (Minister of Labour), the House went into Committee to consider the following proposed resolution:

That it is expedient to authorize the Minister of the Interior to issue a Military Bounty Land Certificate to Miss Lois B. Hutchinson, as the sole heir and personal

representative of her deceased father, James Hutchinson, entitling her, or her substitute, to obtain, free of charge, an entry for a homestead of two adjoining quarter-sections of Dominion lands, and to receive letters patent therefor, provided that such entry is made and obtained on or before December 31, 1913.

Sir WILFRID LAURIER: Explain.

Mr. CROTHERS: The facts in connection with this matter have been pretty fully set forth in the recital. They are as follows: The father of this young lady, the late James Hutchinson, was killed at Fish Creek in the year 1885. The same year a statute was passed providing for the issue of the military bounty certificate from the Militia Department for the conferring on men who were engaged in that outbreak two quarter-sections; the party in whose favour such warrant issued was entitled to locate two quarter-sections. The original Act provided that these locations should be made not later, I think, than some day in the month of August, 1886. The time for locating was from time to time extended, the last extension being made, I think, in 1906, until the 31st of December of that year. A warrant was issued in favour of the late James Hutchinson, but his daughter never located the scrip. At the time of her father's death she was a child in arms, her mother has since died, and she is the sole representative and heiress of her late father. It is thought well to grant her now what she would have been entitled to prior to 1908 if she had not overlooked the locating of it. Of course it may be regarded as un undesirable precedent to pass such a Bill, but I am told by one of the officers of my department, Mr. Côté, that there is no other similar case before the department. I understand that when my hon. friend from Edmonton (Mr. Oliver) was Minister of the Interior, he considered the circumstances of this case and was in favour of introducing a Bill such as I am proposing to found on this resolution. I think this is a case where we should render this young woman the special privilege that is proposed under this resolution and the accompanying Bill.

Mr. OLIVER: As my hon. friend has said, this matter was brought to my attention when I was Minister of the Interior, and I was entirely favourably impressed with the righteousness of the claim made by the young woman. I think a Bill was prepared for introduction to Parliament, but the Government changed, and of course the Bill dropped. I know it is objectionable to revive old claims, but, whatever might be said of the general principle, this is such a very exceptional case, that I think Parliament will do itself credit to pass the legislation which is proposed by the minister. As my hon. friend has said, the father of the applicant was killed in battle. He was entitled, or his heirs were entitled, to this consideration. A scrip was issued, but there was no person to take it up at the time. The father was dead, the mother died, the child had not come to years of knowledge, and consequently the right lapsed. Now the young woman, having become of age, desires to assert her claim, which I would consider her right, to the property earned by the sacrifice of her father's life.

Resolution reported, read the first and the second time, and concurred in.

Mr. CROTHERS thereupon moved for leave to introduce Bill No. 232, to make further provision respecting grants of land to members of the Militia Force on active service in the Northwest.

Motion agreed to, and Bill read the first time.

NATIONAL GALLERY OF CANADA.

The House proceeded to consider the Senate amendments to Bill No. 187, to incorporate the National Gallery of Canada. —Mr. Rogers.

Sir WILFRID LAURIER: What is the nature of those amendments?

Mr. ROGERS: They propose an amendment to clause 4 which clause reads as follows:

The Board shall be composed of not less than three and not more than seven members.

That was the clause as it passed this House. The Senate propose that the Board shall be composed of not less than three members and not more than five. A further amendment is made in the eighth line of clause 3, in which are contained the words 'the custody and preservation of works of art contributed'; they suggest the addition of the words 'and to be contributed.'

Mr. LEMIEUX: I hope my hon. friend will give way to the desire which has been expressed not only in this Chamber, but, as I see by reading the debates, in the other Chamber, that the museum should be open on Saturday afternoon and Sunday. There is a prevailing feeling in favour of that, at least in the city of Ottawa.

Mr. ROGERS: That matter has not been considered. As I told my hon. friend the other day, I am entirely in favour of keeping it open on Sunday, and I will do all I can to that end.

Amendments read the second time, and agreed to.

SUPREME COURT ACT AMENDMENT.

The House proceeded to consider the Senate amendment to Bill No. 180, to amend the Supreme Court Act. — Mr. Doherty.

Mr. DOHERTY: The amendment made by the Senate is to the last clause of the Bill as it passed this House, amending sec. 49 of the Supreme Court Act. That is the sec. dealing with appeals from Ontario. The amendment of the Senate provides that:

Where the right to appeal depends upon the amount or value of the matter in controversy, and no specific sum is claimed, the amount or value of the matter in controversy may be proved by affidavit or affidavits.

That amendment was made by the bill as it passed this House to section 49 of the Act which deals with appeals from Ontario. The preceding section, which deals with Quebec, also makes appeals in certain cases dependent upon the amount in issue and contained precisely the same provision that the amount demanded or the value should be a certain sum to entitle a party to appeal. Amending section 49 made the amending provision applicable only to appeals from Ontario, whereas, the provision, if desirable, should be equally applicable in both cases. The amendment consists in making provision generally that where the right to appeal depends upon the value in controversy and no specific sum is claimed the value may be proved by affidavit or affidavits.

Mr. McKENZIE: Does that apply to every appeal in any part of Canada?

Mr. DOHERTY: Wherever there would be a section providing that the right to appeal depended on the amount in issue and no demand was made of a specific sum so that on the face of the record the value of the matter in issue did not appear, it would apply.

Mr. McKENZIE: It applies to any of the other provinces?

Mr. DOHERTY: To any provinces where the right of appeal depends on the value in issue and the amount does not appear on the record.

Amendment read the second time and agreed to.

SUPPLY.

On the order for Committee of Supply:

Mr. SPEAKER: With regard to this motion to go into Committee of Supply, I am not sure how it stands under the new rules, under which on Thursdays and Fridays the Speaker leaves the Chair without any motion being put; but only those estimates which have been taken up on some other day than Thursday or Friday can be considered, except with the consent of the House. I take it that with the consent of the House we follow the rule, and the Speaker leaves the Chair without motion.

Sir WILFRID LAURIER: I do not know whether I understand the rules rightly or not. My interpretation of the motion is that on Thursday and Friday the Speaker leaves the Chair without motion, automatically; but on that day no estimates can be taken up except those which have previously been considered.

Mr. BORDEN: That is quite right.

Sir WILFRID LAURIER: Mr. Speaker can leave the Chair without any motion, but the Government cannot take up any estimates except those which have been taken up already, unless by unanimous consent.

Mr. SPEAKER: It is not stated which estimates are to be taken up, and I have not a record of what have already been dealt with.

Mr. BORDEN: We intend to take up the estimates of the Department of Marine and Fisheries. For this purpose I am willing to admit that the estimates of that Department have not been taken up before within the meaning of the rule, and I agree that they be taken up with the unanimous consent of the House, which I understand to be given.

Sir WILFRID LAURIER: I do not know if I understand correctly. Mr. Speaker seems to be under the impression that he must know what estimates are to be taken up. Automatically the Speaker leaves the Chair, but then the Government are required to take up estimates which have been previously considered.

Mr. CARVELL: It seems to me that this question does not arise at the present time, because the estimates of every department have already been considered during this session. We have passed one-sixth of all the estimates of all the departments. While we may not actually have discussed them, in what you might call a debate, we have certainly considered them.

Mr. EMMERSON: That was before the new rules.

Mr. CARVELL: That makes no difference. It has been done during this session.

Mr. BORDEN: That would be a very strict interpretation of the rule, and I should not insist upon it.

Mr. CLARK (Red Deer): Rules are technical things.

The House then went into Committee of Supply.

Department of Marine and Fisheries—civil government, $246,200.

Mr. HAZEN: My civil government estimates are practically the same as those of last year, with certain statutory increases.

Mr. KYTE: Would the hon. minister indicate the promotions that have taken place in his department in the last year and the additions to salaries?

Mr. HAZEN: There are practically no additions to salaries beyond the statutory increases. The salary of the Deputy Minister is the same. In the first division, subdivision A, the salary of the assistant Deputy Minister is the same; of the Chief Engineer, the same; of Professor Prince, Inspector of Fisheries, the same; Mr. Doutre, Purchasing Agent, statutory increase; Mr. Fraser, Assistant Chief Engineer, statutory increase; Mr. Boyle, Accountant, statutory increase; Mr. McPhail, statutory increase; Mr. Boyle, Accountant, statutory increase; Mr. Found, statutory increase; Mr. Lindsay, statutory increase. There was a vacancy in the position of Chairman of the Board of Steamboat Inspection. The salary of the Chairman is $2,800. That vacancy was caused by the retirement of Mr. Adams and has been filled by the promotion of Mr. Ferguson, who has been stationed at Quebec. Then there is the salary of Mr. Halkett, $2,800.

In the first division, subdivision B, the salaries last year were $41,650; this year they are $45,100, being the same as last year with the statutory additions.

In the second division, subdivision A, the salaries last year were $49,600; this year they are $55,850. There are thirty-two positions provided for, an increase of three over last year. It is proposed to appoint a fog alarm inspector, a mechanical engineer and an inspecting engineer, whose services are found necessary in the work of the department. As regards the salaries paid to the different officials, there is a full list here if any hon. gentleman desires to see it. In reference to the appointment of a mechanical engineer, the department has been without the services of such an engineer since Mr. Macdonnell was transferred some years ago to the Steamboat Inspection branch, which takes up the whole of his time. He used to be able to give us his assistance when the services of a mechanical engineer were required. The mechanical engineering branch is constantly engaged in the design, manufacture and repair of fog alarm and other apparatus of all kinds, including numerous kinds of buoys. The opinion of the head of the branch is that the services of a fully qualified mechanical engineer are absolutely essential. With regard to the Fog Alarm Inspector, Mr. Macdonnell has performed this work for a number of years. Since his transfer, the Commissioner of Lights, Mr. McPhail, has carried on the work as best as he could. He has not found it possible, along with the general work of his office, to give this inspection the attention it requires. It is therefore necessary to provide for a third position in subdivision A at $1,600.

In the second division, subdivision B, there are thirty-four positions provided for, an increase of seven over last year. The salaries last year were $32,550; this year they are $38,050. These seven new places will be filled by appointing clerks in the various branches, some at $800 and some at $850 a year.

With regard to naval architects at $1,200 a year, the work of designing and preparing plans for all steamers that are constructed by the Government is done by the Department of Marine and Fisheries. The head of the branch, the chief architect, is Mr. Duguid. It is found that we cannot keep up with the work, as Mr. Duguid has to be away from the office so much of his time inspecting vessels that are in course of construction. It is necessary therefore, to give him assistance in his work.

Mr. SINCLAIR: Does the minister think that we can secure the services of a good naval architect for $1,200 a year?

Mr. HAZEN: These are only draughtsmen and assistants. We have I believe, a first-class naval architect in Mr. Duguid, a gentleman who, some years ago, I understand, was recommended by Lord Strathcona who had been applied to to assist in securing the services of such a man. The assistants will be young men of experience as draughtsmen and who will no doubt develop. They will be in the class whose salaries begin at $1,200, and go on by annual increments to $1,600.

Mr. SINCLAIR: Will they be subject to examination?

Mr. HAZEN: These men will be chosen through the Civil Service Commission, who no doubt, will advertise for applicants and make the choice in the ordinary way.

Mr. SINCLAIR: This is a matter of very great importance. I have heard it stated by those engaged in ship-building that the Department of Marine and Fisheries has not been able to supply the information on which a tender should be made. I am informed that in many cases the Department ask the builder who is tendering to submit his own plans.

Mr. HAZEN: That has been done.

Mr. SINCLAIR: That is a very awkward and unbusiness like way to deal with the matter. The department should know what kind of ship they require and should be able to give the builders, especially the builders in Canada who have not yet had great experience, full details to form the basis of a tender.

Mr. HAZEN : That is exactly the reason we are trying to increase this organization. Formerly description was given in a general way of the kind of ship wanted, and the builders were asked to tender submitting their own designs and plans. I do not see how it was possible to come to a fair conclusion as to whom the contract should be given to. I found that state of affairs when I entered the department and discussed the subject with the officials. Hereafter, when we ask for tenders we expect to give plans and full details. When all tenderers base their offers on the same plans, we can then judge whose tender is the lowest and most advantageous. But, until we complete the organization, we cannot follow that method.

Mr. SINCLAIR: How many officers has the minister appointed in the inside, and how many in the outside service, since the present Administration came into office?

Mr. HAZEN : Very few in the inside service, in the higher positions; nearly all minor clerkships. There have been some in the outside service in connection with the lighthouse service and that sort of thing. I cannot give figures at the moment, but will be able to give them later on. Passing from that, we come to the third division subdivision (A). Last year the amount was $35,050, and this year $40,800. There is no change in the number of clerks—there are thirty-eight—and the increase is made up of the statutory increases alone.

Mr. KYTE : Do statutory increases depend upon the recommendation of any officials in the department?

Mr. HAZEN: Upon that of the deputy Minister. If the Deputy recommends the official as worthy of the increase he gets it, but if the official's work has not been satisfactory and the Deputy-Minister so reports, he does not get it. Coming down to the third division subdivision (B), last year the amount was $20,900, this year it is $17,850. We are providing for twenty-nine positions as against twenty-four. The clerks to be appointed numbered five, at $500 a year each, the very lowest class—they are stenographers. There are but two permanent stenographers for the fisheries correspondence proper. They have been unable to cope with the work and it has been necessary to employ temporary clerks almost continuously throughout the year. There will be an additional one also in the Commissioner of Lights' branch. This was made necessary by the fact that Miss Percival was transferred to the Accountants' branch and to fill the position Miss Hill was employed temporarily. That position must be filled permanently. These are all positions which it is absolutely necessary to fill that the work in the department may be carried on. I am told by men in the department who have been there for years, that the work in the department increases every year and has increased very rapidly in the last few years. This is due in part to the greater volume of business in connection with the fisheries of British Columbia, where there has been a tremendous development. Then, for messengers, the amount provided last year was $5,500, and this year $6,700. This increase provides for the statutory increases and also for two additional messengers. The Department of Marine and Fisheries is scattered almost all over town. There is not only the main office in the western block, but there we have an office on Sparks street, one on Wellington street, and the branch in the Corry building and others. An increase in the staff of messengers is absolutely necessary, as papers have to be constantly carried by messengers from one branch of the department to another. That covers the different items which make up the civil government estimates

Mr. SINCLAIR: How many dismissals have been made for political partisanship in the department of the minister since he took charge?

Mr. HAZEN. So far as the inside service is concerned, I do not think there have been any dismissals for political partisanship. In the outside service there have been quite a number of dismissals. I have not a statement before me, but I will have it made out for my hon. friend if he so desires.

Mr. SINCLAIR: The feeling in my constituency and along the coast of Nova Scotia in regard to the Marine and Fishery Department is that the minister has been very reckless indeed so far as dismissals are concerned. He has resorted to the spoils system, pure and simple, showing very little regard for the rights of the officers and not extending to them an opportunity for a fair and proper investigation of their cases. I would have expected that the minister, coming from the maritime provinces, knowing the hardships endured and the small salaries received by the lighthouse keepers on the coast, would have had some consideration for them, and, at all events, would have given them a fair trial, but so far as the action of his department in this regard has come under my own observation, I cannot say that he has done so. There have been a very large number of dismissals in my constituency, and in many cases trials have been conducted, in a star-chamber way, in the bedrooms of hotels, garrets and places of that kind. Witnesses have been examined in some cases in the absence of the person accused. Most of the marine officers on the coast of my constituency have been dismissed, with

the exception of a few lighthouse keepers. The greatest sinners in this regard are the Postmaster General (Mr. Pelletier), the Minister of Customs (Mr. Reid) and the Minister of Marine and Fisheries (Mr. Hazen). There is a very striking passage in one of the minor prophets of the Old Testament in which a scourge of insects or grubs is described in this way: What the locust left, the canker-worm ate; what the canker-worm left, the caterpiller ate, and when the caterpiller got through there was not anything left. That very fairly indicates the conditions connected with the dismissal of Liberal officials employed on the coast of my constituency. What the Minister of Customs left, the Postmaster General devoured, what the Postmaster General left, the Minister of Marine and Fisheries devoured, and when the Minister of Marine and Fisheries got through there was scarcely a single Liberal officer left in the fish hatcheries and lifeboat stations on the one hundred and fifty miles of the coast of my constituency.

The case to which I wish to refer specially is that of W. L. Munro, who was lightkeeper on an island known as Three Top Island in the harbour of Whitehead. He was appointed to the position in 1879 by the Conservative administration, and served in the capacity of lightkeeper for 32 years. The island is an unsheltered rock off Whitehead, exposed to all the storms of the Atlantic; in winter time it is very difficult to reach the shore at all, and the keeper is often imprisoned for weeks at a time. Mr. Munro was appointed under the old system under which light keepers, after serving a certain number of years reaching a certain age, were entitled to be retired under pension. Mr. Munro claims that he was entitled to receive a pension after being thirty-two years in the service, but his dismissal has been used as a reason why he should not receive a pension. This man is a sailor, and somewhat excitable, and while a Conservative in his early days, he later acquired an admiration for Sir Wilfrid Laurier. At the close of a meeting in the schoolhouse in his district he is said to have proposed three cheers for Sir Wilfrid, and I understand that that is one of the chief reasons why this man, who served for thirty-two years in the capacity of lighthouse keeper, and who was entitled to a pension, was discharged from the service and refused a pension.

The charges against this lighthouse keeper were first made in February, 1912, and there was a lengthy correspondence between him and the Department of Marine and Fisheries, part of which I wish to put on record. The minister delayed action for a long time and finally threw Munro to the wolves and denied him his position and the pension to which he claimed to be entitled.

His case is a hard one. He has a family, and is now well up in years. He opened his heart to the minister, approaching him personally by writing a letter of which he sent me a copy. In February, 1912, Mr. Munro wrote the following letter to the minister:

Whitehead, N.S., February 8, 1912.

To the Honourable,
Minister Hazen,
Minister of Marine and Fisheries,
House of Commons, Ottawa.

My Honourable Sir,—I presume among others, you have me slated for my dismissal. And whether I am right in doing so, I thought I would drop you a line regarding it. I trust, honourable Sir, as I have been keeper of this station for thirty-two years and some months, that if I am dismissed, that you will see that I get a superannuation, as of course, after twenty years of any man's life there is not much strength left in him for hard toil and dragging. I am now sixty years of age past, and still burdened with the care of three grandchildren after raising a family of my own, ten children, and among them only one boy and what help I had it was always hired help; and the small salary I always got which of course was a help, I always had to work hard in order to make ends meet.

I am not ashamed to say I was appointed in 1879, and up to 1896 I always voted Conservative, but as the latter Government was good enough to let me hold my job, I thought it my duty to vote for them, and as far as votes goes we are square; however, you will, I trust, honourable Sir, allow me your sincere consideration, and have me granted a superannuation if I am dismissed. I trust you won't have it done this winter while so rough and boisterous.

I am dear honourable Sir,
Your very obedient servant,
(Sgd.) W. L. Munro.

Mr. Munro also wrote a little sketch of his life, setting forth some feats of bravery he had performed while residing on this island. This he handed to the press for publication, sending me a copy as well. It is a very interesting story; it discloses the hardships suffered by and the heroic conduct of this man while he was in the service of the department. I submitted this statement of Munro to the minister prior to his dismissal, so that the minister would not have the excuse that he was not familiar with all the details with regard to this man's service and his merits. In sending this sketch to the minister, I wrote him as follows:

February 13, 1912.

Hon. J. D. Hazen,
Minister of Marine and Fisheries, Ottawa.
Re proposed dismissal of W. L. Munro.

Dear Mr. Hazen—Referring to this case, I am enclosing a letter written by Mr. Munro himself to the press, some time ago, relating some of the feats that he performed in saving life, during his long service as light keeper at White Head.

I submit that these matters ought to be considered in connection with the action of

the department at present. It would be quite satisfactory to Mr. Munro and his many friends there on both sides of politics, if he received his pension under the original arrangement in force at the time that he entered the service.

You will notice by his answer which you have on your file, when asked to select between his pension and the payment of his money back, that instead, that he gave a sort of indefinite reply by saying that he would 'vote for this.'

There is not the slightest doubt that Mr. Munro intended to retain his pension. At all events, even if the other view is taken, it is very clear that if the matter was fully explained to him, he would never have selected to take back the money paid in instead of his retiring allowance. I understand that his retiring allowance for two years would amount to more than the cash to which he would be entitled.

I trust, therefore, that you can see your way clear either to leave this light in his possession or grant him his pension.

I remain,

Yours truly,

J. H. Sinclair.

I want to read to the Committee the statement given by Mr. Munro to the public and to the minister with regard to the services that he performed. Told in his own simple, sailor fashion, it contains some real touches of nature, and ought to have reached the heart of the minister:

Allow me space please in your valuable paper to insert a sketch of my past thirty-two years as lighthouse keeper on what is known as or called by mariners, Three Top Island. which lies at west entrance of White Head harbour, one mile from the mainland being W.N.W. from White Head light, distance one mile. The light is called a harbour light by many, but not like many harbour lights on the coast, whereas most such lights are situated on the mainland.

This island takes its name by having three hills as nature formed it, each hill or peak, as we wish to call it, running eighty to a hundred feet, horizontally, with no real landing place, such as a beach but is iron bound, so to speak, all around, with a boat slip running down a steep embankment where with block and tackle attached to a capstan that is fixed in a boat-house on the side of the cliff, we haul our boat to safety, which by times, when there is a heavy sea on, is a pretty risky piece of business. Many times I have had my boat filled in effecting a landing.

Well, Mr. Editor, the life of a light keeper is a dreary one, watching the storm tossed seas that I have witnessed time and again caused by heavy winter gales on the southern coast of our province, facing the Atlantic ocean.

I remember one storm in particular about eighteen years ago in February. The sea in one of its fierce rushes burst in our door at ten o'clock at night and flooded our floors to a depth of six inches of water. My wife and the children screamed, thinking they were doomed. I got them gathered to a window, there to make our exit and flee to one of the highest peaks, but in this case Providence favoured us by the gale moderating, and, the sea falling some, did not cause us to face such an ordeal in a wintr's hurricane on a naked cliff.

Also, Mr. Editor, I could relate several cases in sheltering shipwrecked crews since my abode as lightkeeper, if space could afford. One case in particular I must relate. It was on a Christmas eve about 16 years ago, if I remember right. There was a heavy gale raging from the northeast with snow and the temperature was at zero. My three eldest daughters were on the mainland at the time attending a concert at the Methodist church that they were taking part in. The small children had retired early in the evening as usual. My wife and I went to bed about half past ten o'clock, after seeing that Santa Claus was to visit the island, and I suppose we had been retired about 20 minutes, I had about fallen to sleep, when my wife aroused me by telling me that she heard a horn blowing. I told her she was dreaming, to go to sleep; but to please her I got up and went to the door to investigate. I found to my horror, that she was right, for there on the reef that extends southeast away from the mainland about two hundred yards, lay a stranded vessel, and they were blowing horns and shouting for their lives for the keeper to save them, as they thought from the way their ship was pounding, she would break up, and certainly they would be doomed under such circumstances. Well, my man being ashore to spend his holidays of course left me alone. I dressed and went to the cliff, as near as I could venture, and shouted as loud as I could not to attempt it until daylight. Well, I do not suppose they could hear me, but their wailings were terrible to hear on such a night. And again I went and shouted to them to take their own boat and I would guide them by a torch. Well, again they could not hear me, as they kept up their wailings. I could hear the wind whistling in the wreck, but I leave that to one's imagination, what it sounded like together with their shouting to save them. Well, I went to the house and told my wife that in God's name I would try and launch a boat and go off to the wreck, and, of course, as usual with women, my wife crying and begging me not to dare such a thing on such an awful night, and the children awakened by the tumult to make matters worse, joined their mother in begging me not to go, and I was pretty near abandoning the idea altogether until daylight. Well, I went out of doors and down to the cliff, and by the way their shouting seemed to me, I imagined there were at least, some of them in the water and perhaps drowning. And then I said to myself, I am going to try it anyway and if I get lost it will be in a good cause trying to save my fellow men. Well, I lit a pine torch, or flare up, as some call them, and my wife following me, I went to the slip and let the boat down, as far as I dared, the sea coming up by times half way to the slip. As the gale was blowing fair on it was so much the worse to get clear. Well, as I went to run down and after lowering her and did unhook the boat there came a heavy sea and swept the boat clear of me just as I was in the act of leaping into her, she turned completely bottom up. Well that pretty near discouraged me. However, I had another boat in store that I had stowed away since

the past summer not intending to launch her until spring lobster fishing. To her I ran and got her on the slip but having only one pair of oars left it was risky, losing two pairs in the first boat. However, I let the boat down part way this time, put my oars in her, unhooked my tackle and sprung into the boat, taking chances going down the slip equal to 'loop the loop' and landed safe in the boiling water made by the gale. Well, I grabbed my oars and as skillfully as I could managed my boat until I got out to the wreck, which I found to be the George P. Trigg, from Charlottetown, Prince Edward Island, bound to Boston, loaded with several thousand bushels of oats. She was trying to make the harbour to clear the storm when stranded. They had lowered the boat when first she struck the ledge and lost the boat in the sea. I found the men very much frightened. They all wanted to get in my small boat at once, but I told them to do as I told them and I would try and land them. So I took three men at a time getting to the Island. My wife held the torch and that was a great help to me. I backed the boat stern first as near to the surf as I dared, and told the men to leap which they did and landed safe, and then I began another struggle for the wreck, which I gained after a hard fight and got the captain, mate and the remaining one of the crew. Of course I dare not allow any one to touch my oars but myself as I had only one pair and to break one we were doomed. However, I reached the Island and landed safely, thank God, where we were all housed at 3 o'clock in the morning of Christmas day. The wreck presented a gloomy looking sight in the morning. The top of the hull which was above water, was a mass of ice, where no one could go near her for a couple of days. I can vouch also, for keeping five wrecked crews for over a week at a time. All for which I have never received one cent. Although I billed parties, I was never recognized after.

My family consists of ten children, seven girls and three boys, of which two died young and one girl died also. After reaching womanhood four reside at Somerville, Mass., the eldest, Mary, marrying Mr. J. D. McLean, a contractor in the steamfitting business, the next, Alice, a music teacher, lives with her sister, also, Edith, lives with her sister, and their next youngest sister is attending high school at Somerville.

I want to say Mr. Editor, that my family were all born on this island, and the seven that are living are in good health to-day. The one living son and the baby girl are home yet with us. The fourth girl, Maud, married at home to Mr. Alden Munro. They reside at White Head. I came here in the year of our Lord, 1879, which year the light was built, after being married two years and am here yet. My salary has been very small. After paying a man a year and feeding him at the high cost of living, three hundred dollars does not go far.

Now, Mr. Editor, I will conclude by saying, To give me justice don't you think that I am worthy of a superannuation fund when I leave this island which I suppose will be very soon now?

Well, I will leave that part of the programme to be judged by my superior, as it would be a help to us in our older days.

Thanking you kindly Mr. Editor for your space allotted.

Yours truly,
W. L. Munro,
Lightkeeper.

The Editor published the above, and added:

Of course Mr. Munro will be superannuated. The Dominion of Canada cannot afford to do its housekeeping by turning off old servants who have served it so gallantly for so many years, without anything to live upon so far as the country is concerned.—Editor, Eastern Chronicle.

The minister promptly replied to that letter which I sent to him, enclosing that statement. He said:

I am in receipt of your favour of 12th instant inclosing a letter from Mr. Munro, of Whitehead, N.S., and wish to assure you that it will have my very careful consideration.

Yours very truly,
J. D. Hazen.

I had a reply also from the Deputy Minister to the same effect. You will notice that three months before he took action to dismiss Mr. Munro the minister was familiar with all the details of this case. He was aware of the fact that Mr. Munro was an old and faithful servant appointed by the Conservative government a long time ago. He was aware that he had spent 32 years on the Island, and that there was no legitimate complaint against him. He was aware of the fact that he had served for a mere pittance, receiving only about $300 a year. He was also informed that this man claimed a pension, and that under the law. as it existed at the time of his appointment, there was no doubt at all that he was entitled to a pension. The next letter I have here is an intimation from the department that this man had been dismissed. It is a letter from Mr. Staton:

I have to inform you that by Order in Council of the 4th April, 1912, your services as keeper of the light at Three Top Island, N.S., have been dispensed with owing to political partisanship, and that Mr. Howard S. Munro has been appointed temporarily keeper of the light, to whom I have to request you to give up possession of the light and of all Government supplies pertaining thereto when required.

Mr CARVELL: What was the charge of partisanship?

Mr. SINCLAIR: It appears that there was an investigation, but it also appears that it was a very one sided and unfair investigation. The commissioner who conducted this sham investigation disregarded the law altogether, and declined to allow Mr. Munro to be represented by counsel.

The committee can understand how helpless a man of this character would be in a court of that kind without any one to assist him, or to place his case before the court.

Mr. MACDONALD: Was Duchemin the examiner?

Mr. SINCLAIR: He was the examiner.

Mr. MACDONALD: Did he decline to permit Mr. Munro to have counsel?

Mr. SINCLAIR: Yes. The declaration is as follows:

Dominion of Canada, county of Guysborough.
In the matter of the conduct of H. P. Duchemin at an investigation in the case of W. L. Munro, held at White Head on the 13th of March, A.D. 1912.
I, W. L. Munro, of White Head, in the county of Guysborough, province of Nova Scotia, do solemnly declare:—
That I appeared before H. P. Duchemin, commissioner, on the 13th day of March, 1912, at the hour and place indicated in my notice and asked the said Duchemin if he would be kind enough to allow me to have a counsel to act for me and cross-examine witnesses at the said investigation. The said Duchemin refused to permit me to have a counsel and stated that he himself was all the counsel that I would require in that investigation.
And I make this solemn declaration conscientiously believing the same to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

W. L. Munro.

Declared before me at White Head, in the the county of Guysborough, province of Nova Scotia, this 30th day of December, A.D. 1912.

W. S. Harris.

A justice of the peace in and for the county of Guysborough.

I have already drawn the attention of the House and of the minister to the statute that was passed last year, in which it is distinctly stated that the commissioner may allow any person whose conduct is being investigated under the Act, and shall allow any person against whom any charge is made in the course of investigation, to be represented by counsel.

Mr. MACDONALD: The hon. gentleman is aware that the premier, some weeks ago, stated, while discussing that law, that he was clearly of opinion that every man was entitled to counsel and that it would be an injustice if counsel were not permitted to him.

Mr. SINCLAIR: I am quite well aware that the Premier took the ground that without a statute at all, every man accused of any irregularity of this kind was entitled to counsel, but there is not much use of statements of that kind being made by the Prime Minister from his place in this House if they are to be disregarded by his officers throughout the country. This man, Duchemin, has been disregarding this provision for several months and has been doing so with the full knowledge of the Government. It has been drawn to the attention of the Prime Minister and various members of the Government, over and over again, and he is still travelling as a scourge around the coast carrying on this same kind of work, holding these same sham investigations, dismissing honest men without proper evidence and there is nothing done by the Government, or any department of the Government, to prevent it. A few days ago a return was brought down showing that this man had received a very large sum of money from various departments of the Government. The figure, including his living and travelling expenses, amounts to something over $6,000 at the present time. I do not know whether that brings his salary up to date, but it strikes me that it is a very great farce that we should have a man like that employed at such work, travelling around, disregarding the law, committing acts of injustice day after day and being paid a very large sum of money for doing so.

Mr. MARCIL: Would it not be better to have a permanent executioner employed?

Mr. SINCLAIR: It would be much better if the Government would take the reponsibility of saying: We are going to adopt the spoils system, we are going to dismiss every man who is a Liberal, and are going to put one of our own men in his place. If they took that ground we could understand it, but sending a man of this character along the coast pretending to hold investigations and refusing the right to be represented by counsel to persons against whom charges are made, is an intolerable thing in a free country. After I had received the facts in reference to the dismissal of Mr. Munroe, I brought the question of his right to superannuation allowance to the attention of the minister in a letter dated the 16th of May, 1912, and which is as follows:

May 16, 1912.

Hon. J. D. Hazen,
Minister of Marine and Fisheries,
Ottawa.

Dear Mr. Hazen,—
I have been informed by W. L. Munro, lightkeeper at Three Top Island, White Head, N.S., that he has been dismissed from the service.
This man's case has been before your department for some time and if you can find time to deal with it I should be obliged. He appears to me to be entitled to a pension. He has served, I understand, over thirty-two years. At the time of the change in the law he signed some document which was indefinite in language and which he says was misunderstood by him, but which might be construed

to mean that he would accept a return of his money with interest in lieu of his pension, to which he was clearly entitled.

I feel sure he never intended this result, and if you have not the proof at hand I could furnish an affidavit by himself. The matter has been drifting along without any decision being given, but now, on account of his dismissal, it should be adjusted. I will, therefore, thank you to deal with the matter at your earliest convenience.

You will also note that Mr. Munroe is entitled to a proportional amount of his salary for one month and fourteen days up to the date of his dismissal.

Yours truly,
(Sgd.) J. H. Sinclair.

The minister was kind enough to reply to my letter but the reply was very unsatisfactory to me. He says:

23rd May, 1912.

Dear Sir,—I beg to acknowledge receipt of your letter of the 16th inst., with respect to the case of Mr. Munro, and his request for superannuation.

In connection with this matter I beg to advise you that inasmuch as Mr. Munro was dismissed from the service, he would not be entitled to superannuation in any case. He will, however, be entitled to a refund of the money which stands to his credit in the retirement fund.

Yours faithfully,
(Sgd.) J. D. Hazen.

These are the facts of the case as briefly as I can give them to you. I thought it was important that I should put the documents on record for reference later on. The case is simply this, that Mr. Munro was dismissed on very slight evidence indeed as far as I can learn. The evidence I have not yet received. It is also the custom of this man, Duchemin, not to return the evidence given by witnesses. He returns what he calls a report, and, as far as I can learn, in many cases the report is not borne out by the evidence. We have been unable to get the exact evidence given by witnesses, but from the statement made to me by Mr. Munro himself, there were various trifling charges brought against him. The principal one was the fact that he gave three cheers, or proposed three cheers, for Sir Wilfrid Laurier in the school house at a political meeting. That, he gives me as precisely the reason why a man who had served the country for thirty-two years should be deprived of his position and also deprived of the pension to which he was entitled. You will note that the minister gives no other reason for depriving this man of his life pension except that he has been dismissed from the service. He was dismissed from the service for this partisan reason and dismissed by a commissioner who refused to give him a fair trial and refused to allow him to be represented by counsel. The minister had not very much at stake in this matter. but Mr. Munro had a great deal. He had spent his whole lifetime on that island and his future was involved in the decision that the minister gave. I submit that thirty-two years of faithful service ought to have had a better reward. The minister, before he arrived at his decision, ought to have made himself very certain that there was a clear case against Mr. Munro, and that Mr. Munro had obtained a fair trial. That is the least that the Minister ought to have done when we consider the fact that this man had so much at stake. During these 32 years he thought he was earning a retiring allowance, living on that bleak island, keeping the lamps trimmed and the lights burning over those rough waters and performing acts of bravery for which he was never rewarded. This is a case in which it will be very difficult for my hon. friend to satisfy the country, and especially the people who know Mr. Munro, that his action is justifiable.

It is an outrage to my mind that a man charged with a trifling political irregularity should be refused the right to be represented by counsel. A man charged with the vilest crime is represented by counsel, and in our courts, if he does not employ counsel himself, the judge sees that counsel is nominated and appointed so that the man is bound to have a fair trial in every British court. It is only in this court, and at this trial, held by my hon. friend and his colleagues week after week in Nova Scotia, that these common, ordinary rights of a British subject are denied. This is a very serious matter for Mr. Munro. I do not know what recompense the minister can give, but he certainly ought to give some. What he ought to do would be to restore Mr. Munro to his position, to take him back and give him his retiring allowance. That is the only thing I can suggest that would appear to me to do the case justice.

Mr. HAZEN: As I said a few moments ago before my hon. friend commenced to speak, I appreciate very much his courtesy in telling me that he intended to bring this matter to the attention of the House, and his having notified me of the fact enables me to lay before the committee today all the facts as they appear in connection with this matter from the official files of the department, and, when I say as they appear from the official files of the department, I mean as they appear from the correspondence and the information which the department has, or which I, as minister, have, with regard to the matter. I shall first refer to what my hon. friend said about this gentleman being refused his superannuation.

Mr. Munro was appointed keeper of the light at Three Top Island, Whitehead, by Order in Council of the 31st October, 1879,

his appointment to date from the 1st September of that year.

From the records it does not appear that Mr. Munro's performance of the duties of his office was always satisfactory to the department. In the month of June, 1898, the then member for the constituency, the late Hon. D. C. Fraser, was advised by the then Minister of Marine and Fisheries, Sir Louis Davies, that it was found necessary to censure Mr. Munro for absenting himself without leave.

This dissatisfaction appears to have continued, for, in a letter addressed by the deputy minister to the agent at Halifax on the 27th September, 1901, the following extract appears:

With reference to the dissatisfaction of Supt. Hutchins with the manner in which this light is attended to, I have to direct you to communicate with the keeper, and intimate that you have been instructed by the department to censure him for inattention to his duties as keeper, and that in future he must see that his station is kept in good order, as in the event of any further complaint reaching the department it will be necessary to take steps to dispense with his services as lightkeeper.

About the same time, Mr. Munro's request that he be supplied with fuel for his light station was answered by the deputy minister of that day, who pointed out that, as all the reports to the department with respect to the lightkeeper were unfavourable, his request would not be entertained.

On the 29th March, 1906, a letter was received at the department from Mr. J. H. Sinclair, M.P., intimating that Mr. Munro's health was failing and that he desired to be superannuated. Mr. Sinclair asked whether he was entitled to superannuation.

On the 4th April, 1906, Mr. Sinclair was advised that Mr. Munro had contributed to the superannuation tax from the date of his appointment up to the 1st December, 1898, when he elected to come under the Retirement Act from the 1st January, 1899. He was further advised that, if Mr. Munro retired, as he appeared to think of doing on the ground of ill-health, the amount to his credit in the Retirement Fund, with interest, would be paid to him, but that he would not be superannuated.

On the 4th April, 1906, Mr. Sinclair inquired as to the amount that Mr. Munro would be entitled to if he resigned. He was advised on the 24th April that the amount to which Mr. Munro would be entitled on retiring would be $268.84.

Mr. SINCLAIR: What is the hon. minister reading from?

Mr. HAZEN: I am reading from a letter addressed to you on the 24th April from the department.

Mr. SINCLAIR: Will the hon. minister read the whole letter?

Mr. HAZEN: I shall be glad to get it and read it to my hon. friend.

On the 29th January, 1910, Mr. Sinclair again directed the attention of the department to the matter of superannuation for Mr. Munro. On the 7th February, 1910, Mr. Sinclair was advised in reply that Mr. Munro was not entitled to superannuation. It was pointed out to Mr. Sinclair that Mr. Munro had elected to come under the new Act from the 1st January, 1899.

Mr. SINCLAIR: If the hon. minister will permit me, the whole of his argument is based on the alleged answer that Mr. Munro gave to the department at the time he was asked to elect. Mr. Munro has never admitted that he made that answer. His case was in dispute under the former minister and is still in dispute under the present minister. Unless the hon. minister can give us the paper under which it is alleged that Mr. Munro elected to come under the new Act, he has no basis on which to found his argument.

Mr. HAZEN: If my hon. friend will have patience I shall come to that later. I am reading this to the House to show that, while the hon. gentleman accused me of being hard-hearted and cruel, he went time and again to his own political friends when they were in office; and the hon. minister, whom he was supporting in this House, would not agree to superannuate Mr. Munro and gave it as the ruling of the department that he was not entitled to superannuation.

On the 26th January, 1911, Mr. Sinclair again brought——

Mr. SINCLAIR: I object to having extracts from letters read; I should like to have the whole letter read.

Mr. HAZEN: On the 26th January, 1911, Mr. Sinclair again brought the question of Mr. Munro's superannuation to the notice of the then minister. Mr. Sinclair pointed out to the minister, Mr. Brodeur, that Mr. Munro alleged that he did not understand that the document which he had signed some years previously was one that precluded him from being eligible for superannuation.

The copy of the circular forwarded to Mr. Munro as lightkeeper is as follows:

Circular.

Department of Marine and Fisheries,
Ottawa, July 12, 1898.

Sir,—I enclose herewith copy of the Act passed at last session of Parliament, providing for the abolition of the Civil Service Superannuation Act, and as you will observe by reference to the second section that the Act applies to every person now in the Civil Service, who before the 1st of January next, with the consent of the Governor in Council, elects to accept its provisions in lieu of those of the Civil Service Superannuation Act, I have to request you to inform me as soon as possible

as to whether you wish to come under this Act and to avail yourself of its provisions.

I am, Sir, your obedient servant,

(Sgd.) F. Gourdeau,

Deputy Minister of Marine and Fisheries.

Mr. Munro's reply is dated 6th September, 1898, and is to the following effect:

The circular sent me concerning the Retirement Fund, I have received and considered it and have to inform you that I will give my vote for it.

Mr. Sinclair was advised, in reply to his letter of the 26th January, 1911, that the situation had not changed since the department's decision was communicated to him on the 7th February of the previous year.

I am just reading the information that was before the department when this decision was given on three or four separate occasions when the attention of the department was called to it by my hon. friend long before the present Government came into office, and when the department was under the administration of gentlemen who belong to a different political party. My hon. friend, when insinuating that I was hard-hearted, ought, in fairness, to have stated these facts to the House. I do not think it was quite candid and disingenuous of him not to do so. I came into the department and find the case decided.

Mr. SINCLAIR: It was not settled until the question was raised. This correspondence was preliminary. I admit the decision of the department was not to allow superannuation, but the question could not arise for settlement until the man retired from his position.

Mr. HAZEN: I do not think that argument is creditable to the intelligence of my hon. friend. He wrote the department and asked whether, in the event of this man retiring, he could be superannuated; and the reply of the department, which must be regarded as a decision, was that he could not be superannuated, as he had elected to come under the Retirement Fund Act. When I came into office on the 3rd of February, 1912, my hon. friend wrote me directing my attention to the manner in which Mr. Munro had signed away his right, and alleging that he had done so in ignorance of what it really meant. On the 13th of February, 1912, he addressed a letter to me enclosing a copy of the communication addressed by Mr. Munro to the press. The facts are as I have stated them. My hon. friend finds fault because I have not reversed a decision that was given by my predecessor, who was appealed to on the subject on three or four occasions, who, no doubt, gave it most careful consideration, and stated most emphatically that this lighthouse keeper was not entitled to the benefit of the Superannuation Act, as he had elected to come under the Retirement Act. He said: 'I have received and considered it—' evidently according to my hon. friend he is a most intelligent man; he knows what he is doing—'I have to inform you that I will give my vote for it,' —that is, for the retirement. However, it is unnecessary to argue that here. It was decided by the Minister of Marine and Fisheries long before I came into office, and now the hon. gentleman wants me to sit as a court of review and to reverse the decision given by the minister whom he supported.

Mr. SINCLAIR: It could not be decided until it came up for decision.

Mr. HAZEN: The hon. gentleman can say that if he chooses, but I submit that there was a decision given. As to the dismissal, I submit the facts to the judgment of the committee. I followed the rule laid down in this House several years ago with regard to officials not taking part in political matters. On the 20th of January, 1912, Mr. G. A. R. Rowlings, the candidate of the Conservative party in the last election against my hon. friend, forwarded to the department a statement addressed to him by Mr. J. S. Wells of Whitehead, a man of ability and standing, a former member. I believe of the Legislative Assembly of Nova Scotia, charging Mr. Munro with political partisanship. The charge was referred to Mr. Duchemin for investigation. I will read Mr. Duchemin's report:

Sydney, N.S., March 21, 1912.

Re Wm. N. Munro, lighthouse keeper, Whitehead, Guysborough county.

I conducted an inquiry into the case of William L. Munro, lighthouse keeper, at Whitehead, N.S. The hearing took place at Whitehead, and the following named witnesses gave evidences under oath: O. Edward Pietzch, merchant, of Yankee Cove; Arthur L. Munro, Lower Whitehaven, fisherman; Matthew Munro, fisherman; Alfred T. Munro, fisherman; and Usaac Grover.

Mr. Pietzch testified that Mr. William Munro had requested him to act as agent for Mr. J. H. Sinclair, the Liberal candidate, in the booth at Whitehead on election day, September 21 last. Mr. Pietzch replied that he would not care to undertake the work of agent, and was then told by Mr. Munro, that if he took the job he would get paid for it. Mr. Munro also instructed Mr. Pietzch as to the kind of work he would be expected to do in the booth, pointing out that it was comparatively easy, consisting mainly of checking off the names of the electors as they came into the booth to vote.

Arthur M. Munro testified that Mr. William L. Munro was not in the lighthouse on elecday or on the evening of election day.

Matthew Munro gave evidence to the effect that he attended a meeting at Lower Whitehead, held in the interests of the Liberal party and addressed by Mr. J. H. Sinclair, the Liberal candidate for Guysborough. Mr.

William L. Munro was present at this meeting, and acted as spokesman in having the meeting constituted. He moved that one Lévi Munro should act as chairman for the evening. The motion was put to the meeting and carried, and Mr. Levi Munro presided over the meeting during Mr. Sinclair's address. On the conclusion of the speech-making, Mr. William L. Munro proposed that the audience give three cheers for Mr. Sinclair, the Liberal candidate.

My hon. friend was too modest to mention the fact.

The cheers were accordingly given.

I have no doubt they were very hearty cheers indeed, and I have no doubt he deserved them.

Mr. Munro then proposed that cheers be similarly given for Sir Wilfrid Laurier. This was a Liberal meeting, and Mr. William L. Munro was apparently the most active one of the local residents in taking part in it.

Alfred T. Munro, gave testimony to the same effect. He was present at the meeting referred to. It was held in the school house at Lower Whitehead. He testified that Mr. William L. Munro moved the appointment, and on the conclusion of Mr. Sinclair's speech proposed cheers for the candidate and Sir Wilfrid Laurier.

I think Grover is employed by William L. Munro, as assistant lighthouse keeper. Grover is a man who claims to be about sixty years of age, but apears to be very much older. He has been assistant for the last six years, and testified that during these three months William L. Munro, the keeper, had not been in the lighthouse at any time at night.

This indicates why dissatisfaction arose with the way he was discharging the duties of his light.

Mr. KYTE: Was Wm. L. Munro charged with inattention to duty?

Mr. HAZEN: He was charged with offensive partisanship, and it was proved up to the hilt. But if we had been aware that he had been neglecting his duties as lightkeeper, it would have been the duty of the department to have dismissed him for that reason, entirely apart from the matter of political partisanship. The report goes on to say:

The witness said that Wm. L. Munro had been there in the day time—perhaps about twice a month during that time. On these visits he stayed a very short time—sometimes half a day altogether, according to the weather, as witness put it. Witness concluded: 'At present I do all the work in connection with the lighthouse.' It is evident from the statement made by this witness that this is a case where the lighthouse keeper is practically farming out his work. Mr. Wm. L. Munro declined to go on the stand, or to make any statement in his own defence.

My hon. friend says Munro was refused counsel. Without intending to show the slightest disrespect for my hon. friend or questioning his sincerity in making that assertion, permit me to say that I do not believe it.

Mr. SINCLAIR: I read an affidavit to that effect.

Mr. HAZEN: No such affidavit or communication was received by the department after this investigation took place. If Munro had been refused counsel, the first thing he would have done would be to make a complaint in that regard. I say I do not believe it for the further reason that Mr. Duchemin at my direction was instructed by the deputy minister to allow witnesses to be represented by counsel at any time the privilege was requested. We gave that instruction because it was reported to us that there were occasions upon which Mr. Duchemin had refused to allow counsel to appear on behalf of the accused. My opinion is that it was before the investigation of the Munro matter that these instructions were given to Mr. Duchemin. Here we have the statement that Munro was present, that he had an opportunity of going on the stand and contradicting the statements made, but he absolutely declined to do so. I do not feel called upon to defend Mr. Duchemin's conduct, which has been condemned by hon. gentlemen on the other side of the House from the province of Nova Scotia. It has been just as warmly commended by hon. gentleman from Nova Scotia on this side of the House, who speak in the highest terms—

Mr. KYTE: Who do not know what they are talking about.

Mr. HAZEN: That, of course, is a very cheap remark, and one which is easy to make. Hon. gentlemen on this side of the House, I say, speak in the highest terms of Mr. Duchemin's conduct as a professional man. I might refer to the fact that Mr. George W. Murray, the chairman of Maintenance and Ways of the Brotherhood of Railway Locomotive Engineers at Truro, has made the statement that he had been present at some investigations conducted by Mr. Duchemin, and that he was entirely satisfied with the fair-minded way in which Mr. Duchemin conducted them. I may say further that Rev. D. L. Macdonald, the parish priest at Arisaig, was present at an investigation held there and expressed himself as being thoroughly satisfied with the fairness and impartiality with which Mr. Duchemin conducted the investigation. In view of the fact that the government which the hon. gentleman supported, although he broached the matter on four different occasions, held to the view that Mr. Munro was not entitled to superannuation and that they regarded him as an unsatisfactory official. I think I am not open to censure because I did not superannuate him.

In view of the evidence submitted to me by Mr. Duchemin, and in view of the fact that Mr. Munro, after the evidence had been taken, declined to go on the stand and say one word in his own defence or in contradiction of the testimony given by the witnesses, I think I cannot be held as having acted improperly because I dismissed Mr. Munro from the position he held.

At one o'clock, House resumed, and then took recess.

House resumed at three o'clock and again went into Committee of Supply. (Mr. Deputy Speaker in the Chair.)

Mr. SINCLAIR: I note that the minister did not produce the evidence. He read from the report by his commissioner but he failed to produce the evidence given by the witnesses at the trial. From my experience in examining the work of this commission I would advise the minister, if he wants to come to a correct conclusion in regard to these matters, to read the evidence for himself and not depend upon any construction put upon it by Mr. Duchemin. I would point out to the minister a case in which Mr. Duchemin has deceived not his own department but the Department of Railways and Canals, where it was his duty to make a fair report and in which case he did not make a fair report but concealed a very material point which ought to have been disclosed by him in connection with the case. The minister had to go back over twenty years in order to get a complaint against W. L. Munro, that would appear to be a fair one in connection with the discharge of his duty. I wish to point out to the minister that the charge that was made against this man twenty-one years ago was a very slight one indeed. It is well known to everyone who resides on the coast that it is impossible for a lightkeeper always to remain on his station and if he should come ashore, leaving a responsible man in his place to look after the light so that the light is always tended, that is considered sufficient. Sometimes meddlesome people complain about these things but in the practical management of the lighthouse it is almost impossible to avoid it and it is the most innocent kind of an accusation that could be made against a lighthouse keeper that he had come ashore, leaving a responsible man in charge of the light. I wish also to point out the difference in the treatment of this man by the late Government and by this Government. When the late Government came into power they found this man in office. He had occupied the position then for fifteen years. He had been appointed by a Conservative Administration and he says himself that he voted for the Conservative party during the whole fifteen years but that when he was allowed to retain his position by the Liberal party he changed his politics and supported the Liberal party. That is the statement made in his account of his stewardship which I have read to the minister. You will note what a striking difference there is in the treatment accorded to this man by the late Administration and by my hon. friend. The late Administration knew that he had performed heroic services in the saving of life, had been a good officer, was working for a small salary and they considered these things and when an accusation was made against him they overlooked it and continued him in office for fifteen years longer. That was the way that W. L. Munro was treated by the late Government but my hon. friend goes back of the record, searches back twenty years for a trifling accusation against him in order to avoid taking the responsibility of dismissing him for a trifling political offence with which he was charged. These trials are altogether unfair. The man is summoned to appear before a commission and does not know what accusation is to be made against him. If he had known what was coming up before the commissioners he might have had some witnesses there to clear himself. He might have been able to show that this man was not true. But the man is put in this position, he is denied the right of counsel to represent him. He has no notice of the accusation to be brought against him, he is rushed through a sham trial; the whole trial is one-sided and a one-sided verdict is given. On evidence like that, after a trial of that character, I submit that it was not fair to deprive this man of his position as lightkeeper and also of his right to his retiring allowance, for there is no other reason given by my hon. friend in regard to the retiring allowance. He does not seem to have considered it at all and rests his decision altogether on the decision of some official of the department who gave an ex parte opinion about it some years ago. At that time this question was not up for decision. Mr. Munro at that time wished to know what his position was and if he was in a position to retire from service and receive his pension as he had served thirty years and it was incidentally in that way that this question came up. The decision was never accepted by him and from the showing of the minister himself it would not appear to any reasonable man that he did make a choice of a cash allowance in place of his pension. He is asked to make a choice between two things, a retiring pension for his life and a refund of the money he had paid in. Would you suppose that any man would voluntarily under such circumstances choose the cash? It would always be so much better to get

the retiring allowance than the amount he had paid in.

Mr. HAZEN: A large number accepted the other.

Mr. SINCLAIR: It is a most extraordinary choice for a man to make. If you look at the language used in the letter from which the minister read an extract, he is asked to choose between these two things and he says: I vote for this. It is impossible to say which of the things he voted for and the man himself says he intended to vote for the superannuation. That is what he says and I believe it; I have no doubt that is what he intended. Is it fair with a doubtful answer like that, in a doubtful document, to decide a question that involves so much for this man? Of course it does not mean very much to the minister. It is easy for the minister to dash off a decision in his cushioned chair, in his luxurious office, surrounded by electric lights and in the presence of his big salaried officials saying: I beg to advise in reply to the appeal of this man to have his case considered, that, inasmuch as Munro was dismissed from the service, he would not be entitled to superannuation in any case. He did not even look into his case or consider it at all. That is the kind of decision the minister gives, although he occupies a responsible position and should act as judge between man and man. I say it is not creditable to the department or to the head of the department that he should not have given his serious consideration to a matter of this kind and have had a careful investigation before depriving the man of rights which he had earned during the last thirty years.

Mr. McLEAN (Queens, P.E.I.): Does the law provide that lighthouse keepers shall receive superannuation in any case?

Mr. SINCLAIR: The original law which was in force when this man was appointed provided that if he serves a certain number of years and paid in a certain amount each year he would be entitled to a retiring allowance for life, but the law was changed fifteen years ago and at that time a letter was written to Munro in which he was asked to make choice as to whether he would take back the cash he had paid in or his pension for life. He said: I vote for this. I say that his answer was so uncertain and so doubtful that the minister should not have taken that as a decision, but should have inquired into it and found out what the man really meant by the language and given a judicial decision as to whether he was entitled to a pension or not.

Mr. BRADBURY: Did he get the money?

Mr. SINCLAIR: He took the money because he could not help himself, he had no choice. The minister dismissed him and said: Inasmuch as Munro was dismissed he had no right to superannuation and he took back his money. What else could he do? The minister made a statement that he did not admit that his commissioner, Duchemin, had refused counsel. I read the affidavit of Munro, a respectable man who will be believed in Whitehead, where he is known, much more readily than Mr. Duchemin will, and Mr. Munro swore that he asked the commissioner if he would be entitled to have a solicitor represent him at the trial and the commissioner refused. If the minister has any doubt about that I can prove it from the mouth of Mr. Duchemin. Perhaps that will satisfy him if he will not believe the affidavit of Munro. This question has been up before. Mr. Duchemin made a report to the Post Office Department in regard to the charge made against him that he was not allowing counsel to act for those parties in the investigation. This is an extract from a report of Mr. Duchemin, the commissioner, addressed to the Postmaster General. It is dated April 16, 1912, and relates to the dismissal of one Parker Sangster. This is what he says:

> In view of his own sworn statement at the hearing, it is difficult to understand how he (Sangster) could have bettered his position, if I had changed my position and admitted counsel at this inquiry, while excluding it from every other one.
>
> As a matter of fact, however, Mr. Sangster is incorrect in saying that Mr. Floyd asked that counsel be allowed to represent him in this case. Mr. Floyd asked that counsel be admitted to represent J. W. Davis, whose inquiry was being conducted under the Marine Department. I declined to allow counsel to appear on either side, therein following the procedure which I had invariably adopted since the beginning of my work.

This man had been working from January to April, holding inquiries all over the country, and refusing the parties the right to be represented by counsel. He says so himself, and yet the minister comes to this committee and says he does not believe Mr. Munro when he says that Mr. Duchemin denied to him the right to be represented by counsel. Mr. Duchemin goes on to say:

> If you think it well to have counsel admitted for complainant and accused, at these hearings, and instruct me accordingly, I will be careful to observe your instructions in all cases arising in the future. Thus far but one of the departments has given me such instructions, that of the Marine and Fisheries.

Mr. HAZEN: Hear, hear.

Mr. SINCLAIR: But this case is in the Marine and Fisheries Department. He goes on:

One department has definitely instructed me not to admit counsel,—that while I have not been specially advised on this point by any of the other ministers, and have excluded counsel to economize time.

I do not know what department that is to which he refers; perhaps my hon. friend will tell me.

Mr. HAZEN: I can only speak for my own department.

Mr. SINCLAIR: This is a star chamber proceeding for a department of the Government to take, to instruct their commissioner that no counsel was to be present at these investigations. The commissioner himself says so in his report to the Postmaster General. Then I have here the affidavit of Mr. Floyd, of Guysborough, a respectable barrister who attended for a number of those parties at one investigation and asked in a very polite and gentlemanly way to be allowed to represent them, and he was refused by this man. His declaration is as follows:

Canada, province of Nova Scotia, county of Guysborough.

I, D. P. Floyd, of Guysborough, in the county of Guysborough, and province of Nova Scotia, solemnly declare as follows:—

I remember the fifteenth day of March, A.D. 1912. On the morning of that day, Mr. Archibald Barss and Mr. Parker Sangster, both of New Harbour, in the county of Guysborough, called at my office in Guysborough, and stated that Mr. Duchemin had summoned them to Guysborough to attend an investigation into their official conduct in relation to offensive political partisanship. They retained me to act for them at such investigation, and at ten o'clock in the forenoon of that day, the hour set in Mr. Duchemin's notice, I went with the said Archibald Barss and Parker Sangster to Mr. John S. McDonald's boarding house, where Mr. Duchemin's notice required appearance. We were taken into the office (so-called) of the said boarding house where eight or ten persons, including the said Mr. Duchemin, the commissioner, were seated. At ten o'clock Mr. Duchemin announced when the various cases would be heard. At the close of this announcement, I introduced myself to Mr. Duchemin and as courteously as possible stated that I had been retained to cross-examine witnesses, whereupon Mr. Duchemin said: 'No, any questioning that is to be done to-day, I will do myself,' and turned away. This remark was made by Mr. Duchemin in an offensive tone of voice. After saying this, he stated to those assembled that the investigation would be held in his room, and he said only two persons were allowed in his room at once, namely, the person who laid the information and the accused. Calling the first two persons by name he left for his room, leaving the others waiting in the said office.

And I make this solemn declaration, conscientiously believing it to be true, and as of the same force and effect as if made under oath, in accordance with the provisions of the Canada Evidence Act.

D. P. Floyd.

Declared before me this 10th day of December, A.D. 1912, at Guysborough, in the county of Guysborough.

Thomas Davis,
A commissioner of the Supreme Court in in and for the county of Guysborough.

On the same day, another gentleman asked leave to represent one of the men who were being prosecuted before that commissioner. This gentleman was Mr. Thomas Davis, who requested the right to enter this court room and to cross-examine witnesses to assist the man against whom a complaint had been made, and he was refused that right by Mr. Duchemin. This is what he says in his declaration:

Dominion of Canada, county of Guysborough.

In the matter of the conduct of H. P. Duchemin, at an investigation in the case of John W. Davis, held at Guysborough, March 15, 1912.

I, Thomas Davis, of Guysborough, in the county of Guysborough, and province of Nova Scotia, prothonotary of the Supreme Court, do solemnly declare:—

I was requested by the above named John W. Davis to attend an investigation held at McDonald's boarding house in the town of Guysborough, on the 15th day of March last, to cross-examine witnesses and otherwise act on behalf of the said John W. Davis at such investigation. In pursuance of such request by the said John W. Davis I asked Mr. Duchemin to be permitted to attend and question witnesses and otherwise act in behalf of the said John W. Davis, but the said H. P. Duchemin refused such permission and excluded me from such investigation.

And I make this solemn declaration, conscientiously believing the same to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

(Sgd.) Thomas Davis.

Declared before me at Guysborough, in the county of Guysborough, and province of Nova Scotia, this 13th day of December, A.D. 1912.

(Sgd.) D. P. Floyd,
A commissioner of the Supreme Court in and for the county of Guysborough.

I could produce other evidence if it were necessary, but I have read three affiidavits of responsible parties swearing that this man Duchemin refused the right to parties to be represented by counsel. I have read his own report to the Postmaster General in which he stated that he refused everybody counsel for the first three or four months, during which he acted as commissioner. I do not know what has been taking place since that date, but it is an extraordinary thing that the minister at this late date, after the matter has been before the House for so long, and after so much evidence has been produced, should tell the committee to-day that he does not believe that Mr. Duchemin acted in this way. My only excuse for dealing with this matter s

fully is that it is a matter of fair play and justice. Justice is the most important thing we have in this country. It is important that we should get through with our business, but it is much more important that we should do what is right and see that fair play and justice are given to the people of this country. I submit that the minister who has conducted the investigations in my constituency has not done justice to those people, that his commissioner has held hole and corner meetings, a sort of star chamber court, that men have been refused the right to be represented by counsel, and that the trials have been so unfair that it is impossible for any minister to give a verdict on such evidence as he has had before him.

Mr. H. BOULAY (Rimouski): (Translation.) Mr. Chairman, since the beginning of the session our opponents have not ceased complaining about dismissals of public employees, and I see that the member for Guysborough (Mr. Sinclair) is one of the most fervid in raising those questions.

Really, our opponents should keep silent, because whenever such complaints are made, they are dealt with by the newspapers, and the question being brought into light again, our own friends find that, instead of being too severe, we have not been severe enough.

I am particularly surprised to see the hon. member cast his blame upon the hon. Minister of Marine, a man endowed with the truest spirit of justice, a man who has treated our opponents with the most complete impartiality, if not with all the lenience possible.

In my county a great number of our opponents have been active partisans. I could almost say that all the employees of the Department of Marine, in the county of Rimouski, have been avowed opponents of the Conservative party; yet, the hon. minister has dismissed but two, and they had fully deserved it. The others are yet holding the positions which they held under the Liberal régime, and I do not know that we are trying to disturb them. If I had an advice to give my opponents I would say to them: Do not raise that question too often, because it is of such a nature as to hurt you whenever you do raise it.

A discussion went on during two hours and a half, before the committee, to-day, about a charge which the hon. minister has proved to be perfectly ungrounded. He proved that an inquiry had been held, he even established—and the member for Guysborough admits it—that, during the meeting which he held, the famous Munro had acted as an active partisan: that he had gone so far as to invite the audience to cry out cheers in favour of the Liberal party. It follows that a man who takes part in a political meeting and shows his preference in that way, should be considered as an active partisan; if not, I fail to understand what is an active partisan.

In the second place, the hon. member has blamed the Minister of Marine for not settling this question by superannuating that man Munro, and he admits, himself, that he had tried to have the matter settled by his own party, which refused to do so because it was impossible for them so to do. How can he reasonably hope that his opponents will do any more? I know that the Conservative party is actuated by good intentions, and that the hon. member may perhaps expect more justice from this party than from his own friends; but it is rather awkward that what he was not able to get from the Liberal party, he should ask from his opponents, when it is contrary to the present law to grant it, and especially when the man he would like to protect makes an admission to the effect that he has accepted the conditions which were made to him in 1898.

The hon. member for Guysborough has complained of the partiality of the commissioner in charge of those inquiries, and the hon. Minister of Marine has shown clearly, by written documents, that Mr. Duchemin, the commissioner, is impartial and just, and that he has given full satisfaction. The hon. member has, then, no reason to accuse that commissioner and say that he acted unjustly, when it is so easy to prove the contrary. In fact, if I had to reproach the hon. Minister of Marine with anything, I would say that he is too accommodating towards his opponents; this entails very much trouble for us in our counties, because our own friends blame us ourselves for such extreme goodness towards opponents who have never treated us with regard.

Our opponents should not raise that question of dismissals, for the more they shall raise it, the more they shall hurt themselves and their own friends. Let me quote, at this point, the case of a man in my county, who has been a Government employee for thirty-six years and who has admitted, at the minister's own office, that he had always fought against the Conservative party. Notwithstanding that fact, just one-half of his position was taken away from him, the Government being good enough to leave him the other half. Is not this instance sufficient to show with what generosity, with what spirit of justice the Government does treat the Liberal employees who are guilty, while they prove to be relentless opponents? This same man whom I have alluded to had organized almost a riot during the election of 1904, in order to beat to death the then Conservative candidate, who was Mr. Price. That fact is known to everybody, and yet,

this relentless opponent has been left at the Government's service.

The Government, far from being too rigid towards our opponents, should rather be accused of treating them with too much goodness.

There are, in my county, many employees belonging to the Marine Department, who have been left undisturbed, which shows clearly how obliging the hon. Minister has been.

I hope that our opponents will not think of dealing any further with that question which caused us a useless loss of time. The session has been so protracted, we have been here for such a long time that we should soon put an end to our work. Really it is ridiculous to talk uselessly as did the hon. member for Guysborough, who has kept sifting that question before us here during two hours and a half.

Department of Militia and Defence— contingencies, $36,000.

Mr. HAZEN: That is exactly the same as it was last year, and it is for printing, sundries, clerical and other assistance.

Mr. LAW: Has the minister considered the question that I asked last year in reference to the payment of certain grocers and butchers in Yarmouth, who supplied Dominion Government boats and charged the accounts to the stewards of these boats who decamped and never paid the bills?

Mr. HAZEN: If the hon. gentleman had been in the House at the time the supplementary estimates for last year were under consideration he would have known that the amount was put in the estimates for the purpose of paying these bills, or rather, acting on the advice of the permanent officers of the department, paying seventy-five per cent of the amounts that were contracted for by the stewards of these boats. There was no legal obligation on the Government, but it was thought that these people had sold to the stewards, believing that the Government was responsible. The condition attached is that these persons who supplied the goods will have to make a declaration to the effect that they believed at the time that the Government was liable for the payment of the accounts. These are all being dealt with by the purchasing agent of the department, and I fancy that the greater number of the cases in Yarmouth will have been dealt with.

Mr. LAW: No, they have not.

Mr. HAZEN: Well, they are being dealt with by the purchasing agent, and if my hon. friend will come over to the department, I will get all the information for him with reference to the matter. The matter was dealt with in the supplementary estimates for last year.

Mr. LAW: I did not notice it, and the people of Yarmouth are not aware of it either, because I had correspondence a little while ago from them, and I was waiting for an opportunity to bring the matter up.

Mr. McKENZIE: The minister thought it proper to launch off upon a side track, and to talk about this official of his. I would like to get a little further information. I would like to ask the minister if these investigating officers are appointed separately for each department, or are they appointed under one Order in Council?

Mr. HAZEN: Each department appoints its own. The man investigating matters in connection with the Marine and Fisheries Department is appointed by the department and a special commission is issued to him.

Mr. McKENZIE: I have the Order in Council here:

Certified copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 3rd June, 1912.

The Committee of the Privy Council have under consideration the question as to the rate of remuneration which would be allowed commissioners appointed or to be appointed to hold inquiries or investigations under the Inquiries Act, chapter 104 of the Revised Statutes of Canada, 1908.

The committee advise that, except in cases otherwise provided for by Order in Council, the fees allowable to a commissioner appointed under the authority of the above mentioned Act shall not in any case exceed $15 for each full day's attendance or occupation in connection with the work of the commission, exclusive of the reasonable moving and living expenses of the commissioner to be allowed where he has to travel for the purpose of executing the commission; and that the said per diem allowance shall be deemed to cover letters and interviews on other days as well as on the day for which the commissioner is entitled to such per diem allowance; and that no further charge be allowed for such letters and interviews; and that a professional man shall not be entiteld to any fees or allowances as commissioner to which other commissioners are not entitled as aforesaid.

The committee advise that a copy of the minute be sent to every commissioner hereafter to be appointed, with his commission, or the notification of his appointment and that such commissioner be at the same time informed that the provisions of this Order in Council will be strictly followed in ascertaining the amount to which he may be entitled for his services as commissioner.

The committee further advise that the Order in Council, (P.C. 2648) of the 21st September, 1897, fixing the rate of remuneration

of commissioners appointed to hold inquiries into public matters or departmental business, be cancelled.

All which is respectfully submitted for approval.

(Sgd.) F. K. Bennetts,
Assistant clerk of the Privy Council.

I would like to ask the minister if that law, as made by Order in Council,: applies to all the commissioners?

Mr. HAZEN: Yes.

Mr. McKENZIE: Then I would gather from the meaning of this Order in Council that if the commissioner goes to a certain place and holds an inquiry into two, three or four cases on the one day, he is only entitled to the sum of $15?

Mr. HAZEN: That is entirely a matter for the Auditor General. When we receive an account we certify that the order was issued for the holding of the inquiry, that the inquiry was held, and it then goes to the department of the Auditor General, who sees that the terms of that resolution are carried out.

Mr. McKENZIE: I think the minister has a duty to discharge to the committee and to all of us as to how he understands this Order in Council.

Mr. HAZEN: That is the way it is done. It is more a matter for the Finance Department. I think that the Minister of Finance speaks for the Auditor General in this House. I certainly have no authority to speak for him. I think that the language of the order is pretty plain. We are simply responsible for certifying that the order issued for holding the inquiry, that the inquiry was held and then it is for the Auditor General's Department to see whether the number of days charged for is correct or not. The account is not paid until he certifies to it.

Mr. McKENZIE: The question of the continuing in office or not of the commissioner is a matter not for the Auditor General but for the minister. The question as to how the commissioner conducts himself and how he comports in his conduct with the order appointing him is a matter for the minister. If the commissioner does not comply with the law I should think that it would be a matter for the head of the department to enquire into and not the Auditor General.

Mr. HAZEN: The Auditor General could refuse to pay him.

Mr. McKENZIE: He could refuse to pay him? The minister says that it is the same kind of law for all the departments, that it covers them all.

Mr. HAZEN: I will read the Order in Council under which my authority comes:

The Committee of the Privy Council advises that the Minister of Marine and Fisheries be authorized to appoint, in accordance with the provisions of part 2 of the Inquiries Act, a commissioner, or commissioners for the province of New Brunswick—

I am just taking this one, but it is the same for Nova Scotia.

—to enquire into and report upon any charges of political partisanship which may be preferred against any officer, clerk or employee in the outside service of the Department of Marine and Fisheries in that province.

I have nothing to do with the payment. That is a matter that rests entirely with the Department of Finance, subject to the audit of the Auditor General.

Mr. McKENZIE: I want to know from the hon. minister if this order which I have just read is the law or regulation governing the Auditor General in making this payment?

Mr. HAZEN: I would say it undoubtedly is.

Mr. McKENZIE: There is no authority which governs him in ascertaining how much is due to any commissioner, except this order?

Mr. HAZEN: Not so far as I know.

Mr. McKENZIE: I am not anxious to go after any personage in particular, but we are told by the hon. minister to-day that he does not believe our statements—

Mr. HAZEN: No, I did not say that.

Mr. McKENZIE: —as against this commissioner. I want to tell the minister that on the 6th day of September, 1912, this commissioner, Mr. Duchemin held six investigations between three o'clock in the afternoon and six o'clock in the evening in a house at New Campbellton or Big Bras D'Or in my county. He examined six individuals; and for his work he sent in six separate and distinct bills, amounting to something over a hundred dollars for about three hours' work. These bills are on file. They are probably paid, and paid under the terms of this authorization. Unless there is some clear, distinct and satisfactory explanation from this commissioner, I think that moneys are paid out of the funds of this county which are not earned. I submit that any work that a commissioner can do in half an afternoon is paid for by the $15 and other incidentals. I mention this simply in order to show that the minister should not be so particularly strong in flaunting the word of this gentleman in our face, when I am prepared to prove to the hilt that this is the way in which things are done, so far as the money end of it is concerned. When it comes to a matter of

getting the hard cash of the Government without earning it and in direct violation of the order appointing a commission in the service of the Government, I should hesitate a little, if I were in the position of the hon. minister, to tell hon. gentlemen that I did not believe sworn affidavits which differed from his statements of fact. One irregularity may cause another. If I find a man getting money which he has no business to get, and making false returns for the purpose of getting it, I would have some hesitancy in accepting his statement as fact.

Mr. HAZEN: Does the hon. gentleman say that these investigations were all held on the same day?

Mr. McKENZIE: The same day between three o'clock in the afternoon and six o'clock in the evening.

Mr. HAZEN: The hon. gentleman knows that of his own knowledge?

Mr. McKENZIE: The returns show it.

Mr. HAZEN: They are all dated on the same day. Does it follow that they were all held on the same day?

Mr. McKENZIE: I have a letter here from one of those whose cases were investigated.

Mr. HAZEN: The matter is one that the Auditor General is responsible for. Is that in the Department of Marine and Fisheries?

Mr. McKENZIE: No, it is in the Department of Customs.

I see my hon. friend from Rimouski (Mr. Boulay) smiling broadly and laughing over the fact that this irregularity was in the Customs Department, and therefore it does not matter at all. There is only one Auditor General in this country, who pays the money. The money comes out of the same fund, the money of the people. My hon. friend from Rimouski need not laugh if he finds irregularity in the Customs Department. I have observed from the returns that his dealings are with the Department of Railways and Canals, for ties and things of that sort.

Mr. CARROLL: When a charge of this nature is made to the hon. Minister of Marine and Fisheries, do I understand him to say that the only recourse is that the Auditor General shall not pay the bill? Does he not think it up to him to have had this matter taken up by counsel and had the man dismissed from his position?

Mr. HAZEN: If any charge had been made to me, I would certainly have had it investigated. No such charge has been made to me, and no such charge would be made to me, because it was not in my department that this occurred. It is the duty of the Auditor General, when these accounts come in, to order payment if they are correct. If they are not correct, he should not order payment. If he refused to order payment on the ground that there was dishonesty, the matter would be brought to the notice of the Government and the facts ascertained. So far as I am concerned, the incident referred to by the hon member for Cape Breton (Mr. McKenzie) has no relation to my department at all.

Mr. SINCLAIR: I think we can show similar instances in the department of my hon. friend. He cannot escape responsibility by any reference to the Auditor General. My hon. friend sends these bills to the Auditor General. It is his duty to send nothing to the Auditor General unless it is right and should be paid. It is for my hon. friend to investigate these matters and to see whether his commissioner is charging too much or not. If he will investigate matters, he will find conditions of this nature. It is impossible for anyone to understand accounts sent in by Mr. Duchemin. It is impossible to say how many days he took in these different places. He does not give the time that he spent in any one particular place, but he rambles from one place to another and combines three or four of these places together, which may be many miles apart. Then he sends in a bill for so many days. It is the duty of the hon. minister to get clear and distinct accounts from this commissioner as to how many hours he spent in each particular place and on what particular days he conducted any investigation.

I have a letter on my desk from the department of my hon friend which requires some explanation. I asked the following questions a few days ago, and the following answers were given:

Q. 1. What is the date of the appointment of H P. Duchemin, investigating commissioner for eastern Nova Scotia?—A. So far as the Department of Marine and Fisheries is concerned, 5th January, 1912.

Q. 2. How many days has he been employed by the Government since his appointment?—A. 73¾ days.

Q. 3. What is gross amount paid to Mr. Duchemin as an allowance for his services, excluding travelling expenses or other outlays?—A. $1,121.25.

Q. 4. How much has been paid to Mr. Duchemin to date for travelling expenses, living expenses, witness fees, and other sundry expenses, respectively?—A. Travelling expenses, $76.28; living expenses, $193.75; witness fees, $26.70; sundry, $273.12.

What is this 'sundries' of $273.12 made up of?

Mr. HAZEN: It is a pretty long statement including a great many small items of telegrams, postage, fees for serving witnesses, and one item of $2 for the use of a hall in which to hold an investigation.

Mr. SINCLAIR: The hon. gentleman might leave that statement with the clerk.

Mr. HAZEN: I shall be glad to do so. Now, with regard to the question raised by the hon. member for Cape Breton North (Mr. McKenzie) about the way these accounts are dealt with in the department, I find on the file a memorandum of May 8, 1912, by the deputy minister to the chief accountant, as follows:

I am unable to find on the files any reference to the arrangement concluded between the Auditor General and yourself, respecting the payment of accounts rendered by the various commissioners inquiring into charges of political partisanship against employees of this department.

A. Johnston.

And there is the reply of the accountant to the deputy minister:

Referring to arrangements verbally made, with the Auditor General in regard to accounts rendered by the commissioners appointed to inquire into and report on any charges of political partisanship preferred against civil servants, I beg to report as follows:—

When the Order in Council of the 20th December last approving of appointments of commissioners was received in the department, it was noticed that there was the vote out of which the expenses incurred on account of such investigations were to be paid.

I, therefore, went to see the Deputy Minister of the Finance Department to see what arrangements could be made, as commissioner L. C. Beaubien was then pressing for payment of his accounts for investigations. I was informed that these expenses were to be paid out of contingencies (Finance Department), and that the Auditor General would examine the accounts and authorize the issue of the cheques in payment thereof.

Later I interviewed the Auditor General, and it was agreed that, when accounts were rendered by commissioners in connection with investigations, this department would certify that said investigations had been authorized and reported on. The accounts were then to be forwarded to the Auditor General to be examined and checked in accordance with the provisions of the Order in Council of the 3rd January last.

None of these accounts came under my notice; they were dealt with in the department by the accountant and the deputy minister in the usual way.

Mr. SINCLAIR: How many commissioners has the minister employed in the whole of Canada to investigate?

Mr. HAZEN: In Nova Scotia, there were Mr. Duchemin, Mr. Macdonald and Mr. Lane. I think that Mr. Macdonald has not done any work for some time. In New Brunswick there were Mr. Knowles and Mr. Legere. In Quebec there were Mr. Bergeron, Mr. Beaubien and Mr. Shurtliff and Mr. Flynn. In Prince Edward Island there was Mr. Heath Strong.

Ocean and river service—maintenance and repairs to Government steamers and ice-breakers, $1,000,000.

Mr. SINCLAIR: Will the hon. minister please explain this item?

Mr. HAZEN: This is the usual vote which has been passed for years—and it is the same amount as last year—for the maintenance and repair of government steamers and ice-breakers. I have here the details of expenditure of all the vessels we have in commission, including salaries, fuel, board, repairs, etc. The list would be lengthy to read, but if there is any special information desired I shall be glad to give it.

Mr. SINCLAIR: Are there any new ships?

Mr. HAZEN: There is the Estevan, which was under construction at Collingwood when I came into office. She was finished this spring and has gone around to British Columbia—has arrived there. She will be employed in the buoy service in British Columbia. The Dollard was under construction also at Collingwood, and it is expected that she will be completed and put in commission very soon. The Dollard will take the place of the Shamrock, which was used up. It will be remembered that there was an explosion on board the Shamrock some years ago. We have twenty-seven vessels, of which twelve are in commission during the whole year, and fifteen are in commission during a part of the year. There are all sorts of boats including the Earl Grey and the Minto which run between Prince Edward Island and the mainland, the Lansdowne, the Aberdeen, La Canadienne and the others.

Mr. LEMIEUX: The Dollard was the one we saw at Kingston?

Mr. HAZEN: Yes, with the Bellechase; they were both there at that time.

Mr. LEMIEUX: The Princess is still on the Baie des Chaleurs route?

Mr. HAZEN: Yes.

Mr. LEMIEUX: Always under the command of Commander Wakeham?

Mr. HAZEN: Yes.

Mr. LEMIEUX: I am bound to say that Commander Wakeham has always given satisfaction to the people in that district.

Mr. HAZEN: I wish I had more officers like him.

Mr. CARROLL: Were there any ice-breakers in commission in the province of Nova Scotia last year? I have special reference to the service in Sydney harbour.

Mr. HAZEN: We had no ice-breaker available among our boats to do work in Sydney harbour last year. At the time the ice-breaker was required at that port, the Stanley, which has been doing the work in that district, had met with an accident and was laid up for repairs. There was a requisition made for the services of an ice-breaker, and it was a matter of regret to us that we could not comply with it.

Mr. LAW: Has the department any boats under construction at the present time?

Mr. HAZEN: In the Marine and Fisheries Department the Dollard is the only boat under construction at the present time. There are two dredges for the St. Lawrence ship channel under construction at Collingwood, and some vessels are under construction for the fishery protection service in British Columbia; these come under the Department of Naval Service. Contracts have also been awarded for the construction of some small gasoline boats for the fishery patrol service on the British Columbia coast.

Mr. LEMIEUX: Are these boats equipped with Marconi wireless telegraph system?

Mr. HAZEN: Some of them are. All those that do ocean work are equipped with wireless—boats like the Aberdeen, Stanley, Montcalm and Minto.

Mr. LEMIEUX: I think the captains of the Government boats should have entire control of the selection of officers and men. When I represented the county of Gaspé, I gave Commander Wakeham a free hand in respect of the selection of his men, and I think that accounts for the excellent service we have had. I have often compared the crews on La Canadienne and the Princess, which were under his command, with those of some other boats in the river St. Lawrence upon which the selection of the men was made rather by members of the House than by the captains of the ships. I think, therefore, that the minister should give his captains a free hand in the selection of the ships' crew, for I am sure he would get a better service in that way.

Mr. HAZEN: As far as Commander Wakeham's boat is concerned, the system to which my hon. friend has referred has been continued. His is the only boat in the service upon which that system has prevailed absolutely. I agree with what my hon. friend says in regard to this matter, but there are certain difficulties in the way of carrying out his suggestion. As far as the officers on all these boats are concerned, our endeavour is, when a vacancy occurs, to promote a man already in the service, provided he is competent.

Mr. LEMIEUX: Has the hon. minister given an increase to the captains this year? I remember that during the few days I was Minister of Marine and Fisheries, I received a petition signed by nearly all the captains and officers of the various government steamers, asking for an increase. I had it in mind to give them a legitimate increase, but unfortunately the people of this country deprived me of the opportunity of carrying out my good intentions in that respect. I hope my hon. friend has complied with this request which was made by the officers of the staff. The salaries have not been revised for many years, and the officers, of course, like others, feel the burden of the high cost of living.

Mr. HAZEN: There have been certain increases made for the purpose of equalizing the salaries, but that does not altogether fill the bill. The officers of the department are at the present time preparing a schedule, so that when a man is appointed to a position in the service he will know what his increase and maximum will be. This schedule, which will certainly give an increase to these officers, will, I think, be ready for my approval in a very short time.

Mr. LAW: Does the department intend to build any new boats within the coming year besides those mentioned by the hon. minister? If so, I would like to say that we have in Yarmouth a ship-building plant that could construct the small steamers necessary for the service of the department.

Mr. HAZEN: In the future, so far as my department is concerned—and I hope the same system will be adopted by the Government generally—I think it would be fair, in asking for tenders, to stipulate that the boats shall be constructed in Canada. I may say frankly that one difficulty experienced in the contracts we have made in the past for the building of boats in Canadian shipyards, is that they are never delivered at the time they are undertaken to be completed, and other difficulties are experienced which are not met with when the contracts are taken by firms of established repute on the other side of the water. The tenders offered by firms on the other side are very much lower than those of the Canadian shipbuilder, and it is impossible for the Canadian shipbuilder to compete, but in calling for tenders for these ships I think it would be fair, as a matter of policy, to ask that they be built in Canada. The result of that would be, I think, that the shipbuilders on the other side would establish plants in Canada, and do the

work here, employing the labour of our own people. I may say in passing that if there is at Yarmouth a ship-building establishment which can compete successfully for the building of vessels, I would be glad indeed to see them get the contract. We have in the estimates a provision for a first-class ice-breaker for the river St. Lawrence. The ice-breaking on the river St Lawrence is done at the present time by the Montcalm and the Lady Grey. These are boats that do ice breaking in certain portions of the year and at other times are used for general work in the rivers in connection with the Marine and Fisheries Department. That is not found altogether satisfactory. The work of breaking ice is of a very heavy character, and is very hard on the boats. They have to be equipped with a great deal of power, and this makes them very expensive to use in the summer for the general purposes of the department on the river. We are asking in this vote for a sum that will enable us to purchase a modern, up-to-date ice breaker for the St. Lawrence river. I consider the ice-breaking on the river of very great importance. If it is not broken at the proper time there are great floods, with consequent inconvenience and damage, and the result of the breaking of the ice has been to open navigation to Montreal at a very considerably earlier date. That is the one boat which I contemplate asking for this year.

Mr. LEMIEUX: Will this boat be built in Canada?

Mr. HAZEN: I hope to be able to get it built in Canada.

Mr. LEMIEUX: I am glad that the minister contemplates adding to the flotilla of ice breakers. As my hon. friend knows, there was a great deal of prejudice in and around Quebec city against this ice breaking at Cap a la Roche. When I was a minister, delegation after delegation from Quebec came to me protesting against the use of those steamers, under the pretext that the ice breaking at Cap a la Roche was jamming the harbour in front of Quebec and preventing the ferries from performing their service. There was a certain element of truth in that; but, as a matter of fact, the floating ice, although it seriously hampered the boats, never actually prevented them from carrying on the service. But, as my hon. friend says, even if we were not to consider the immensity of the service rendered to navigation by opening it at least three weeks before the ordinary time, the presence of those ice breakers and the work performed by them prevents the flooding of immense areas on both sides of the river St. Lawrence from Cap à la Roche up to Three Rivers and lake St. Peter. My predecessor, Mr. Justice Brodeur, and his predecessor, the late Hon. Mr. Prefontaine, are entitled to great credit for the work they did in that connection. For several winters they had engineers on both sides of the river watching very closely the movements of the ice and tides. It was noted that as soon as the ice breakers began to perform their work at Cap a la Roche, practically all the floods ceased in the upper district. As regards the trade of the country, it is, as my hon. friend says, of immense value commercially, financially and economically, and three boats are not too much for that work. The number of boats plying between Canada and Europe is increasing every year, and the sooner you get the channel open in the spring the better for the trade of this country. I sincerely congratulate the department on acquiring the new boat, and I hope it will be built in Canada. My hon. friend visited with me last year the shipyards at Kingston, where we saw the Dollard and the Bellechasse. The Montmagny was built in Canada, at Sorel. It may have cost more than it could have been purchased for in England, but if you want to have shipbuilding encouraged in this country you must not be afraid at first to pay a little more than you would have to pay in Great Britain. There is a beginning to everything. I daresay that the first icebreaker built in Russia, the famous Ermaak, cost a considerable amount; but since that time Russia has been building icebreakers for other countries, and, by encouraging that shipbuilding industry, it has created one of the greatest industries in the world. If my hon. friend would take as his motto Canada for the Canadians, and encourage exclusively our shipbuilding yards, he would be entitled to great credit. I read the other day in a paper that a Canadian shipbuilding firm at Collingwood had been awarded the contract for building the largest steam vessel afloat on the great lakes. Surely if a Canadian firm at Collingwood, with its men, equipment and material, can built the largest vessel for the lake service, the Department of Marine and Fisheries can afford to assemble at Sorel or at Kingston or in the maritime provinces the material and the men necessary to build his flotilla of steamers. If I mistake not, a delegation came here during this session and interviewed my hon. friend and the Prime Minister asking that the Government encourage shipbuilding in Canada. This is an excellent occasion for doing this. If we are not able to do all of the work of building those ships, we have only to import from Great Britain the men who are able to direct our own people. Take, for example, what the firm of Vickers, Limited have done in

Montreal. It is true that this immense floating dock has been imported from Great Britain, but Vickers have agreed to have that floating dock in Montreal and to erect immense sheds on both sides of the dock for ships to do the repairing of vessels, general chandlery work; and at the same time the firm is ready to build in Canada ships of a certain tonnage. It is a British firm, but it becomes Canadian, and because the firm is Canadian it remains British. If Vickers, Limited, are encouraged at Maisonneuve, I am quite sure that within a very short space of time we shall have an immense shipbuilding industry in the immediate vicinity of the city of Montreal. I would ask my hon. friend not to be too chary in the amount which he will be prepared to pay in Canada for the building of his steamers. It might be fifteen per cent or twenty per cent more, but the people will not begrudge the payment of that slight increase in the price, as compared with the English price because, after all, you are building up a Canadian industry, and are ensuring for the future work which will be to the credit of Canada.

Mr. SINCLAIR: The minister could scarcely expect the work to be done with the same speed as it can be done in the better equipped yards of the old country. If you give a Canadian ship-builder the opportunity to build one of those vessels, after he gets a plan and understands what is required, he will have to order a good deal of material from the other side. He has to send his specification over, and it takes sometimes weeks or perhaps months to get it filled. Allowance must be made for that, if the Canadian shipbuilder is to have a chance. The minister must remember that a good many articles which enter into the construction of steamships are heavily taxed. He cannot expect ships to be built at the same price as in a free trade country like England.

Mr. HAZEN: The principal difference is in wages.

Mr. SINCLAIR: I do not think so.

Mr. HAZEN: Yes, I have had the figures furnished to me by ship-building firms in this country, and according to them, the principal difference is in regard to wages; it is a difference of forty-five per cent.

Mr. SINCLAIR: If the minister inquires among the ship-building yards in Canada, he will find that they do not look upon wages as the most important item.

Mr. HAZEN: That is what I inquired of them, and I got that statement.

Mr. SINCLAIR: It is contended that Canadian workmen can do more work in a day than British workmen, that they can turn their hands to so many different classes of work that they are more profitable than the workmen employed in the British yards. Then the cost of material is a very important item. Some few years ago I had occasion to investigate this matter, and I visited the yards at Collingwood and Toronto, and collected information which I can give to the minister. From the inquiries I made it appeared that it cost something like six dollars a ton more to build in Canada than to build in England, that is without allowing for any profit. The additional expense was something like six dollars for each ton of the ship that was constructed in Canada. The minister will have to make allowances for these important phases of the business, if he expects the Canadians to have a chance at all. Delays also occur in the department. We are now well on in the Spring, whereas, if the minister had brought down his estimates four or five months ago, had secured his money, and had had his plans ready, the Canadian builders would have had a chance months ago to send their specifications across, and would have had a much better opportunity to do the work, if he expects to get it done this year. However, I am much pleased that the minister assures us that his policy is to build those vessels in Canada if it is possible to do so.

Mr. MARCIL: I am glad to have the opportunity of corroborating what has been said by the hon. member for Rouville (Mr. Lemieux) so far as Commander Wakeham, of the Princess, is concerned. I have had the pleasure of seeing him at work in the gulf of St. Lawrence for twenty years or more, and no more efficient officer is to be found in the service of the department. It is generally hoped in the district that he will continue long in the service of the department. I was glad to hear that Commander Wakeham had been given a free hand in the choice of his boat. I would like to be informed whether the same principle will apply to the other Government boats in the gulf and river St. Lawrence, or whether the patronage system will be applied.

Mr. HAZEN: We are following practically the same system that has been followed for a number of years. Commander Wakeham is the only one who has an absolutely free hand. We try to promote officers when vacancies occur.

Mr. MARCIL: I have had complaints of men employed on Government boats on the St. Lawrence being summarily dismissed on the change of Government.

Mr. HAZEN: Not on these boats.

Mr. MARCIL: Has the minister any idea of the number of men who were dis-

missed from the Government boats on the St. Lawrence?

Mr. HAZEN: No. I think there were very few. They are men who are shipped for the season. They sign articles for the season, and very frequently do not go back. There are changes going on every year.

Mr. MARCIL: When vacancies have to be filled are the appointments left to the members of the various constituencies?

Mr. HAZEN: If there are vacancies.

Mr. LAW: Are lightships included in this vote?

Mr. HAZEN: No. They are under a different vote.

Mr. McKENZIE: In Nova Scotia and in the maritime provinces, we recognize the great importance of the river St. Lawrence, the great artery of commerce of Canada. But there are seasons of the year when ice-breaking is of no avail in the river St. Lawrence, when it cannot be done, and we have in the harbour of Sydney a place where ice-breaking will be of benefit when it is of no avail on the river St. Lawrence. I have had in view the proposition to utilize the cable boat during the winter time. The cable boat made the harbour of North Sydney her home for a year or so, and the proposition was that it could be converted into an ice-breaker in winter. She has nothing else to do during that season, for she is laid up.

Mr. HAZEN: To whom does it belong?

Mr. McKENZIE: The Department of Public Works. The cable boat has been removed from North Sydney, and it is most desirable that we should have an ice-breaker there during the three or four months of the year. The ice-breaker required to do the work there need not necessarily be of a very powerful type, because the ice that comes to the mouth of the Sidney harbour is never very heavy. I wish to point out to the minister the great importance of keeping a track open for about five miles from the mouth of the harbour up to North Sydney, or perhaps four miles farther up to the pier. We have at that harbour that tremendous plant of which we are all so proud, not only in Nova Scotia but in the whole of Canada—the plant of the Dominion Steel and Coal Company representing from $50,000,000 to $60,000,000 of money—coal and steel combined under one control and management. They could send their product out of the harbour all the year round if it were kept open. But, perhaps more important than sending their products out is that their material is brought in from Newfoundland. Their ore is brought in from Newfoundland and I understand that they are now starting to bring their limestone from there. The bringing in of ore and the taking out of steel are also equally important in connection with the Nova Scotia Steel and Coal Company. On that account I submit to the minister that this question—if I could get the attention of the minister—

Mr. HAZEN: I beg the hon. gentleman's pardon.

Mr. McKENZIE: I submit that this question is sufficiently important for my hon. friend from Halton (Mr. Henderson) to permit the minister to listen to me for a moment. I am talking about two of the biggest industries in Canada, industries in connection with the Dominion Steel and Coal Company and in connection with the Nova Scotia Steel and Coal Company, I am talking upon a subject that is of vital importance to these two concerns and I am suggesting that something should be done to keep Sydney harbour open all the year round. The minister and the hon. member for Halton both know the harbour of Sydney.

Mr. HENDERSON: I beg my hon. friend's pardon; I did not just catch what he said.

Mr. McKENZIE: I said that the minister and my hon. friend from Halton know Sydney harbour well.

Mr. HENDERSON: Oh, yes.

Mr. McKENZIE: And they know its grandeur, its magnificence and its beauty.

Mr. HENDERSON: I was there once.

Mr. McKENZIE: They will understand what an important thing it is to provide for keeping it open if it can be done by ordinary expenditure. There is no present means of keeping it open and I was pointing out to the minister that our coal, our steel rails and all the products of the steel works could go out all the year round if about four miles of ice were kept open. Not only would these products go out but the iron ore for the Nova Scotia Steel and Coal Company and for the Dominion Steel and Coal Company, could come in from Newfoundland if they could get in with their steamers. As it is now they have to rush things during the summer and, at great expense, to pile up this ore and store it, whereas, if they had the opportunity of bringing the ore during all the year, it would greatly facilitate the operations of these large concerns. Limestone is now about to be brought in by the Dominion Steel Company from Newfoundland and it is highly important that communication be kept open all the year round for the bringing in of this commodity as well as

the sending out of the coal and the products of the steel companies.

North Sydney is the Atlantic terminus of the Intercolonial railway, and from that terminus we have connection with the island of Newfoundland. The trade has developed enormously during the last ten years. Ten years ago there was no communication at all. Since that, instead of one boat, there are two boats and instead of a few passengers there is a tremendous traffic, an enormous trade, ten times, aye, one hundred times, greater than it was ten years ago; it is continuously increasing. The Reid Newfoundland Company are battling with the ice and doing the best they can to keep their boat on every day during the winter. They are doing very well, missing only a few trips, and I submit to the minister that in view of the abundance of the surplus and the money which the Government have, and in view of their desire to develop every industry and assist transportation everywhere, it would be a very justifiable and legitimate expenditure to provide for placing in the harbour of Sydney this cable boat that I speak of, convert it into an ice-breaker, or build an ice-breaker for the purpose, which would be kept at Sydney harbour all the time. It would be through with Sydney harbour before it would be required on the St. Lawrence where I understand ice-breaking is required to be done in the early spring and therefore, after the ice-breaker had done all the work necessary at Sydney, it could be taken to the St. Lawrence. I can assure the minister that he could not possibly use the money that would be necessary in a better way in the general interests of the country. I am not talking politics. I am not trying to make votes or trying to deceive him in any way; I am talking about a big proposition with respect to Dominion industries which are of importance to every part of Canada and I am suggesting something that would contribute to the expansion of those great plants.

Mr. HAZEN: I appreciate the importance of the matter to which my hon. friend (Mr. McKenzie) has referred and the desirability of having Sydney harbour kept open during the winter months so that vessels could come and go. With the building of the new ice-breaker for the river St. Lawrence I think there will be no difficulty at all in meeting the position of affairs. In the first place, it will relieve the Montcalm, which, I think, can then be brought down during the winter season to Sydney and in addition, with the building of the car ferry across the straits of Northumberland connecting the island system of railways with the mainland, there will be two boats which will be available as ice-breakers—the Earl Grey and the Minto. In the course of a couple of years I think we will have plenty of ice-breakers to look after the harbours on the Atlantic coast as well as those of the St. Lawrence and others to which our attention has been called. In previous years we were able to do something at Sydney with the Stanley, but unfortunately this year the Stanley met with an accident and she had to be laid up just at the time her services were required.

Mr. MARCIL: I might call the attention of the minister to the fact that there are ports on the Baie des Chaleurs in which these ice-breakers might be used to advantage. The navigation of the Baie des Chaleurs is held up very often because the ports of Dalhousie and Gaspé are closed with ice. An ice-breaker could be very well employed there.

Mr. LAW: How many boats has the department employed in the buoy service in Nova Scotia?

Mr. HAZEN: There are two in Nova Scotia, the Lady Laurier and the Stanley; there are two in New Brunswick, the Aberdeen and the Lansdowne. During the winter season the Montmagny is used there.

Mr. LAW: It has been thought for some years that the department has not steamers enough to look after the buoy service properly. Of course, the minister knows that the coast of Nova Scotia is the roughest coast, I suppose in the world, and the hardest place to keep buoys in position. I have noticed for several years that during the winter season a large number of these buoys are adrift and, the department not having a boat near Yarmouth, the buoys that go adrift have to wait until the steamer comes from St. John to get them. If the department made an arrangement, at a reasonable price, with a firm in Yarmouth to look after these buoys when they go adrift, I think it would be a good thing for the department and also for the safety of navigation. The boats running between Yarmouth and Boston make better time than the railway trains do. When these buoys are out of position, hundreds of lives may be in danger, and it is very important indeed that they should be replaced as quickly as possible. The hon. minister understands that, when a buoy goes adrift, it probably takes twenty-four or forty-eight hours for the matter to be reported, and a couple of days for the steamer to get from St. John to the vicinity of Yarmouth; or, if she engaged in some other business, it may be several days before she can hunt for that buoy and find it. If the hon. minister made an arrangement with the regular boat people in Yarmouth or somebody else there, I have no doubt that a lot of time would be saved, and the safety of the mariners, who have to visit that very rough coast during the

winter time, would be much greater than it is at present.

Mr. SINCLAIR: Can the hon. minister tell us how the supplies for these boats are obtained? Are they offered for tender?

Mr. HAZEN: I suppose the hon. gentleman means the food that is furnished. Contracts are entered into with the stewards on board the boats, at an amount fixed by the department, and the stewards supply the food. That system was adopted a few years ago. Before that, the stewards used to buy the provisions and charge them to the Government. That system was not found satisfactory. The opinion of the department is that the present system is much more in the interests of the department and the public service than the old system was. The stewards enter into a contract to feed the men at so much a day, and the officers at so much a day.

Mr. SINCLAIR: Is the steward free to go to any merchant?

Mr. HAZEN: Absolutely free.

Mr. SINCLAIR: There are no parties recommended as people from whom he should purchase?

Mr. HAZEN: None.

Mr. LAW: In case the stewards do not pay the bills, does the minister have them under bond?

Mr. HAZEN: We have them under bond. The bonds are personal bonds, because we could not get a bond company to guarantee the stewards. We have public notices in the press in the different localities to which these ships go, informing the people that the Government are not liable for these stewards. We are holding them as far as we can by these personal bonds, but, no matter what care the purchasing agent may exercise, some of these bonds cannot be recovered. As a matter of fact, some stewards have resigned because they have been unable to furnish any bonds at all. Every effort was made by Mr. Doutre and the deputy minister to get bonds that would be approved of by the Department of Justice.

Mr. SINCLAIR: How is the coal supplied?

Mr. HAZEN: By tender and contract.

Mr. LAW: The arrangement made between the stewards and the department may be a very good one; but it is hardly fair for the butchers, grocers and others who supply these stewards from time to time, when they cannot get their bills paid. These boats go into small places; a steward, with a gold band on his cap, goes into a butcher shop or a grocery store; the man gives him the goods and charges them, supposing that the Government will pay the bill.

Mr. HAZEN: We are spreading the information as much as possible that the Government is not liable.

Mr. LAW: I think some percentage should be kept back from each man so as to guarantee that those who furnish supplies and provisions for the Government boats will be paid.

Examination of master and mates, $16,500.

Mr. LEMIEUX: Where is your board of examiners—at Quebec?

Mr. HAZEN: The list of examiners is: Charles Eddy, William Lugar—I see by the newspapers that Mr. Lugar is dead,—Captain H. W. King, Alexander Cameron, John E. Murphy, James Sutherland, A. J. Wolf, James Gaudin, George C. Coles, M. Thodarson, Angus Grant, G. Hallett. The amount was $5,000 for last year; the additional $5,000 is for contemplated extension of the service. Very great complaint has been made to us in regard to the inconvenience masters on the great lakes are put to in attending these examinations.

Mr. LEMIEUX: Where have they to sit—in Ottawa?

Mr. HAZEN: No, in different places. Captain King is in Toronto.

Mr. LEMIEUX: Whom have you in Quebec?

Mr. HAZEN: Captain Lachance. The additional $5,000 is for contemplated extensions of the service as follows: Examiner at Toronto, $1,800; examiner at Quebec, $600; Captain Lachance also receives pay for conducting a marine school; his total salary is $2,400. Examiner at St. John, $600; office rent, $500; extension of service, Quebec and Ontario, $1,000; examinations in Yukon, $500. In addition to their duties as examiners of masters and mates, the above officers are required to conduct preliminary investigations into wrecks, to deliver lectures in marine schools, and to do other work that the department may assign to them.

Mr. LAW: I noticed in the press that the department was taking into consideration the changing of the examination centres for masters and mates, and of having one head centre in the maritime provinces. Is this so?

Mr. HAZEN: We have had Captain Lugar, who has been chief examiner of masters and mates in Nova Scotia; then there are local examiners in addition to him.

Mr. LAW: Masters and mates are still examined at the port of Yarmouth by Captain John E. Murphy ?

Mr. HAZEN: Yes.

Mr. LAW: Is it proposed to make any change ?

Mr. HAZEN: No. Rewards for saving life, including life-saving stations, amount to $110,000. There is an increase caused on account of new stations at Long Point, Point Pelee on Lake Erie, Bay View, Digby, Toronto, Cheticamp and Richibucto.

Mr. LAW: Is there anything in the estimates for a life-saving station at Mud Island ?

Mr. HAZEN: No.

Mr. SINCLAIR: Objection is taken to the way in which the minister has dealt with the life-saving stations since he came into office. I was much surprised to learn, in answer to a question asked in the House, of the large number of coxswains and crews of life-saving stations who had been dismissed, many of them without investigation. The life-boat service was always supposed to be free from political bias; this service was not looked upon—at any rate in the part of the country from which I come—as a political matter. It was the custom for one of the best men in the harbour to take charge of the life-boat and he selected his own crew, taking the best oarsmen and the most athletic young fellows in the harbour. It was a great surprise to the House and the country to find that even this service does not escape the spoils system that the minister has established. In answer to the question I have referred to, the statement was made that there are nineteen life-saving stations on the coast, and the officers of twelve of these have been dismissed, seven of them without investigation. One of those dismissed is a man in my own constituency who has done good work in this service in the past.

Mr. HAZEN: How many stations did the hon. gentleman say there were?

Mr. SINCLAIR: The answer I have here is that there are nineteen. This was when the hon. gentleman became Minister of Marine and Fisheries.

Mr. HAZEN: Yes; there are twenty-seven now.

Mr. SINCLAIR: I, for one, enter my strong protest against dealing with the life-saving service in the manner I have indicated. The men who have charge of these stations undergo great risk and hardship, and those composing the crew are generally the best oarsmen in the harbour. In my own constituency the Government dismissed Mr. Hugh P. Munro without any investigation whatever and appointed a man in his place who was away from the district at the time. The whole life-boat service of that coast was demoralized for several weeks on account of the change that took place. This was done without excuse. At least, I have never been able to get any excuse from the minister, and if he has any now to give, I should like to hear what it is. I was surprised to find that a man who had served in the department so well as Mr. Munro for so many years had been dismissed. I think he was in office nearly as long as the other Mr. Munro to whose case I drew attention this session. He was appointed if I remember well, by the Conservative party before the change of Government in 1896. The Liberal Government did not dismiss the life-boat coxswains along the coast so far as I can learn, at all events they did not do so in the part of Nova Scotia from which I come. Mr. Munro as I understand, occupied his position from 1896 and held office all through the regime of the late Administration. He did his work well, and certificates have been filed with the department approving of things done by him and his crew on more than one occasion. I have on my desk a statement of Lloyd's agent and others stating that they were a very capable and satisfactory crew. Before this man was dismissed, I wrote the minister that certain people were endeavouring to obtain his dismissal and asking him to give Mr. Munro a fair trial if complaints were made against him. I have the reply of the minister dated the 22nd of December 1911, which says:

> Before final action is taken in the way of dispensing with Mr. Munro's services, he will be given an opportunity to be heard in his own defence.

But he was not given an opportunity to be heard in his own defence; for the next letter on the file is one from Commander Thompson that his services have been dispensed with and asking him to hand over the key to the boat-house and all the property under his control to the man appointed to take his place. That is a case in my own constituency, and there were in all 12 dismissals along the coast, seven of them being without investigation.

Mr. LAW: I would call attention also to the dismissal of the captain of the life-boat service at Yarmouth. I asked the minister some time ago if any dismissals had taken place, and understood him to say that so far as he knew they had not. I had heard rumours of the dismissal of Captain Albert Caines, but after the minister's answer, I rested easy, until I went home a short time since and found that his dismissal had taken place without investigation, and there was no notice of dismissal until word

came from the department. I agree with the hon. member for Guysborough that petty politics have got down in this country to a point where members of life-boat crews are dismissed, because they happen to be Liberals or Tories, and the sooner it is done away with the better for the people whose life, when in danger, these crews are established to save. Captain Caines has been a faithful and efficient officer. He was one of our most respected ship officers at Yarmouth for many years, a man of ability and he lived near the life station. To dismiss such a man without investigation, I say, not wishing to use any stronger language, is a very small piece of business.

Mr. HAZEN: Captain Albert Caines was dismissed on the advice of the officers of the department on account of his age, he being over 72 years of age.

Mr. LAW: I have seen men of the age of seventy-two years who are far more active than the hon. member for Annapolis, (Mr. Davidson), who is applauding so loudly. Captain Caines was a capable officer; he was as competent to take charge of a life-boat as any man I know, and the assertion that he was dismissed from office because of his age is a very paltry excuse. I would have respected the hon. minister more if he had said that he turned the man out because he had been a life-long Liberal. I still insist that his dismissal under those conditions is a small business, and does not add to the dignity of the Minister of Marine and Fisheries. Might I ask the minister whether a new life-saving station has been built at Point Prim, Digby county?

Mr. HAZEN: There is a new station at Bay View, Digby.

Mr. LAW: Was it built by tender and contract?

Mr. HAZEN: Yes.

Mr. LAW: Who were the tenderers?

Mr. HAZEN: I have not that information before me, but I shall be glad to get it for my hon. friend at any time. The files of the Department are always open for his inspection.

Mr. CHISHOLM (Inverness): Has the station at Cheticamp been opened?

Mr. HAZEN: Yes.

Mr. CHISHOLM: Who is the coxswain there?

Mr. HAZEN: Michael Maillet. He was appointed on October 15, 1912, when the station was opened.

Mr. CHISHOLM: Was he the first man recommended for the position?

Mr. HAZEN: So far as I know, he was.

Mr. CHISHOLM: I recommended for appointment a man by the name of Doucette. Does my hon. friend know whether his name is in the department?

Mr. HAZEN: I have not his name here.

Mr. CHISHOLM: He was recommended for the position; I understood that he was appointed.

Mr. HAZEN: I do not think that any appointment was made before the one I have mentioned, although I do not speak positively on the matter, because I have not the information here. I take it for granted that the hon. gentleman wrote a letter to the department recommending for appointment the gentleman mentioned by him, and that letter will be found on the files of the department. I shall be glad to give the hon. gentleman any information he desires on the matter.

Mr. MARCIL: Are there any life-saving stations in the province of Quebec? I think that enough wrecks take place in the lower St. Lawrence to justify the establishment of a life-saving station.

Mr. LEMIEUX: I would like to corroborate what my hon. friend the member for Bonaventure says. Either at Gaspé or Paspebiac there should be a life-saving station. On the portion of the peninsula which faces the Atlantic ocean, the coast is very often swept by terrific storms, especially during the months of September, October and November, and during the last ten or fifteen years great losses have occurred, in vessels as well as lives. I think my hon. friend should consider the advisability of establishing a life-saving station in that neighbourhood.

Mr. MARCIL: There might be two or three life-saving stations along the coast of Gaspé.

Mr. HAZEN: It is an extraordinary thing that there are no life-saving stations in that district, and I will certainly give attention to the matter.

Mr. SINCLAIR: The minister has given us no explanation of the fact that he wrote me stating that Mr. Hugh P. Munro would have an opportunity of being heard before his dismissal, and that he then declined to give him that opportunity, and dismissed him without an investigation. It is an extraordinary thing for the minister to do, and if he has an excuse, I think it would be polite for him to say so.

Mr. HAZEN: When I wrote that letter I presumed my hon. friend had reference to charges that had been made against Munro in connection with political partisanship. But Commander Thompson reported to the department that Munro was seventy years

of age, and that he was entirely too old to be entrusted with the charge of a life-saving station.

Mr. SINCLAIR: If Commander Thompson made such a report, I wish to say that the minister will find by reference to his files that he recently made another report contradicting the previous report. Complaint was made against this man prior to the defeat of the late government by certain persons who wished to obtain his position, and Commander Thompson was sent to White Head to investigate the case. After making a very thorough investigation, Commander Thompson reported to the department that Mr. Munro, although seventy years of age, was a very active man and quite able to carry on his work as coxswain of the life-boat crew. If Commander Thompson made a report contradicting his former report it simply shows that Commander Thompson was not allowed to have a free hand in regard to the matter, but that he had to do what he was told.

Mr. HAZEN: Is Munro alive now?

Mr. SINCLAIR: Certainly. He is a very energetic man; there is no finer physique to be found on the coast of eastern Canada. He is erect, tall and athletic, and Commander Thompson personally informed me that he was surprised to find a man of seventy years of age so strong and active. He reported to the department that the attempt to have Munro dismissed on account of his age was altogether improper, and that he was well able to carry on his work as coxswain of the life-saving crew. I would ask the minister to produce the second report which is said to have been made by Commander Thompson, so that the committee may see how he has dealt with the matter.

Mr. HAZEN: I have not that information here but I shall be glad to find out what it is. On general principles I think that no man of 70 ought to be a member of a life saving crew. I think it is absurd to say that a man of 70 can go out in the heavy storms and do the work necessary in order to rescue people on a ship in distress.

Sir WILFRID LAURIER: I do not admit that at all.

Mr. HAZEN: My right hon. friend, perhaps, is trying to rescue a ship in distress now.

Mr. CHISHOLM (Inverness): How many officers are at Cheticamp station?

Mr. HAZEN: A cockswain and a crew of seven. The cockswain receiving $75 a year and the crew smaller amounts.

Investigations into wrecks, $18,400.

Mr. LAW How is this amount expended?

Mr. HAZEN.

Mr. HAZEN: This is exactly the same amount as last year. It is expended as follows: Travelling expenses of the chief wreck commissioner, $3,500; travelling expenses of the wreck commissioner of British Columbia, $1,000; travelling expenses of witnesses, $1,000; salary of the British Columbia wreck commissioner, $1,000; stenographers' fees, $3,000; legal services, $2,000; services of nautical overseers, $1,500; services of interpreters, $200; reporting and typewriting, $200; printing and unforeseen incidentals, $1,000; expenses of preliminary enquiries, $2,000. This does not include fees which may be granted to acting wreck commissioners for which an additional sum of $1,500 may be added.

Mr. LAW: Is there a wreck commissioner for the province of Nova Scotia?

Mr. HAZEN: There is no wreck commissioner for Nova Scotia. The chief examiner of masters and mates acts on preliminary enquiries and also as wreck commissioner at times. When Captain Lindsay cannot act, the chief examiner of masters and mates is called on to act without additional salary.

Mr. LAW: It seems to me there should be a commissioner in an important province like Nova Scotia. It is well known to the minister that Nova Scotia has a very rough coast, and there are many wrecks on that coast.

Mr. HAZEN: We do not seem to be crowded at all with the present staff, they are able to take care of it. I suppose that is largely because, owing to the lights and aids to navigation that have been placed there, the coast is so safe to navigation that there are very few wrecks.

Mr. LAW: I have no doubt that is the case, that after fifteen years of Liberal administration, owing to the improvements in the buoy service, wrecks have been minimized.

Expenses of schools of navigation, $8,000.

Mr. LEMIEUX: Where have you those schools?

Mr. HAZEN: At present there are schools at Yarmouth, N.S., North Sydney, Quebec, Collingwood and Victoria. Last year the vote was the same, and our expenditure was only $970. The officer who has charge of this matter recommends that we adopt a different policy from that which has prevailed in the past. Hitherto we have depended largely on a system of lectures. But the officer reports that while that system may have a tendency to stimulate increase among fishermen and seafaring men it is almost worthless as a means of preparing seafaring men to take

their certificates as masters and mates of vessels. The suggestion now is to discontinue the lecturing system and to establish schools of navigation where these men will receive such instruction in seamanship and navigation as will prepare them to qualify for masters and mates. It is also proposed to assist private navigation schools if necessary.

Mr. SINCLAIR: Is the minister providing for any additional schools?

Mr. HAZEN: We are prepared, whenever it is made apparent to the department that a necessity exists for the establishment of these schools, to assist them.

Mr. SINCLAIR: But what would have to be done?

Mr. HAZEN: At Collingwood there is a gentleman who established a school himself. He says to the people: You want instruction in navigation, I am here for that purpose. He gets some assistance from the department, an annual amount to help him with his school. At Halifax, Captain Lugar, a paid official of the department, who receives a salary of $1,800, has conducted a school without any additional salary.

Mr. MACLEAN (Halifax): I suppose no successor has been appointed to Captain Lugar?

Mr. HAZEN: No. I do not think we have yet received official notice of his death, although we have seen it in the newspapers.

Mr. SINCLAIR: What steps would need to be taken to secure the establishment of a school in a small town like Canso, where there are some two thousand seafaring and fishermen engaged in the fisheries in the summer, but not very busy for a couple of months in the most severe part of the winter. They could very well attend a school if one were established in that town. I have no doubt that the minister could co-operate with the school board and the town authorities in order to get the use of the school room and such facilities. If the people there knew what was necessary to be done I have no doubt there are many places in Nova Scotia where advantage would be taken of this vote. The great trouble would be to find a properly qualified instructor. I would be glad if the department would let it be known in these little towns where they are anxious to have schools of navigation that assistance will be given by the department

Mr. HAZEN: We are trying to work out some better system than that which exists at the present time. We have officers directing their attention along that line. If in any of those towns there were a reasonable number of young men who wished to get instruction so that they could qualify for masters' or mates' certificates, we would be very glad indeed to give generous assistance. The officers of the department tell me that in the past applications have been made for the establishment of schools, and that the department helped in such cases, but they did not prove successful. A few years ago they were asked to provide an instructor for a school in Montreal. They were told that a large number of students would attend, and an instructor, a very competent man, familiar with both languages, was appointed. A good many students attended the first night, but on the third night there was not a student present, and the results were very disappointing. It is only men who have made up their mind to follow a seafaring life who attend these schools, but if in some of the small towns of Nova Scotia there were eight or ten young men who wanted instruction to enable them to follow a seafaring life, I have no doubt that out of this vote we could give assistance, and if there were co-operation with the school board, if we could get accommodation in the schools, it would help very much. We would be prepared to entertain any application along that line, and give it the most sympathetic consideration.

Mr. SINCLAIR: Would the technical school at Halifax be at liberty to apply for some assistance in the way of establishing a branch?

Mr. HAZEN: There has been correspondence with both the Prime Minister and his colleague from Halifax, I think, about the matter. We have had communications from them, and the matter is now receiving the attention of the officers of the department.

Mr. SINCLAIR: With reference to young men not attending those schools, I may say that my experience is quite different from that of the department. In Canso, a few years ago, a school was established for one winter, the head teacher of the public school being in charge of it. He was a man who knew something about navigation and could teach the theory of navigation, and the school was attended by a large number of young men during the winter months. It was very successful indeed. But the teacher removed from the place, and the instruction ceased. I suppose that the next teacher was not capable, or perhaps he did not care to take up the work. The main trouble I think is to find a suitable man to give the lessons. If the minister could discover some suitable man to go from place to place on the coast and spend a few weeks with the young fellows desirous of getting lessons on navigation

he would assist greatly. Those young men cannot go to Halifax. It is impossible for them to take long journeys and to live in those expensive places, but if the instruction were brought to them it would be of great importance.

Mr. JAMESON: I entirely agree with my hon. friend from Guysborough when he says that the young men who are interested in the matter should receive some assistance in maritime instruction. As he says, they cannot afford to attend a central school at Halifax. I entirely agree with his views, and I may say that I have made representations to the minister along the same lines. I trust that the department will be able to work out some system that will be more satisfactory than the one heretofore in vogue whereby these young men in the different parts of the maritime provinces would have an opportunity of acquiring an education along the lines suggested.

Registration of shipping, $1,500.

Mr. LAW: What is that?

Mr. HAZEN: This is to cover the expense of the registration of shipping. After a careful estimate of the probable items of expenditure, such as the purchase of a new register, books, forms, certificates of registry, the officers are of opinion that $1,500 would be ample for this branch of the service this year.

Removal of obstructions in navigable waters, $20,000.

Mr. LEMIEUX: The removal of an obstruction is at the risk of the party responsible for it, is it not?

Mr. HAZEN: Yes.

Mr. LEMIEUX: I understand that in some cases where the party has failed to remove the obstruction, the department is in duty bound to clear the channel. I suppose this vote is to provide for such contingencies.

Mr. HAZEN: Yes.

Mr. LEMIEUX: I have a case in mind. Last year on the river St. Lawrence, not far from Montreal, there was a wreck of a steamer plying between Montreal and Valleyfield, and I understand that the wreck remained in the channel for some time. Several persons perished, and the captain was practically ruined. I suppose that in a case like that the department would have to remove the obstruction?

Mr. HAZEN: Yes. In that case we were unable to have the wreck removed before the close of navigation. We got into communication with people at Kingston who have a wrecking plant, but they were unable to get the plant into operation in time, and the wreck had to remain until this year. If the people responsible are not financially able to remove the obstruction, the department undertakes the removal. Twenty thousand dollars is practically the same amount as last year. Last year the total amount expended was about $11,000. There were some cases where the work was very heavy, but in those cases the parties who owned the boats were able to bear the burden.

Winter mail service, $11,000.

Mr. LEMIEUX: What is that?

Mr. HAZEN: It is for the letter mail service between Prince Edward Island and the mainland. I think my hon. friend has had the pleasure of crossing over there in an open boat. There are some winters when the ice becomes so heavy that it is impossible even for the ice-breakers to get through, and people have to cross in open boats. This vote is for that service. The boats are kept in repair to convey people across, and to take the mails in the event of that condition prevailing. Of late years the expenditure on the service has been light, because the Earl Grey and the Minto are both very good ice-breakers, and have been able to maintain a service during the winter. During last winter I do not think that these small boats were required at all.

Mr. LEMIEUX: I would like the minister to consider the advisability of utilizing one of the boats, say on five or six occasions during the winter season, for the purposes of a mail service to the Magdalen islands. As he knows, the last mail packet from Pictou leaves at the end of November, or the beginning of December. I am informed by people of the Magdalen islands that at least three or four, and sometimes five trips can be made during the winter between the mainland and the islands. From December until April they are closed in, and get only such news as can be transmitted by cable, or by the Marconi wireless system. That is not satisfactory at all, when a boat could easily be sent from Georgetown to Sydney. I had occasion some years ago to speak to the captain of the Stanley and, as regards the practicability of it, he saw no item of chance at all; he said that he could make the trip very easily at certain periods of the winter. But there were strong objections taken by the department, although the captain, himself, had none. Of course, he had to obey orders. I think that my hon. friend this year, or last year, overlooked the hesitation of the department and managed to send a boat once or twice, much to the benefit of the islanders. I would like him to consider this as a permanent affair for future years.

I beg to make the same request for the people of Anticosti. I do not think you can make five or six trips, but you can make two trips there during the winter. There is a boat at present subsidized by the Post Office Department which makes one or two trips to Labrador. I would not risk that boat about Anticosti, but your ice-breakers could certainly be sent to the island. Anticosti has been settled of late by Mr. Menier, a very wealthy Frenchman, who has acquired that island. There is a population of nearly eight hundred very thrifty and industrious people. The island is like a European park. There is at Ellis bay, a beautiful castle, the residence of Mr. Menier himself. He has established splendid roads all through the island. There is a magnificent lobster and salmon canning industry and he is exploiting the lumber on a scientific basis as they do in France and Germany. The settlers are all Canadians, they are not foreigners. He has built a handsome cottage for each family. There is also a savings bank, a church and an hospital with the most modern equipment, which I visited some years ago. In fact, it is an ideal life for the settlers who are there. Quebec has become quite a feeder for Anticosti. The traffic between Quebec and Anticosti has increased by leaps and bounds during the last ten years. Therefore, Mr. Menier is entitled to fair and generous treatment from our Government. He has established a small Decauville railway on the island and he has built, at his own expense, large deep-water piers which are utilized by the Government steamers free of any charge.

Mr. MARCIL: One mile long.

Mr. LEMIEUX: He has provided a number of lighthouses, in fact he is a public benefactor and I am told that he has offered the Government of Canada the opportunity of fortifying some points on the island. There were fears expressed some years ago that such a large portion of our territory might pass to a foreign power, but Lord Grey, our former Governor General, visited the island, was received by Mr. Menier, and after that he was very well pleased with the genial foreigner. Under these circumstances, I would like my hon. friend to consider the possibility of sending twice during the winter at least one of the Government steamers for the carrying of the mails. It is an important point in the river St. Lawrence and one which has attracted the attention of Europeans of late years. Mr. Menier has brought very many of his friends from Europe and, coming to Anticosti they have been struck with our country—some have already invested a good deal of money in western Canada. As you know, Mr. Menier is the 'chocolate king,' he is one of the wealthiest men in Europe. A brother of his is one of the most influential public men in France, and the Dominion Government would be doing good business by encouraging him in the work which he is carrying on at Anticosti. Canada needs such good friends in Europe and France particularly.

Mr. MARCIL: I am very glad to be able to substantiate what my hon. friend from Rouville (Mr. Lemieux) has said regarding the importance of Anticosti island. It is largely peopled by settlers from the Gaspésian peninsula, Chicoutimi and Saguenay. The Montreal Board of Trade, realizing the importance of the island are to visit it in June next when a large excursion party is going down on one of the Richelieu and Ontario Navigation Company's boats. There is no regular boat calling at the island. There is no difficulty in carrying out the suggestion of my hon. friend from Rouville, as the service could be performed by the ice-breakers which go to Seven islands, only a few miles from Anticosti. I would be glad if some measures were taken to bring Anticosti more into touch with the political life of Canada. Mr. Menier is a great Frenchman, he has also big ideas and he is the benefactor of those who come in contact with him. The island, though belonging to the constituency of Chicoutimi and Saguenay, has remained somewhat out of the political life of the province. I understand that a poll is hardly ever opened there. Surely it would be possible for the minister to make an arrangement, either in connection with the lighthouse service or in connection with the subsidized steamers calling on the north shore of the St. Lawrence, for a limited service connecting with the island of Anticosti. One of the most notable things that Mr. Menier did in the early days of his occupation of the island of Anticosti was to abolish the mosquito. Mosquitoes in the earlier days infested the island to a great extent. He drained out the swamps, took the gravel excavated from those drains and built a magnificent system of macadamized roads all over the island, and at the same time did away with the mosquitoes. He erected just next to his magnificent residence, a statute to Gamache, one of the earlier smugglers on the lower St. Lawrence, about whom a great many folk lore stories have been told. The island ,of Anticosti is a very interesting place, and I am sure that the Government would be well advised if they brought the island into closer touch with the people of the St. Lawrence and of Canada generally. Mr. Menier has shown himself well disposed to submit to our laws. There is a customs agent on the island. Mr. Menier has telephone and tele-

graphic services. He has always been glad to entertain the Governor General and ministers who have gone down to see him. No British fleet ever passes without visiting the island. Admiral Blake, some years ago, went there to inquire into the story published by the New York Herald that Anticosti had been acquired by France for the purpose of fortifying it and making it a stronghold to be used for the recovery of Quebec. Admiral Blake went over and found that what was supposed to be the magazine was full of potatoes. On the square that Mr. Menier had opened in the middle of the town, he found one of the old guns which had been put into proper shape. The island is a most interesting place, and I am sure that the minister would be doing a public service if he could assist Mr. Menier in bringing the people of the island into more general touch with the people of the St. Lawrence and of Canada generally.

Mr. LEMIEUX: In the cellar of the Gouverneur—really the superintendent—my hon. friend will find excellent French wines; but, of course, he is not interested in that if he is a teetotaler.

Mr. HAZEN: Last winter we sent the Montcalm twice to Anticosti. In regard to the Magdalen Islands, during the winter of 1911-12, we were able to send the Stanley there on two occasions. Last year we were able to send her only once, because she was laid up a long time for repairs. When we have Canadians living under such conditions as they do in Anticosti and the Magdalen Islands, we ought to do all we can to make their lives endurable and to keep them in touch with the outside world. With the boats we have available at present, it is impossible to say whether we can have regular trips during the summer months. As soon as the car ferry is established between Prince Edward Island and the mainland, with the Lady Grey and the Minto, we hope to be able to give better service to Anticosti and the Magdalen Islands than we have been able to do in the past. My hon. friends, the member for Rouville (Mr. Lemieux) and the member for Bonaventure (Mr. Marcil), have drawn such alluring pictures of Anticosti that I think I shall have to take a trip there during the coming summer.

Mr. LEMIEUX: I shall give you the name of the gouverneur of Anticosti. The word gouverneur has not the same meaning as governor. Gouverneur in the present instance means the superintendent. The name has caused some people to think that Anticosti is held by the French. The name of the gouverneur is Mr. Martin Zédé. He is a most charming official; all his friends are Canadians, and my hon. friend will enjoy true French hospitality if he goes to Anticosti.

Inspection of live stock shipment, $5,000.

Mr. SINCLAIR: Does that come under the Department of Marine and Fisheries?

Mr. HAZEN: The duties of these inspectors are to inspect the cattle ships for the purpose of seeing that they are fit for the shipment of cattle and that the cattle have sufficient accommodation.

Mr. SINCLAIR: Where is the inspecting done?

Mr. HAZEN: Almost entirely at Montreal. It used to be done at St. John, but there is hardly any necessity for inspection there now.

Mr. LEMIEUX: Does my hon. friend expect that Canadian cattle will ever pass at Liverpool without the stigma which England has put upon them? I have a motion on the Order Paper which unfortunately has not been reached, asking for the removal of the embargo on Canadian cattle. Now that the Government is generous by voting $35,000,000 to the Admiralty, do you not think, Mr. Chairman, that my good friend should ask the British authorities to remove the embargo on our cattle? It is admitted by everyone—and by no better authority than Sir Charles Tupper—that this is a libel against Canadian cattle.

Mr. HAZEN: I think the embargo is only a measure of protection. The matter, however, is one which is under the Department of Agriculture. When the estimates of that department are taken up, my hon. friend will get more satisfaction than I am able to give him.

To continue the subsidy for wrecking plants in Quebec, Maritime provinces and British Columbia, $45,000.

Mr. LAW: Would the minister give us a memorandum of those?

Mr. HAZEN: Up to the past year this vote was always $30,000—$10,000 for wrecking plants in British Columbia, $10,000 for wrecking plants with headquarters at Quebec, and $10,000 for wrecking plants in the maritime provinces. These wrecking plants have been owned by the Dominion Coal Company at Sydney. Last year Mr. Davy, who had the contract at Quebec, refused to renew it, stating that, even with the subsidy of $10,000, he was losing money, because there had been so few wrecks on the St. Lawrence river for the past three or four years. He had to keep a tug boat equipped with pumps and wrecking apparatus, with its fires constantly banked, a large schooner and men to man them. The shipping interests felt that there must be

a wrecking plant on the St. Lawrence. Therefore a company was formed by the different steamship interests with whom we made a contract. They bound themselves to equip their tug boat with wireless telegraphy, as had not been the case with Davy. In consideration of their doing that, it was agreed that they should be allowed, within a certain limit of space on the river, to do certain work in the way of towing of ships, because, with their wireless apparatus, if a wreck occurred, they could be notified and get to the scene of the wreck almost as quickly as if they were lying at Quebec. They refused to take up the work at $10,000, and we agreed to give them $25,000. There was an agreement in the contract that, after they paid on their equipment a valuation that was fixed—I think it was six per cent—the balance of the profits, if they had any, were to be divided between the Government and the company. Last year, as hon. gentlemen know, there were a number of wrecks; and the result is that, while we paid the company $25,000, there had been paid back into the Consolidated Revenue Fund of Canada about $12,500 as the share of the Government in the partnership into which they entered. The arrangement will work out very well. Everyone will admit the necessity of having a wrecking plant, and it seems impossible to have a wrecking plant without aid from the Government.

Mr. LEMIEUX: It is recommended by the shipping interests?

Mr. HAZEN: Yes. They realize they must have a wrecking plant on the St. Lawrence.

Mr. LAW: I have no objection to the vote, but I think the western part of Nova Scotia should have one of those plants.

Mr. HAZEN: It has been put forward every now and then that the wrecking plant ought to be in the Maritime provinces, so far as the winter months are concerned, at some point nearer to the bay of Fundy and the south shore of Nova Scotia.

Mr. LEMIEUX: Somewhere around St. John.

Mr. HAZEN: No, I think the matter can be met by the arrangement that will be made for this year by having that plant remain at Sydney during the Summer months, and then they are going to have some of their plant at Halifax or some point west of there, where they will be available near the bay of Fundy during the winter.

Mr. LAW: Are the parties having the contract allowed to charge anything for salvage?

Mr. HAZEN: Yes. If they were not allowed to do that, the amount the department would have to pay would be increased. The rates are of course subject to our approval.

Mr. LEMIEUX: Before my hon. friend proceeds to another item, I should like to speak about a matter which perhaps is not germane to this. This patrol which was organized in the north Atlantic was with a view to preventing wrecks and accidents?

Mr. HAZEN: Yes.

Mr. LEMIEUX: Could the hon. minister enlighten me? I saw in the London Times and the London Daily Chronicle the statement that something had been deficient about this patrol in the Atlantic. Was the deficiency in the Canadian Government or the British Government?

Mr. HAZEN: In the British Government.

Mr. LEMIEUX: What was it, in two words?

Mr. HAZEN: The difficulty, I think, was that the boat sent out by the British Board of Trade had aboard a Marconi apparatus whose range was not sufficient.

Mr. LEMIEUX: And so, it could not communicate with the other vessels?

Mr. HAZEN: That was the trouble.

Mr. LEMIEUX: As I recollect it, there was a tripartite partnership among the Canadian Government, the British Government and the United States Government, each having a boat; was that it?

Mr. HAZEN: No.

Mr. LEMIEUX: Then, each had a zone to patrol?

Mr. HAZEN: Yes.

Mr. LEMIEUX: The British Government had a zone, and I think the American Government and the Canadian Government each had its zone.

Mr. HAZEN: No. We had no arrangement with the United States Government at all. I know nothing about that except what appeared in the newspapers. We undertook a zone as far as Cape Race. We will get the information from there.

Mr. BOULAY: (Translation.) Mr. Chairman, I fully concur in the remarks just made by the hon. member for Rouville (Mr. Lemieux), with respect to establishing salvage stations in the region of the gulf, in order to bring efficient relief to ships in peril. Those stations should be established at Gaspé or at Rimouski. Either of those two ports would be a good centre where to establish one of those stations which could send out some help to ships in distress.

I think this matter has been too much neglected in the past and that the Government should do something in this direction.

As to the remarks made by the hon. member for Rouville with respect to carry-

ing the mails over to Magdelen Islands, I think that they are very appropriate. Those people are deprived of means to communicate with the mainland during all the winter and the Government would be doing good work by granting them a better service with respect to carrying the mails.

As far as naval schools are concerned, I am glad to hear from the minister himself that he is ready to help some of the students who would like to become conversant with matters pertaining to navigation. In our counties which are located along the sea, like Rimouski, Gaspé and Bonaventure, we have numbers of fishermen, of excellent seamen, and what they lack and what they want in order to improve in their art is naval schools.

Mr. LEMIEUX: I have before me now the London Times, which says that the Scotia, the ship selected by the Merchant Shipping Advisory Committee, was too slow, and was not provided with a Marconi apparatus.

Ocean and river service—unforeseen expenses, $5,000.

Mr. LEMIEUX: What was this for?

Mr. HAZEN: This is always voted. Now and then something arises in the department not covered by any other vote, and this money is to provide in such cases. Last year the total expenditure under this vote was only $175.

Mr. KYTE: I request the Minister of Marine and Fisheries to bring this evening the papers in connection with the cases of Michael O'Brien, keeper of light at Bear Island; William A. Duan, keeper of light at Green Island; Marin Burke, keeper of light at River Bourgeois; Bartholomew Boudrot, keeper of light at Poulamand; all in Richmond county. I desire to say a few words with respect to these cases when the committee resumes.

Mr. HAZEN: We will go on with this at eight o'clock.

Mr. KYTE: The lighthouse service?

Mr. HAZEN: No, we will continue right along down the page taking the items one by one. There are only three items between the one we shall next take up and the one to which my hon. friend refers.

Mr. CHISHOLM (Antigonish): When the salaries of fishery officers are under discussion, I wish to have the minister ready if I decide to bring up the case of A. R. McAdam, fishery officer at Malignant Cove. I am not sure, having heard the minister's explanations—or rather refusals of explanations—of dismissals, that I shall go on with this case. I have about come to the conclusion that the political virtue I have ascribed to hon. gentleman, which I thought existed in this benevolent-looking man and smooth-talking minister, as a matter of fact does not exist in him. It comes down to this—he has made up his mind that he will be like his associates and will fire any Grit who is in office. On that account, I may not bring the matter up at all.

Mr. HAZEN: I am sorry to have disappointed my hon. friend.

Mr. LAW: I expect to call the attention of the minister to the dismissal of Captain Norman L. Trefry, shipmaster at Yarmouth, and Dr. Carl A. Webster, Port Physician at Yarmouth.

Mr. HENDERSON: Before the committee rises for the six o'clock recess, I wish to say a word. I have been absolutely disgusted with the corruption that goes on in Nova Scotia and the call there has been for so many dismissals. What kind of people are they? In my county there has not been a dismissal of an officer for fifteen or twenty years. We observe the law there in election time; we do what is right; there is no cause for dismissals. I cannot but think that if hon. gentlemen would serve their constituents fairly, they would not air their grievances as much as they have been doing. The reputation of the whole province of Nova Scotia is being destroyed. I had the idea that Nova Scotians were respectable people, law-abiding people. But it turns out, from one thing after another, that there is hardly a man in the province but is guilty of something in connection with elections. I really think that hon. gentlemen would be doing a favour to their province if they would drop this miserable talk about dismissals and bringing to the notice of the whole country the actions of the people of that province. On the whole, however, I cannot believe the people are half as bad as they are represented. I have too much respect for them to think otherwise. To my mind the time has come when this talk about dismissals can very well be dropped, at anyrate for this session.

Mr. SINCLAIR: I would suggest to the hon. gentleman that he make that suggestion to the minister.

At six o'clock, House resumed and then took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

GLENGARRY AND STORMONT RAILWAY COMPANY.

House in Committee on Bill No. 197, to incorporate the Glengarry and Stormont

Railway Company.—Mr. Alguire. (Mr. Deputy Speaker in the Chair.)

On section 10—hotels and parks:

Mr. LANCASTER: There is a slight amendment to section 10. As the Bill came from the Senate, this section was not the standard clause for the purpose, and we have amended it by inserting a few words to make it the model clause for the purpose intended.

On section 15—agreements with other companies:

Mr. LANCASTER: There is an amendment to this section which is of no serious significance. It simply allows the company to amalgamate with the two other railway lines mentioned, the Canadian Northern Ontario, and the Canadian Northern Quebec.

Bill reported, read the third time, and passed.

BURRARD, WESTMINSTER BOUNDARY RAILWAY AND NAVIGATION. COMPANY.

House in Committee on Bill No. 203, respecting the Burrard, Westminster Boundary Railway and Navigation Company.—Mr. Taylor. (Mr. Deputy Speaker in the Chair.)

On section 1—extension of time:

Mr. LANCASTER: There are several amendments to the Bill. Section 1 was defective in improperly stating that the company were to commence the construction of railways authorized by three statutes, whilst the last-named statute is merely a renewal of the other two. We struck out of section 1 of the Bill, after the figures 1909, in line 10, the words: 'In chapter 50 of the statutes of 1911,' because that statute does not confer any authority upon the railways; it is simply a formal extension of time.

On section 3—increase of issue of securities.

Mr. LANCASTER: We insert after clause 3 this section as section 4:

Section 3 of chapter 56 of the statutes of 1909 is amended by inserting after '1907' in line 2 thereof, the words 'and amendments thereto.'

By section 3, as it came from the Senate, it will be observed that the statute was amended by substituting as a limitation of the issue of securities, the word 'forty' for the word 'thirty.' We found that the statutes of 1909, applying to an additional part of their road, needed to be amended so as to make the Act uniform throughout. The promoters of the Bill seemed to think that by keeping the Bill in its original form the words of the section would cover the whole line. That, however, would be a matter of doubtful expression, and to make it clear we added the section I have quoted.

On section 5—chap. 68, statutes of 1907 amended:

Mr. LANCASTER: We added section 5 to the Bill, which is in these words:

Paragraph 'e' of section 12 of chapter 68 of the statutes of 1907 is amended by inserting after 'grounds' on line 1 thereof the words 'with the approval expressed by by-law, of the municipality having jurisdiction over the place in which such parks and pleasure grounds are situated and upon terms to be agreed upon with such municipality.'

In 1907 a clause was inserted in the statute which is not the present policy of this Parliament; it did not restrict the company to getting the consent of the municipality to use its parks and pleasure grounds. As they are asking for an extension of time, we have adopted our usual rule this year, providing that they must obtain the consent of the municipalities, as any incorporated company would be obliged to do.

On section 6—electric power:

Mr. LANCASTER: This is a new section, as follows:

In so far as the company has the right to acquire electric or other power or energy which may be transmitted and delivered to any place in the municipalities through which the railway or works have been constructed, and to receive, transform, transmit, distribute and supply such electric power or energy in any form and to dispose of the surplus thereof, and to collect rates and charges therefor, the company may, subject to the provisions of section 247 of the Railway Act, continue to so acquire such electric power or energy, but not by expropriation; but no such rate or charge shall be demanded or taken for such electric power or energy until the same has been approved of by the Board of Railway Commissioners for Canada, which may also revise such rates and charges.

On section 7—chapter 68, statutes of 1907 amended:

Mr. LANCASTER: The present rights of the company with regard to telegraph poles, electric power, and so on, along the railways, does not contain a limitation as to selling and disposing of them for use within the municipality without the consent expressed by by-law, of such municipality. We have inserted this section in order to make the required provision in this regard.

Bill reported, read the third time, and passed.

WINNIPEG WATER SUPPLY.

House in Committee on Bill No. 220, to enable the city of Winnipeg to get water outside the province of Manitoba.—Mr. Bradbury. (Mr. Deputy Speaker in the Chair.)

On section 1—power to get water outside of Manitoba:

Mr. ROGERS: This is a Bill prepared by Judge Robson, now Utilities Commissioner for the province of Manitoba, for the purpose of taking the water from Shoal lake, a portion of which is within the province of Manitoba and a portion of which is within the province of Ontario. By reason of the fact that the lake is situated in both provinces it was found necessary to have this Bill. A similar Bill relating to the city of Ottawa was passed by this House the other day. The Bill has been very carefully prepared, it was presented to the Senate by Senator Young and passed by that House. It has passed the Private Bills Committee of this House. The city of Winnipeg has obtained its domestic water supply from artesian wells, but these have not been found sufficient for a great and growing city and it is now desired to bring water from this lake. There is no objection from the Government of Ontario.

On section 7—application of sections of Railway Act:

Mr. OLIVER: What are these provisions of the Railway Act?

Mr. AIKINS: They relate to the expropriation of land through which the conduit may be carried. The purpose is to modify the Railway Act to such an extent as to make it applicable. So instead of Minister of Railways it says Minister of Public Works. The expropriation which is provided for of course calls for compensation.

Mr. OLIVER: It would seem to me that the legislation of this Parliament would hardly be sufficient under the circumstances.

Mr. AIKINS: Under the British North America Act any work extending from one province into another or connecting two provinces necessarily comes within the jurisdiction of this Parliament. The works authorized by this Act refer specifically to taking water from Ontario.

Mr. McKENZIE: This is not the kind of work that is contemplated by the British North America Act. I am not objecting to the Bill, but merely pointing out that this is a case where we may be taking the property which belongs to the province of Ontario, or the property of some individual. I submit that the Government of the province of Ontario should be consulted in some way as to this Bill.

Mr. LANCASTER.

Mr. ROGERS: The province of Ontario had due notice of this Bill, and it has been before the Senate and advertised in a public way for some weeks. I know that the Government of the province of Ontario have had full knowledge of it, and there is no objection from any quarter. This lake is in an outlying district, and the Bill cannot affect or disturb anybody.

Mr. McKENZIE: The minister's statement does not cure the point of law I am making. I do not know what view the Government or the people of Ontario may take of it, but the water of that lake is as much the property of Ontario as part of a forest or a deposit of minerals would be.

Mr. BRADBURY: There seems to be some misunderstanding. This Bill does not provide for the taking of water from any special place. It provides for getting water from waters that are under the control of the Parliament of Canada. It does not provide for going into Ontario or any other province. If they do go into Ontario and take water, they will certainly have to make an arrangement with the Ontario Government. This Bill is only to give the city of Winnipeg power to take such waters as are under the control of the Parliament of Canada; it does not specify any lake.

Mr. CARVELL: Does it provide for expropriation?

Mr. ROGERS: Yes.

Bill reported, read the third time, and passed.

THIRD READINGS.

Bill No. 202, respecting the Toronto Terminal Railway Company.—Mr. Currie.

Bill No. 166, for the relief of Archie Blaustein.—Mr. Fripp.

Bill No. 205, for the relief of Mary Arabella Young.—Mr. Schaffner.

METROPOLITAN MORTGAGE AND LOAN CORPORATION.

Consideration of amendment made by the Senate to Bill No. 92, to incorporate the Metropolitan Mortgage and Loan Corporation—Mr. Meighen.

Mr. OLIVER: What is the amendment?

Mr. SPEAKER: Clause 32 was struck out of the Bill:

The company may have agencies in any places outside of Canada for the registration and transfer of debentures or other stock and for the transaction of any other business of the company.

And the following was substituted:

32. Tranfers of debenture stock may be left with such agent or agents in the United

Kingdom of Great Britain and Ireland, or elsewhere, as the company appoints for that purpose, for transmission to the company's head office for registration.

Amendment read the second time and agreed to.

SECOND READINGS.

Bill No. 214, respecting the Hudson Bay Insurance Company—Mr. Knowles.

Bill No. 215, to incorporate the Roman Catholic Episcopal Corporation of Mackenzie—Mr. Proulx.

Bill No. 216, to incorporate the Ruthenian Greek Catholic Episcopal Corporation of Canada—Mr. Macdonell.

Bill No. 218, respecting the Empire Life Insurance Company of Canada.—Mr. Macdonell.

Bill No. 217, to incorporate The Canadian Northwestern Railway Company—Mr. McKay.

Bill No. 219, respecting the Casualty Company of Canada—Sir Edmund Osler.

Bill No. 223, to vest in the Van Buren Bridge Company the charter rights of the Restigouche and Western Railway Company, to construct and maintain a railway bridge over the St. John river—Mr. Carvell.

Bill No. 227, respecting the Western Canada Accident and Guarantee Insurance Company—Mr. Macdonell.

SUPPLY.

House in Committee of Supply.

River St. Lawrence ship channel, $894,000.

Mr. LEMIEUX: Please explain this item.

Mr. HAZEN: This item is for the maintenance and operating of the dredging fleet. It is made up as follows:

6 elevator dredges with tugs at $45,000..	$270,000
1 new steel elevator rock dredge or tug	45,000
1 new steel elevator rock dredge with tug under construction (expected to be ready for next season)	45,000
1 new self-propelling steel elevator dredge with tug (being built by contract) half season..	25,000
1 hydraulic dredge with two tugs	118,000
2 suction hopper dredges, 1 tug and 1 self-propelling hopper barge.... ..	150,000
2 dipper dredges with tugs at $40,000..	80,000
2 inspection and sweeping tugs at $18,000..	36,000
2 stone lifters and 1 floating shop.. ..	15,000
1 rock cutter..	10,000
Fleet generally: Amount for outfitting, docking and providing of extra parts for dredging fleet, including the necessary improvements to fleet..	100,000

The increases over last year art accounted for by the fact that we expect there will be two more tugs in commission.

Mr. LEMIEUX: Is this under the direction of the department or of the harbour commission?

Mr. HAZEN: It is under the direction of the department. The engineer in charge is Mr. Forneret.

Mr. LEMIEUX: I should like my hon. friend to give me some data as regards the dredging in the sections between Montreal and Quebec and below Quebec.

Mr. HAZEN: It is estimated that the total number of cubic yards to be removed in the north channel below Quebec, to obtain a channel thirty-five feet in depth at extreme low tide and 1,000 feet in width, amounts to 16,153,173 cubic yards. Of this amount 2,211,000 cubic yards have been dredged up to September 28, 1912, there remaining 13,942,173 cubic yards yet to be dredged. With the present plant consisting of the dredges, Beaujeau (No. 8) and Galveston (No. 9), it will take about eight months more to complete the work. As the shipping interests are very anxious that the work should be completed in a shorter time, it will be necessary to acquire an additional powerful dredge to expedite the work. We are asking for an appropriation for one.

Mr. LEMIEUX: As long as my hon. friend gets the valuable services of Mr. Forneret, the country is safe in his hands. He is well informed and he gives general satisfaction to the public. In connection with this channel below Quebec, do the Government intend to dredge what is called the north channel? There is the usual channel which is followed by the pilots at present, but for many years I have heard from captains and pilots that the north channel along the north coast of the river St. Lawrence is much preferable to the other.

Mr. HAZEN: We intend to dredge that and we are dredging it. We have heard from shipping people, from our engineers and others, that the right thing is to dredge that north channel, because it makes a much safer approach. It is the north channel down to Quebec and along the north shore of Grosse Isle. Some 2,000,000 odd cubic yards have been removed, and about fourteen million cubic yards remain to be dredged. That is what the extra dredge is required for.

Mr. LEMIEUX: What about the Traverse? Is there anything new this year?

Mr. HAZEN: We have a new light ship at Traverse, which is one of the most dangerous spots in the river below Quebec.

Lighthouse and coast service— salaries and allowance to lightkeepers, $450,000.

Mr. KYTE: I desire to call the attention of the Minister of Marine and Fisheries to

certain dismissals in the lighthouse service made in the county of Richmond during the last year. Mr. Duchemin, the gentleman entrusted with making recommendations for dismissals, has become emboldened no doubt by the encouragement he receives from the minister. From time to time during the present session, as well as during the last session the attention of the House has been called to the absolutely unfair and unjustifiable recommendations which have been made by Mr. Duchemin for the dismissal of public officers throughout the province of Nova Scotia. As I have said, owing to the defence made for him on the floor of this House by the ministers and their supporters, he is keeping the even tenor of his way, and is becoming less and less disposed to observe the ordinary rules and principles of fair play which characterizes the lowest and most inferior courts in the land. I have here the papers with regard to the dismissal of Mr. Michael O'Brien, keeper of the light at Bear island. Mr. O'Brien received notice to appear before Mr. Duchemin to answer to the charge of political partisanship, and that notice is as follows:

Mr. Michael O'Brien,
Bear Island, N.S.

I beg to notify you that I have been instructed by the Minister of Marine and Fisheries, to investigate the charge of political partisanship, that has been preferred against you, for acts committed while you were in the employ of the Dominion Government, in the capacity of lightkeeper.

The investigation will be held in Edward Malcolm's house, at Port Malcolm, N.S., on Thursday the 20th day of February, 1912, at two o'clock in the afternoon, when you are requested to be present, and to have any witnesses there who can testify in your behalf.

Dated, Sydney, N.S., the 17th day of February, 1913.

H. P. Duchemin.
Commissioner of Inquiry.

This notice, it will be observed, requested the attendance of Mr. O'Brien at Port Malcolm for the purpose of answering the charge. But instead of Mr. Duchemin holding the court at Port Malcolm upon the day fixed by him, he held court eight miles away in another county, and of the holding of that court Mr. O'Brien had no notice. Yet Mr. Duchemin proceeded to investigate the charges as if Mr. O'Brien had been properly summoned before him. I have here the affidavit of Mr. O'Brien setting forth the facts:

I, Michael O'Brien, of Bear Island, in the county of Richmond, and province of Nova Scotia, lightkeeper, do solemnly declare that:

1. The paper writing hereto annexed marked 'A' was not received by me until about the hour of four o'clock in the afternoon of Saturday the 22nd day of February, 1913——

That is the notice calling upon Mr. O'Brien to appear before the commissioner for investigation:

——and this was the first and only notice I ever received that any charge of political partisanship had been preferred against me, or that any investigation would be held in Edward Malcolm's house at Port Malcolm or elsewhere at which I was requested to be present or in which I was interested; but about two o'clock on Saturday afternoon of the 22nd day of February 1913, I heard it rumoured at Port Malcolm that such an investigation was being held that afternoon at the Farquhar house in Port Hawkesbury, but I had no official notice or information at any time that such investigation was being held at said Farquhar house, it was impossible for me to get there in time to defend myself against the charge.

2. On Saturday the first day of March, 1913, I was told that there had been an investigation held or some evidence taken against me by Mr. Duchemin on the 27th day of February, 1913, at the Farquhar House in Port Hawkesbury; but I had no official notice or information at any time previous to said first day of March, 1913, that such investigation would be held or evidence would be taken on said 27th day of February, 1913, or at any time.

3. Since my appointment as lightkeeper I have not committed any act of political partisanship; and I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidenec Act, 1893.

Michael O'Brien.

Declared before me at Port Hawkesbury, in the county of Inverness and province of Nova Scotia this 12th day of March, A.D. 1913.

G. Ormond Forsyth, a notary public in and for the province of Nova Scotia.

I have here the record of the hearing and dismissal which I obtained from the Marine and Fisheries Department. On the file there are letters as follows:

Port Malcolm,
January 12, 1912.

Hon. F. D. Monk.—

Dear Sir:—

As I am an old Tory for the last thirty years and I have stood by the party when they have lost and when they have won, and I think that the party that I have stood by should help me out, so I would like for you to use your influence in my behalf in procuring me the keeping of the lighthouse on Bear Island Point, now kept by a young man by the name of Michael O'Brien a strong Liberal as he worked hard for his party at the last election. I applied for the lighthouse when it was under construction some six years ago but as I was not of the party my application was not looked at. Hoping you will do the best you can for me, and that you are enjoying good health and that you may enjoy a prosperous New Year, I remain,

Yours respectfully,
(Sgd.) W. J. Malcolm,
Port Malcolm, Richmond Co., C.B.

Ottawa, January 23, 1913.

Dear Sir:—

Your undated letter addressed to the Hon. Mr. Monk, asking that you be given the office of keeping the lighthouse at Bear Island Point, has been transferred to me by the Minister of Public Works.

In reply I beg to say I am not aware of a vacancy existing at this Point at the present time, nor have any charges been preferred against the present keeper. I will, however, have your name noted for further consideration.

Yours truly,

W. J. Malcolm, Esq.,
Port Malcolm,
Richmond, Co., C.B.

Then follows another letter from Mr. Malcolm:

Port Malcolm, Jan. 29, 1912.

J. D. Hazen.

Honourable Sir,—Your letter of January 23 is at hand, with the thanks for recognizing my application. I beg to say that the present lightkeeper is a young unmarried man and a strong supporter of the Laurier Government as he worked hard for that party on the 21st of September and, as you are aware, Hon. G. W. Kyte was elected, and it was through his influence that he got the keeping of the light. And, as I am the oldest Tory in this end of the section and have never voted any other way, nor my father before me, and my left arm is disabled, I concluded to make an application to the department for the office, for I feel convinced that the Conservatives will be in power for quite a number of years. Hoping that you may enjoy a properous New Year and many of them.

I remain, Hon. Sir,
Your obedient servant,
W. J. Malcolm,
Port Malcolm, Richmond county, Cape Breton.

Mr. Malcolm is entirely mistaken as to the time Mr. O'Brien was appointed lightkeeper. He was not appointed on my recommendation, but was given the light several years before I became the representative of the county. Here is a letter from Mr. Gillies:

Hon. J. D. Hazen,
Minister of Marine and Fisheries,
Ottawa.

Dear Sir,—A complaint has been lodged with me against Michael O'Brien the keeper of the Bear Island lighthouse for political partizanship at the recent election. The complainants are Mr. W. J. Malcolm and Michael Morgan both living near Bear Island and who state that they are prepared to fully prove the charges. Besides themselves they give the names of other witnesses and I would respectfully ask that this matter be immediately referred to Commissioner Duchemin for investigation.

Yours very truly,
J. A. Gillies.

To that letter the following reply was sent:

30th December, 1912.

Sir,—I enclose copy of a letter from Mr. J. A. Gillies, barrister, Sydney, N.S., addressed to the Minister of Marine and Fisheries, in which charges of political partisanship are preferred against Michael O'Brien, keeper of the light on Bear Island, Richmond county, N.S.

I have to request you to inquire into this matter and report thereon for the information of the Minister of Marine and Fisheries.

I am, Sir,
Your obedient servant,
(Sgd.) A. Johnston.

This is a letter from the Minister of Marine and Fisheries to Mr. Gillies, dated December 30, 1912:

30th December, 1912.

Dear Sir,—I have yours of the 21st instant, in which charges of political partisanship are preferred against Michael O'Brien, keeper of the light on Bear Island, Richmond county, N.S.

This matter has been referred to commissioner Duchemin for investigation.

Yours faithfully,
(Sgd.) J. D. Hazen.

I pointed out that Mr. O'Brien was summoned to appear before Mr .Duchemin to answer to the charge of political partisanship at Port Malcolm, in the county of Richmond, on February 20, 1913. Mr. O'Brien did not receive his notice until February 22, 1913, and, in addition to his not receiving notice in time to appear before Mr. Duchemin, the extraordinary feature of the matter is that Mr. Duchemin changed the place where the investigation was to have been held, and where O'Brien was notified to appear, to Port Hawkesbury, a point eight miles distant from Port Malcolm, and the investigation was there held by Mr. Duchemin without giving O'Brien an opportunity to appear, because O'Brien received no notice to appear at that place. I have before me the report which was sent by Mr. Duchemin to the Department of Marine and Fisheries, upon which Mr. O'Brien was dismissed. In the earlier period of Mr. Duchemin's investigation of these charges, he always forwarded a copy of the evidence which was taken before him to the several departments which had instructed him to hold the investigations, and when the papers were moved for, not only Mr. Duchemin's report, but the whole of the evidence was available. It would appear, however, that Mr. Duchemin has profited by experience, and he is not now forwarding copies of the evidence upon which he bases his report for dismissals. It would be perfectly obvious, upon a comparison of Mr. Duchemin's findings with the evidence upon which he based them, that his recommendations had not been justified by the evidence. Mr. Duchemin, therefore, has not recently

been forwarding the evidence at all, so that persons interested in ascertaining whether or not the dismissals are justified by the evidence have to be satisfied with Mr. Duchemin's report and his summary of the evidence. Here is a copy of Mr. Duchemin's report with regard to this inquiry:

Sydney, March 3, 1913.

Hon. J. D. Hazen, M.P.,
Minister of Marine and Fisheries,
Ottawa.

Re Michael O'Brien, lightkeeper, Bear Island, Nova Scotia.

Dear Sir,—On the 22nd ult., I took evidence at Port Hawkesbury in the matter of the charges of partisanship against Michael O'Brien, lightkeeper of Bear Island, in the county of Richmond, N.S.

It must be borne in mind that O'Brien was summoned to appear before Duchemin at Port Malcolm, and Mr. Duchemin commences his report by stating that he held the investigation at Port Hawkesbury. He says:

Mr. O'Brien was duly notified of the time and place of his investigation, but he did not appear thereat.

If the notice had been lost, or if Mr. O'Brien had been unable to produce it, I have no doubt that hon. gentlemen sitting on the other side of the House would be fortified with a declaration from Duchemin or from somebody else that Mr. O'Brien had been summoned to appear before him at Port Hawkesbury, but in view of the original notice signed by Mr. Duchemin, which I have read to the committee, the proof is here that O'Brien had been notified to appear at Port Malcolm. He says further:

Michael Morgan, who is a fisherman and farmer living at Bear Island, testified that he has known Michael O'Brien for the past thirty-three years. He stated that in the Dominion election of 1908, on nomination day, Mr. O'Brien took the only boat there was belonging to the lighthouse at Bear Island, and went to Arichat to attend nomination proceedings. Witness stated that he was away for the day, and night, and was unduly detained by a gale of wind which prevented him from returning in the boat which he had taken with him. He returned to Bear Island by the steamer Percy Cann. Witness was with Mr. O'Brien during the period referred to. In the provincial elections in June, 1911, witness was agent in the poll at Port Malcolm for Mr. McVicar, one of the Conservative candidates for Richmond county. Mr. O'Brien was a voter in that poll. Witness stated that he voted in the poll, and gave the following account of Mr. O'Brien's conduct on that occasion: 'He came into the booth, and it was very evident from the way he acted that he was angry. He stood up by the presiding officer, and told him he was one of the officials in the Government employ, and that he wanted the presiding officer to mark his ballot for him, and he openly called out the name of the candidate he wished to vote for. Mr. O'Brien can read and write. Robert Malcolm was poll clerk, and he made an entry in the book of how Mr. O'Brien voted. Robert Proctor was presiding officer. He did not want to mark the ballot for Mr. O'Brien, as he did not think it was legal. Mr. O'Brien insisted, and at last the presiding officer marked the ballot for him, and the entry was made in the poll book by the clerk.

Margaret Malcolm testified that on the day of the provincial election in June, 1911, Michael O'Brien passed along the road, opposite her house, going towards the polling booth at Robt. Proctor's. One Alex. Malcolm, a neighbour of Mrs. Malcolm's, went to his gate, and asked Mr. O'Brien how the election was going. Mr. O'Brien thereupon used some strong language with regard to the Conservatives. He said: 'When the Tories were in before, they did us no good, and if they get in now they'll ruin us. Certainly the Liberals will go in.'

From the evidence given by the witnesses above referred to, I beg to submit the following findings:

It is significant that in his report Mr. Duchemin does not furnish the evidence, but he leaves it to be inferred, from the language of his report, that the words used by O'Brien justified his dismissal.

According to witness, he said. When the Tories were in before, they did us no good, and if they get in now they'll ruin us. Certainly the Liberals will go in.

From the evidence given by the witnesses above referred to, I beg to submit the following findings.

There you have the whole of the evidence, according to Mr. Duchemin's report. He says that O'Brien went to the nomination proceedings at Arichat, in common with a great many other people on both sides of politics. He says that O'Brien went to the polling booth to vote, and asked the presiding officer to mark his ballot, and that he stated that the Liberals would get in. Upon this report, Mr. Duchemin finds as follows:

1. Michael O'Brien left Bear Island and took away the only boat belonging to the lighthouse, and went down to Arichat and attended nomination proceedings, being absent for a day and night from his lighthouse.

2. On the day of the provincial election, held in June 1911, Mr. O'Brien, although a perfectly literate voter, called out in the polling booth the name of the candidate for whom he intended to vote, and insisted upon the presiding officer openly marking his ballot for him, stating that he was claiming to have this done, because he was a Government official.

3. Mr. O'Brien used offensive partisan language on election day in the presence of Mr. Alex Malcolm, a voter at Port Malcolm.

4. Mr. O'Brien has thus offended against the rule of the department prohibiting employees from taking part in elections, and

has also been guilty of offensive partisanship.

I have the honour to be, Sir,
Your obedient servant,
(Sgd.) H. P. Duchemin,
Commissioner of Inquiry.

Upon that report, the following Order in Council was passed:

Certified copy of a report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 19th March, 1913.

The Committee of the Privy Council on the recommendation of the Minister of Marine and Fisheries, advise that the Order in Council of 7th December, 1906, appointed Michael O'Brien keeper of the light on Bear Island, Nova Scotia, be cancelled and the services of Mr. O'Brien dispensed with owing to political partisanship, to take effect from the time he is relieved from duty.

(Sgd.) Rodolphe Boudreau,
Clerk of the Privy Council.

The following letter was written by the Minister of Marine and Fisheries to Mr. J. A. Gillies.

March 25, 1913.

Dear Sir:—

Referring to charges of political partisanship made against Mr. Michael O'Brien, lightkeeper, Bear Island, I beg to inform you that I find that these charges have been sustained.

Would you please be good enough to forward me the name of a suitable successor to Mr. O'Brien, having him fill in and supply the certificates required by the attached form.

The salary allowed at this station is $320. per annum, rising by annual increments of $15 to a maximum of $380 with an allowance of $25 per annum for the operation of a hand fog horn.

For your information I may state that one, Mr. W. J. Malcolm, Port Malcolm, Richmond county, has applied for the keepership of this light.

Yours faithfully,
(Sgd.) J. D. Hazen.

J. A. Gillies, Esq.,
Barrister, etc.,
Sydney, N.S.

Mr. W. J. Malcolm was thereupon appointed keeper of the light. Apart altogether from the circumstance as to whether or not the evidence given by the witnesses at the investigation was sufficient to justify Mr. O'Brien's removal from office, there is the fact that Mr. O'Brien had no notice whatever of any charges having been made against him or of any intended investigation until two days after the date of that inquiry. There is the second fact that Mr. Duchemin changed the place where the inquiry was to be held and held it at a point eight miles distant from Port Malcolm. So that Mr. O'Brien had not the slightest notice and he could not possibly have been there even if the notice had been received in time. From this it is perfectly evident that Mr. Duchemin has one object only in holding these inquiries and that is to secure the dismissal of the official charged. I would submit that it would be very much better if the Minister of Marine would take the responsibility of dismissing these men from office the moment a heeler of his own party applied for the position and thus save the country the expense which is being incurred from day to day by Mr. Duchemin in holding these farcical investigations. It was disclosed by the hon. member for Guysborough this afternoon that up to the present time Mr. Duchemin has received over $6,000 for his services as commissioner to investigate these charges of political partisanship. I say that expenditure is a gross and indefensible waste of public money. No matter what evidence may be given, no matter how innocent a person may be who is charged with the offence, he is going to be dismissed anyway, and if the Minister of Marine thinks he is relieving himself from responsibility by sheltering himself behind the report of Mr. Duchemin when he makes these dismissals he is making a great mistake. I have heard unfavourable criticsm made of the Postmaster General in respect of the dismissals he has been making in Nova Scotia. I say that many of the dismissals made by the Postmaster General are absolutely indefensible, but I admire the courage of the Postmaster General in taking the responsibility for his conduct. Whenever a charge of partisanship is made the Postmaster General takes the responsibility of making the dismissal and in so doing, at all events, he does not put the country to the unnecessary, useless expense of paying for a commissioner to investigate the charges. I think that the Minister of Marine, during the whole record of gruesome and blood-thirsty dismissals which have taken place in Canada in the last eighteen months, has been the worst offender in the Government. I do not desire to be offensive to the minister, and I have no doubt the minister rather rejoices in the fact that he has brought about more dismissals in certain parts of Nova Scotia than any of his colleagues, but I say that, notwithstanding the attitude of apparent fairness and desire to be impartial which he assumes in this House, he is more deserving of censure on account of indefensible dismissals brought about in his department than any other minister. If these investigations are to be of any value, if the country is to receive any value for money which is being paid to Mr. Duchemin, surely it is only by reason of the investigations being fair, of there being some attempt to be decent and to allay public suspicion that Mr. Duchemin is only a tool,

an instrument for the purpose of bringing about dismissals which are bound to come anyway.

There is no circumstances in connection with this dismissal of Mr. O'Brien that can be justified for a moment. Mr. O'Brien did not receive a notice of the investigation until two days after the date of the investigation; the investigation was held at a place eight miles distant from the place where he was summoned to appear and therefore he had no opportunity whatever of appearing before the commissioner.

It has been disputed by hon. gentlemen opposite as to whether the statement which has been made by hon. gentlemen on this side is correct that Mr. Duchemin is not allowing counsel to be heard on behalf of persons charged. That is a small matter, grave as it is, compared with the fact that men are taken unawares, are sent notices which are absolutely deceptive, are given notices which are intended to deceive them and to render it absolutely impossible for them to be present at the inquiry. If Mr. O'Brien had been present at that inquiry, although I submit it would not have availed in the mind of Mr. Duchemin, he would have had the satisfaction of going upon the witness stand and pointing out the respects in which the evidence adduced against him was absolutely without foundation. As a matter of fact, Mr. O'Brien was not the agent of the Liberal candidate in the last provincial election. He has not been an agent for any candidate either before or since his appointment to office, so far as I am aware. The fact that Mr. O'Brien went into the poll on election day and asked the presiding officer to mark his ballot would no doubt have been explained had an opportunity of appearing before Mr. Duchemin been given him. So I say, in view of all the circumstances, that Mr. O'Brien's dismissal is one of the most dastardly and indefensible dismissals in the province of Nova Scotia in eighteen months—and there has been a record in Nova Scotia of which neither Mr. Duchemin nor the Minister of Marine ought to be proud.

What is my object in bringing this matter before the committee? I certainly do not expect that the minister will reinstate Mr. O'Brien. Should the minister grant another inquiry, and give Mr. O'Brien another opportunity to appear before Mr. Duchemin, the commissioner would no doubt so garble the testimony as to make an apparent justification for his dismissal and the only result would be that another $30 or $40 of Government money would find its way into his pocket. My purpose in bringing this matter before this committee is to give publicity to the infamous manner in which these investigations are being held. For fifteen years the Liberals were in power in this country and only in two cases were there dismissals for political partisanship in the county of Richmond and these dismissals were made after inquiry, not by a political partisan but, as is well remembered, by a commissioner appointed by the late Government to make inquiries into political partisanship in Nova Scotia, a gentleman who held a high position in the public service of this country, who had had very long experience in holding judicial inquiries. I refer to the late Captain Douglas. No one would dare to attempt to influence Captain Douglas as to the decision he ought to give to any inquiry before him and, as a matter of fact, I know many instances where inquiries were held before him and he dismissed the charges of partisanship alleged against the official. Never in the history of Canada have there been so many dismissals as have been made in all the departments of this Government since they came into power. This afternoon the hon. member for Halton proceeded to read a lecture to members from Nova Scotia for the time they were taking up in discussing the matter of dismissals in that province. He said it was a disgrace to the province of Nova Scotia. I quite concede it is a disgrace to the province of Nova Scotia, a bitter disgrace to the Government which the hon. member supports so loyally. If there is any person disgraced and degraded before the country in respect of these dismissals it is not the unfortunate office-holder who has been hounded to death since the change of Government in order that his position might be given to a partisan; the disgrace lies at the doors of the members of this Government who countenance these unfair dismissals and will resort to the subterfuges to which they do resort in order to bring them about. On another occasion, when discussing the question of dismissals in this House during the present session, I read the declarations of the Prime Minister as to what the rights of an official were with regard to participating in public discussions. The right hon. gentleman stated that public officials had the right not only to attend public meetings but to speak at public meetings provided they did not give offence to any person in the community. But, like every other principle which the right hon. gentleman espoused when he was in office, it has been cast to the winds, and, with every colleague he has in the Government, he has degenerated to the very lowest depths to accomplish the ruin of officials who have been public servants during the last fifteen years. On other occasions during this session, we have had cries of sympathy from hon. gentlemen opposite. When complaint was made in this House that a man named Andrew

Landry had been improperly released from jail in order that he might enjoy the emoluments of public office, the defence was that he had a large family, and that it was a most cruel thing for him to be kept in jail. The hon. Minister of Marine and Fisheries and the Minister of Justice both declaimed against hon. gentlemen on this side of the House on the ground of their hard-heartedness in seeking to have this man Landry kept in jail to serve out his sentence, when a family depended on him. But 75 per cent of the men who have been ruthlessly driven from office have large families depending on them. They are men who gave up whatever employment they previously had to accept employment under the Government, and they have been turned out of public office without any means of livelihood. The sympathy and charity of hon. gentlemen opposite are only to be extended to Tories who are seeking office, or who are seeking liberty from the public jails. There is no sympathy to be shown for the official who happens to have been appointed by a Liberal, but if he has been guilty of voting for or has been suspected of voting for a liberal candidate, he must be cast to the winds, and their own heelers must be given the position. I am anxious to hear what defence the Minister of Marine and Fisheries has for the dismissal of Mr. O'Brien, in view of the circumstances which I have stated, and in order to give the minister an opportunity of making a defence I shall give the floor to him, and continue my remarks later on.

Mr. HAZEN: My hon. friend has worked himself into a fine state of frenzy over this matter. He has used a wonderful vocabulary of adjectives. 'Gruesome,' 'blood-thirsty,' and other adjectives of the most extraordinary character have been indulged in by the hon. gentleman—adjectives which I think are entirely misplaced. What are the facts in connection with this matter? The facts are that charges were made to the Marine and Fisheries Department to the effect that this man occupying a Government position, had been an active partisan in recent elections in the province of Nova Scotia. Mr. Duchemin, who was the commissioner appointed to investigate charges of that sort in the eastern part of the province of Nova Scotia, had this matter referred to him for inquiry. Mr. Duchemin, after inquiry, submitted his report to the department, and in that report, which is the only matter we have on record with regard to it, Mr. Duchemin states that Mr. O'Brien was duly notified of the time and place of examination, but that he did not appear thereat. That is the only statement we have with regard to the investigation. It is the statement of the commissioner appointed and sworn to do his duty, and that commissioner states most emphatically that Mr. O'Brien was notified of the time and place of investigation, but that he did not appear thereat. Now, it is a very strange thing to me, if that investigation was held, as it was held away back in the month of February last, that no communication of any sort was ever addressed to the department by Mr. O'Brien, or by anybody acting on his behalf, stating that he was not notified of the time and place of examination and had no opportunity of attending, if such were the case.

Mr. KYTE: Mr. O'Brien immediately sent me a copy of his declaration, and I moved for the papers, and I got them only a short time ago.

Mr. HAZEN: That is no answer to the statement I made. I say it was a surprising thing, if my hon. friend is correct in saying that O'Brien was not properly notified of the time and place of investigation, as Mr. Duchemin says he was, that after all these months had elapsed, no communication was addressed to the department stating that he had not been notified.

Mr. KYTE: Does the minister say that O'Brien committed perjury when he made this declaration ?

Mr. HAZEN: My hon. friend had better not get excited.

Mr. KYTE: I am not excited at all.

Mr. HAZEN: He is the most excited man I have seen in the House this year ?

Mr. KYTE: Nothing of the kind.

Mr. HAZEN: I repeat to my hon. friend that it is a most extraordinary thing—I repeat it for the third time—if that statement of Mr. Duchemin's that O'Brien had been notified of the time and place of examination, is not true, and Mr. O'Brien was not notified of the time and place of examination, that all those months should have elapsed without any representation having been made to that effect to the department. My hon. friend says he moved for the papers. That is no answer to what I have said. He moved for the papers which were in the department, and they were brought down. Every paper bearing on the matter was brought down, and there is nothing in those papers showing that any complaint was ever lodged with the department claiming that Duchemin's statement that he had notified O'Brien of the time and place of examination was an untrue statement, or declaring that O'Brien had not been so notified. I agree at once

that if he was not notified, it was a most improper proceeding, and I further say that if he was not notified, and if in that report, Mr. Duchemin was stating what was untrue, and deceiving the department, it was a most improper proceeding, and one not worthy of an official occupying the position of commissioner under the Act. But all that we have on our official record is that statement of Duchemin that O'Brien was notified of the time and place of the investigation, and until there is satisfactory evidence to show that that statement is not correct, I think it is my duty to stand by that statement made by Mr. Duchemin in the official report which he made to the Department of Marine and Fisheries. I must accept and stand by this man who was appointed by the department to act as commissioner until the contrary is shown, as I shall stand by any official of the department until it is shown that he is not worthy of confidence. The investigation was held, and it was shown that O'Brien was a lighthouse keeper who was interested in an election, that he attended the nomination meeting, that he was away all day and night, and did not return to his lighthouse until the following day. That is stated in the evidence by a man named Morgan, a fisherman-farmer living at Bear Island. It is further shown that Mr. O'Brien was a voter in the provincial election of 1911, and under the rule laid down by the right hon. the leader of the Opposition, interference in a provincial election is just as much a cause for dismissal as interference in a Dominion election. It is shown that in the provincial election of 1911, after the Dominion election, O'Brien went to vote, and that although he was able to read and write he insisted on having his ballot marked by the returning officer. What could his purpose be in doing that? He wanted to show his zeal on behalf of the cause of the party he was supporting, what a keen and active partisan he was, and what a keen part he was taking in the elections. Then we have the further statement, that he also talked in strong language in regard to the Conservatives. According to one witness, he said: 'When the Tories were in power they did us no good, and, if they got in now they will ruin us. Certainly the Liberals will get in.' The one statement may have been correct from a certain standpoint, but he was not a good prophet with regard to the other. If that statement is correct, and Duchemin says that is the evidence before him, I ask any hon. gentleman if that is not sufficient to justify O'Brien's dismissal on the ground of offensive partisanship. No hon. gentleman will contend that it is not, and having that report made by an official appointed for the purpose of investigating this matter, and no report having been made to the department that there was anything wrong with regard to it, I was amply justified in taking the course I did, in recommending O'Brien's dismissal. My hon. friend has referred to the fact that in the province of Nova Scotia under Liberal rule men were not turned out of office in this way. In the county of Queens and Shelburne, far more Dominion officials were dismissed from office after the election of 1896 than have been dismissed since the election of 1911, although there were not so many officials in the county at that time. My hon. friend from Richmond further referred to the fact that the Liberals appointed an official to hold these investigations—Mr. Bloomfield Douglas. In the province of New Brunswick they did not appoint an official; they appointed a lawyer in the city of St. John, a gentleman, I suppose, having a standing at the bar similar to that of Mr. Duchemin, or Mr. Knowles, or the other gentleman who have been conducting investigations of this kind. Mr. Bloomfield Douglas may have held some investigations but he was not the only commissioner in the province of Nova Scotia appointed for that purpose. I have been informed that in the province of Nova Scotia two other gentlemen, Mr. Bill and Mr. Ross, lawyers practising in the city of Halifax, were appointed to hold investigations and did hold investigations in the province of Nova Scotia. So, my hon. friend is not correct when he says that these investigations were held by officials of the Government because others were appointed just as Mr. McAlpine was appointed in New Brunswick and as other gentlemen were appointed in other parts of the province. All I can say is that I accept the statement of Mr. Duchemin as a correct report of what occurred until the contrary is shown. The hon. gentleman makes the statement on the authority of a man who has been removed from office. I do not wish to say that that man is not telling the truth, but I will say that he is not an unprejudiced witness and that my duty is to accept the statement that Mr. Duchemin has made to the department without one word to the contrary until months have intervened and with no statement being made to the effect that the man was not properly notified until it is made by my hon. friend to the committee to-night.

Mr. KYTE: The Minister of Marine and Fisheries is inclined to set aside the statement of Mr. O'Brien as to the facts because he says he is not an unprejudiced witness. Very good, but I will remind him that in nine cases out of ten, where he instituted inquiries into charges of partisanship against officials, the witnesses were the men who were looking for their jobs and

trying to bring about their dismissal. Will the minister say that these were unprejudiced witnesses?

Mr. HAZEN: I will say that the statement that in nine cases out of ten the men who gave evidence were looking for their jobs is without foundation.

Mr. KYTE: I will say, speaking for my own county, that in nine cases out of ten the men who appeared as witnesses against officials charged with partisanship were the men who were seeking the offices held by these men and who got the offices afterwards. In seventy-five per cent of the cases the only witnesses called to give testimony were the men who were looking for the offices and who got the offices afterwards. If the evidence of Mr. O'Brien ought to be without weight in the opinion of the minister because he was a prejudiced witness, I ask the minister why he and his colleagues have been dismissing men from office on charges of partisanship when the only witnesses to appear against them were the men who were looking for their places?

Mr. HAZEN: I have not the evidence of O'Brien before me. I have no evidence of O'Brien, he gave no evidence and all we have is the ex parte statement which has been made by the hon. gentleman. All the witnesses who appeared before Mr. Duchemin were examined under oath.

Mr. KYTE: Why has not the minister the evidence?—because Mr. O'Brien was misled into going to a place eight miles away from where the inquiry was held, and yet the minister endeavours to make a point that he has not the evidence of O'Brien before him. How could he have the evidence of Mr. O'Brien when this fair-minded, non-partisan and highly-respected commissioner of his sent him off on a fool's errand eight miles away from where the court was being held? That is the reason why the evidence is not before the minister. It was absolutely impossible to get the evidence, and Mr. Duchemin well knew that when he sent O'Brien away on a fool's errand. W. J. Malcolm said: 'I have been a Tory for thirty years and I want a public office.' The minister, in view of the report of the dismissal of O'Brien, makes a statement which is tantamount to the well known declaration of the politician in the United States some years ago, that to the victors belong the spoils. That is the position of the Minister of Marine and Fisheries; we might as well understand it and the taxpayers of Canada might as well be saved the cost of paying Mr. Duchemin for any further investigations which he may be making. The minister says to the committee that there was evidence that this man used offensive language on the street to a voter. Who gave the evidence? It was the wife of the man who is now the lightkeeper. The two points upon which evidence has been given and which the minister seems to think is a justification for the dismissal could no doubt have been explained by O'Brien had he had an opportunity of appearing before the commissioner. Mr. O'Brien having voted openly, could have been explained, no doubt. I am not complaining so much about the dismissal of O'Brien but I am complaining of the farcical character of the investigation. Mr. Duchemin's conduct in holding investigations in Richmond county, and my experience is not limited to this case, has been such as to cast discredit upon any finding which he may make, and before the Minister of Marine and Fisheries gets his estimates through he will have more instances of the character of the inquiries which have been held. Then the minister endeavours to minimize the effect of the statement I made here to-night by stating that he has not the sworn testimony of O'Brien, whereas we have the solemn declaration of O'Brien, deposed to before a commissioner of the Supreme Court of Nova Scotia, to which is attached the original notice sent by Mr. Duchemin to Mr. O'Brien notifying him to attend for investigation at Port Malcolm on the 20th of February. Yet the minister says there is no evidence that Mr. O'Brien was not summoned to appear before the commissioner at Port Hawkesbury. I have sometimes admired the ingenuous manner the Minister of Marine and Fisheries has of getting around difficult points in the matter of the conduct of Mr. Duchemin, but it is apparent to the committee that the minister is driven to the last ditch in his effort to find an explanation for the report which Mr. Duchemin has made in this instance.

Mr. SINCLAIR: My hon. friend from Richmond (Mr. Kyte), has been pointing out a case in which a lighthouse keeper was dismissed on very slight evidence and a dispute has been going on between him and the Minister of Marine and Fisheries as to whether the evidence was sufficient or not. I can cite a case to my hon. friend where there was no evidence at all excepting a letter from the man who wanted to get the job. It is the case of the dismissal of Stephen C. Richards, of Charlos' Cove, in the county of Guysborough. Mr. Richards was a good officer, no complaint against him, and he was not a partisan in so far as I know. A letter was written by Mr. Alex. Richard, who wished to obtain the position held by Mr. Stephen Richards, to Mr. Rowlings, the defeated candidate in Guysborough, and Mr. Rowlings forwarded the letter of Mr. Richard to the Minister of Marine and Fisheries. The letter is as follows:

Mr. G. A. Rowlings,
Sydney, N.S.

Sir,—I beg to report that Mr. Stephen C. Richards now holding the office of lightkeeper of range lights at Charlos' Cove, county of Guysborough, N.S. has been an active Liberal partisan and was a worker for the Liberal candidate at the recent election in September, 1911, and I hereby request that he be immediately dismissed.

Yours truly,
(Sgd.) Alex. Richard,
per W. J. Murphy.

An illiterate man who is not able to sign his own name makes application through another man of the name of Mr. Murphy, and states that Mr. Stephen C. Richards is a partisan. The letter was sent to Mr. Rowlings, and Mr. Rowlings sent the letter to the minister. Mr. Rowlings' letter is as follows:

Hon. J. D. Hazen, M.P.,
Minister of Marine and Fisheries,
Ottawa.

Dear sir,—Referring to the above I beg to say that I am satisfied from inquiries that I have made that Mr. Stephen C. Richards, the present holder of this position, as stated by Mr. Murphy, is an active Liberal partisan and took an active part in the recent election. I would therefore recommend that the above request be granted and that Mr. Alexander Richard of Charlos' Cove, N.S., be appointed to the said position.

Yours truly,
(Sgd.) G. A. R. Rowlings.

The minister will see that the sole evidence on which he dismissed this official was a letter from a man who was expecting to get the appointment, and this letter was forwarded by the defeated candidate. In his letter, Mr. Rowlings recommends Mr. Alex. Richard, the man who makes the complaint, for the position. Then we have the reply of the minister to Mr. Rowlings as follows:

G. A. R. Rowlings, Esq.,
Sydney, N.S.

Dear Sir,—I am in receipt of yours covering recommendation of Alexander Richard that Stephen C. Richards now holding office of lightkeeper of range lights at Charlos' Cove, county of Guysborough, be removed from office.

I note your recommendation that Alexander Richard be appointed to the position. In view of your statement that you are satisfied from inquiries you have made that Mr. S. C. Richards is an active Liberal partisan, who took an active part in the recent election I will recommend that the change desired be made.

Yours very truly,
(Sgd.) J. D. Hazen.

There is no necessity for the committee to listen to disputes as to whether evidence has been taken or not, because there is no evidence here except a letter written by the man who wants to get the appointment himself. If a man can be dismissed on evidence like that, I submit to the committee that it is a farce to call these proceedings an investigation. Will the minister explain why he dismissed the lighthouse keeper at Charlos' Cove without any evidence whatever, and appointed in his place the man who complained against him?

Mr. HAZEN: Mr. G. A. R. Rowlings, who was a candidate in the county of Guysborough at the last election, enclose to the department a communication he had received from Mr. Alex. Richard, stating that Mr. Stephen Richards had been an active partisan and was working for the Liberal candidate during the recent election. Mr. Rowlings stated that he had investigated the matter carefully and was satisfied that the information was correct. On his statement, the order was issued a little later on to remove Mr. Stephen Richards from his position. I received a letter from my hon. friend (Mr. Sinclair) stating that he thought this was a mistake, and requesting that an investigation be held. At the request of my hon. friend, I ordered that investigation to be held. The investigation was not held as promptly as it should have been. My hon. friend, I think, early in the session, called my attention to the fact that I had given him my promise that an investigation would be held. I looked up the file and found that the department had instructed Mr. Duchemin to hold an investigation; I think that was towards the end of January last; but up to that time no report had been received. We instantly communicated with Mr. Duchemin; called his attention to the fact that orders had been issued by the department to hold an investigation, and asked him why he had not done so. We also ordered him to proceed to do so at once, if he had not already done so. I have under my hand the report of Mr. Duchemin which has been handed to me just now by the deputy minister. I did not see it before I came into the House and before two minutes ago, when my hon. friend commenced to speak. The report is as follows:

Sydney, N.S., May 15, 1913.

Hon. J. D. Hazen,
Minister of Marine and Fisheries,
Ottawa, Canada.

Re Stephen Richards, formerly lightkeeper, Charlos' Cove, Guysborough county, N.S.

Dear Sir,—

On the 13th instant, I conducted an inquiry into the complaints of political partisanship which resulted in the removal of Stephen Richards from the position of lightkeeper at Charlos' Cove, in the county of Guysborough, N.S.

The inquiry took place at Larry's River, Guysborough county, a short distance from the home of Mr. Richards. Due notice had been sent to Mr. Richards, of the date and

place of the hearing, and he was present throughout the hearing.

Alexander Richard, of Charlos' Cove, testified that he had been a voter in that place for 30 or 35 years, and had known Stephen Richard ever since he was a child. This witness described Stephen Richard as having been a strong party man and a worker on his side of politics, for many years past. Witness stated that he remembered the last Dominion election, and that on that occasion Stephen Richard spent a very considerable part of the day around about the polling booth at Charlos' Cove. He spent the day—or a considerable part of it—meeting and talking with voters as they came up to the poll to vote. Witness estimated that Mr. Richard was at least two or three hours outside the booth, occupied in the manner described. Witness was there for two or three hours himself, and saw Mr. Richard so occupied, and stated that when he (witness) left the poll, Stephen Richard was still on the ground, occupied in the same manner. Witness further went on to say that on provincial election day, he had known Stephen Richard to spend the day in the same manner outside the polling booth, interviewing and talking with voters, as they came up to poll their votes. He explained that on every election day for years past, it has been the practice of the workers on both sides of politics to station themselves outside and near the polling booth. Last election day, for instance, witness was present among the Conservative workers, and he stated that Stephen Richard was associated with the Liberal workers outside the booth. Witness further alleged that it was the custom for Stephen Richard to spend election day in the manner described—either at the poll at Charlos' Cove, or the poll at Larry's River—some two or three miles distant. Witness also stated that it is a custom in this district for both political parties to endeavour to have as many as possible of their supporters stationed outside the booth on election day, for election purposes.

On the conclusion of this witness' testimony, I asked Stephen Richard, who was present, if he wished to submit or suggest questions by way of cross-examination. He then asked witness if he knew of his having paid moneys for votes on any occasion. Witness replied that he did not.

Stephen Richard then gave testimony in his own behalf. After having been duly sworn as a witness, he admitted that he was around the poll at Charlos' Cove, but was inclined to question the statement of the witness that he had been there for upwards of three hours. In this connection, Mr. Richard said: I admit that I was around the poll at Charlos' Cove, but I don't think I was there for three hours. I don't think I was there more than two hours. Joe Hatch Richard gave me a drink of rum outside the booth—about a quarter of a mile from the booth, the afternoon of election day, I don't know whether that was election rum or not.

While witness claimed that he had not done any definite canvassing outside the booth on the occasion referred to, he did acknowledge that he had participated in political discussion outside the door of the booth, and that he had spoken up in the interests of the Liberals. As witness put it: I talked up my side outside the booth, but did not ask anyone to vote Grit last election day. Witness also admitted that he was outside the same booth last local election day, and that he had 'talked up his side,' outside the booth on that occasion. He would not state definitely that he did not canvass anyone, but stated that he 'did not remember asking anyone to vote for the Grit side.' Witness did not question the statement of Alexander Richard that it has been his custom for years past, to spend election day outside the booth in the manner described.

In the circumstances I do not think that there can be any question that Mr. Richard violated the rule of the department, prohibiting employees from taking part in elections. It has evidently been his custom for years past to leave the light and spend all, or a considerable part of election day, outside the polling booth at either Charlos' Cove or Larry's River, discussing politics and arguing from the point of view of the Liberal party. This is certainly improper conduct on the part of a public official, and in the circumstances I think amply warranted the action of the department in dispensing with Mr. Richard's services as keeper of the light, at Charlos' Cove.

I have the honour to be, Sir,
Your obedient servant,
(Sgd.) H. P. Duchemin,
Commissioner of Inquiry.

I may say to my hon. friend that I would have sent to him a copy of this at once, but I only received it now for the first time.

Mr. SINCLAIR: What does the hon. minister think of it?

Mr. HAZEN: It seems to me, if he admitted himself that his habit was to stand outside the polling booth on election day, discussing the elections and 'talking up,' as he put it, the Liberal party, that he must have been there for the purpose of helping the Liberal party and that he is a partisan.

Mr. SINCLAIR: Not at all. In a little village of that kind they all sit outside the polling booth on election day. My hon. friend knows very well how these elections are conducted. Surely it is not a political crime for a man to chat with his neighbours about the elections, when sitting outside the poll on a fine day. It is a little fishing village, and the day is a holiday for the people. Mr. Richards is an honest man; he tells the truth; he says they are talking about the election. He also says that he was not canvassing anybody.

Mr. HAZEN: He does not say that. He says: 'I talked up my side outside the poll.' What does that mean? I suppose that 'talking up my side' meant giving arguments why one should vote for 'my side.'

Mr. CARVELL: The hon. minister is not so innocent that he does not know what 'talking up my side' means. He has been long enough around polling booths to know all about it. In a country village, you have fifty or sixty neighbours who have come to the poll. Of course, they are talking election—what are they there for if not for that? And because an official goes to the poll and meets his neighbours, and they get into discussion about an election and the official says: I believe my side is right, is that any reason why the man should be dismissed? We are getting some light on this question to-night. I am very glad indeed to have the Minister of Marine and Fisheries give his answers as plainly as he has done. I have never taken a hand in this question of dismissals except a little talk with the Postmaster General very early in the last session. I am safe in saying that three-quarters of the officials in my constituency have been removed from office. I believe that every postmaster of an office with a salary of more than $100 a year has been dismissed, and I am safe in saying that all the customs officers except two or three have suffered the same fate. In one particular case, I got the evidence. I would like to say to the credit of the Minister of Marine and Fisheries—because he has been getting so many hard truths to-night that it would not do him any harm to give him a word of commendation—that in our province he has appointed a gentleman to hold these investigations. In my judgment his principal trouble in Nova Scotia comes from the character of the man—I will not call him a gentleman—who has been carrying on these investigations. If he had appointed a gentleman of the qualifications of Mr. Knowles who acted in New Bruswick he would not have had these difficulties, he would not have had member after member standing up and giving him statements which must shame him until he does not know what to do. I do not think the minister would want to justify such conduct as he has been compelled to justify here to-day. He has not been compelled to justify such conduct in his own province. There is not an instance brought up within the last two sessions in which we have been compelled to put my hon. friend in a position which he has been obliged, as he has been to-night, to defend conduct of this kind. I have referred to one case in which a man in my own constituency was removed from office. But the man had counsel; he was treated like a British subtish; every opportunity was given him to defend himself. The principal evidence against the man was that he was at the polling booth on election day. He was collector of customs, and his office was not more than five or six rods from the polling booth—just across the street. He was on the street and was seen speaking to myself.

Mr. HAZEN: That was suspicious.

Mr. CARVELL: Evidently it was regarded as worse than that—it was sufficient to remove him from office. But I want to say for Mr. Knowles, that he did not recommend the dismissal; he simply took the evidence and referred it to the department and the department made the dismissal. But in Nova Scotia, Mr. Duchemin seems to be the whole department, and not only the whole department but the whole Government. When they want a man dismissed they simply hand him over to Mr. Duchemin, and he does the job. If he cannot succeed by a fair trial, why he changes the trial place to ten miles away—anyhow, certainly, Mr. Duchemin does the job. I am not going to take any further part in this discussion of dismissals, but I would like to say to the minister that if he wants to play the man, and if he wants the people to believe that he is playing the man—get rid of Duchemin.

Mr. FOSTER (Kings, N.S.): I want to say just a word in reply to the hon. member for Carleton (Mr. Carvell). There is very little to reply to in what has been submitted by the hon. member for Richmond and the hon. member for Guysborough.

Mr. KYTE: Well, well.

Mr. FOSTER: I think the judgment of the House will support me in that statement. The hon. member for Richmond is even louder in his exclamations than the Toronto Globe described me as being on an occasion when I spoke, certainly very moderately, the other evening. All we hear from the hon. member is a loud, round and echoing noise.

Mr. GAUVREAU: And sensible, too.

Mr. FOSTER: I do not know what the remark of my hon. friend from Temiscouata may mean; I ignore his statement. With regard to Mr. Duchemin, the hon. member for Carleton said he would call him a man, but not a gentleman. In the province of Nova Scotia, and especially in the eastern part of it where he is best known, among the members of the Bar and the people generally, Mr. Duchemin stands as high in respect of all classes as does the hon. member for Carleton among any people in New Brunswick or elsewhere. When a member of Parliament rises in this House and, behind a man's back, makes an assertion of that kind that he is not a gentleman, it is a pretty small piece of business and shows better than any argument the character of

the member who makes it. We have heard of members of Parliament making statements across the floor of this house, and when given the opportunity to repeat them outside where the honourable laws of this Chamber do not interfere with the due appreciation of a statement of that kind, we have found them shirking the responsibility of their words. I need not refer to any particular hon. gentleman; the House is in possession of the facts in this regard. The hon. member for Richmond says that the witnesses were interested parties, and therefore their evidence should not be taken.

Mr. KYTE: The minister says that.

Mr. FOSTER: The minister stated that O'Brien was an interested witness. The member for Richmond said that O'Brien gave an affidavit that he was not a partisan. Did anybody ever hear of an investigation in any part of this Dominion where a man came up and admitted that he was a partisan? Did anyone ever hear of an investigation in which the man did not deny it and try to get round it in every way? In my own county, a man insulted me right on the street with regard to the elections, yet he pretended he was not a partisan. He attended a meeting, joined in it, cursed everybody almost on the other side of politics—yet he is not a partisan. In the name of common sense, it would be enlightening to the House to know what definition these gentlemen have of partisanship. A man goes to the poll and stands outside and talks up his own side, tells the people to vote for a certain candidate. Do you suppose he is asking the people to vote Tory? What the law requires an office holder to do, if he wishes to vote, is to go to the poll, cast his vote and go home and mind his business. But in the counties of Guysborough, Richmond and Pictou—and I will not confine it to these counties—the whole political machinery of the Grit party was in the hands of people in the receipt of emoluments either from the provincial or Dominion Government. And that statement stands true to-day. The result is that when an investigation is ordered or a charge preferred against a man in office, it is a safe bet, that if he was appointed to office under the late Government, Dominion or provincial, he is a partisan, and a safe bet also that he will deny it immediately the charge is preferred. Hon. gentlemen have raised a great howl with regard to dismissals, but I venture to say they have not won a single vote on the discussion of dismissals, because public opinion knows well the effect of evidence that has been brought to light in Guysborough county for example. It is realized that the men who were there holding office, held office on condition that they worked for the hon. member for Guysborough and his party. That has been shown from evidence time and time again. The hon. member travels around with an employee of the Government, the employee of the Government solicits support from men whom he meets and the member for Guysborough is there. Yet according to the hon. member for Guysborough that man is not a partisan. The hon. member for Guysborough is personally a very honest and reputable man when he is not engaged in political conversations and arguments, then he loses all the fairness and honesty of which he has an appreciation in private conversation, and immediately discards the whole evidence except that which will help to substantiate his cause. We had evidence here that a man goes to a public meeting in Guysborough and speaks at it, and then proposes three cheers for the member and three cheers for the then Prime Minister, now the right hon. leader of the Opposition; and yet he is not a partisan. In the name of common sense will somebody say what a partisan is in the conception of hon. gentlemen opposite? The country is entitled to know. But that is not all that took place in the county of Guysborough. A man comes up and gives his evidence under oath that such and such a man, we will say, promised him a pair of boots if he would vote for the hon. member for Guysborough, and the case results in the dismissal of the officer making the canvass. Immediately after, whether on the advice of the hon. member for Guysborough I will not assume the responsibility of saying, but in one case at least a charge of perjury is brought against the witness who testifies as to what he knows and was promised, namely this pair of boots for voting for the hon. member for Guysborough. The charge of perjury is brought in an attempt to intimidate witnesses, to lock them up and put them in jail in order to keep them from testifying in investigations. That actually happened in Guysborough. When the case was submitted to the jury, the jury very promptly acquitted the man of perjury, and it was established beyond peradventure that not only was he offered the boots, but that he went to the neighbour's house and got the boots and got a drink besides. It reminds me of the fellow in the prayer service who was promised a pair of boots if he would keep from saying 'amen.' He got so worked up, like the hon. member for Richmond this afternoon, that he said: 'Boots or no boots, I will say amen.'

Mr. GAUVREAU: Where is the wit in it?

Mr FOSTER: I cannot find wit, humour and brains too for the honorable mem-

ber for Temiscouata. I might go on and point out a great many cases in which the evidence was overwhelmingly in favour of the reports that have been made by Mr. Duchemin. In this particular instance the hon. member for Richmond said that he preferred to believe the ex parte statement of Mr. O'Brien as against the report of a commissioner of Mr. Duchemin's standing and, without casting any serious reflections, let me say that the standing of Mr. Duchemin at the bar of Nova Scotia is every bit as good as the standing of the hon. member for Richmond at the bar of Nova Scotia. That question is not debatable at all. I think the hon. member will agree in that himself and when, under the privilege of this House, he casts insinuations and slurs and denunciations and says that this man is unworthy of the respect of people, I will venture this remark that he would not dare say that to Mr. Duchemin outside of this House. You may search the records of Nova Scotia, but I do not think that you will find that Mr. Duchemin was ever haled before a Supreme Court and judgment given against him disfranchising him for seven years as has been alleged in the case of the hon. gentleman from Richmond. I do not think you will find Mr. Duchemin in that position. Yet we have the hon. member for Richmond denouncing him in the strongest terms and taking the affidavit of a man who when notified that the court was to be held at a certain place does not appear to give evidence in his own behalf, but gets hold of the hon. member for Richmond, who is his father confessor in every particular with regard to politics and says: Here, I will give you my affidavit—and as far as we on this side of the House are concerned we do not know whether the affidavit was ever sworn to before a commissioner or not. We presume it was because the hon. member has read it in the House and we are bound to take his statement, but the fact remains that the House has to judge between a reputable man at the bar who has given his testimony which is on file here as against an ex parte statement of an interested party, Mr. O'Brien, who is, from the evidence submitted, at least a partisan in the estimation of this House.

Mr. McKENZIE: I thought there might have been some doubt and some hesitancy on both sides of the House as to the real facts, commonsense and law on this question before the hon. member for Kings (Mr. Foster) spoke, but I knew when I saw him get on his feet that a Daniel had come to judgment and that the whole thing would be cleared up and that we would know all about it. I invite hon. gentlemen from both sides of the House to notice the striking searchlight that he has brought to bear on this question. You could pick up pins on the street, on the floor, anywhere from the light that emanated from this thing that he calls brain. When he talks about brain he reminds me of the little boy who was asked to make a picture of a horse on a slate. He made the picture and brought it back to the teacher and wrote the word 'horse' under it. Of course were it not for the word 'horse' under the picture on the slate it would never have suggested to anybody that it was a horse. In the same way about the brains of my hon. friend, he must be telling us that it is brains or we would forget that it is the product of that most useful commodity. I invite the hon. member for Kings to devote himself to a night school or somewhere where they might give him some instruction as to brains and not be misleading himself into the idea that he is talking the product of brains when he might as well be talking about the shelling of lobsters or something else. He has an idea, wherever on earth he got an idea, that talking around, beating about the bush and never coming to the point, if he is capable of conceiving a point, is clever. Let him talk as much as possible, let him keep away from the subject, let him say nothing but take up the time and play the cuttlefish, that is the idea my friend from Kings has of playing the smart man and answering an argument. The serious question before you, Mr. Chairman, is whether O'Brien was properly tried or not. I cannot hope to retain or hold the attention of the minister but I hope that possibly somebody in the country may take notice of this O'Brien case. For that reason I propose to inquire into it a little closely. The Minister of Marine is a minister of the Crown and I am not going to read a lecture to him or to any other minister, but I submit to this Parliament that the man who occupies that position of minister of the Crown represents the Crown to subjects in this country and that it is not a light matter, in dealing with the rights of the individual, for a minister of the Crown to act carelessly and ruthlessly and indifferently. I submit to the minister and to you that this election on the 21st of September, 1911, according to the present Prime Minister, was not a party victory. What did he say at the great civic reception which was given to him in the city of Ottawa? He spoke with his laurels fresh from victory and he thanked the hundreds of thousands of Liberals of Canada who had come to his rescue and to the rescue of the country. He said that this was not a party victory but a national victory. That is the position he took on that occasion, the Liberals were to rejoice with him as well as

the Conservatives on this national victory. A few weeks afterwards he was banquetted at Halifax. The Minister of Marine was present at the banquet. The Prime Minister repeated the sentiments he had expressed at Ottawa. I would think that the results of a national victory would be treated as a national question, in keeping with the conduct we would expect from a man who had won a national victory. In view of that position I would draw the attention of the minister to the fact that the treatment of this man O'Brien has been simply scandalous if we are to believe the facts as presented, and I submit that I must believe O'Brien's statement where there is nothing to the contrary. The Minister of Marine has been Attorney General for many years of the province of New Brunswick and he knows the law. He knows that this Commissioner Duchemin derived his authority from and must act in accordance with the statute passed by this House, a statute passed not by the late Government but by the present Government. It is well-known that in any court of justice the court does not become seized of jurisdiction over an individual until it is proven to the court that the notice was properly served. The first thing that the minister should look for when he gets a report from a commissioner is to see if the commissioner became seized of jurisdiction and if the notice was served. The last chapter of this statute says:

> No report shall be made against any person until reasonable notice shall have been given to him of the charge of misconduct alleged against him and he shall have been allowed full opportunity to be heard in person or by counsel.

Where is the proof that O'Brien was served with notice? There is not any. Where is the proof that the charge was served upon him? There is not any, and we have the oath of Mr. O'Brien that not only was he not served but he was served at a false date and put upon a false scent. He was served with notice after the inquiry, and for a day, not the day on which the investigation was to be held at all. He received the notice two days after the investigation was held.

Mr. FOSTER: Where is the proof of that?

Mr. McKENZIE: The notice itself is here. If my friend from Kings can put this and that together, if he is capable of adding two and two together, and I take it for granted that he is, we have the notice of Mr. Duchemin with his signature attached to it, naming a day on which the investigation was to take place at Port Malcolm. We have the report of Mr. Duchemin over his own signature saying that he held the investigation on a different day altogether and in a different place. Surely it is clear even to the intellect of my hon. friend that there was no notice at all for the day on which the investigation was held, and no notice for the place in which it was held. That being the case, I think my hon. friend, while he would possibly have dismissed this man in any case, in view of the statute which he passed himself and which is binding on himself and his officials, will see that it is up to him to put this man O'Brien back in the lighthouse and dismiss the man who was put falsely in that position. Let him begin this thing over again for the credit of the King whom he represents, for the credit of the department over which he presides, for the credit of the people of this country and of the investigations which are being held under the statute. Begin over again and if Mr. O'Brien is found to deserve dismissal after having been properly dealt with and the law complied with, dismiss him. Do not let us have this disgrace upon the King. Do not let us have a commissioner of the King throwing men and their children on the street without giving the slightest semblance of defence. I ask the Prime Minister, or any other lawyer, if this had been a proceeding in which Mr. Duchemin was a court, and he had given a decision, as he gave here, which would infringe upon the liberties of this man O'Brien, and the man had been arrested and put in jail by virtue of this trial, what would have happened if habeas corpus or certiorari proceedings had been taken? The moment it was shown that there had been no service, away would go the decision, and the incarceration would cease, and there would be an action in the civil courts for false imprisonment. The Minister of Marine and Fisheries, the Minister of Justice, and everyone concerned in this matter are sheltering themselves behind a proceeding taken in the name of the King and under the King's commission, and in every step the commissioner has falsified the authority and power given to him to deal with the matter. I submit that there is no defence for the action of the commissioner. If the facts, as set forth by Mr. Duchemin himself in his report are correct, there is nothing left, if we are to be decent and respectable and are to maintain the dignity of this Government and of this Parliament, but to begin de novo, and have the matter sifted to the bottom. If Mr. O'Brien is guilty of partisanship let him be dismissed, but when the name of the King is introduced into the proceedings, let us see that the subject gets fair-play and justice, and let us have no mock investigations.

Mr. FOSTER (Kings, N.S.): I would like to say a word or two with regard to what my hon. friend from North Cape Breton (Mr. McKenzie) has said in reference to myself. He referred in a slighting manner

to my lack of brains. As a matter of fact, I never laid very great stress upon the brains I may possess, and I have never endeavoured to advertise the claim that I had abnormal qualifications in that respect. But this House has been treated on more than one occasion to what the hon. member for North Cape Breton and Victoria would be pleased to call the product of the brains in that wonderful dome of thought of his, and when a remark that does not seem to suit him is addressed to him across the floor of this House by any hon. gentleman on this side, he comes across the floor and begs that the remark be not placed on 'Hansard' in order that the people may not know of it.

Mr. McKENZIE: I rise to a question of privilege.

Mr. FOWLER: Take your medicine.

Mr. McKENZIE: I am quite willing to take anything that is coming to me properly; I do not make statements behind covers. I ask my hon. friend to name the occasion when I asked for any favours in matters of that kind, and the party from whom I asked them.

Mr. FOSTER: I am delighted to respond to the hon. gentleman's request. On the occasion of a debate in this House between the hon. member for North Cape Breton and Victoria (Mr. McKenzie) and the hon. member for Cumberland (Mr. Rhodes), my hon. friend (Mr. McKenzie) asked by what kind of reckoning the hon. member for Cumberland with the brains he had, had arrived at the conclusion he was submitting to the House. The hon. member for Cumberland replied and used words I have quoted with regard to the hon. gentleman's polished dome of thought, and forthwith my hon. friend begged the hon. member for Cumberland not to have the remark inserted in 'Hansard.

Mr. McKENZIE: I did nothing of the kind. I notice that the hon. member for Cumberland is not here; I should be very glad to leave him to tell the House what took place. I can assure my hon. friend that he would not be backed up by the hon. member for Cumberland in the reflections he is trying to make. The occasion referred to when there was a somewhat heated discussion in which the hon. member for Cumberland and the hon. member for Shelburne and Queens (Mr. McCurdy) and myself took part. The hon. member for Cumberland is a friend of mine, and I did not think it was creditable to either of us that the remarks should appear, and we quietly agreed that they should not appear on the record. That is all there was to it. My hon. friend's statement shows the measure of the man.

The CHAIRMAN: I am afraid the discussion is drifting on to personal matters.

Mr. FOSTER: I am perfectly willing to come back to the item, but I take notice that the hon. member does not deny what I said. I am perfectly willing to leave it to the hon. member for Cumberland or to the hon. member for Shelburne and Queens who will substantiate what I have said.

Mr. CARVELL: Let us hear about Duchemin.

Mr. FOSTER: If my hon. friend would like to hear from Mr. Duchemin, we might arrange a meeting with my hon. friend. My hon. friend from North Cape Breton accused me of wandering around the subject, and yet for ten minutes he talked of a national victory in the last election. I would like to know what that has to do with the item under discussion. He went round that point for four or five minutes and finally came to the question of the statute. I have already pointed out that on every occasion when the hon. gentleman addresses this House, he proceeds to divulge the little he learned when he was a county court judge in the province of Nova Scotia. He must always rise and interpret what is plain to the ordinary layman, and what are fundamental principles of law. My hon. friend has a wonderful capacity. When he was upon the bench he was noted for his fairness, for the consideration he gave to lawyers and clients on both sides, but in the eastern part of the province of Nova Scotia it was almost impossible to get a case for a Conservative lawyer when the hon. gentleman was upon the bench. Perhaps the hon. member will deny that.

Mr. McKENZIE: Absolutely.

Mr. FOSTER: That is the feeling that prevails in the eastern part of the province of Nova Scotia with regard to the hon. gentleman, and more than one lawyer could substantiate what I have said. He assumes an attitude of fairness in this House, but when he gets where the people cannot see him, he can say the meanest and most despicable things.

Some hon. MEMBERS: Order, order.

Mr. FOSTER: I am pleased to withdraw the remark.

An hon. MEMBER: Let him chew his potatoes.

Mr. FOSTER: With regard to chewing potatoes, the hon. member for Carleton (Mr. Carvell) and the hon. member for North Cape Breton can chew, not only potatoes, but buckwheat.

Some hon. MEMBERS: What about the estimates?

Mr. FOSTER: Hon. gentleman have not been so very anxious about getting the estimates through when they have spent three or four hours this afternoon in discussing dismissals. But when an hon. member on this side of the House tries to say something which is not what they want to hear, they become very eager to have the estimates go through. I am perfectly willing to stay here all summer if necessary.

Mr. McKENZIE: The hon. gentleman has nothing else to do, but some of us have.

Mr. FOSTER: More evidence of the smartness of my hon. friend.

Some hon. MEMBERS: Oh, oh.

Mr. FOSTER: He has something to do; he has to go down home and pay that two hundred dollar bill which his partner incurred for rum at the last election. I have no doubt it will take him some little time to earn money enough to pay the election bills that he ran last time. If the hon. gentleman wants to prolong—

Mr. McKENZIE: That was paid for long ago.

Mr. FOSTER : Of course, but he denied it the other day.

Mr. CARVELL: No, he says that it is paid for.

Mr. FOSTER: No, he does not deny it and it worries him a little. He is a man of the style of Dr. Rhindress and Mr. N. A. McMillan, both pure-minded men, men who are not partisans! He has no partisans in his riding, every person is perfectly righteous and fair-minded and I suppose that all belong to the same church as he does.

Mr. KYTE: I desire to make an observation or two inasmuch as the hon. member for Kings said something that was probably intended to have reference to myself. The hon. gentleman speaks of the high standing of Mr. Duchemin at the Bar of Nova Scotia. As the hon. gentleman is not a member of the professional Bar, I presume he had reference to the other bar, and before his judgment in that regard I bow without the slightest hesitation.

Mr. FOSTER: Mr. Chairman, I rise to a question of privilege. The hon. gentleman insinuates something with reference to my judgment and experience concerning a bar other than the professional Bar. Of course, I know exactly what he is driving at, and I will tell him that, in regard to any other bar other than the legal Bar, I am not in the habit of frequenting places of that sort, and therefore, the hon. gentleman is absolutely wrong. When he insinuates anything with regard to a bar, not meaning the legal Bar, I wish to tell him that I have no interest in, and am not in the habit of frequenting a bar, saloon, or anything of that sort.

Mr. KYTE: If any misunderstanding has arisen the hon. gentleman must concede that he is entirely to blame for it, because he is not a member of the professional Bar and therefore not in a position to pass judgment upon the standing of a gentleman occupying a position in that very distinguished and honourable profession. The hon. gentleman endeavoured to make some comparison between Mr. Duchemin and myself as regards our relative standing at the professional Bar. I am not like the hon. member for Kings who does not appear to suffer from any undue depreciation of his own talents. Therefore, I hesitate before expressing any opinion as to the standing I enjoy in the profession in the province of Nova Scotia. Suffice it to say that I am well content with the success that has come to me in the practice of my profession in Nova Scotia, and I hope that the hon. member for Kings will have similar satisfaction when he is as old as I am.

There is one other matter that I wish to refer to, and it is a personal reflection which the hon. member for Kings made I am not like the hon. member for Kings referred to the fact that some person was disqualified in Nova Scotia and deprived of the right of voting. If the hon. gentleman referred to me I think it is only right to myself and to hon. members that I should place the facts before the committee. Away back in 1894, nearly twenty years ago, the Conservative party in my county was particularly active, as it has always been within my recollection. I was then a young man just starting out to enjoy the advantages of my profession. As I was attached to the Liberal party, the Conservatives in the county did me the honour of paying some attention to me. They thought I was a young man that they ought to watch, and if there was any way by which my character could be besmirched so that I would become less useful to the Liberal party, they were willing to resort to any means to bring that about. As base and diabolical a conspiracy as was ever conceived in the corrupted and perverted mind of man was hatched by the Conservative party to that end. The provincial elections took place in 1894, and after the elections were over prosecutions were instituted against several prominent Liberals in the county for violations of the election law, and I was singled out for their attention. A prosecution was instituted against me, different forms of corrupt acts were charged, but when the matter came to a trial every charge was dismissed by the judge. There was one

case, however, in which another species of infraction of the law was involved. There is a canal in my county upon which there are employed several men. In 1874 the provincial legislature passed a law which disfranchised all employees of the Department of Railways and Canals and prevented them from voting in provincial elections. In the local election of 1894 I was the agent for the Liberal candidate at the poll when one of these men presented himself and asked for a ballot. I pointed out that employees of the Department of Railways were not entitled to vote in provincial elections and that, inasmuch as canals was a branch of the Department of Railways, employees on these canals were not entitled to vote. The argument I addressed to the presiding officer resulted in the employee of the canal refusing to take the ballot and he did not vote. That matter came up in the court. The judge held that, inasmuch as at the time the provincial statute was passed in 1874 there was no subdepartment of canals, the statute could not have applied to the men employed upon this canal and that I had committed a technical offense in having addressed an argument to the presiding officer which resulted in the employee not taking the ballot and not exercising his franchise, and in that respect I had been guilty of intimidation. That was in 1894, nearly twenty years ago. If the hon. member for Kings were a member of the profession, of which he speaks and of which he professes to be a judge, he would have known that there is a statute of limitations which ought to prevent him making any reference to a matter that occurred so long ago. But in 1895 the Legislature of Nova Scotia elected me to a responsible position in that body. I was elected to the responsible position of clerk assistant of the Legislature of Nova Scotia by the unanimous vote of both parties. One would think that if the offence that I am alleged to have committed was any reflection upon my character or standing as a man and a citizen, the Conservative Opposition in the Legislature would have protested against my appointment. But, almost immediately after the trial, with all the facts known to both political parties, they elected me to the responsible position of assistant clerk of the legislature, and in that election I received the support of every Conservative in the House. I was re-appointed in 1898, re-appointed again in 1901, and in 1903 I was elected to the position of chief clerk of the legislature, a responsible and dignified position, which I enjoyed up to the time I resigned for the purpose of becoming a candidate for the House of Commons in the county of Richmond, on which occasion I was elected.

Needless to say, I offered myself to the electors of the county of Richmond in the election of 1911, and I was re-elected.

In order further to show to the House the manner in which this particular matter referred to by the hon. member for Kings, (Mr. Foster), has been regarded in the county of Richmond, I shall refer to one more circumstance. There was a newspaper owned by the Conservative party, published in my town in 1897. On one occasion, a Conservative enthusiast, who had about the same breadth of view that the hon. member for Kings possesses, thought the time was opportune to make a charge against my character in respect of that election. As soon as the charge was made, I notified the owners of the paper that, unless they withdrew the charge and apologized to me, an action would be brought against them for damages. This is the result. In a copy of that paper dated July 7, 1897, there is the following editorial reference.

Mr. McKENZIE: What is the name of the paper?

Mr. KYTE: The Bras d'Or Gazette, now the Sydney Post. It is headed:

We would do justice to Mr. Kyte.

The article is as follows:

In the December, February and May issues of the Bras d'Or Gazette, there appeared several articles that reflected on Mr. G. W. Kyte, barrister, of this town, as regards his character both as a professional man, as well as a private citizen. That these unprovoked and unjustifiable attacks, should have been made upon Mr. Kyte, we deeply regret. We know him to be an upright, honourable and progressive citizen, and in the practice of his profession, he has earned for himself a reputation for honesty and industry that any young man would do well to emulate. In making this apology, we do so in order to do justice to this gentleman, as well as to assure the public that we deprecate the spirit and tone of the articles above referred to; and we desire to give the further assurance that these articles are not attributable in any manner to those whose money and enterprise started this paper.

That was the apology made to me in respect to the same insinuations on January 7, 1897. From that hour to this, not a single suggestion has ever been made by any Conservative, be he prominent or not in the county of Richmond, or in the province of Nova Scotia, so far as I am aware, having reference to the particular matter to which my hon. friend from Kings refers. If he wants to dive into the private history of men connected with infractions of the election law, I would

ask him to look around him, and, usually occupying a seat not far removed from the hon. member for Kings, he can find a member of the Conservative party of the province of Ontario, who not only committed a criminal act, in respect of the election law, but was convicted of it and for which he served a sentence. I know it is not regarded as being to his discredit, because I understand at this moment he is designated by his leader for high judicial honours. I trust the committee will pardon me for having made this reference to a personal matter.

Mr. GAUVREAU: Make him withdraw.

Mr. DAVIDSON : Mr. Chairman,—

Mr. CARVELL: Give the hon. member for Kings a chance to apologize.

Mr. DAVIDSON: Mr. Chairman, I am very reluctant to prolong this debate. I am deeply devoted to my constituents, and I am anxious to get home. Sometimes I think that the other side stands in terror of their constituents, and resort to these tactics in order to delay the time when they have to meet them, and that they are deliberately occupying the time of the House in order to postpone the time when they will have to go back to their constituents and give an account of the most remarkable conduct of which they have been guilty during this session of parliament.

It is not agreeable to me to go into the personal conduct of members of this House. I must admit that I hardly approved of the reference which the hon. member for Kings made to the hon. member for North Cape Breton (Mr. McKenzie), for I know how sensitive the hon. member for North Cape Breton is in reference to his personal appearance. I know that the hon. gentleman at election time, when he wants to represent himself to his constituents, does not use a photograph of recent times, but brings into commission an old photograph taken when he wore the locks of an Absalom. I thought under the circumstances the hon. gentleman's remarks were a trifle unkind.

Mr. McKENZIE: Where would my hon. friend go for a good-looking picture?

Mr. DAVIDSON: I hope my hon. friend did not think I intended to state that the picture of himself which appeared was a good-looking one. If the House has got that impression, I wish to set hon. members right in that regard.

The hon. member for Richmond (Mr. Kyte) referred to a matter in his own history, where the courts of his native province decreed him guilty of a certain offence. He seemed to take it amiss that the hon. member for Kings should have brought this matter up after twenty years. He reminded the hon. member for Kings that the offence of which he was guilty at that time was beyond the statutes, and therefore that technically he should not be blamed. Perhaps we might be inclined to look upon it in that way if the hon. gentleman showed any indication of having repented of the sins of his former days. It seems to me, from the speech which the hon. gentleman has made this evening, that he does not appreciate the enormity of his offence. It is perhaps only right that this House should be advised as to the facts in this particular case. I would not have brought this matter up except that the hon. member himself saw fit to bring these facts before the House, and to make it appear that his record in the past was absolutely clean and straight, and that he was in a perfectly suitable position to criticise such gentlemen as Mr. Duchemin. Inasmuch as he has done this, perhaps I may read certain extracts from the decision of the trial judge on that occasion. The trial judge, who handed out that decision, was one who has a reputation in the province of Nova Scotia for very great leniency. A few weeks ago, the hon. member (Mr. Kyte), in discusssing the case of one of his constituents who had been convicted of an offence, dwelt on the fact that the judge, who had convicted him was one who was particularly charitable in his judgments, who was very lenient, and who probably had a reputation for greater leniency than any other judge of the province of Nova Scotia. The fact is that it was the same judge that found the hon. gentleman guilty. There were four distinct charges against the hon. gentleman on this occasion—three of having deliberately bought the electors of Richmond county, and one of having intimidated an elector of that county. In three cases there did not appear to be any corroboration. Witnesses swore positively that the hon. gentleman had given them money for their votes. Unfortunately for the prosecution, in each case there was only one witness and this evidence was not corroborated in any one of these cases. The hon. gentleman went on the stand and gave his denial in each case, and Mr. Justice Graham, being a very lenient and moderate judge, acquitted the hon. gentleman on that evidence. But, in respect of the charge of intimidation, the judge, in his ruling, after going elaborately into the facts, used these words:

> I cannot believe that the defendant has a bona fide belief that perjury would be committed if the man took the oath. It seems to me no argument can be made about the matter.
>
> The defendant is not only a barrister but says he studied three years in a college, and he could not help knowing that his contention which I have already quoted had not even

the appearence of an argument. I cannot give him credit for good faith the moment he states what his contention was.

Now, this gentleman to whom the very lenient judge in the province of Nova Scotia could not attribute good faith is the hon. gentleman who comes into this House to-night and upon his bare statement wishes us to condemn a very reputable member of the Bar of Nova Scotia. The hon. gentleman contends that he has been acquitted of these crimes because the legislature of Nova Scotia appointed him to an important position. I would point out to the House and to the hon. member that the reason for giving up this office, which I understand is not a very important or very remunerative one, was on account of the services he had rendered to his party by just such acts as that for which his lordship Justice Graham had taken away his right to vote. For five years in Nova Scotia, the hon. member for Richmond did not enjoy the privileges of a British citizen.

Mr. KYTE: That is untrue.

The CHAIRMAN: I would remind hon. members that the discussion is wandering from the subject into personal matters that are not relevant.

Mr. DAVIDSON: I am quite aware of that, Mr. Chairman, but I think that—

Mr. MARCIL: I rise to a point of order, though I am sorry to do so. We want to get through this session some time.

The CHAIRMAN: I must rule, as the hon. member is aware, that the discussion is out of order.

Mr. DAVIDSON: I am willing to abide by your ruling. As I understand, the hon. gentleman opposite introduced this matter.

Mr. KYTE: The hon. member for Kings introduced it.

Mr. DAVIDSON: The hon. member for Richmond, as I understand, introduced the matter, and I thought it was only right that this House should be possessed of the facts. I have only a word or two more. The point which I wish to make is that this House should not attach too much importance to the statement of an hon. gentleman who, as he admits himself, was placed in a position where he could be deprived of his rights of citizenship.

Mr. KYTE: That is untrue.

Mr. DAVIDSON: I am bound to accept the statement of my hon. friend, but I cannot forget what the law of the province of Nova Scotia said.

Mr. KYTE: You don't know the law.

The CHAIRMAN: I cannot allow the hon. member to go into this subject.

Mr. DAVIDSON: I just wish to point out that according to the laws of the province of Nova Scotia, when a person is convicted of an offence against the provisions of the Corrupt Practices Act, he is liable to be disfranchised merely upon an order which could be obtained ex parte from a judge.

Mr. KYTE: The order never was obtained; they knew they could not get it.

Mr. DAVIDSON: It could have been obtained, and it was only on account of leniency that it was not taken out, a leniency the hon. gentleman does not seem willing to show to his political opponents in the county of Richmond.

Mr. KYTE: Judge Graham said the order could not be granted because the charge did not involve disqualification.

Mr. DAVIDSON: I have the decision here. If I were permitted to place it on 'Hansard,' it would show that my hon. friend is absolutely in error in that regard. But I do not propose further to take up the time of the House more than to say that on several occasions when charges against officials have been inquired into in the county of Richmond before Duchemin, the hon. member for Richmond has insisted on appearing before the commissioner and acting in behalf of the accused person. On one or two occasions Mr. Duchemin has asked the person accused if the hon. member for Richmond acted for him, and the person so accused repudiated the hon. member.

Mr. KYTE: That is absolutely false. I am not much concerned about what the hon. gentleman says generally, but I will not allow such a statement to pass, and I insist on his withdrawing it. I ask you, Mr. Chairman, to insist on the hon. member withdrawing his statement.

The CHAIRMAN: I hope the hon. gentleman will accept the word of the hon. member for Richmond.

Mr. DAVIDSON: I am bound to accept the statement of my hon. friend, being perhaps a little more free in that regard than the judges of the Supreme Court of Nova Scotia. I would like to read an extract from the evidence taken, not in one of the cases under consideration, but in another case.

Mr. McKENZIE: I rise to a point of order. Are we ever to get to an end of this?

Mr. DAVIDSON: The hon. gentleman knows how comfortable it is for hon. members on this side to listen to his own tiresome repetition.

Mr. McKENZIE: I have risen to a point of order, and if the hon. gentleman knows his place he will wait until we get a ruling.

The CHAIRMAN: I understand that the item under discussion is, lighthouses, salaries and allowances of lightkeepers. I am afraid that both sides have wandered from the subject of discussion. It is hard for me to restrain hon. members from wandering when a discussion has been opened. But, I hope that hon. members will agree that the discussion has continued long enough.

Mr. McKENZIE: The hon. member for Annapolis does not seem to have any terminal facilities at all.

Mr. DAVIDSON: The hon. member for Cape Breton North has a very polished terminal. In the few further remarks I have to make, I will apply myself absolutely to the question under discussion. I understand that the conduct of Mr. Duchemin as commissioner is the matter under discussion by the committee. I wish to show the kind of commissioner Mr. Duchemin is, and, for that purpose, to read a few words from the report he has made which bears upon what I said a few minutes ago:

I now want to refer to an experience that I had with Mr. G. W. Kyte, the opposition member for Richmond county. On the 26th of September, I took two investigations at St. Peters; the accused parties were two postmasters, Chas. J. Lafford, Grand Grève, and Ewan P. McLeod, Louis Cove Road. Mr. Kyte presented himself with the accused the morning of the hearing, and stated that he was going to act as counsel for them. I advised him that in view of the fact that there was no counsel on the other side, I would manage the investigation without the assistance of counsel. He then declared: 'Oh, but you must admit counsel.' To which I replied as before—That I would not admit counsel, but would conduct the investigation without any such assistance. Mr. Kyte then became extremely offensive, and turbulent, interrupting the investigation at different stages. I was obliged to tell him that unless he would maintain order, he would have to leave. He replied that I was not able to put him out, &c., &c. When he became extremely objectionable, I asked Mr. Lafford, the accused, if he was responsible for Mr. Kyte's presence at the investigation, and he replied that he was not. I accordingly went on with the investigation, and ignored Mr. Kyte.

Considering the fact that Dr. Bissett, a very reputable gentleman, a member of the local legislature and of the party to which my hon. friend belongs, spoke in this way, and the fact that the hon. member for Cape Breton North, when I appealed to him some weeks ago for an opinion on the character of Mr. Duchemin, was not prepared to state that he was in any way biased or unfair, this committee must realize that the charges which have been made here to-night in a violent and irresponsible manner are very unsubstantial indeed. In 1896, when the Liberal Government sent a commissioner to the part of Nova Scotia in which I live to investigate these charges, it was a very exceptional matter when that commissioner found an accused person innocent, but I am aware that Mr. Duchemin on very many occasions has found Liberal office holders who were accused of offensive conduct not guilty and they have been allowed to retain their positions by reason of his decision. I think that, considering these facts, it ill becomes gentlemen who do not occupy positions at the Bar comparable at all with that of Mr. Duchemin to come here, twelve hundred miles away from Mr. Duchemin, and make these absolutely groundless charges and aspersions against his character.

Mr. KYTE: There is not much that requires an answer from me in the speech of the hon. member for Annapolis (Mr. Davidson), but I would say to him that when his own political friends pay him as high a compliment as my political opponents paid me in the apology which I have just read from their own newspaper, he may then consider himself worthy to associate with an assembly of gentlemen. With regard to the statement made in respect to Dr. Bissett, it happens that I am beginning to know my hon. friend, so I am usually prepared for him. I have here an affidavit from Dr. Bissett in which he refers to the circumstances dealt with in the statement of Mr. Duchemin. That affidavit is as follows:

I, Charles P. Bissett, of St. Peter's in the county of Richmond, medical doctor, do solemnly declare that I was not present at the investigation held by H. P. Duchemin, commissioner into charges of political partizanship against Ewan McLeod, postmaster at Lewis Cove Road, in the county of Richmond, held at St. Peter's in the month of September last, except for a few moments; nor was I present at the investigation of the charges against Charles J. Lafford, postmaster at Grand Grève, before Mr. Duchemin at the same place and on the same date, except for a short time.

I entered the room where the investigations were being held, shortly before they were closed, but the evidence had practically been all taken. I stated to Mr. Duchemin that so far as I saw I was satisfied with the fairness with which he conducted the investigation. At the time I made this statement to Mr. Duchemin I was not aware that at the beginning of the investigation Mr. G. W. Kyte, M.P., had asked Mr. Duchemin for the privilege of representing Mr. McLeod at the investigation. I had not been informed of the insolent and offensive language used by Mr. Duchemin towards Mr. Kyte and his refusal

to permit Mr. Kyte to examine the witnesses and his threat to remove Mr. Kyte from the room.

I learned these facts afterwards, and the next day I met Mr. Duchemin and I told him what I thought of his conduct. I make this solemn declaration conscientiously believing the same to be true and knowing it to be of the same effect as if taken under oath and by virtue of the Canada Evidence Act.

C. P. Bissett,
Nova Scotia.

Taken and declared at St. Peters in the county of Richmond, N.S., this 14th day of December, A.D. 1912. Before me.

Angus J. MacCuish,
A commissioner for taking affidavits, in the county of Richmond.

It goes to show how necessary it is to be fortified for the hon. member for Annapolis who reads the reckless statement placed in his hand by Mr. Duchemin. This proves how reckless a character Mr. Duchemin is and I think there has been evidence adduced to-day to show how unreliable is any ex parte statement from that quarter. The hon. member for Annapolis in December and again about a month ago in this House, stated over and over that Mr. Duchemin never refused counsel at his investigations.

Mr. DAVIDSON: Excuse me, I never made any such statement.

Mr. KYTE: The hon. gentleman's statements are on record.

Mr. DAVIDSON: I desire to state in the most emphatic way that the hon. gentleman is absolutely in error.

Mr. CHAIRMAN: The hon. member must accept the statement.

Mr. KYTE: The hon. member for Cumberland made reference to the same thing.

Mr. DAVIDSON: I ask a ruling.

Mr. KYTE: If the hon. member states that he did not say so, I accept his statement, and refer hon. gentlemen to the report of the debates.

Mr. DAVIDSON: I am not satisfied with that retraction. I did not make any such statement, and I ask the hon. gentleman to take it back unequivocally.

Mr. KYTE: I accept the denial and refer hon. members to the report of debates.

Mr. DAVIDSON: That is absolutely satisfactory.

Mr. KYTE: Here is a statement of Mr. Duchemin in which in at least two instances he admits he did not permit counsel. He says inasmuch as the prosecution had no counsel, he would not permit me to represent the accused. Therefore, all the furore raised about the fairness of Mr. Duchemin and his conforming to the provisions of the Act falls to the ground and we have from his own mouth, as re-echoed by the hon. member for Annapolis, that the charges are true, that he has violated the Inquiries Act and has not permitted counsel to be heard. There is one statement which I have to make further, that is that the hon. member for Annapolis seems to have special interest in the county of Richmond and to represent to this House certain matters relating to that county. There was a time when the hon. member for Annapolis did visit Richmond; there was a time when he did spend some days in the town in which I live. The last time he visited there, so far as I know, his removal from the town synchronized with the unexpected arrival of an irate husband.

Mr. HAZEN: I suggest to the members of the committee that it is getting late in the evening, and as we want to make some progress we might go on and take up the items, and then, if hon. gentlemen wish to resume the question of dismissals afterwards, we will hold one item with the understanding that any matter can be discussed on it that has any relation whatever to the Marine and Fisheries Department. By that means we shall get ahead and no man will be shut off.

Mr. LAW: I do not think the request is fair. This whole discussion was brought on by the hon. member for Kings, and we have wasted some hours on the subject. I would say to the hon. member for Kings that whenever he rises to address the House he reminds me of the little boy who got into his neighbour's orchard and had eaten more green apples than were good for him—

The CHAIRMAN: Of course the hon. member is aware that nothing offensive is in order.

Mr. LAW: I was stating a fact, and I submit that if this House does not prorogue by the middle of June hon. members opposite cannot blame members on this side. That is sure. I have one or two complaints of which I gave notice, there is one to which I would call attention of the minister if he has the papers here, but if he insists on not hearing it to-night I will bring it up some other time.

Mr. HAZEN: Go on, if you want to sit all night, go on.

Mr. LAW: I would like to bring up the dismissal of the port physician at Yarmouth. This is a matter which will reflect no credit on the minister. The dismissal of Dr. C. A. Webster will certainly not add lustre to the minister, but place him before the committee and the people

in a most unenviable position. I put two questions on the Order Paper some little time ago in reference to this dismissal.

Mr. Webster had been acting in the position of port physician for a number of years to the entire satisfaction of the department, and of the mariners who were confined in the marine hospital in Yarmouth, and gave every satisfaction to all parties concerned. He was going away to take a post graduate course in London. Dr. Webster wrote to the Minister of Marine and Fisheries on the 22nd of January and asked him for three months' leave of absence to go to London, in order to take a post graduate course. I have before me a letter from the Department of Marine and Fisheries, dated January 30, 1912, as follows:

30th January, 1912.

Sir,—I have to acknowledge receipt of your letter of the 22nd instant, applying for three months' leave of absence in order to attend a post-graduate course in England.

In reply, I have to inform you that the desired leave has been granted.

Please report when you return to duty.

I am, Sir, your obedient servant,
(Sgd.) C. Stanton,
Assistant Deputy Minister.

Dr. C. A. Webster,
Medical Superintendent Marine Hospital,
Yarmouth, N.S.

On receipt of this document, Dr. Webster proceeded to London to take his post graduate course, taking it for granted that when the Minister of Marine and Fisheries or the officials of his department gave him leave of absence for three months he could depend upon their word. But what do we find? On March 9 a letter was sent to Dr. Webster which he did not receive until sometime after his arrival in London, and you will note that March 9 was only ten days after the Department of Marine and Fisheries had given him leave of absence. Mr. Stanton, the assistant deputy minister, wrote to Dr. Webster at Yarmouth this letter:

Sir, I have to inform you that as it is your intention to be absent from Yarmouth for some time.

And I wish to draw attention to the way that letter is worded.

As it is your intention to be absent from Yarmouth for some time, the department has decided to discontinue your services as Port Physician at that port to attend to sick seamen entitled to relief under the provisions of the Canada Shipping Act, and to appoint in your room and stead Dr. S. W. Williamson. The Collector of Customs at Yarmouth has been so advised, and directed to send all sick seamen to Dr. Williamson entitled to the relief above mentioned.

I am, Sir,
Your obedient servant,
(Sgd.) C. Stanton.

Dr. C. A. Webster,
Yarmouth, N.S.,

I asked some questions in the House on February 24, which were answered as follows:

Monday, February, 24, 1913.

Mr. Law:—

No. 14.

1. Why was Dr. C. A. Webster dismissed from the position of Port Physician at Yarmouth, N.S.?

2. Where any requests made for his dismissal? If so, by whom?

3. If any requests were made, were they verbal or in wrting?

4. If any charges were made against Dr. Webster, were said charges investigated? If not why not?

Mr. Hazen:—

1. The services of Dr. Webster were discontinued in the interest of the public service.

2. Yes, by persons enjoying the confidence of the minister.

3. Verbal.

4. The facts were sufficiently established not to warrant the expense of an investigation.

I criticize the action of the minister in connection with the discharge of Dr. Webster as one of the meanest and most contemptible acts that was ever performed by any minister occupying a seat in this House. Dr. Webster went away with the distinct understanding, with a letter from the Department of Marine, giving him three months' leave of absence; but ten days after he left to go to London the department coolly dismissed him and the minister cannot say he had nothing to do with it because on the 9th of February, only eighteen days after Dr. Webster had asked for leave of absence, and only ten days after he had been granted leave this letter was sent to Mr. Knowles E. Crosby:

February 9, 1912.

My Dear Sir,—

With reference to the matter of appointing a Port Physician at Yarmouth, will you please forward to me a recommendation for this position, such recommendation to be signed by yourself and three members of the committee.

Your early attention to this matter will oblige.

Yours very truly,
(Sgd.) J. D. Hazen.

Knowles E. Crosby, K.C.
Hebron, N.S.

In the documents which were presented to the House in answer to the motion which I made, there is not one single word of complaint against Dr. Webster. In fact I am confident that no word of complaint could be made against him. He is one of the most successful and most respected physicians in the town of Yarmouth, a man who is absolutely non-partisan. In order to prove that assertion I will state that during the last summer a gentleman who has been doing business in the near vicinity of Dr. Webster's office asked me whether Dr. Webster was a Liberal or a Conservative. I do not think a man could have any better

recommendation as to his non-partisan feelings than this statement. I understand, of course, that the gentleman who now occupies the position was given it on account of having run in the election in Yarmouth in 1908. Of course he was defeated, and I suppose that the Minister of Marine and Fisheries felt very kindly towards him for allowing himself to be made a sacrifice for the party and desired to give him some important position, for this position is worth $400 per year. I wish to refer to a letter which Mr. Crosby sent to the Minister of Marine and Fisheries:

Hebron, N.S., February 13th, 1912.
Hon J. D. Hazen, K.C., M.P.,
Minister of Marine and Fisheries.
Ottawa.

Dear Sir.—

I have the honour to acknowledge the receipt of your favour of the 9th inst regarding the appointment of Port Physician at Yarmouth, and that I forward you at once a recommendation for this office.

In compliance with your request and with the wish of the conservative party in this county, I beg to place before you the name of S. W. Williamson, M.D., who will fill the duties of that office to the entire satisfaction of your department.

I am, Sir,
Your obedient servant,
(Sgd.) Knowles E. Crosby.

But there seems to have been some little hitch in connection with the matter. The Minister of Marine and Fisheries did not seem to be inclined to take the word of Knowles E. Crosby, and he was asked to send another letter signed by the whole patronage committee in the town of Yarmouth. That letter is dated February 26th, 1912:

Hebron, N.S., Feb. 26, 1912.
Hon. J. D. Hazen, K.C., M.P.,
Minister of Marine and Fisheries,
Ottawa.

Dear Sir,—Owing to the fact that my request that S. W. Williamson, M.D., receive the appointment to the position of port physician for Yarmouth, went forward without the signatures of my advisory committee, through error, several days since, and as we here are very anxious that this appointment should be made at once, I am inclosing herewith another request, signed by said committee.

I trust you will be able to accede to our request and fill this apointment as soon as possible.

I am, yours most respectfully,
(Sgd.) Knowles E. Crosby,
Howard W. Corning, M.L.A.,
Robert Binguy,
R. S. Eakins.

I just wish to say that when Dr. Webster left Yarmouth for London, he recommended Dr. Perrin for the position, a gentleman respected in the town of Yarmouth who occupies a high position in his profession, and who has been a strong tory all his life. I do not think he was ever guilty of giving a liberal vote. However, he is none the worse for that; I respect him for it. Dr. Perrin was appointed, and if rumours are true, and I think I am not far astray, a couple of conservative doctors met in some office in the Department of Marine and Fisheries in Ottawa, and almost came to blows. However, Dr. Williamson was a lucky man to get the plunder. I desire to say again that the position in which the Minister of Marine and Fisheries has placed himself before the House and the country in connection with this matter is a very poor one. When an hon. gentleman occupying the position that he does gives his word to an official of his department that he is entitled to three months' leave of absence, and in an underhand way appoints another man to the position within ten days of leave of absence being granted, the hon. minister is entitled in my mind to the censure of this committee and of the House. Dr. Webster was a valuable man in the position which he occupied, and if there ever was a man who could be said to be non-partisan, he is that man. I desire to place upon record my entire disapproval of the whole proceeding. If Dr. Webster had been a partisan and had attended political meetings, if he had ever spoken at a political meeting, or had acted as agent at any polling place for any Liberal candidate, even then I would have expected that he would be granted an investigation. I have no regard for the man who, without any provocation whatever, endeavours to rob another man of the position, which he has filled to the satisfaction of the department and of the public. I say it is a mean and contemptible action.

Mr. HAZEN: My hon. friend says that this does not meet with his approval. I am afraid it would be rather difficult to say or do anything on this side of the House that would not meet with his disapproval. I am not at all astonished at the violent and extraordinary language which the hon. gentleman has used. Let me point out the facts in regard to this matter. I think Dr. Webster is the last man in the world who has any right to find fault because he has been removed from office. My hon. friend speaks of the contempt he has for the man who seeks to deprive another man of his position. Let us see whether he will have the same contempt for the man who took office from another man who had been removed without the slightest justification. What are the facts? The facts are that Dr. Perrin was appointed port physician in 1879. The appointment is not a permanent one, it is not made by Order in Council, it is of a temporary character, and is made by departmental letter. On the 13th of December, 1896, seventeen years after Dr. Perrin had been appointed, and shortly after the elcetions of 1896 when the liberal

party came into power, Dr. Perrin wrote to the department stating that he had heard he was to be removed from office and asking to be given a fair hearing. On the 22nd of January, 1897, not more than three weeks afterwards, the then minister in a letter to Mr. Flint, the member for Yarmouth, stated that he deemed it advisable in the public interest to dispense with the office of port physician at Yarmouth, and asked for the name of a suitable doctor to attend sick seamen when required. He dismissed the port physician and got the name of another doctor to attend to sick seamen when required, the other physician to be paid for the work he did. That was a very easy way of getting rid of Dr. Perrin, against whom no charge was made, and of appointing Dr. Webster to the position. That is how it was done. They did not dismiss Dr. Perrin. They said they did not need his services, and they dispensed with his services and appointed Dr. Charles A. Webster to do exactly the same work. Not a single charge of partisanship or of anything else is on record against Dr. Perrin. He was advised in January, 1897, that his services were no longer required. The collector of customs was instructed to employ Dr. Webster, and in about a year and a half, in November, 1899, the department which had said there was no need for a port physician, appointed by departmental letter Dr. Webster at a salary of $250 and on the 1st of July, 1898, they increased that amount to $400. When my hon. friend has such a contempt for the man who will take another's position, what does he think of Dr. Webster taking that position away from Dr. Perrin, when there was not a single charge against Dr. Perrin, and when the department had to resort to the subterfuge of pretending that they were going to abolish the office. These are the facts. Dr. Webster has no ground of complaint. The appointment is not permanent, it is not made by Order in Council, and in the circumstances the Government were justified in making the appointment of Dr. Williamson.

Mr. LAW: What has the hon. minister to say as to the granting of leave of absence to Dr. Webster.

Mr. HAZEN: What has that got to do with it? What difference would it have made if leave of absence had not been granted. It does not affect the merits of the case one way or the other. If hon. members have a contempt for Dr. Williamson, what do they think of the man who took the position in the circumstances under which Dr. Webster took it from Dr. Perrin in 1897?

Mr. LAW: The two cases are not analagous. Dr. Perrin is a strong conservative and I respect him for it.

Mr. HAZEN: And so you got rid of him.

Mr. LAW: I had nothing to do with it. Dr. Perrin was a strong partisan, a strong worker for his party while he held that office, and when the change of government took place he deserved to be dismissed for his connection with the elections that had just taken place. Dr. Perrin was not disappointed in that connection. On the other hand, I do not believe that Dr. Webster ever attended a political meeting in his life, and I doubt whether nine-tenths of the people of Yarmouth know which side of politics Dr. Webster is on. The minister may shirk the proposition as much as he likes, but when he pledges the word of his department that he should have three months' leave of absence, and, within ten days, writes to the tory patronage committee asking them to name his successor—if he can defend an action like that, then any criminal can defend his action if he breaks into a man's henyard and steals his hens.

Agencies, rents and contingencies, $125,000.

Mr. LEMIEUX: There is an increase.

Mr. HAZEN: Yes, there is an increase of $8,000. This is the vote for the purpose of carrying on the work of the agencies throughout the country. We have agencies at Halifax, St. John, Prince Edward Island, Quebec, Montreal, Parry Sound, Victoria, British Columbia, and Prince Rupert and sub-agencies at Sydney and Pictou. The increases are in these offices: Nova Scotia, $1,600; New Brunswick, $550; Prince Edward Island, $450; Montreal, $350; Parry Sound, $450; Victoria, $500; Quebec, $2,050.

Mr. LEMIEUX. I would like to ask my hon. friend if he is satisfied with the way in which the agency at Quebec is run. I understand that Mr. Beland, who was appointed some years ago as agent there, is giving his whole time and attention to the agency, and that the public is very well satisfied with his work. I would like to know if what I hear is true that Mr. Beland gives general satisfaction to the department.

Mr. HAZEN: I do not know whether it was said he gave general satisfaction or not. Of course at the time he was appointed, he was absolutely inexperienced. There has been some very serious—I would rather tell my hon. friend privately than put it on 'Hansard.'

Mr LEMIEUX: What about the agency in Montreal?

Mr. HAZEN: There were some charges made against the gentleman who is the agent there and who was previously my hon. friend's private secretary or the private secretary for Mr. Brodeur. We have had the charges investigated and in so far as the investigation has gone the charges have not been sustained. The investigation has not been completed, but I do not know that the charges will be sustained.

Mr. LEMIEUX: I understand that you have moved the agency from the building where it used to be located to the Montreal Post Office?

Mr. HAZEN: Yes.

Mr. LEMIEUX: You occupy one of the upper storeys?

Mr. HAZEN: Yes.

Mr. CARROLL: What is the salary of the sub-agent at Sydney and what are his duties?

Mr. HAZEN: His salary is $1,500 and in addition to doing the work that the marine agent usually has to do, in so far as buoys and matters of that kind are concerned, the agent inspects the coal that is purchased at Sydney for the department. My report from the deputy minister is that we have saved the salary of the agent several times over in connection with the work that he does in connection with the inspection of coal.

Maintenance and repairs to lighthouses, $700,000.

Mr. LEMIEUX: Is this the same amount?

Mr. HAZEN: The same as last year.

Mr. LEMIEUX: Repairs are carried on at the various agencies and you have a steamer which goes to the lighthouses with workmen on board?

Mr. HAZEN: That is so where the lighthouses are out on islands and places like that. There are some cases where lighthouses are on shore and it is more convenient to have the supplies conveyed by vehicles. With regard to building lighthouses, we ask for tenders in every case where it is possible to do so. We have asked for tenders in some cases and have had no tenders submitted for the reason that the isolated position of the site is such that no contractor cares to go there and do the work. Then we build the lighthouse under the direction of one of our inspectors.

Mr. LEMIEUX: Where do you get your lights now?

Mr. HAZEN: We get them still in England but we intend to enlarge the depot at Prescott and manufacture them there. Our advices are that we cannot only give employment to many of our people but that we can make a considerable saving.

Mr. LEMIEUX: I see a report in the press that it is the intention to move the Sorel yards to Prescott.

Mr. HAZEN: There is not the slightest foundation for that. On the contrary, we are making arrangements to do more work at Sorel than ever before. We now have three tug boats under construction to be used in connection with the dredges on the St. Lawrence. Some months ago the department asked for tenders for a boat to be used on lake Winnipeg to take the place of the steamer Lady of the Lake which has been condemned. We did not get a tender from any shipbuilding firm in Canada. We were told that it was an out of the way place and that the boat would practically have to be constructed here, taken up there and put together. We decided to build the boat at Sorel under the direction of the foreman of the shipyard. We sent him up to lake Winnipeg to inspect the conditions there and we are going to have the boat built during this summer, which will also give considerable employment.

Mr. SINCLAIR: What is the character of the factory that the Minister is establishing at Prescott? It is to manufacture lights, I understand?

Mr. HAZEN: It cannot be spoken of as "establishing"; it is the enlargement of what is going on at Prescott now. We have a depot at Prescott where we do a lot of work in connection with the lights. We have lights constructed and repaired there and it is found that we can, by enlarging the plant, manufacture the lights of a high grade description which we are now compelled to buy in England.

Mr. SINCLAIR: You mean that you can make the lens?

Mr. HAZEN: We cannot make the lens.

Mr. SINCLAIR: What do you make?

Mr. HAZEN: We get the lens, manufacture the frame and put the lens in.

Mr. CHISHOLM (Inverness): Who is the lighthouse keeper at Port Hood?

Mr. HAZEN: Ronald Macdonald.

Mr. CHISHOLM: Why was his predecessor dismissed? His predecessor is a very strong supporter of the party in power. He is a brother of the Hon. Senator Macdonald in the other House.

Mr. HAZEN: What is his name?

Mr. CHISHOLM: Macdonald—I have forgotten his first name.

Mr. HAZEN: I have no information on the subject here.

Mr. CHISHOLM: Will the minister be good enough to bring me some information about the matter? He is the lighthouse keeper at Port Hood. I am very anxious to know why this gentleman was dismissed, inasmuch as the liberal party never saw fit to dismiss him. He was a very efficient officer. He is a brother of Senator Macdonald. I would like to know what the qualifications are of the man who succeeded him.

Mr. HAZEN: I shall be glad to get all the information for my hon. friend.

Mr. SINCLAIR: The minister has now got into the habit of dismissing, and he is consenting to dismiss his own friends.

Mr. HAZEN: I suppose if I did, there would be no objection on the part of my hon. friends opposite.

Construction of lighthouses and aids to navigation, $1,000,000.

Mr. McKENZIE: When this item was under discussion last year, the hon. minister will remember that I brought to his attention the necessity of having two small lighthouses on the Bras d'Or lakes, one at Ellis Point and the other at Big Harbour. The minister was good enough to tell me that the matter would receive consideration.

Mr. HAZEN: My recollection of the matter is that I referred it to the lighthouse board. The hon. gentleman knows that all matters in regard to the erection of lighthouses or placing of buoys are referred to that board. I invariably act on their recommendation.

Mr. LEMIEUX: Is it the same board?

Mr. HAZEN: Well, there are certain officials on it. The president of the Marine Association is on the board, the president of the Shipping Federation. The deputy minister, the chief engineer and the superintendent of lighthouses of the department are on the board. Therefore, the personnel changes as the officials change. I think the lighthouse board were not favourably disposed to it. If my hon. friend believes that they are necessary, I would be very glad if he would attend a meeting of the lighthouse board. We shall probably have one in a few days and he can place before them the reasons why these lighthouses are desirable.

Mr. LEMIEUX: As regards buoys, acetylene gas buoys have been quite successful on the river St. Lawrence between Montreal and Quebec. What number of buoys have you now?

Mr. HAZEN: The total number of gas buoys here is 281. Of that there would be 181 acetylene gas buoys. This is the last report of the department.

Mr. SINCLAIR: Will the minister inform me if there is any land to place a signal station on at a point called White Point on the coast of my constituency? It is a very dangerous point, where a number of wrecks have taken place. The late Administration had laid plans to place a signal station of some kind at that point.

Mr. HAZEN: If it is White Head the hon. member means, the work is under construction now. We are speaking of it as White Head.

Mr. SINCLAIR: Probably it is the same place.

Mr. CHISHOLM (Inverness): The minister has in his possession a couple of petitions from the fishermen's union of Port Hood asking for the placing of buoys at the northern entrance of Port Hood harbour. I cannot emphasize too strongly the necessity for the placing of buoys there. I know personally that a large number of wrecks have occurred there, and I would ask the minister to consider the matter.

Mr. HAZEN: As I pointed out to my hon. friend, that is a matter entirely to be dealt with by the lighthouse board and those petitions have been referred to them for consideration. I shall draw their attention to what my hon. friend has said about the matter.

Mr. LAW: I understand there was a delegation from Yarmouth representing the board of trade and the town council. Among other matters they asked for some buoys or lights near the entrance of Yarmouth harbour. Is it the intention of the minister to grant their request?

Mr. HAZEN: The matter was referred to the lighthouse board. I believe they did not grant all the delegates asked for, but they granted a portion of their requests. I do not know what portion.

To provide for breaking ice in Thunder bay and lake Superior and other points deemed advisable for the good of navigation, $30,000.

Mr. LEMIEUX: That is in order to facilitate the shipping of grain by tender.

Mr. HAZEN: Yes. We make a contract, but up in that district we have found that there is only one gentleman who really is equipped to do the work. That is, Mr. James Whalen.

Mr. CARROLL: I would like to say a word with reference to ice-breaking in the harbour of Sydney. I understand from parties there, who are interested in having

that harbour opened up early in the spring, that requisitions were made last year for ice-breakers. Those requisitions could not be granted owing to the shortage in the ice-breaking boats. It is just as important to have the ice broken early in Sydney harbour as it is to keep the river St. Lawrence open, because perhaps there are no other two points where there is so much coal carrying trade as between Sydney and Montreal. Last spring the Stanley was in Sydney and did very good work there in the way of ice-breaking between the mouth of the harbour and the shipping pier of the Dominion Coal Company. It is true she became disabled there, but she became disabled at other points also. I have it from the Dominion Coal Company's engineers that it is quite practicable to have the harbour of Sydney open very early in the month of March. It is proved that it is possible to keep the harbour open practically all winter between the shipping pier of the Dominion Coal Company and the mouth of the harbour. I am only too glad to give my support to the passing of this item, provided that other places besides the St. Lawrence river, and Thunder bay are given some consideration. I maintain that it is just as important to the whole of Canada to have Sydney harbour open early in the year as any other point; for, if a shortage of coal takes place in Montreal in the spring, it is quite practicable to ship coal from Sydney harbour to Montreal in March, provided proper attention is given to icebreaking in Sydney harbour. Many imagine that Sydney harbour is frozen over for seven months in the year. As a matter of fact, there are some winter seasons when it is open all through. It is open all year round between the mouth of the harbour and North Sydney, and it is only a matter, I should say, of a little ice breaking to have navigation open all the year round to the Atlantic, and so to the Atlantic ports. I take it that it is important to Canada that the great centres, Montreal and Quebec, should have coal. I would like to impress on the minister that next spring he should have icebreaking apparatus in Sydney harbour.

Mr. HAZEN: We had a little discussion on this subject this afternoon, when it was referred to by the hon. member for North Cape Breton. We have done all we could do with the equipment at our command, and will do what we can in the future. In the spring of 1912, we were able to do a great deal more than we did this year, when the Stanley met with an accident and was laid up for repairs. We have no icebreakers down there except the Stanley and the boats that run across the Northumberland straits. In about a year and a half we shall have icebreakers available, as we are going to have new icebreakers in the St. Lawrence, which will free the Montcalm for work along the gulf; and when the car ferry is put on between Prince Edward Island and New Brunswick, there will be no further use on that route for the Earl Grey and the Minto, both icebreakers. There are demands from other places, such as Dalhousie and Gaspé. No doubt icebreakers will open the harbours earlier, and so will help the Dominion generally.

Mr. NESBITT: How long were the Government able to keep the harbour open at Thunder Bay ?

Mr. HAZEN: Until the 10th of January, and this year we got it open earlier than usual. The result was to prevent the congestion of grain on the railway in the Northwest. The grain people tell us that it was of the greatest possible advantage. Probably from 13,000,000 to 14,000,000 bushels of grain were taken off the railway and put into ships, and the congestion of the winter before last did not exist last winter.

To provide for the administration of pilotage and the maintenance and repair of the steamer Eureka, $36,000.

Mr. SINCLAIR: Where is the Eureka?

Mr. HAZEN: At Father Point. She takes the pilots to and from the vessels as they come up the St. Lawrence.

Mr. CARROLL: Has the minister any control over pilotage commissions such as we have in Cape Breton ?

Mr. HAZEN: There is a pilotage commission who have direct control; they are appointed by Order in Council. If the pilots do not discharge their duty satisfactorily they can be removed by Order in Council.

Mr. CARROLL: Old and reliable pilots have been dismissed from the service at Sydney harbour and others have been suspended. They tell me it was for political reasons. As to that, I do not know. I know the minister or the department is not responsible for that, but the commission is responsible. One of the most reliable pilots we have on the coast of Sydney harbour, resident at Low Point, was dismissed a year and a half ago, and his place was filled with an inexperienced man. Many of the mariners who come there have complained to the Pilotage Commission of the appointment of an inexperineced man. It may be that these gentlemen do not see eye to eye with the commission in the matter of politics. But if there is one thing more than another in which a man's politics should not interfere with his job, it is pilotage. A pilot must be an experienced man. He does not get his position, nor his

pay from the Government; his pay comes out of the fees the pilots themselves earn. It seems to me unfair to dismiss a man from such a position even for partisanship. I am not finding fault with the minister, because I know he has no control over that. But I suggest that he point out to the commission that it is more important to have reliable and experienced men to look after the ships coming into our harbours than to have men belonging to one particular party. I know that political friends of the minister of Marine and Fisheries have regretted the dismissal of these men without his knowledge and authority. Steps should be taken so that men who have been engaged in the pilotage business for years should not be disturbed.

Mr. McKENZIE: I brought this matter to the notice of the commission before, but there is a little history about it that the minister should know. I have known Sydney harbour intimately for thirty years. For the first ten years of that time there was no such thing as the board of commissioners, and a man went piloting as he went fishing. If he got a steamer to bring in, he got his fee. There was very often a battle royal as to who should reach the vessel first. So the men got together and organized—grit and tory. There was no talk of politics; they were simply a body of men engaged in business. Everybody joined the organization, and, so far as I know, no politics entered into it until this Government came into power. In the fifteen years of liberal rule only one was suspended, and that was on the ground that he sold liquor while a pilot, and the board themselves agreed to his dismissal. But twenty-five per cent, perhaps thirty per cent of the pilots have been dismissed since this Government came into power. A man is given to understand that if he is not a tory he is not needed in the pilot business. That is high-handed, it may have been a miner or fisherman who gave up all his time to pilotage twenty-five years ago.

Mr. HAZEN: Do they want apprentices there?

Mr. McKENZIE: Yes, and everyone of the apprentices have been dismissed as well as the pilots and the authorities had to go out to the ordinary rank and file to get men to put in their places. Five years of apprenticeship is supposed to qualify a man to be a pilot. They had to go out to the farmers and miners and people along the shore and pick up pilots and put them in charge of ships of enormous value to bring them into that harbour. That is not business and there is no justification for it.

Mr. HAZEN: We have no knowledge of the matter in the department; I shall make inquiry about it. Speaking without having the facts all before me it seems to me a most unwise thing to dismiss the apprentices who would be pilots in the future. Of course, it may be that there are men acting as pilots who from infirmity of hearing or eyesight are no longer fit for the position. In Quebec they have to undergo an examination in this respect every year and usually a certain number have to drop out.

Pensions of $300 each to pilots, $6,300.

Mr. LEMIEUX: I should like to know if the department intends to act on the report of the Pilotage Commission?

Mr. HAZEN: We are already acting on it so far as the recommendations for the Montreal district are concerned. We are practically able to act on the recommendations without legislation. In the Montreal district, one of the recommendations is to give larger remuneration to the pilots. We are doing that. Another is that the Montreal office in Quebec should be placed in a different position. There are some regulations about the employment of pilots for special lines. If a man is employed for a special line of ships his name is taken off the tour de role. It was recommended that a pilot would not have to be taken off the tour de role if a line had a vessel coming up only once a month. There is a provision that two lines having two ships coming once a month will get the services of the same pilot. There are a number of regulations of that sort. The pilotage service of the Montreal district seems to the commission to be very satisfactory and the changes are not drastic or important. With regard to the Quebec district, the changes recommended are more important and it may be that we shall have to have some legislation at another session with regard to that. While the Minister of Marine has nominally authority over the pilotage, as a matter of fact, he has little authority over the Quebec pilots, what is called the corporation of pilots has power to appoint pilots and arrange everything. The recommendation is that that corporation shall be abolished and the control placed directly in the minister. Then there is a recommendation that the present system of pooling the earnings of all the pilots shall be abolished. It is thought that this system discourages individual effort on the part of the pilots. They also recommend a change with regard to the system at Father Point by which pilots are placed upon the ships. In the old days the pilots had sailing boats that used to sail up and down the river and they made their farthest point down the river west of Father Point. By arrangement with the Marine Department they agreed to give up the sailing boats and the Department of Marine and Fisheries provided a steamer that would always be

at Father Point to take a pilot out to the vessel. This steamer is the Eureka. The pilots go down and lives in boarding houses and wait until the ship comes, and they are taken on the Eureka to the ship. They say that it is a bad system, that these men are loafing about boarding houses for hours at a time, and they practically put it that there is a danger of their drinking, and that a pilot in this condition is not fit to pilot a ship. They recommend that a steamer be purchased that will be large enough to afford accommodation for the pilots so that they can go down and remain on the ship, under the supervision of an official of the department who will preserve order, and stay on the boat until their services are required.

Mr. LEMIEUX: I thank the minister for his clear explanation. Too much care cannot be taken in connection with the organization on a sound basis of the pilotage system. My hon. friend knows that the St. Lawrence, especially last year, has been most unfortunate in view of the numerous accidents that have taken place. We speak very often about the high insurance rates. The rates have gone up of late years on account of such accidents and certainly any action of my right hon. friend to place matters in a proper position is to be highly commended. The Shipping Federation in Montreal and the business community are waiting with anxiety the outcome of this pilotage question which has been a vexed question for many years.

Telephonic reporting stations along the St. Lawrence between Montreal and Quebec, $30,000.

Mr. HAZEN: The increase of $6,000 includes $3,000 for the salaries of additional clerks, one extra clerk for the Montreal office, a temporary clerk for the Quebec office when occasion demands and an extra night operator on the river will probably be required. It makes allowance also for certain increases of salary to some officers.

Mr. LEMIEUX: It is a very useful organization in case of fogs.

Mr. HAZEN: We could not give it up. The shipping people would rebel if we proposed to do so. As a matter of fact, I think it should be extended.

Marine hospitals, $68,000.

Mr. LAW: Is it the intention of the department to close the marine hospital at Yarmouth?

Mr. HAZEN: The policy of the government has been to close these marine hospitals in towns where there are public hospitals. For instance in St. John there was a very fine marine hospital. Some years ago it was closed and an arrangement was made with the commissioners of the public hospital to take all sailors. We paid so much per day or per week, and it has been found much cheaper for the country and also, with a really good and well equipped hospital, the men got better treatment and care than in a marine hospital. The sailors prefer it. If there is in the town of Yarmouth a thoroughly equipped hospital of that sort to which sailors could be sent it would be in the public interest that an arrangement should be made in Yarmouth similar to that in other cities.

Mr. LAW: The Government owns a nice property there, the hospital was built only a few years ago and it seems too bad too throw the whole thing away. Does the port physician attend to sick sailors in the public hospital if they are sent there?

Mr. HAZEN: I believe in some cases he does and in others he does not. In some cases they are attended by the regular physician at the hospital. Then the Government pays a larger fee than where their own physician attends the sailors. My hon. friend referred to the building. There was a very nice building in St. John, which was abandoned fifteen or sixteen years ago. The Government leased it at a nominal rent to a public institution, a home for incurables, and if a similar step were taken in Yarmouth there is probably some public purpose for which the building could be used and the Government, I am sure, would be willing to rent it for such a purpose on almost nominal terms.

Mr. LAW: I understand that it has been decided to abandon the hospital?

Mr. HAZEN: It is under consideration, it has not been decided.

Mr. SINCLAIR: I have on a number of occasions brought to the attention of the department the question of establishing a marine hospital at Canso.

Mr. HAZEN: Is there no public hospital there to which the sailors could be conveniently sent?

Mr. SINCLAIR: No, there is no public hospital at Canso, and a great many ships come there during the run of the season, especially fishing vessels. It is a port of call for sailing vessels and sometimes there is quite a fleet in the harbour. Sailors become sick and have to be sent to some boarding house and the chances of recovery are very poor indeed with the attendance that they can get in one of these sailors' boarding houses. A great many ships from Lunenburg call at Canso for bait and shelter and are there occasionally while fishing on the banks. A former member for Lunenburg joined with me the request

that something be done in regard to the matter. I regard it as very important.

Mr. HAZEN: I think there is merit in what the hon. gentleman says. The matter was discussed at the last meeting of the Fisheries Board, and the officials of the department are getting information together now as to the number of sailors to be treated and so on.

Mr. SINCLAIR: Has the minister given any further consideration to my proposal of last year to have a ship cruise around the banks among the fishery vessels and give the fiishermen medical aid in cases of illness?

Mr. HAZEN: That question of medical aid to the fishermen has been engaging the attention of the department. I hope to have a scheme to lay before Parliament before the close of the session.

Mr. CHISHOLM (Inverness): It appears to me rather strange that seamen must leave the province before they are entitled to treatment under the law. If a ship goes from Margaree to the Magdalen islands, the sailors on board are entitled to participate in the Sick Mariners' Fund, but if the ship goes to Halifax, they are not qualified to participate in the fund.

Mr. HAZEN: The hon. gentleman is correct in stating what the law is. It has been the law for a number of years.

Mr. CHISHOLM: I would expect that the sailors on board a ship going to the the port of Halifax, would be entitled to the same privileges as the sailors on board a ship that goes ten miles. I do not regard it as a just law.

Mr. HAZEN: It is the law, but perhaps some scheme might be worked out interprovincially.

Mr. LOGGIE: Might I draw the minister's attention to the salary paid to the keepers at the marine hospitals? We have a keeper in charge of the marine hospital at Douglastown, who is alleged to be receiving starvation wages. His wage has not been increased for the last fifteen or twenty years. I have no authority to speak on behalf of the keeper of this hospital; I take it upon myself to draw the attention of the minister to his case, and I know he will give it the consideration it deserves.

Mr. HAZEN: I will certainly pay as great attention to this suggestion as I would to any that comes from my hon. friend. But would it not be a better policy to close the hospital at Douglastown, and to send the sailors to Chatham, only a few miles away. There is a wonderfully good hospital which is managed by the Sisters of Charity there, and which gets a grant from the province. It might be more in the interests of the sailors to do that.

Mr. LOGGIE: That suggestion was placed before the public four or five years ago, and the people on the Miramichi resented very much the idea of closing that old institution. The sailors that go there are well attended, and the keeper is a good man, while the hospital is centrally situated. The shipping interests and timber merchants are very strongly in favour of retaining the old hospital.

Salaries and imbursements of fishery officers, $230,000.

Mr. LEMIEUX: We will leave the first item, and pass the other. I understand that some hon. members would like to discuss some matters.

Mr. HAZEN: Very good, let the first item stand.

Mr. CARROLL: Have the fishery officers for eastern Nova Scotia been appointed?

Mr. HAZEN: Yes.

Mr. CARROLL: Has there been any increase in the number?

Mr. HAZEN: Practically no increase this year.

Mr. CHISHOLM (Inverness): Any decrease?

Mr. HAZEN: No, I think the number is the same.

Mr. LAW: Has the minister increased the salaries of all the fisheries inspectors?

Mr. HAZEN: No.

Oyster culture, $6,000.

Mr. CHISHOLM (Inverness): What is being done in regard to oyster culture?

Mr. HAZEN: Oyster culture to-day, under the agreement that we have made, is largely being carried on by the provinces. In Prince Edward Island the Government have gone to work on a most extensive and progressive scale. They have granted leases for 5,000 acres of barren oyster beds, the people who have leased the beds are planting them with new oysters and it is expected that the oyster industry in a few years in Prince Edward Island will be restored to what it was before it was depleted, and will be a valuable asset to the province. I understand that a similar course is being adopted in New Brunswick and Nova Scotia. I do not think that in New Brunswick they have gone ahead as fast as they have in Prince Edward Island. In Nova Scotia we have also entered into the same arrangement with the provincial government which practically gives them the control. Following the amendment of

the Fisheries Act of last session enabling agreements to be entered into with the provincial governments whereby they would take up the leasing of areas on which to carry on artificial culture and cultivation of oysters, agreements ere entered into with the Maritime provinces and British Columbia. The work carried on by the federal government will be limited. An experimental oyster bed was, two years ago, laid out in Richmond bay, Prince Edward Island, and the following year in Caribou harbour, Pictou county. Last year an experimental bed was started in Bay du Vin, but was not finished. It will be completed during the coming year and the oyster expert will therefore devote his time to the cleaning and improving of the public beds.

Mr. SINCLAIR: How long does it take an oyster to grow up?

Mr. HAZEN: It takes him from three to four years. If my hon. friend wants to hear about oysters he will learn all about them if he runs up against the Premier of Prince Edward Island.

Mr. LEMIEUX: I thought that Prince Edward Island was taken up with foxes just now.

Mr. HAZEN: Oysters and foxes.

Mr. LEMIEUX: The best advertisement of Canadian oysters is that which they have received from Lord Strathcona. He has planted a bed of Prince Edward Island oysters about the island at the north of Scotland where he has his castle. The plantation has been a great success.

Fisheries patrol service, $120,000.

Mr. CHISHOLM (Inverness): What is the explanation of the increase of $45,000?

Mr. HAZEN: The reason of that is that we have five new patrol boats on the Atlantic coast in commission this year as compared with last year and also an extra one on the Pacific coast.

Mr. CHISHOLM: Are these boats built by tender and contract?

Mr. HAZEN: In all cases by tender and contract.

Mr. MACLEAN (Halifax): A few days ago I asked for a return relative to the production of the dog fish plant at Clarke's harbour. Possibly that cannot be brought down while Parliament is in session and if not, I would request that the minister when it is completed, send it to me at Halifax.

Mr. HAZEN: Certainly.

To provide for an exhibit of fresh and cured food fish at the Toronto annual exhibition, $10,000.

Mr. LOGGIE: I would like to ask the minister on what terms the dog fish plant at Shippegan is to be operated this year?

Mr. HAZEN: I regret to say that we have been unable to make a lease there. We thought we had one made but the gentleman with whom we were dealing backed out.

Mr. SINCLAIR: This seems to be a new item in regard to the exhibit of fresh fish at Toronto. I suggest to the minister that they establish a fish kitchen at the exhibition, have some fresh fish cooked in a nice way, sold cheaply and served to the people of Ontario so that they will get a taste of the good fish we have on the Atlantic coast. I am quite sure that if you once give them a taste of it they will not eat any more lake fish but will want our fish all the time. I think if that is carried out it will be a very good idea.

Mr. HAZEN: I am glad to hear my hon. friend say that because that is exactly what the department is arranging to do in addition to making the exhibit. We were approached over a year ago by the directors of the exhibition. They wanted us to make an exhibit at the fair last year. We felt that we could not, in the time at our disposal, make an exhibit that would be a credit to the department, so declined to undertake it. After talking it over we came to the conclusion that it would be good for the exhibition and a good advertisement of our good fish as well if we had at the Toronto exhibition, which is the largest annual exhibition held on the continent of North America, a first-class exhibition of the food fishes of the country arranged in an attractive manner. It would also introduce Atlantic food fishes into the West. The officials of the department who are working out the plan have made a recommendation along the line which has been suggested by my hon. friend from Guysborough.

Salaries, building and maintenance of fish-breeding establishments, $400,000.

Mr. CHISHOLM (Inverness): There is a large amount of money expended on this particular work, not too large, I admit, and I would like to ask if careful attention is paid to the appointment of officers in charge of these establishments. I have in mind a particular hatchery in Nova Scotia where the department appointed a man as superintendent two years ago. I cannot conceive of this man being a proper person for the position inasmuch as he is seventy years old. I would expect a man filling a position of such importance to have at least reasonable youth to his credit.

Mr. HAZEN: My officials tell me they pay as careful attention as they can, but no doubt mistakes are made at times. A trouble does exist, I think, with regard to fish hatcheries in the fact that we have not in Canada enough men trained in that branch of science. Within the last few months the departmental officers have arranged—and I have approved of a schedule that has been prepared, arranging for the officers in the different fish hatcheries, what pay they shall receive when appointed, what the increases, and what the maximum shall be. We are trying to work out a system under which we can get better-trained officials than we have at the present time. The work has gone on very rapidly in the past two years, almost too rapidly. There have been splendid results from the salmon hatcheries, but it is doubtful if there have been any results at all from the lobster hatcheries. There are white-fish, pickerel, and salmon hatcheries which have given good results. The demand for these hatcheries is becoming greater all the time in places where streams and lakes are getting less full of fish. On Lake Erie, where there are hatcheries, there is no doubt that the supply of whitefish has been pretty well kept up; whereas in some of the other great lakes where there are no hatcheries the supply of whitefish has very largely decreased.

Mr. LEMIEUX: The salmon hatchery at Gaspé is quite a success.

Mr. HAZEN: The salmon fishers around that coast tell me there are more salmon there than there were ten or fifteen years ago. They attribute it to that hatchery. Some of it may be due to the protection being better than it was twenty or twenty-five years ago. The number of shad was becoming less, and last year we established shad hatcheries. A shad hatchery cannot be made like other hatcheries in a fixed place; it has to be removed from place to place because the shad is such a delicate fish. You cannot take it out like a salmon, and strip it; you have to get it over the spawning bed when it is quite ripe. If you do not do that, you loose the shads and spawn and everything else. At the first hatchery of the kind in the Dominion last year, they got about 5,000,000 eggs that were deposited. This year they expect to do very much better. As to what the result will be, we cannot tell for perhaps three or four years. I have great hopes that it will increase the number of shads.

Mr. NESBITT: Is the hon. minister going to ask for tenders for a boat on Lake Winnipeg?

Mr. HAZEN: We asked for tenders. It is to take the place of a boat called the Lady of the Lake, which has been the Marine and Fisheries boat there. Not a single firm tendered. They considered that Lake Winnipeg was an out-of-the-way place, and they would have to build the boat largely here and set it up when they got it to the lake. Therefore we decided to build the boat ourselves in the Government yards at Sorel.

Mr. LEMIEUX: Whilst I was reading the Star to-night I found what I wanted to quote this afternoon about ship construction in Canada. It is as follows:

> Collingwood, Ont., May 23.—The steel freighter, James Carruthers, claimed to be the largest of its kind ever constructed in the British Empire, was successfully launched yesterday at the yards of the Collingwood Ship-building Company.
>
> The new vessel was christened by Miss Lillian A. Wright, daughter of Mr. A. A. Wright, general manager of the St. Lawrence and Chicago Navigation Company, under whose colours the James Carruthers will ply on the upper lakes.
>
> The vessel is 550 feet long, 38 feet beam, and 30 feet deep, and has a carrying capacity of 375,000 bushels of wheat, or 600,000 bushels of oats, and about 11,000 tons of coal.

I submit that to my hon. friend for his consideration.

Mr. MACLEAN (Halifax): How is the Advisory Fishery Board getting on?

Mr. HAZEN: We have it organized this year. There are three divisions, an eastern division, a Pacific division and a prairie division, the prairie division being the provinces of Manitoba, Saskatchewan and Alberta where conditions are different. There have been two meetings of the Atlantic division here, and one meeting of the Pacific division. I think there is to be a meeting of the prairie division in June. The officials of the department believe it will be a great help.

Mr. SINCLAIR: My hon. friend suggests that lobster hatcheries are not doing good work. There is evidence to the contrary in some places. The hatchery that was established in Pictou a number of years ago has increased the crop of lobsters in that vicinity. The same thing prevails at Canso, but the Canso hatchery has not been operated so long as the one at Pictou. After his experts have been experimenting for some ten or fifteen years it is humiliating that the minister has to come before the committee and say he does not know. If his experts on this question were as they ought to be, they would follow up the spawn they put in the sea and be able to tell the minister whether any of them thrive or not.

Mr. LAW: Are any new lobster ponds to to be bought this year?

Mr. HAZEN: No.

Mr. LAW: There is a natural lobster pond at West Pubnico, Yarmouth county. An official of the department has inspected that pond three times, and I understand he had made a favourable report. The pond can be got for a very reasonable price. There is an increase in this vote of $77,700. That pond, I imagine could be bought for $1,000. I see that last year the minister purchased a lot in Digby for $10,000, which has been assessed for the last three or four years for $300 to $350. If the money is as plentiful as that with the Marine and Fisheries Department it is only fair they should purchase this pond at West Pubnico which will be of benefit to the fisherman of that county as well as of Shelbourne. It is a natural pond and the water flows into it and out of it as the tide moves, and no fresh water goes into it.

Mr. HAZEN: The hon. gentleman knows that the value of a property cannot be determined by the assessment. I am prepared to justify the purchase of that property and amount paid. It was reported upon by the officers of the department and every precaution taken. The matter of Pubnico has been before the department and I believe that the officers think it a good site, but we have decided not to extend the lobster ponds this year.

Mr. SINCLAIR: What did the minister get in this purchase?

Mr. HAZEN: The area is nineteen acres. A dam has been built and a pond constructed. To go back to the other matter, what strikes me as a non-expert is that more information ought to be had along the line referred to by the hon. member for Guysboro. We do not know whether the lobsters which are hatched out and put in the ocean are devoured by the other fish or what becomes of them. I do not think anything is known to prove that the lobster hatchery has been productive of very good results. I am glad to hear what the hon. gentleman says about Pictou and Canso. But should not we keep the lobsters after they are hatched out in the pond, place them in favourable locations where they could not be preyed upon, and so make sure that a fair proportion of them reach maturity. I think the investigation should take place, and the proper body to make it would be the biological board. This is without casting reflections on the officers of the department who are capable and zealous men. But we have not at this time such information as I speak of.

Mr. SINCLAIR

Mr. MACLEAN (Halifax): Have the lobsters been placed in the pond in Digby?

Mr. HAZEN: They are being placed there.

Mr. MACLEAN: I have heard it stated that fresh water flows into this pond.

Mr. HAZEN: No, that has been diverted.

Mr. McKENZIE: Have we one Fishery Board for the whole of Canada?

Mr. HAZEN: One board divided into three sections; Atlantic, Pacific and prairie sections.

Mr. McKENZIE: Who composes the Atlantic section?

Mr. HAZEN: It is composed of three members from Nova Scotia, three from New Brunswick, one from Prince Edward Island, and a representative from the Gulf of St. Lawrence—from the Magdalen Islands.

Mr. MACLEAN: The hon. member for Yarmouth asked for a return. Will the hon minister expedite that?

Mr. HAZEN: Yes.

Mr. SINCLAIR: And will he expedite the return respecting the expenses of Commissioner Duchemin which I asked for two months ago—the expenses of Commissioner Duchemin in connection with investigations in Guysborough county, giving the names. A large number of people were beheaded in that county.

Mr. HAZEN: Does that refer to the Department of Marine alone?

Mr. SINCLAIR: To all the departments.

Mr. HAZEN: Then that will be in the hands of the Secretary of State.

Mr. LOGGIE: I would draw the attention of the minister to the fact that Miramichi is a district in which a large quantity of shad are caught, and perhaps he would consider adding to the hatchery on the North West Miramichi, a branch of the shad hatchery in connection with the salmon hatchery.

Mr. HAZEN: I was under the impression that the shad fishery of Miramichi was a small one.

Mr. LOGGIE: No, it is a large fishery.

Mr. HAZEN: I have been resting under a mistake.

Mr. CARVELL: A moment before the committee rises—I mentioned earlier in the afternoon about the licenses in the Bay of Fundy—I think a return was moved for by the hon. member for St. John (Mr. Pugsley) regarding the correspondence. If the min-

ister would have it brought down when the committee meets next time, I should like it.

Mr. HAZEN: The hon. member for St. John called my attention to the matter On inquiry I found that the return will cover over a thousand pages. It is almost ready and probably will be brought down next week.

Some resolutions reported.

On motion of Mr. Hazen, the House adjourned at 1.05 a.m. Saturday.

HOUSE OF COMMONS.

MONDAY, May 26, 1913.

The SPEAKER took the Chair at eleven o'clock.

PRIVATE BILLS.

FIRST READING.

Bill No. 233, for the relief of Frank William Meek.—Mr. Pardee.

PATENT OF COMMERCIAL ACETYLENE COMPANY.

House in Committee on Bill No. 207, respecting a patent of the Commercial Acetylene Company of New Jersey.—Mr. Maclean (South York). (Mr. Deputy Speaker in the Chair.)

Mr. NESBITT: This Bill was up on Friday night, but the Chairman of the Private Bills Committee was not present, and no one could tell us why this company wanted its patent extended. The Bill does not say anything about it. So far as I am concerned, I am opposed to patents being extended without some reasonable ground being given.

Progress reported.

PATENT OF MAURICE DELVIGNE.

House in Committee on Bill No. 208, respecting the patent of Maurice Delvigne.—Mr. Barker. (Mr. Deputy Speaker in the Chair.)

Mr. NESBITT: This Bill was in exactly the same position; nobody could tell us anything about it on Friday night.

Progress reported.

SECOND READINGS.

Bill No. 229, for the relief of Albert Britnell.—Mr. Sharpe (Ontario).

Bill No. 224, respecting the Western Trust Company.—Mr. Turriff.

Bill No. 225, respecting the Great West Permanent Loan Company.—Mr. Meighen.

On motion of Mr. Meighen for second reading of Bill No. 226, respecting the Alberta-Saskatchewan Life Insurance Company.

Mr. CARROLL: When was this company incorporated ?

Mr. MEIGHEN: Just before the hon. gentleman rose, I was complaining that the appearance of my name in connection with this Bill was unauthorized. I can recall nothing whatever in connection with it.

Motion agreed to, and Bill read the second time.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

RIGAUD POST OFFICE.

On what date did Messrs. Archer Macdonald and Elzear Montpetit, each write to the Government asking for the opening of the new post office at Rigaud?

Mr. ROGERS: No such communications received by the Department of Public Works.

SENATE REFORM.

Mr. SINCLAIR:

With reference to a certain manifesto issued by the right hon. Prime Minister to the people of Canada, containing, among other things, the following language:—

'We declare for such reforms in the mode of selecting future members of the Senate as will make that Chamber a more useful and representative legislative body.'

Does the Government purpose introducing legislation to carry out this pledge? If so, when?

Mr. BORDEN: The subject alluded to in this question is under consideration, and any announcement that may be necessary will be made at a later date.

SWIFT CURRENT LANDS OFFICE.

Mr. KNOWLES:

1. What are the names, dates of appointment and salaries respectively, of the employees of the Dominion land office at Swift Current and Maple Creek, including homestead inspectors?

Mr. CROTHERS:

Office employees, Swift Current.

Name and date of appointment.	Salary.
C. H. E. Clarke, May 22, 1912..	1,200
A. J. Sharp, June 14, 1912..	$1,800
A. Powell, October 1, 1911..	1,000
J. G. Gorton, September 5, 1911..	960
Chas. White, July 8, 1912..	780
Jas. Mackay, August 7, 1911, ...	780
J. K. Smith, Sept. 26, 1912..	780
W. H. Woodhall, April 10, 1913..	780
A. H. Hall, Feb. 12, 1912..	780
Jas. Graham, Dec. 19, 1912..	780
Alex. Burnett, Jan. 27, 1913..	780

Miss K. Hart, May 1, 1913..	780
Miss May Malone, Oct. 6, 1911..	660
Miss Grace Henye, Dec. 7, 1911	660
Homestead inspectors, Swift Current.	
W. C. Denison, Sept. 28, 1912..	1,200
Wm. Shields, Dec. 1, 1911..	1,200
Peter McLaren, May 7, 1912..	1,200
John McDonald, Dec. 28, 1912..	1,200
Office employees, Maple Creek.	
C. H. Stockdale, March 16, 1912..	1,800
J. P. French, Dec. 23, 1908..	1,400
Geo. Lister-Willey, March 1, 1913..	1,000
J. A. Currie, Hay 15, 1907..	1,060
T. W. Clarke, Jan. 25, 1912..	900
Wm. Goehring, March 1, 1913..	780
L. G. Smith, March 8, 1913..	780
Jos. Johnson, March 1, 1913..	780
Wm. Leckie, April 21, 1913..	780
Ulric Isabelle, March 3, 1913..	780
Miss M. J. Kern, Dec. 7, 1908..	780
Miss P. Cheeseman, not reported..	660

Homestead inspectors, Maple Creek, none.

MOOSEJAW LANDS OFFICE.

Mr. KNOWLES:

What are the names, dates of appointments and salaries respectively, of the employees of the Dominion land office at Moosejaw, including homestead inspectors?

Mr. CROTHERS:

Office employees.

Name and date of appointment.	Salary.
G. K. Smith, November 11, 1911..	$1,800
R. L. Kennedy, February 1, 1897..	1,200
S. H. Matcham, October 12, 1908..	1,200
C. Bishop, October 14, 1908..	1,100
J. A. Dickson, December 18, 1911..	1,000
Watson Helm, April 9, 1912..	900
G. L. Marquis, July 1, 1912..	900
Norman Hanna, March 7, 1912..	900
Peter Kay, December 11, 1912..	780
Miss L. G. Tovel, May 1, 1908..	720
Ernest Hinchey, December 2, 1912.. ..	780
Geo. Sylvain, December 23, 1912..	780
R. W. Lee, December 12, 1912..	780
Miss C. J. Goudie, April 1, 1910..	720
Miss Clarice Wilson, Nov. 15, 1911.. ..	660
Miss W. H. Denison, May 1, 1912..	600
Miss Agnes Robbins, March 7, 1913.. ..	600
Miss F. F. Fotheringham, Nov. 1, 1909..	700
Homestead inspectors.	
P. R. Brandt, December 15, 1911..	1,200
W. H. Erratt, November 30, 1911.. ..	1,200
J. G. Rathwell, not reported..	1,200
H. L. Bowyer, November 30, 1911..	1,200
J. Mines, June 10, 1912..	1,200

CHAMBLY CANAL SUPERINTENDENT.

*Mr. KYTE:

1. Has the Minister of Railways and Canals authorized the superintendent of the Chambly canal to use paint, the property of the department, for his residence?

2. Has he also authorized said superintendent to employ any of the canal staff for work about his premises?

Mr. COCHRANE:

1. No.
2. No.

Mr. CROTHERS.

GENERAL MACKENZIE'S RESIGNATION.

*Mr. MACDONALD:

1. When was General Mackenzie appointed to his present position?
2. Was the War Office consulted as to the appointment?
3. Was any recommendation made of General Mackenzie for the appointment by Imperial authorities?
4. What is his rank and status in the Imperial service?
5. When did General Mackenzie resign?
6. What reason did he give for his resignation?
7. What were the terms of the document?
8. Was the resignation accepted and when?
9. Was any communication had by the minister with the Imperial authorities previous to accepting the resignation? If so, what was the nature of the communication?
10. When does the resignation take effect?
11. Has any successor been appointed to General Mackenzie? If so, who was appointed or selected?

Mr. BORDEN (for Minister of Militia):

1. 1st November, 1910.
2. Yes.
3. Yes.
4. Major-General, General Staff.
5. 7th April, 1913.
6. None.
7. Simple resignation of his appointment without any reason.
8. Yes, on April 21st, 1913.
9. None.
10. 31st October, 1913.
11. No.

ROYAL MILITARY COLLEGE—REPORTED RESIGNATION OF COL. CROWE.

*Mr. MACDONALD:

1. Has Colonel Crowe, the commandant of the Royal Military College, resigned?
2. If not, when does his term of service expire?
3. Was any application for the extension of his term of service made or suggested? If so, by whom?
4. Was the extension recommended by the minister?
5. When was Colonel Crowe appointed and for what term?

Mr. BORDEN (for Minister of Militia):

1. No.
2. 11th October, 1913.
3. Yes. By Minister of Militia and Defence, unofficially.
4. Answered by No. 3.
5. 12th October, 1909; for four years.

EMPLOYMENT OF ANTOINE GOBEIL.

*Mr. CARVELL :

1. Is Mr. Antoine Gobeil, ex-Deputy Minister of Public Works, actually in the employ of the Government?
2. If so, in what capacity and at what salary?
3. What is the amount of his pension?

Mr. ROGERS:

1. Yes.

2. (a) In obtaining special and technical information for use in the Department of Public Works; (b) at $5,000, the salary of a deputy minister from which position he had retired; from this amount was deducted his superannuation allowance.

3. $2,160 a year.

EMPLOYMENT OF JOSEPH GOBEIL.

*Mr. CARVELL:

1. Is Mr. Joseph Gobeil, employed by the Department of Public Works?

2. If so, what is his salary?

3. What are his duties?

4. Is he a brother of Mr. Antoine Gobeil, ex-Deputy Minister of Public Works?

Mr. ROGERS:

1. Yes.

2. $2,100 a year.

3. Technical assistant to the General Superintendent of Government telegraph lines.

4. Yes.

TRENT VALLEY CANAL—CLAIMS OF CORRY & LAVERDURE.

*Mr. KYTE:

1. Has the Minister of Railways and Canals reached a decision concerning the claim of Corry & Laverdure, now pending for several years?

2. Is the above claim to be paid out of the sum of $250,000 mentioned in the supplementary estimates of this session, additional amount required for the construction of the Trent Valley canal?

Mr. COCHRANE:

1. No.

2. Answered by No. 1.

UNOPPOSED AND UNDISCUSSED MOTIONS.

For a copy of all correspondence and documents of any kind whatsoever relating to the dismissal of postmaster in Bonaventure county, by the present administration, not already ordered and brought down.—Mr. Marcil.

For a copy of all correspondence and documents of any kind whatsoever relating to the dismissal of employees of the Department of Marine and Fisheries in Bonaventure county, by the present administration, not already ordered and brought down.

For a copy of all correspondence, telegrams, petitions, &c., in connection with the building of a post office at D'Israeli, Quebec.—Mr. Tobin.

For a copy of all correspondence, reports, complaints and other communications and documents which passed between General Mackenzie and the Minister of Militia or his department, previous to, and which led up to the resignation of General Mackenzie; and also a copy of said resignation, and the reply of the minister thereto, and of any and all communications had with the war office thereto, and of all other papers and documents in connection therewith.—Mr. Macdonald.

For a copy of all letters, reports, documents and all other communications relating to the appointment of Colonel Crowe as commandant of the Royal Military College and to his resignation of said position, or to the extension of his term of service or to the termination thereof, and of all papers or letters passing between the minister and Colonel Crowe, relative to his resignation or the failure to extend his term of service.—Mr. Macdonald.

For a copy of all papers, letters, and documents relating to the construction of a public building in the town of Laurentides, county of L'Assomption.—Mr. Séguin.

For a copy of all papers, letters and documents relating to the building of a wharf in the town of L'Assomption.—Mr. Séguin.

For a copy of all papers, letters, documents, reports and inquiry, relating to the lighthouse keeper of the parish of Repentigny, county of L'Assomption.—Mr. Séguin.

For a return showing a complete list of the seizures made by John C. Bourinot, during his incumbency as acting preventive officer from 1884 to 1886; also during his term of office as collector of customs for the port of Port Hawkesbury from 1886 to 1898; also during his term of office as special officer of customs from 1898 to 1912; with the date of each seizure, number of each seizure, name of party from whom seizure was made, in case of vessels, the names of the vessels; also the name of the owner or owners, of such vessels the amount of each seizure, name of port where seizure was made, and the amount of the seizures made by him from 1884 to May 1, 1912, for the whole province of Nova Scotia.—Mr. Chisholm (Inverness).

For a copy of all telegrams, letters, &c., from the Department of Customs sent to or received from John C. Bourinot, Port Hawkesbury, customs officer, during the years 1895-6-7.—Mr. Chisholm (Inverness).

For a copy of all correspondence, telegrams, inquiries and reports respecting the dismissal of Philias Habel, lighthouse keeper at St. Louis de Lotbinière, county of Lotbinière, Quebec.—Mr. Fortier.

For a copy of all correspondence, telegrams, inquiries and reports respecting the dismissal of Napoléon Daigle, lighthouse keeper at Barre à Boulard, parish of St. Louis de Lotbinière, Quebec.

KITSILANO INDIAN RESERVE.

On the motion of Right Hon. R. L. Borden for Committee of Supply:

Hon. FRANK OLIVER (Edmonton): I desire to draw attention to the Kitsilano Indian Reserve, which was the subject of discussion on the 24th of April, and upon which further light was thrown by a return brought down dated the 23rd of May. I will read from this return the report of the inspector of Indian agencies which will place the case before the House briefly and clearly, and with more effect than I could. The report is dated, Victoria, April 26, 1913, addressed to the secretary of the Department of Indian Affairs, and reads:

With further reference to my letter of the 11th instant dealing with the reported surrender of the False Creek Reserve at Van-

couver by certain Indians of the Squamish tribe to the provincial government, I beg to state that I have just returned from Vancouver, and wish to confirm the statement contained in the press despatch enclosed with my letter of the 11th instant, in so far as the Indians giving their consent to the sale and receiving the money.

The negotiations with the Indians were carried on by H. O. Alexander, Esq., stipendiary magistrate of Vancouver, on behalf of the Government of British Columbia. The amount paid to the Indians was $219,750. Nineteen heads of families received $11,250 each and one received only $5,000, making twenty families in all. The Indians were also paid $1,000 for the removal of the dead bodies from the graveyard. Upon the Indians signing the agreement and receiving their money their effects were placed on a scow and towed up the Squamish river to one of the reserves, to which place most of the Indians also went. The expenses in this connection were borne by the British Government.

Mr. Alexander has informed me that he worked on a list which he made up himself, but it does not correspond with the Indian agent's census of this band, for it appears that money was paid to Indians who were not members of the band, while there were members who did not receive compensation. I visited the reserve and found that all the Indians had left. Their houses had been pulled down and burned; The last house on the water front portion of the reserve was being torn down while I was there on Tuesday, the 22nd, And the workmen informed me that they were working under the instructions of the provincial government, who also have a policeman on the reserve.

This is one of the Indian reserves set aside prior to Confederation, and consisted at that time of 37.45 acres; in 1876 (according to the Journal of the Indian Reserve Commission), the Joint Reserve Commission increased the size of the reserve to 80 acres. Since that time 10.52 acres have been sold to the Canadian Pacific railway and the Vancouver and Luou Island railway for railroad purposes. The Harrison Mills Timber and Trading Company also have a lease of 11.16 acres of the reserve.

The amount paid to the Indians in consideration of their giving up this reserve ($219,750) appears to be extremely small, so far as land values in that portion of the city of Vancouver are concerned; but at present, without going into the matter very fully, it is impossible to state definitely as to the true value of the reserve. However, it would not be very wide of the mark to say that it is worth at least ten times the amount paid to the Indians.

It appears from the return that not only did the British Columbia Government remove the Indians from the reserve, burn or pull down their buildings, and establish police authority upon the reserve, but they publicly advertised the jurisdiction of the British Columbia Government over the reserve by notice in the British Columbia Gazette, as follows:

Mr. OLIVER

Department of Lands,
Notice of Reserve.

Notice is hereby given that the certain portion of land officially known as Burrard Inlet Reserve No. 6, and commonly called Kitsilano or False Creek reserve, situated on the south side of the entrance to False Creek and arm or Burrard Inlet, and containing 80 acres, more or less, is reserved from any entry or alienation under the Mineral Act, the Placer-Mining Act, the Coal and Petroleum Act, or the Land Act.

Robert A. Renwick,
Deputy Commissioner of Lands,

Department of Lands,
Victoria, B.C., April 11, 1913.

It will be observed that the Indians left the reserve on April 9, and, on April 11, the British Columbia Government gazetted its assertion of authority over the property rights within the reserve. I brought this transaction to the attention of the House and the answer to my question is dated Monday, April 21, 1913. My question was as follows:

Is the Government aware of steps being taken, as alleged, to acquire from the Indians of the Kitsilano reserve, Vancouver, B.C., their rights to the land of the reserve by the provincial government of British Columbia, or by other parties or interests?

The answer to that question was: 'No.'

Mr. CROTHERS: I think my hon. friend is wrong as to the date. If I remember rightly, it was the 16th of April.

Mr. OLIVER. It appeared in 'Hansard' on April 21. In that connection I find a report here from the Indian agent, dated from the office at New Westminster, B.C., April 16, 1913. This writing does not give the name of the agent or of the inspector of agencies, but the official documents will give it. The report is as follows:

March 18, 1913.

Hon. Robert Rogers,
Ottawa.

Sir,—On invitation of provincial Government, attended them re (False Creek) Kitsilano Indian reserve, and upon explanation of terms, consider amount offered Kitsilano Indian band for their individual holding and rights fully adequate.

That is, if this document is correctly transcribed, the Minister of Public Works had knowledge on or about March 18 that the provincial government of British Columbia were negotiating with these Indians assumedly for the purpose of that reserve. On April 21, the acting Superintendent General of Indian Affairs gives this House an official answer that the Government have no knowledge of approach being made by the Government of British Columbia to these Indians for the purchase of the reserve. The report continues:

With reference to the above telegram—

It will be observed that only one telegram is contained in this return.

—and subsequent events in connection with the (False Creek) Kitsilano Indians, I beg to report as follows:

The provincial Government in explanation of the terms, gave me to understand that the amount agreed on with the Indians was paid to them for leaving (False Creek) Kitsilano Indian reserve, and that the transaction and the question of the land value of the aforesaid reserve would be adjusted between the provincial Government and the Department of Indian Affairs.

Since that time I am informed by the Indians that the members of (False Creek) Kitsilano band by having received from the provincial Government the sum of $219,750, which amount has been distributed amongst them as follows: Ninteen members have received $11,250, and one got $5,000. They have all left (False Creek) Kitsilano reserve, most of them going to reserves at Squamish river, where for many years they have lived during the summer months, while a few of the old people have gone to live with their children at Musquaam, Coquitlam, and Capilano.

On several occasions I advised these Indians, as well as others of the Squamish river band, not to discuss with any person the sale of the Indian reserve, or to make any bargain in regard to same with any person whatever, and I was greatly surprised indeed when I was informed by the provincial Government that the Indians had fixed a price and signed an agreement to that effect.

In conclusion I may say that I held a meeting of the Squamish Indians recently, at which representatives of all their various tribes were present, and the Indians expressed themselves as being very well satisfied with the agreement made between the (False Creek) Kitsilano people and the provincial Government.

I want to draw special attention to this sentence:

Owing to the impression conveyed that negotiations in regard to this matter were being carried on directly with the department, I delayed my report until this date.

Your obedient servant,
Indian Agent.

The Secretary,
Department of Indian Affairs,
Ottawa.

That is to say, this report shows that there were communications with the Government, which gave the Government knowledge of the fact that negotiations had been opened between the provincial government and the Indians, and that this officer of the Government was under the impression that these negotiations were being carried on with the knowledge and consent, and, it is to be presumed, with the approval of this Government.

As to the question of value of this land, I find a letter which gives notice of a telegram having been sent. That letter is as follows:

Vancouver, B.C.,
March, 20, 1913.

To the Superintendent General of Indian Affairs. Department of Indian Affairs, Ottawa, Ontario.

Dear Sir:—

I hereby beg to confirm telegram of this date:

'I wish to purchase the Indian reserve at Vancouver, B.C., on the south side of English bay, and known as the Kitsilano reserve, now occupied by the Squamish Indians, and said to contain seventy-seven acres.

I have taken the matter up with these Indians and they have signified to me their willingness to sell, and I have told them that I will pay the price they are asking. I expect to pay the full value of the property in question, and am willing and financially able to pay the full purchase price in cash, upon the completion of the necessary proceedings, and I now make application to your department for the purchase of the said reserve, and request that you advise me in detail of the steps which it will be necessary for me to take to this end.'

Meanwhile will you kindly file this letter as an application to purchase in this behalf.

Very truly yours.
C. A. Calkins.

The price is not mentioned in the letter, but I find the following lettergram of later date:

Vancouver, B.C., 30th April.

Superintendent General Indian Affairs:—

Referring to telegram, March 20, from C. A. Calkins re Kitsilano Indian reserve in which he applied to purchase same and to your reply of March 22, Mr. Calkins represented an American railroad company and instructs us to make a definite offer on behalf of railroad company to purchase Kitsilano Indian reserve, Vancouver, B.C., for two million dollars as per telegram to Mr. Stevens below. Will you kindly place this application on file, acknowledge and advise us when next step should be taken. Mr. H. H. Stevens, member for Vancouver, advised by telegram on April 9, as follows: 'Am prepared to pay and have offered the Indians two million dollars for Kitsilano Indian reserve at Vancouver. Money will be paid on receipt of title. Property to be used for railway terminal and docks, subject to such reasonable restrictions, reservants and requirements of proposed harbour developments as Dominion Government may impose.

Deacon, Deacon and Wilson.

It appears also from this return that the Minister of Public Works had in mind the securing of certain portions of this reserve—

Said site for construction of additional wharfage facilities in Vanvouver harbour.

The inter-departmental communications are dated 12th March, and there is a description attached of the land the Department of Public Works desired to secure on this reserve. There is a letter here from Simon G. Pierre, secretary and interpreter for the Indian reserve in that vicinity, to

the Deputy Superintendent General of Indian Affairs, in which he says:

The Kitsilano Indians are being agitated by some white men of their reserve. The white men want to buy that reserve and offered them $10,000 for each living family. Now, they want to know, are they allowed to sell that tract of land while the land question is unsettled. There are some other white men that offer a great deal more than the other party. Shall they sell to the highest offers or shall they sell to special party only? Or shall they wait until the land question is settled?

Kindly advise.
I am, Sir,
Your most obedient servant,
Simon C. Pierre,
Secretary and Interpreter,
Keatzie Indian reserve
Port Hammond, B.C.

It is evident, therefore, that the Government had knowledge of this transaction being in progress and that they took no measure to prevent its being carried forward. So far as we are aware, they have taken no measures to readjust the conditions since the arrangement between the British Columbia Government and the Indians was made; and I submit that the condition is such as to call for a very full explanation from the Government of its position and intentions in the matter.

This document also discloses that a part of this reserve, some thirty-seven acres, was set apart by Governor Sir James Douglas, acting as the direct representative of the British Crown while administering the affairs of what is now British Columbia as a Crown colony. Therefore, there can be no question as to the proprietary rights on the part of this band of Indians to that much of their reserve in any case. In the remarks I had the honour to make some time ago in this connection, I pointed out that the responsibility and control of Indian Affairs was a trust transferred from the Imperial authorities to this Dominion Government, and that there was no means whereby they could properly divest themselves of that responsibility. There is some question raised by the British Columbia Government in regard to proprietary rights of the Indians in the class of reserve more recently set apart, but there can be no valid contention made against the absolute right of the Indians to the thirty-seven acres of this reserve received by direct title from the Imperial Government, nor can there be any question of the responsibility of this Government to absolutely protect the Indians in the full enjoyment of their rights in that portion of the reserve, and equally in their right to secure full value for the land should the transfer of that land be made.

This case is the more remarkable because there is an arrangement between the Government of British Columbia and this Government for the settlement of the questions at issue between these Governments in regard to Indian reserves. The basis of agreement has been arrived at and a commission has been appointed. Under that arrangement and by the work of that commission, this particular reserve would undoubtedly have been dealt with, and the Government of British Columbia would have been maintained in whatever right it had according to the arrangement arrived at.

Apparently the Government of British Columbia, whether with or without the consent and knowledge of this Government, have seen fit to enter upon this property and assert the right of that Government, irrespective of this agreement. That is to say, they have made an agreement with the Dominion Government, and before that agreement becomes effective they take measures, aside from the agreement, to establish a property right which, in my estimation, they have not at all and would not have under the terms of this agreement.

The Dominion Government, charged with the responsibility of protecting the rights of the Indians, both as to their property and as to their persons, having made an agreement with the Government of British Columbia for the proper adjustment of all these rights according to their judgment, permit the Government of British Columbia to go outside of that agreement, to deal with those Indians in a manner absolutely contrary to the law, to remove them from the reserve, to destroy their property upon the reserve, to assert the authority of the provincial Government in regard to that reserve, and that on a payment of money that is stated even by the officer of this Government to be less than one-tenth of the actual value of the land. I submit that the Government are deserving of censure and of serious censure, unless they can give some better explanation of the case than they gave on the former occasion.

Coming now to the discussion of the arrangement between the Government of the province and the Government of the Dominion; the provincial Government claims that the Indians do not own this land, that it belongs to the provincial Government, that the Indians have only a right of occupation, and that when the Indians leave the land, the title of the British Columbia Government to that land at once accrues. As I have already said, it was not possible for the Dominion Government to agree to that proposition, and the late Government had arrived at an agreement with the British Columbia Government to submit the question, as a legal case, to the judgment of the Privy Council. Later on the British Columbia Government refused to go on with that agreement. Still later this Government took the matter up

and arrived at an amicable arrangement with the British Columbia Government; and as soon as the agreement was arrived at the British Columbia Government proceeds forthwith to set it aside; they take action independently; and this Government, so far as our returns show, has done absolutely nothing to protect the rights of the Indians in the matter.

In regard to the merits of the arrangement made between the Dominion and the province for the disposition of the rights of the Indians, I can only say that in my humble judgment it is an agreement which is intended to make peace between the province and the Dominion at the expense of the Indians. Under this arrangement the right of the province is admitted wherever the Indians have vacated their reserve or a portion of their reserve. That is to say, the province claims that wherever the Indians have vacated their reserve the land belongs to the province and not to the remainder of the Indians, and this Government by its arrangement concedes that subject to sale and equal division of the proceeds between the province and the Dominion. The British Columbia Government has secured the vacation of this reserve by payment to the Indians of a quarter of a million dollars, and claim the absolute ownership of the property. I assume it is in that view that the British Columbia Government have acted.

As to the fairness or reasonableness of such an agreement being entered into whereby the two Governments undertake to dispose of the rights of the Indians without considering what those rights are, without having those rights decided by that authority which is and ought to be the final court of appeal in regard to all such cases, it is a departure from precedent as to the proper discharge of the responsibilities of the Government of Canada in regard to the Indian tribes. It is disregarding the trust that has been placed on this Government by the Imperial authorities in regard to the rights of the Indians, and is not such an arrangement as can be considered to be fair and reasonable or in consonance with the dignity of the Government of Canada or the responsibilities that properly rest on that Government.

The question of the price of this land is not a serious matter. The serious matter is that this Government has seen fit—and I am bound to say, on the evidence of this return, that they have seen fit with knowledge—to forego their responsibility of protecting the rights of those Indians in regard to that land. They have done it without reason, because there is legislation on the Statute Book which can be brought into play that would effectually protect both the rights of the Indians and the rights of the people of Vancouver. They have not seen fit to bring that legislation into action. They have seen fit to allow an unwarranted assertion of authority by the British Columbia Government which is neither more nor less than piracy, in taking these Indians off their land, burning their houses, in establishing control and asserting ownership of this land, without, so far as this return shows, ever referring the matter to this Government, although it is also shown that this Government had knowledge of the transaction. These are serious matters. When it is established, as it is established, that the Indians have been paid a quarter of a million dollars for land that is worth ten times as much, surely that concrete fact will appeal very strongly to the people of Canada as establishing the failure of the Government to exercise their proper responsibilty in protecting the rights of those Indians. They have made an agreement with the British Columbia Government. It is an unfair agreement; but if that agreement was being carried out there might be some justification. What has been done has been done in defiance of that agreement, without regard to it, that is, without regard to its letter; and, so far as we are aware, this Government has taken no means, directly or indirectly, either to protect the rights of the Indians in the first place or to restore those rights now that they have so far been taken away from them. They have taken no means to bring into play the legislation of this Parliament, that was provided particularly and especially for meeting just such cases in a fair and equitable manner.

Right Hon. R. L. BORDEN (Prime Minister): My hon. friend has traversed a good deal of the ground which he went over at very considerable length about a month ago. I am not aware that he has brought to the attention of the House any material circumstances that were not made known then. As he has stated, there is a commission which is investigating the whole question of Indian affairs in the province of British Columbia, and, having been Minister of the Interior for a number of years, he knows, or ought to know, that the rights of the Indians in respect to their lands in the province of British Columbia, or anywhere else, can only be interfered with under the law of this country, and there are two statutes which are available for that purpose. My hon. friend says that there has been an agreement between this Government and the province of British Columbia by which this Government would undertake to do anything that the British Columbia Government might find satisfactory to the Indians.

Mr. OLIVER: I have mis-stated my position if my right hon. friend thinks that is it.

Mr. BORDEN: What is your position?

Mr. OLIVER: This Government has made an agreement with the British Columbia Government whereby, whenever an Indian reserve is partially or wholly vacated, the contention of the British Columbia Government is accepted.

Mr. BORDEN: Where is that agreement to be found?

Mr. OLIVER: Within the agreement I have here.

Mr. BORDEN: You mean the agreement for the appointment of the commission?

Mr. OLIVER: Yes.

Mr. BORDEN: The terms of that agreement are very well known. As a matter of fact, it is a commission which is not in the nature of an arbitration. The commission was appointed under the Inquiries Act, and its report is subject to the consideration of the Governor in Council. My hon. friend seems to think it is an arbitration. It is not an arbitration; it is purely an inquiry under the Inquiries Act.

Mr. OLIVER: My right hon. friend remembers that there is set out in this return a specific memorandum of agreement.

Mr. BORDEN: Here is what I refer to, and my hon. friend apparently has entirely overlooked it. The question was submitted to the Minister of Justice, who reported in this way:

> The Minister of Justice, therefore, advises that the approval of the agreement should be subject to a further provision which should be accepted by the Government of British Columbia before the agreement can become effective, providing that notwithstanding anything in the agreement contained the acts and proceedings of the commission shall be subject to the approval of the two governments, and that the governments agree to consider favourably the reports, whether final or interim, of the commission, with a view to give effect, as far as reasonably may be, to the acts, proceedings and recommendations of the commission, and to take all such steps and proceedings as may be reasonably necessary with the object of carrying into execution the settlement provided for by the agreement in accordance with its true intent and purpose.

The agreement had been made by Mr. McKenna, but after it became a question for inquiry under the Inquiries Act, the Minister of Justice reported, and his report was embodied in the Order in Council to the effect that, notwithstanding anything in the agreement contained, the acts and proceedings of the commission should be subject to the approval of the two governments. Therefore, being subject to the approval of the two governments it is necessarily subject to the approval of this Government in respect to anything carried out under the inquiry entered into by reason of the agreement effected by Mr. McKenna, as officer of the Department of the Interior. Now, so far as the whole question is concerned, as I pointed out to the hon. gentleman before, these are matters which are regulated by statute. It is undoubtedly true, and I believe from information given to him that the hon. gentleman himself was convinced, that it was very much in the interests of those Indians that they should be removed from that portion of Vancouver which they occupied, and the object to be carried out was to remove them under such terms and conditions as would be just to them and as would make a disposition of the land such as would enable it to be utilized to the greatest possible extent in the public interest. Even if the supposed arrangement were carried out, as my hon. friend suggests, the net result would be that the property having been vested in the Crown for the benefit and advantage of the Indians, who live upon this reserve, would in the future be vested in the province of British Columbia, for the advantage and benefit of the people of that province. It was not to go to real estate speculators; it was to remain vested in the Crown for the advantage of all the people of British Columbia, provision of a just character having been made for the Indians in another manner. That is all the transaction would amount to, if it were such as my hon. friend suggests. But I have already pointed out, in the first place, that these matters are regulated by statute, and in the second place this will be a proper subject for consideration by the commission which is now engaged in that work in the province of British Columbia. I would point out further, inasmuch as my hon. friend used some strong language in dealing with this subject, that his own attitude in 1910, a little more than two years ago, was that any arrangement made by the province of British Columbia, that was satisfactory to the Indians, would be acceptable to him. He left it almost entirely in the hands of the Government of the province of British Columbia. Here is a telegram from the then Prime Minister of British Columbia:

> Have consulted with the Minister of the Interior and any arrangement satisfactory to the Indians will be quite acceptable to us.

But my hon. friend now tears his hair with despair at the idea of any such arrangement as that being carried out. He seems to have altered his point of view very much since that date. The telegram went on:

> Would only suggest that as we are the guardians of Indians it would be advisable

that department be party to arrangement and that same be made under Indian Act. We intend introducing legislation this session in connection with similar questions.

So long as it was under the Indian Act, and so long as the department was a party to the arrangement, any agreement whatever which the British Columbia Government made with the Indians would be acceptable to the hon. gentleman. I would like to know if this is his view-point to-day, or whether he considers that some other policy ought to be considered in the interests of the Indians and in the interests of the people of this country. If what he laid down as a proper policy in 1910 is correct, it would afford a very easy solution of the question, and would remove a great deal of responsibility that might otherwise be cast on the Government. We have thought that perhaps some further considerations ought to be taken into account in a matter of this kind. But as I have already said, the whole question is regulated by statute, and the representations of the Indians in connection with this and similar matters are under consideration by the commission which has been appointed for that purpose.

Sir WILFRID LAURIER: My right hon. friend has not at all submitted to the House the point at issue. It is quite true that the relations of the Indian with the white man are regulated by those statutes; but on the present occasion the point is that neither statute has been followed; both have been ignored. Neither the general statute for the surrender of reserves nor the Indian Act has been followed. It was only two or three years ago that a Bill was introduced in this House to meet a case similar to the present one. That was the case of the Songhees Indians of Victoria. By experience we know that Indian reserves in the vicinity of growing cities are a detriment, not only to the growing cities, but to the Indians themselves, and it is in their own interests that they should be removed from those cities, or their immediate neighbourhood. At the present time the Indians can surrender their rights under the Indian Act; but this requires their consent, and there have been cases in which the Indians have not been willing to give their consent. That was the case of the Songhees Indians at Victoria. The matter had been under discussion between the authorities of Victoria and the Indians, and the Indians always refused to agree to the surrender. At last the Government of British Columbia took the matter up and obtained the consent of the Indians. That was the occasion upon which I sent the telegram, which was quoted some time ago by my hon. friend, and which has been quoted again to-day, to Sir Richard McBride, stating that the price and conditions, if acceptable to the Indians, would be acceptable to us. The matter had been considered for some years, and the only point was to obtain the consent of the Indians. The conditions that were offered by the Government of British Columbia on behalf of the city of Victoria were acceptable and reasonably fair. We knew that the Government of British Columbia were anxious to have the consent of the Indians, we were willing and anxious to have their consent, and we advised the Government of British Columbia that we would be willing to agree to those conditions. But there is a difference between the Songhees case and this.

In order that the House may understand this question, let me point out that the Indians may surrender their rights; but if they do so, it must be done with the consent and approval of the Superintendent General of Indian Affairs. If the Indians, although they are so advised by him, will not surrender their rights, then the authorities who want the surrender can apply to the Court of Exchequer and obtain judgment of the court as to whether the Indians shall be removed or dispossessed. We thought it would not be fair to dispossess the Indians, even though we thought it was in their own interests, unless we had judicial authority for so doing. We wanted to preserve the sacredness of the trust which has been imposed upon us, as upon all British governments, with reference to the interior races before dispossessing them of their land. But if the Indians are willing to surrender their reserve, as was the case with the False Creek reserve, you must have the consent of three parties: first, the purchaser—in this case the Government of British Columbia; next, the Indians; and next, the Superintendent General of Indian Affairs. In this case the Superintendent General of Indian Affairs did not participate in the negotiations at all. There was the consent of the Indians and the consent of the British Columbia Government; but it appears that the Superintendent General of Indian Affairs simply surrendered his rights altogether. The correspondence shows that the Superintendent knew that negotiations were going on, but did not interfere at all. My hon. friend (Mr. Crothers) may shake his head, but I would be very glad to have his explanation upon this point.

My hon. friend from Edmonton (Mr. Oliver) presented the case to the House fairly and moderately, and his conclusion is that, if the facts are as they have been presented, the Government are censurable. But he says: I do not want to ask for the

censure of the Government to-day; I want the explanation of the Government. If the facts are as disclosed by my hon. friend from Edmonton, and if this transaction has taken place with the consent of the Superintendent General of Indian Affairs, then he has been imprudent in his conduct; but if he has not given his consent to this transaction, the Government are certainly highly censurable, because they have been altogether recreant to the duty imposed upon them by the law for the protection of the Indians. As we know, the Indian is the ward of the nation; he is treated as an Indian; he cannot sell a pelt unless he has the consent of the Superintendent General of Indian Affairs, through the agent; and shall it be said on this occasion that the Indians can sell their rights to the land which they occupy without the consent of the Superintendent General of Indian Affairs? That is the charge which was made by my hon. friend, and upon which he desires information.

The question as to the general right of the government of a province with reference to the lands now in possession of the Indians is a very large one, and I shall not enter upon the discussion of it at the present moment. But that is not a matter in issue at the present time. The question is whether the sale was authorized by the Superintendent General of Indian Affairs. If not, the whole transaction is null and void, and there is no title conveyed to anybody. Do I understand that these men, without the consent of the Superintendent General of Indian Affairs, paid $200,000 for this property, when there was another party ready to offer $2,000,000? Do I understand that, as alleged, the Government allowed these Indians to be deprived of their rights?—because the British Columbia Government have no rights to these lands, unless they have the signature of the Superintendent General of Indian Affairs. Do I understand that without having that authority they have dispossessed the Indians, burned their homes over their heads, and forced them to leave and settle elsewhere? That is the point upon which we must have some information so as to ascertain exactly what has been the conduct of the Government in the matter.

Hon. T. W. CROTHERS (Acting Minister of the Interior): Mr. Speaker, this matter was before the House about a month ago, and there was an answer given at that time to some observations made by my right hon. friend (Sir Wilfrid Laurier) and also to some made by the hon. member for Edmonton (Mr. Oliver). In face of the explanations that were then given, my right hon. friend asks the question now as to whether the Government were consulted as to this surrender. Did they agree that these Indians should be paid a quarter of a million for property that is worth $2,000,000? All that was answered a month ago, but I do not mind repeating it now; it will not take very much time. I told my right hon. friend then that we had not been communicated with at all in respect to this matter. I told him then that we had not given our consent and I can only repeat that now. I quite agree with him that the Indians have no right to dispose of their interests without the consent of the Government.

Sir WILFRID LAURIER: How is it that their homes were burned over their heads?

Mr. CROTHERS: Not over their heads. They went to another reserve. I do not know whether their homes were burnt over their heads.

Sir WILFRID LAURIER: That is said in the report.

Mr. CROTHERS: The Government did not consent in this matter. The whole question will be taken up by the commission which has been appointed to investigate. They were instructed to investigate this whole matter and report. What is the use of asking these questions again, and charging the Government with wrongdoing when we have appointed a commission to inquire into the facts?

Sir WILFRIED LAURIER: Do I understand that the Government are proposing to fold their arms, that they do not know whether the Indians have been dispossessed or not, that they do not recognize that they have any duty towards these Indians?

Mr. CROTHERS: Those questions will arise when we know what the facts are.

Sir WILFRID LAURIER: There are the facts reported by the commissioner.

Hon. ROBERT ROGERS (Minister of Public Works): I would like to say a word or two in connection with some of the statements that have been made. The right hon. leader of the Opposition would seek to leave the impression that the Government are blameable for not having taken certain action. He undertakes to point out to the House that before this transaction could be carried out there must be consent on the part of the Government of British Columbia, on the part of the Indians and on the part of the Indian Department.

Sir WILFRID LAURIER: Hear, hear.

Mr. ROGERS: The fact is that the Indian Department have not dealt with this matter, if I understand it, in any particular, and my right hon. friend and the hon. member for Edmonton (Mr. Oliver) apparently seek to present, even in the vague

manner in which they have done so, to this House and the country, that the Indian Department have been responsible or negligent in the discharge of the sacred trust that is imposed upon them in dealing with the Indians. That is a statement to which I wish to direct a few observations. We absolutely deny negligence in respect to this Indian reserve or to any other Indian reserve in Canada. The acting Minister of the Interior has made clear that no consent has been given by his department, and that consent will not be given until we have the report of the commission now sitting in British Columbia to investigate the Indian titles in that province.

Sir WILFRID LAURIER: In the meantime the Indians have been dispossessed.

Mr. ROGERS: What, apparently is true, is, that the British Columbia Government have followed the example of the manner in which they were able to deal with the Indian trust under the administration of my right hon. friend. The Prime Minister made it clear that in 1910, when the Songhees reserve was being similarly dealt with, the position taken by the right hon. the leader of the Opposition, then Prime Minister, was: well, if the Indians are satisfied we are satisfied and we will carry it out under the Indian Act.

Mr. OLIVER: I draw attention to the fact that the arrangement in regard to the Songhees reserve was brought down to Parliament for the sanction of Parliament.

Mr. ROGERS: It was made in the first place without any sanction of Parliament. According to a telegram from Sir Wilfrid Laurier to the Premier of British Columbia, the arrangement was made in the first place and probably the British Columbia Government have gone on thinking that the same manner of treatment of the Indians would be allowed to-day. But the acting minister has made it clear that this Government is not doing business as did the late Government in connection with the sacred trust of the guardianship of the Indians. We will protect that sacred trust. I protest against the right hon. the leader of the Opposition and the hon. member for Edmonton (Mr. Oliver) making the implied insinuations they do. It ill becomes the hon. member for Edmonton and members on that side of the House to talk of the sacred trust of the Indians and the manner in which the Indians are being dealt with to-day, in view of the manner in which they dealt with that sacred trust when they were in power. How did the late Government deal with that sacred trust in western Canada when the hon. gentleman was Minister of the Interior? He dealt with it by peddling the Indian lands out to the liberal organizers and his liberal friends in Saskatchewan. The public records show that contrary to the Indian Act, contrary to the practice, the lands that were surrendered by the Indians on the specific terms that these lands should be sold by public auction were sold by private sale and peddled out to liberal organizers and the liberal presidents and their friends in Saskatchewan, in defiance of the terms of surrender made by the Indians themselves. That was the manner in which the Indian sacred trust was dealt with while the liberals were in power. To give you an idea of how the sacred trust was regarded by my hon. friend (Mr. Oliver), let me read this extract from a letter:

Yorkton, Sask., July 29, 1910.

Frank Pedley, Esq.,
Deputy Superintendent General of Indian Affairs. Ottawa, Can.

My Dear Mr. Pedley,—

I am enclosing some correspondence re a portion of the surrendered portion of the Coté Indian reserve.

Some of our friends at Kamsack, together with myself, are very anxious to obtain some of this land for the Dixon families. There are quite a number of them, all good farmers, fairly well to do, possessed of families, and friends of ours, and it seems a shame that outside parties are capable of having this land held up, thus preventing settlement and getting desirable parties to improve and settle on these lands.

That letter is signed by Dr. Cash. Here is another letter which I may read:

Yorkton, July, 27, 1910.

Frank Pedley, Esq.,
Deputy Superintendent General, Indian Affairs, Ottawa, Ont.

My Dear Pedley,—

I herewith enclose to you a letter and draft for $96,000. The enclosed letter will tell you what I want, and I certainly think you should make an effort to let Mr. Dixon have this land, as he will be a benefit to the country. There are quite a number of them, and they therefore would also be a benefit to us in the future.

I think if Mr. McBrady has only made application and not paid for this land, the enclosed application should be considered. Kindly let me hear from you at your earliest convenience, and ablige.

Yours very truly,
(Sgd.) E. L. Cash.

According to the memorandum of the department, Dr. Cash had something like over one hundred quarter sections of this kind at his disposal to peddle out by private sale to his friends in that portion of the territories, notwithstanding that these gentlemen to-day talk about the sacred trust of the Indians. That was the manner in which the Indian trust was being dealt with by hon. gentlemen opposite and they undertake now to try by implication to reflect discredit upon the management of

the Indian Department under the present Administration. It ill becomes hon. gentlemen opposite to make any reflection upon the manner in which the Indian Department is being carried on by the present Administration. I might follow this up further, but I do not propose to do so to-day, and I might show from the records of this House that even hon. gentlemen who sit upon that side of the House have been peddling these quarter sections themselves, in order that they might make profit, in defiance of the surrender as made by the Indians stipulating that the lands should be sold by public auction. And yet these gentlemen stand up to-day and talk about the sacredness of the trust of the Indians, and make implied insinuations that something has been wrong in connection with this particular reserve. The Prime Minister and the acting Minister of the Interior have made plain the position the Government occupies in this matter. We have given no consent; we purpose giving no consent until the commission now in British Columbia has properly investigated this matter, and we will see that the sacred rights of the Indians are protected in this particular Indian reserve, as in all other reserves in every part of the Dominion.

Mr. OLIVER: The hon. member (Mr. Rogers) made a very special reference to my administration, and I wish to say—

Mr. SPEAKER: There is no motion before the Chair.

Mr. OLIVER: I have only a word to say; it is not controversial.

Mr. BORDEN: All right, go ahead.

Mr. OLIVER: The lands my hon. friend (Mr. Rogers) spoke about had been offered for sale at an upset price. The auction did not yield the upset price. The lands, therefore, remained in the hands of the Government, and were sold afterwards by private sale at the upset price.

SUPPLY.

House in Committee of Supply. (Mr. Deputy Speaker in the Chair.)

Railways and Canals, chargeable to capital —Intercolonial railway—air brakes, to improve triple valves of, $7,150.

Mr. CARVELL: Would the minister say on what principle the improvement of air brake valves is chargeable to capital? I do not wish to be discourteous nor do I wish to limit the minister in his answer, but I would rather he would not tell me that the old Government did the same as this. I know that. I am asking for information, and I would like to know on what ground or principle the previous Government and governments before that and the present Government have charged these things to capital. It seems to me it would be a great consolation to the people of Canada if they really could know what is the condition of the Intercolonial railway. The minister comes down to the House and says: I have a surplus of $500,000; or he comes down and says there is a deficit of $300,000 or $400,000. During the last three or four years there have been what are called surpluses. But we know that there has been no surplus in fact. If all were charged up that ought to be charged up against income, there would be a deficit, as a matter of fact. The minister may say that other roads keep their books in the same way. That may be true. But I would like to know on what principle such expenses as these are charged to capital. If he would tell us that, we should have a better chance to judge of what is the real position with regard to the Intercolonial railway. It will not make any difference to the people; they have to pay it anyhow, whatever it is; and if they could know what the actual position is, it would be so much the better. In many cases it is claimed they are not paying high enough rates on the Intercolonial railway. I think that that is not true. But it seems to me it would be better to understand the basis of these so-called surpluses, and if the minister would give us this information it would help.

Mr. COCHRANE: I have not here the amount charged to capital.

Mr. CARVELL: That does not matter—say four and a half millions.

Mr. COCHRANE: I will have the figures later. The same system is adopted on the Intercolonial railway as is adopted on other roads in America—in the United States under the Interstate Commerce law. Nothing is charged to capital on the Intercolonial railway that would not be charged to capital on other roads. As to the bookkeeping, I suppose the surplus is ascertained by deducting the expenses and cost of upkeep from the income. I think that anybody can see the results from the figures of income and expense year by year.

Mr. CARVELL: I know that.

Mr. COCHRANE: What more can I give?

Mr. CARVELL: The minister says that they charge up running expenses and upkeep. If they did that, it seems to me that we should have different returns from what we have.

Mr. COCHRANE: No, the hon. gentleman has misunderstood me. We charge to capital just what others would charge—the

Canadian Pacific railway, for instance. They charge their running expenses just as we do; they are compelled to do so under the law

Mr. CARVELL: I admit that. But I want the minister to tell me on what principle the Government charges to capital sums that are spent in the running and upkeep of the road.

Mr. COCHRANE: We do not.

Mr. CARVELL: Let us see. Here in the next item you have an estimate for the strengthening of bridges. Is not that keeping up the road?

Mr. COCHRANE: No.

Mr. CARVELL: What is it for, then? If I have a farm and have to build a road through one portion of it, that is to keep up my farm is it not? And if I have a plough and mowing machine that wear out and have to buy new ones, that is keeping up the farm, is it not?

Mr. COCHRANE: But if you have a bridge that is sufficient for the small engines and trains of twenty years ago and you want to strengthen it and improve it to suit modern traffic, that means that your road is that much better. With the expenditure the hon. gentleman speaks of, his farm would be worth more on capital account, would it not?

Mr. CARVELL: As the hon. gentleman asks me the question, I can only say that his answer is not a proper one, according to my view of the case. While it is true my farm is worth more, yet I make the expenditure because it is necessary to carry on my farm. If I keep charging up to capital all that I put into the farm, I shall soon find myself bankrupt, although every year my bookkeeping may have shown a surplus. I do not want the minister to think I am finding fault with him. He is doing what other Governments have done. But I want to know the principle upon which it is done. I would like to have it so arranged that the showing of a surplus on the Intercolonial railway would mean that the people of Canada are getting back some return on the money they invested in the road. But we know that to-day that is not the fact. I suppose that in the last ten years the road has, every year been behind from a million to seven or eight million dollars, if you charge to upkeep what you ought to charge. But the supporters and newspapers of the Minister of Railways come out with the bold statement—just as did the supporters and newspapers of his predecessors—that owing to the splendid management there is a surplus on the road. But on what principle is this kind of bookkeeping carried on?

Mr. COCHRANE: Would it not be a proper charge against capital, if you had a bridge that cost $100,000, and you were going to strengthen and improve it to carry heavier trains?

Mr. CARVELL: I do not think so. If the conditions of traffic change so that the strengthening of that bridge becomes necessary, it seems to me that the road ought to be in a position to make that change without a charge against capital. But under our present system that is charged up to capital, and a surplus is shown where there is really a deficit.

Any farmer, merchant or businessman could show surpluses in the same way. But if any such man attempts to fool himself, he is going to be undeceived before very long.

Mr. COCHRANE: What would the hon. gentleman allow to be charged to capital? Would he allow the original cost of the road?

Mr. CARVELL: Yes. And if the minister were to build a mile or two of railway extra, I would charge that to capital. But I think it requires a great stretch of imagination to think that such work as the strengthening of a bridge or improvement of cars should be charged to capital.

Bridges, to strengthen, $190,000.

Mr. GRAHAM: Is this for strengthening the bridges on some of the branch lines?

Mr. COCHRANE: One of the heaviest expenditures under the item is on the West river bridge at Antigonish, which costs $65,000. Then, there are the bridges at Keenans and at Nashwaak river on the Canada Eastern, the last $59,000.

Mr. GRAHAM: That is at Fredericton.

Mr. COCHRANE: The Canada Eastern goes down to Fredericton.

Mr. GRAHAM: An answer was given by a very prominent railway man to the question of what ought to be charged to capital. He said: 'Anything that adds to value ought to be charged to capital.' If a nail driven into a piece of property increases the value of that property, the cost of the nail can be charged to capital. That is the definition given, I think, in connection with the Interstate Commerce laws. It is rather difficult, however, to carry it out. In the United States the law is framed so as to prevent railway companies from charging things to revenue. The reason for that is that the shareholders of the companies might never get any dividends if everything was charged to revenue. On the Intercolonial we thought we had the matter worked out pretty well along the lines of the Interstate Commerce Commission. The law is

made in the interests of the shareholders as well as in the interests of the directors or the managers. It is necessary under that law that certain things should be charged to capital, and the Interstate Commerce Commission go a long way in order to protect the shareholder and to see that he gets his profits.

Mr. COCHRANE: The hon. member for Carleton (Mr. Carvell) could get the rates by taking what is charged to capital and computing the interest from that. He rightly says there has never been a proper surplus on the Intercolonial. It has always been computed on expenditure and receipts. The capital of the Intercolonial, I think, is now about $90,000,000, so that he can easily form his conclusions by adding three per cent, or whatever interest he choses to add to that, and then he gets the surplus or deficit.

Mr. CARVELL: The minister ought to give us a proper statement. He is asking for $7,239,000 for the Intercolonial this year to be charged to capital. I quite appreciate that, under the ordinary acceptance of the the term a portion of that vote could be charged to capital. For instance, he proposes to build the Chatham, $128,000. That is a new line and I think any business man would charge that to capital. The same as the case with dividing the line to Nelson and Derby Junction. While I have some doubt about the wisdom of the move, if it is done, I think it ought to be charged to capital. Among the items, however, I find safety appliances for equipment. Then I find rolling stock, a million dollars.

Mr. COCHRANE: I wish it were three million dollars.

Mr. CARVELL: The hon. minister will tell us when we come to that point whether that means entirely new stock. Take an illustration. I can understand that, when a road has first been put in operation, it would be fair to charge the rolling stock to capital account, because it is as necessary for the operation of that road as is the roadbed. Let us say the hon. minister buys an engine for $10,000 or $15,000. He runs that engine for ten or fifteen years, and keeps repairing it from time to time. At the end of fifteen years it is like the one-horse shay: it is practically gone. That engine has contributed to the money which the minister says he has received on account of revenue. Without that engine he could never have operated his road. He has made big profits from it. When that engine is worn out, it has answered its purpose in making money for the minister; he buys a new engine and charges that up to capital. That is my point.

Mr. COCHRANE: When we come to that item, I shall discuss it.

Mr. CARVELL: The same thing with cars and so on. I judge from the way my hon. friend looks that he is going to explain that. I wonder what becomes of all the repairs and replacing of cars and engines, if they are not charged up to capital account. I hope my hon. friend will give an explanation. I am not asking these questions with any party or fault-finding spirit. I always felt we ought to have a detailed financial statement as to the operation of the Intercolonial. We ought to know exactly what it is costing us to carry on our road. If we are not making a profit, we ought to adjust the business of the road, so as to do so.

Mr. COCHRANE: I shall be glad to give the explanation desired.

Fredericton—to increase accommodation, $20,000.

Mr. GRAHAM: Would my hon. friend tell me what has been done in Fredericton? If I remember correctly, a new station was being erected and a general improvement made in the yards. There was an attempt made at one time to make an arrangement with the Canadian Pacific railway by which one joint station might be used in that town, but I think my efforts were a failure in that regard.

Mr. COCHRANE: The hon. member let the contract for the new station. We hope to make arrangements on behalf of the St. John Valley road to run not only into their station but through the town on their lines, and save expropriation.

Mr. GRAHAM: You are going to operate the St. John road anyway?

Mr. COCHRANE: Yes, and we shall try to interchange traffic there.

Mr. CARVELL: Has the minister abandoned any hope of having a union station at Fredericton?

Mr. COCHRANE: I have as far as the Intercolonial proper is concerned, but we have made application on behalf of the St. John Valley road. I think now when we have our own station we might better leave it as it is. It requires only $20,000 to finish up the whole business as far as the Intercolonial is concerned, and we hope to have an interchange station with the St. John Valley road.

At one o'clock, House resumed, and then took recess.

House resumed at three o'clock, and again went into Committee of Supply.

Chatham, diversion of line and branch to wharf, $128,000.

Mr. GRAHAM: How far is the diversion towards completion?

Mr. COCHRANE: It just requires the filling to Walsh's Cove to complete the work.

Mr. LOGGIE: This vote of $128,000 will complete the work?

Mr. COCHRANE: Yes.

Diversion line betwen Nelson and Derby Junction, $128,000.

Mr. LOGGIE: I would like to explain to the House the situation in respect to this vote. It is rather an unusual thing for a member representing a county not to support a resolution granting an expenditure of money in his county, but my reasons for opposing this vote are as follows: Some thirty-five years ago there was a move on foot to build a railway between Fredericton and end at or near Derby Junction. It seemed to be a difficult proposition to get a company to undertake this work. A charter was obtained from the local government, and a subsidy was promised by the Dominion Government, as well as by the local government. After the charter had been obtained, it was thought advisable in the interests of the county generally, and of the district to build the road to connect with what was then known as the Chatham branch railway. That branch railway was owned by the late Governor Snowball, who with others, interested himself in the construction of the line between Fredericton and eastwards through Northumberland county. He received the consent of the local government to build the line, according to the routing, as far as Blackville, and then to follow the southwest branch of the Miramichi and connect at Chatham Junction, thus giving a through line between Chatham and Fredericton. As soon as this became known, friction seemed to arise on the part of the residents of Newcastle on the other side of the river, and through our late respected member of Parliament, the Hon. Peter Mitchell, application was made to the Government to build a branch line on the opposite side of the river, on the north side of the Miramichi. This was agreed to, but the Dominion Government refused to give a subsidy for the line on the south side of the river between Blackville and Chatham Junction for the reason that they themselves were building a line on the other side of the river. That line for which the subsidy was refused was constructed by the company who had received the charter and the local subsidy, and the line on the opposite side of the river was built by the Dominion Government, and operated, I think, for about fifteen miles between Derby Junction and a point known as Indiantown. The Dominion Government compelled the Canada Eastern to build a connection between Blackville and Indiantown, a distance of about six miles. This, however, was not operated, and the line lay dormant for some fifteen or twenty years. About the time I became member for the county of Northumberland, the Dominion Government decided to take over the line known as the Canada Eastern railway, built by Mr. Snowball and others, under the circumstances I have just mentioned. In taking over the line between Fredericton and Loggieville, they also took over the piece of line on the opposite side of the river between Blackville and Indiantown, a distance of about five or six miles, which, as I have said, had laid dormant for a great number of years. On behalf of the people of Newcastle, and especially on behalf of the people of Blackville and Millerton, where the Government branch line was, I applied to the Minister of Railways to put in operation the connecting link of five miles, and the Government did so. So that for the last three years the line has been operated between Newcastle and Blackville, a distance of about twenty-five miles.

Now, the facts are that the people on the south side of the river, had, as I have explained, a railway for some thirty-five years, built under a charter granted by the local government. Some seven or eight years ago, the Dominion bought that line, paying the Alexander Gibson Railway Company $750,000 for the property. We have put the connecting link in good condition, and we are now operating a daily train between Blackville and Newcastle direct. The line bought by the Dominion Government is operated regularly, there being an express train each way daily between Loggieville and Fredericton via Chatham Junction. I understand that this vote of $128,000 is for the purpose of conecting Nelson, which is now on the route of the main line, between Fredericton and Loggieville, with Derby Junction. It is alleged that the Government propose taking up the rails on the south side of the river between Nelson and Blackville. For a portion of the distance, 26 miles, the Government granted a subsidy, but for another portion there was no Dominion subsidy granted at all. The road has been operated during the last thirty-five years and the residents of the district feel that they have a vested right. About three miles from Nelson there is a village, the post office at which place is known as Reynolds, and you will find passengers getting on nearly every train at Chatham or Nelson and getting off at Reynold's or at what is known as Ivory's Crossing. Then the railway follows up the south side of the river via Chatham Junction until it arrives at Blackville. En route there are several quite large settlements but the country is not thickly populated at all. Chelmsford is perhaps the principal village between Chelmsford Junction and Blackville on the south side of the river. I am speaking for the people of

Chelmsford, because to all intents and purposes, I live at Chelmsford. I do not actually live there, but as far as representing that district is concerned, I live at Chelmsford, and I feel that the people of Chelmsford have good cause for complaint if they are deprived of railway privileges that they have enjoyed for the last thirty or forty years. Looking at it from the economic standpoint, from the amount of money that would be involved, I do not think it is a very important consideration. I have no doubt that when the minister replies to me he will tell me that he is going to give us a better service than that which we at present have on the south side of the river. But that is not an answer to me or to the people on the south side of the river, if you remove the rails which have afforded the facilities for the last thirty-five or forty years. At the present time there are two railway bridges which it would probably cost to rebuild anew of concrete, about $200,000. That, I think, is all the expenditure which would be necessary if you continue following the lines on each side of the river. I am not an engineer, nor do I profess to be, but I have no doubt that $200,000 would be eaten up in providing the necessary terminal facilities at Derby junction. There is $128,000 in the estimates for the purpose of providing for the construction of a line between Nelson and Derby Junction, a distance of about two and a half miles. The Government propose building a line of two and a half miles and doing away with the line of 26 miles, if I understand. Of course, this is surmise on my part, because I have no authority to say, except that I can only read between the lines, what this $128,000 is for.

I would like the committee to consider the situation as if they lived along the south side of the southwest branch of the Miramichi river, as if they had enjoyed railway privileges for many years and as if they had given their lands as a right of way at a nominal sum. Now they have not even bridge connection across the river, and it is not possible to get across the river for about 15 miles, perhaps 18, between Nelson and what is known as Indiantown. I think the minister ought to weigh the matter well in the interest of all concerned and especially in the interest of the settlement known as Reynolds, between Nelson and Chatham junction and the settlements of Chelmsford and Kirk's between Chatham junction and Blackville. I do not think that money considerations ought to enter into the question at all because the difference in cost will not be very great. I assume that there would be a saving in the cost of upkeep. The minister would tell me probably that he will save the upkeep of twenty-six miles as against the upkeep of three miles. That, I have no doubt, would be some saving, but even considering all the circumstances from an economic standpoint, I do not think the minister should undertake to remove the rails of these twenty-six miles and to give us a new line of three miles without giving the people who will be affected thereby some consideration. I know that it has been suggested that bridges would be constructed opposite to most of the populous settlements on the south side of the river and that the people could get rail connection on the other side of the river. That has been alleged, but even so, I find that the residents of that portion of the country are very strongly opposed to the Government removing the rails. They have had public meetings, they have made public representations to the Board of Trade of Chatham, and the Board of Trade has forwarded these representations to the Minister of Railways and Canals, and I have no doubt they have received his favourable consideration. I do not know what his decision is, but it has been suggested that the minister may not go on with this, that possibly the money may be voted and the work not actually performed. But, I think it my duty representing the residents on the south side of the river, to protest in their name against the Government taking away privileges that they have enjoyed for so many years. The Government own a piece of railway on the north side of the river, they bought the railway on the south side of the river and it seems to me that this is a very strong reason why they should continue to operate the line on the south side.

I want to point out what, to some extent, has caused this friction. The minister, and especially the deputy minister, very well knows that the line between Chatham junction and Fredericton is operated westward for the reason that the trains connect with the maritime mail trains. A train leaving Montreal this morning will reach Chatham junction early to-morrow morning and will connect with the train for Fredericton. That means that the residents of the county of Northumberland can go to Fredericton, spend four or five hours in the city and come back the same night. Those who live near the western border of the county complain that they have not the necessary railway connection between Newcastle and Chatham on the east, and Boiestown and Blackville on the west. If a merchant living at Boiestown or Doaktown wishes to go to Chatham to do business he cannot get into Chatham and back the same day but he must go down on the train which arrives in Chatham about five o'clock, or on the express which arrives at about eleven o'clock. If he wishes to do any business, he has to remain all night in Chatham, all

the next day and all the next night and go up the following morning because there are no trains going west after bank hours. The people of the county have requested, they have petitioned, they have prayed, that the Government give them a train starting at Boiestown, or, better still, at Fredericton, to leave Boiestown in the morning and return in the evening. The Government, with good reason, I suppose, have not acceded, saying that there is not sufficient business for it. The trains do run the other way, for the reason that they must be run to make connection with the express and mails for and from Fredericton via Chatham Junction. But, if the Government were disposed to be liberal, surely one additional train could be put on. There is a surplus, and surely this railway is not to be run as if it were a private concern and make everything pay that we do. I think the Government should undertake to have a train leaving the western side of the county in the morning and returning at night. The people of Newcastle claim they have not sufficient railway accommodation. Many times, I have asked the Government if they could not start an express train at Boiestown in the morning to go as far as Newcastle and Chatham on alternate days. It would probably mean that they would have to put in a freight train between Millerton and Newcastle, especially owing to the increase of traffic at Millerton, where lately a new pulp mill has been established. I am as anxious as the people of Newcastle or of Chatham that we should have the necessary railway facilities at each of these two towns, but in order to get the necessary facilities at either place, I do not see why we should take away from certain sections of the community facilities which they already enjoy, and which they have enjoyed for so many years.

Mr. COCHRANE: This is to continue the direct line, which the hon. member knows was built within the last few years from Chatham down to Nelson, and two miles more will take it to the main line. This is a burning question to some of the people there, as it stands, but when you take into consideration that we will have to extend the service notwithstanding that it is running at a loss, it becomes pretty serious. The bridge on this line that we did propose to take up at Blackville and Barnaby river will cost, I think, $152,000.

Mr. LOGGIE: That is, the two bridges.

Mr. COCHRANE: It will cost that to rebuild them. I do not think that the hon. gentleman will contend that there is enough traffic to warrant the Government expending that amount of money as well as running the train at a loss. The biggest settlement in the district of which the hon. gentleman speaks is at Chelmsford, which is only a mile and a half from the other road. He says there is no bridge. Well, that is a matter for the province. Surely, they could bridge there to take them across. The furthest the lines are apart is three and a half miles. There is not only that saving, but there is the saving on the materials of $120,000 or more that we would take credit for against this building of $138,000, materials to the value, and the actual cost of maintaining that nineteen miles of road running through would be $14,000. I am sure the hon. member would agree that there is not enough traffic to yield $14,000 for the year. In reference to giving the same to the western part of the country and going to Chatham or to Newcastle, he went on and explained very fairly that it was necessary, because of the mails, to run the other way, and we must be guided largely by the service given as to what is required by the number of people that will be served and the amount of revenue we shall receive. Of course, if we were going to run a service to each town irrespective of its cost, and if the people of Canada are willing, I should have no objection. But I do not see that it is a business proposition. While the matter is not wholly decided, as I want to go over the line before I decide on it, I want to vote this money first and settle the matter afterwards. But I feel that as a business proposition, and the matter of doing justice to the people, we should not continue that service or go to the expense of building the new as well as maintaining the road.

Mr. LOGGIE: But the hon. gentleman should not forget that this matter of building the bridges is offset by the extra expense of entering Nelson or Derby Junction.

Mr. COCHRANE: No, there is the capital charge of $132,369. That is more than we are asking to build the two miles from Derby Junction to the main line.

Mr. LOGGIE: What capital charge?

Mr. COCHRANE: The charge for two bridges, $122,000.

Mr. LOGGIE: You did not need this $122,000 to build the two bridges.

Mr. COCHRANE: But you want the $13,500 or $14,000 a year. And you get nothing in return.

Mr. LOGGIE: That I admit; but it is the only point I admit. There is this mileage.

Mr. COCHRANE: But do not forget that from the mileage we take up we would

realize $120,000, and that practically pays for the two miles we want to build.

Mr. LOGGIE: So far as I am concerned, I cannot see that that is a good reason for the Government taking up a piece of property they bought and impliedly undertook to operate. They bought it from the Alexander Gibson road. Merely because you need a road on the other side, and to operate more economically on the other side, that is no reason why the Government should destroy an existing road. How much will it cost to make the improved facilities at Derby Junction? It would be necessary, I fancy, to have a station on the south side of the river at the bridge.

Mr. COCHRANE: That is all included in the $128,000.

Mr. LOGGIE: But you will still have to have two station agents.

Mr. COCHRANE: No, we would move the junction down, and would not have the extra agent.

Mr. LOGGIE: You will have to have a station agent on the south side of the river.

Mr. COCHRANE: I know, but we would move Chatham Junction down to it.

Mr. LOGGIE: You are going to move that to Derby Junction, are you not?

Mr. COCHRANE: No; down to where the branch line would strike.

Mr. LOGGIE: There is another thing I want to point out. There is a lumber mill on the road which is enjoying privileges and is shipping one or two million feet a year.

Mr. COCHRANE: By water?

Mr. LOGGIE: No, they are using the Canadian market very largely. I understand they are arranging to place their output in the Montreal market.

Mr. COCHRANE: We can only judge them by the past. My deputy says they have shipped by water in the past.

Mr. CARVELL: I have no personal interest in this matter, but I feel I should be lacking in my duty if I did not rise to substantiate and support the statement of my hon. friend. (Mr. Loggie.) The minister may say it would cost $122,000, but suppose it does, it is only a bagatelle to what he is spending on other parts of the system. You are taking away from people a right they have enjoyed for forty years and which they are entitled to enjoy in the future. It is not fair for the minister to say that he will not give a certain locality railway facilities because it does not pay. There is not a railway on earth that you cannot pick a piece out of which does not pay, and there are a great many spots on the Intercolonial railway that do not pay, but the minister does not take up the rails.

Mr. COCHRANE: The stations are only a mile and a half apart.

Mr. CARVELL: Yes, but you have a river half a mile wide between them. The minister says: let the province look after a bridge across there, but I may tell him that the province of New Brunswick is not wealthy enough to build bridges to accommodate the Intercolonial railway. We have only 370,000 people; our revenues are small, and I see no possibility of increasing them to any great extent unless we resort to direct taxation. We are probably in a more unfortunate position in that respect than any other province in Canada; we have valuable timber lands, but in the last five, yes, in the last ten years, with respect to these timber lands we have been eating up our capital upon which the province depends for revenue. If the province of New Brunswick had $2,000,000 to-day it could spend it on necessary roads and bridges and then it would not have met all the wants of the people. It is all very well for the minister to say that the province should build a bridge, costing perhaps $150,000.

Mr. COCHRANE: Oh, no, the railway bridge only costs about $54,000.

Mr. CARVELL: The minister will find that $54,000 would not build the piers alone, and even if the cost were to be only $60,000 the province of New Brunswick has not got $60,000 to devote towards giving privileges to the people which the federal Government is taking away from them. We are suffering in New Brunswick for roads and bridges. I do not want to advertise my province as being in a poor condition, but I do say that in common with the rest of Canada we could spend a good deal of money on roads and bridges with advantage to the people. If the minister takes up these rails these people must have railway communication, and the minister should hesitate before he pursues that course.

Mr. COCHRANE: How many people in that section of the country?

Mr. LOGGIE: About 140 families.

Mr. CARVELL: If there were only one hundred people it is taking away from them rights which ought not to be taken and which must be supplied by someone else. My hon. friend from Northumberland (Mr. Loggie) was too modest to state the real reason for this: I have a suspicion there is a little jealousy in this district between the two towns down there and

possibly there has been some wire-pulling between Newcastle and Chatham, and for that reason alone the minister ought not to allow this thing to take place. The minister knows that railway companies operate trains which do not pay. He need not shake his head; I can give illustrations in New Brunswick where the Canadian Pacific railway put on train after train on which they lose money, but they do so in order to cater to public sentiment. The Canadian Pacific railway is running a second train between my town and Fredericton, six-two miles, and they admit they are losing money, but they are doing it because the people of Fredericton demanded it. Newcastle is the shire town and Chatham is the business town and these people have to go to both towns, and the minister is cutting off their facilities for reaching both Chatham and Newcastle. The minister is putting a great burden on the people, by compelling them to remain over a day in order to make a trip to the shire town of Newcastle or to the business town of Chatham. But that is not half as bad as taking away from one hundred and forty families a privilege they enjoyed for thirty or forty years.

Mr. LOGGIE: Would the minister bear in mind that if this was a branch line then, under the policy of the Department of Railways, the Government would consider taking over this branch line and paying interest on it. They have already taken over this line and paid money for it.

Mr. COCHRANE: If it only paid running expenses I would be glad to give you a train; I would not want any profit on it.

Mr. LOGGIE: A branch line of itself may not even pay operating expenses, but if it brings a large amount of traffic to the main line and gives a long haul, it helps out the earnings of the road as a whole. The policy to-day is to endeavour to control and operate the branch lines, even if they do not pay. In the long run they will pay because they encourage business on the branch lines and make increased business for the main line. When this matter was brought up a few weeks ago, I suggested that I could give good reasons why this vote should not pass and why I should move to strike the item out. If I move to do so, I suppose my motion will be voted down. I would rather put the responsibility on the minister, as he has said that he has not finally decided, and promises he will look into the matter by visiting the settlements himself before he takes further action. The people whom I would like consulted particularly are those living at what is known as Ivory Crossing, between Nelson and Chatham Junction. That section formerly enjoyed railway facilities. The road received Dominion subsidies; then the Government bought the road from the Gibson Railway Company and have continued the railway privileges to that settlement. If the rails are removed, that section will be without any railway facilities whatever. They are not in contact with the river at all, but are two or three miles back from it at Nelson. It is a rather serious matter to take away the privileges which they have enjoyed for thirty-five or forty years. I have travelled in that train, and there are nearly always passengers for Ivory Crossing.

Mr. COCHRANE: Is that a village?

Mr. LOGGIE: Yes, there is quite a village there.

Mr. COCHRANE: Are there any industries there?

Mr. LOGGIE: No, there are no industries. It is a farming community, and large quantities of wood are shipped to the pulp mills and to the towns.

In regard to the other sections, namely, Chelmsford and Kirks, I must protest vigorously against the minister undertaking to remove the rails from there, and especially so until arrangements are made for bridges. I do not think anything should be done until arrangements are made, by the local government if you like, to construct two or three bridges. There should be a bridge at Derby Junction. There was one there, but it is beyond repair. The substructure is in places, but the superstructure is gone. The local government is building a new bridge between Nelson and Newcastle at a cost of about half a million dollars. They are not contemplating rebuilding the bridge at Derby Junction, and the only way passengers can get across is to walk along the railway bridge, which is contrary to law. Until that bridge is repaired and a bridge is built at Derby Junction, another at Chelmsford, and another possibly farther up the river, the Government should not undertake to remove these rails. Even if the bridges are to be built I protest against the removal of privileges enjoyed so long. The hon. minister will remember that, during the last two months, at the time of the freshets, the bridge at Blackville became in such a bad condition that it was not safe to run trains over it. It was necessary to run the train down the opposite side of the river and then back on the Intercolonial railway to Chatham Junction. In order to give necessary accommodation for freight, the hon. minister had to put on a train between Chatham Junction and Blackville. The minister cannot make the matter satisfactory to the people living at Ivory Crossing, because there is no possible way of giving them railway facilities in place of what he is taking away from them. In this matter

I am representing the settlements at Ivory Crossing, Chelmsford, Kirks, upper Nelson and Coughlans.

There is another district called Grey Rapids. I have in my desk a letter from the hon. John. O Birchill, protesting against these rails being taken up. He has lumber land near Grey Rapids, and it is impossible to take the lumber off these lands except by the railway.

Mr. COCHRANE: We should be glad to make a contract with him, if he would go at it.

Mr. LOGGIE: I presume he will be glad to do so. He did not know it was contemplated to take the rails up. When he heard of it he wrote me. He proposes to have the lumber cut along the railway, and to use the railway in order to carry it to market.

To increase accommodation at Fredericton, $20,000.

Mr. CARVELL: Do I understand the hon. minister to say that it is the intention that the St. John Valley railway shall use the new station at Fredericton in connection with their road?

Mr. COCHRANE: The arrangement is not completed, but is under consideration. We hope to have it completed so that they will use the Canadian Pacific railway station at Fredericton and use part of their track.

Mr. CARVELL: Are the Government building the Intercolonial railway station on the site of the old one, that is at the west side of Queen street?

Mr. COCHRANE: Very near it. The building is practically completed.

Mr. CARVELL: That will be half a mile up the line of the new St. John Valley road?

Mr. COCHRANE: No, but we propose running it to Fredericton on the Canadian Pacific railway track with the St. John Valley railway, but not with the Intercolonial railway.

Mr. CARVELL: I think it is a pity they have not been able to make one union station.

Mr. COCHRANE: Unfortunately it was under contract before I came into this office.

Mr. LOGGIE: I understood the minister to say that it was not intended to do away with either of the stations regarding the diversion of the line I had referred to before.

Mr. COCHRANE: It is not.

Mr. LOGGIE: So that there will still be a Chatham station and a Derby Junction station?

Mr. COCHRANE: Yes.

Mr. GRAHAM: In his branch line policy, my hon. friend the minister will probably be compelled to take over lines that will not be any better from the standpoint of traffic than this one which he is giving up, and he will not be able to follow the principle that a line must pay. He will have to have one other idea in his mind besides that of paying, and that is the idea of giving facilities to the people. In New Brunswick, Nova Scotia, Prince Edward Island, and portions of the province of Quebec they were for a great many years without transportation facilities, but at last they got a certain kind in the way of branch lines that have not paid the companies to operate. My hon. friend should go slowly in taking away any advantages that the people have enjoyed. It is a serious wrench to people who have had accommodation for many years to have it taken away, even if it does not pay.

Mr. BOULAY (Rimouski): I would like to ask the hon. Minister of Railways if, in the item we are now discussing, there is a vote affected to the construction of a viaduct at Petit-Métis? I have asked the same thing last year, and I was answered in the affirmative and nothing was done. I would like to know if the Minister of Railways intends to build that viaduct this year.

Mr. COCHRANE: The hon. gentleman can say what he wants in English.

Sir WILFRID LAURIER: That is not fair to the hon. member. He can put his question in French, and my hon. friend can answer him in English, if he wants to.

Mr. GRAHAM: I do not think the hon. minister can compel the hon. gentleman to talk in English. If he desires to speak in French, it is his privilege. You, Mr. Chairman, might have to help the minister out in his reply. I understand that the hon. gentleman (Mr. Boulay) can make himself better understood in the French language than in English.

Mr. COCHRANE: If the hon. gentleman will allow me to explain the estimates, I think that what he wants is included.

Mr. BOULAY: I do not want this item carried before I get an explanation. I will try to explain what I want in English. I want to know if there is an amount of money in this vote to cover the expense of constructing subways at Macnider. Last year I put the same question and was told that the work would be done, but it has not been done. I would like to know if it is going to be done this year, and if there is

an amount included in this item to cover the cost.

Mr. COCHRANE: The only subway for which we have provided in the hon. gentleman's constituency is a little west of Little Metis.

Mr. BOULAY: That is the one.

We complained some time ago to the Intercolonial railway. On a distance of 120 miles, since a few years, in the county of Rimouski, there are 500 or 600 men employed by the Intercolonial who have not received from their superior—I mean Mr. Brady—all the justice which they had a right to expect from him. The same complaints are also heard from the commercial public of my county who sees its business dwindling away.

I say that the men on the Intercolonial have not received justice. They have even been used roughly by the superintendent, Brady, and I will give the proof of that right now, so that this House may judge if my remarks are well grounded. I have here no bitterness nor rancour towards any one; all I want is to make known a few facts which will prove conclusively the lack of judgment, if not the malice and the evident incapacity of that man.

In several circumstances, last year, I have had to make myself heard through the newspapers, and I will read two letters which I sent to the Progrès du Golfe, in which I had laid a complaint against Mr. Brady, who is still the superintendent of the Intercolonial.

Following an incident which happened at Notre Dame du Sacré-Cœur last year, Mr. Brady had ordered the dismissal of seven or eight men from the service.

After taking communication of the facts, I have come—I am myself an old employee of the railway—to the conclusion that the punishment inflicted by Mr. Brady on those men was altogether unfair and to a certain extent had not been deserved. I have taken in hand the case of those men, I have written to Mr. Brady, and when I saw that we could not get justice I wrote the following article to the above mentioned paper. But before going any further I must say that Mr. Brady, before hearing the evidence of those men, and when he should have been present at the inquiry as a judge, saw fit to pronounce his judgment before even hearing what those men had to say. It is customary to hear at first the evidence before pronouncing the judgment, but not so with Mr. Brady; he passes condemnation before hearing those men, and he even goes so far as to say that they have perjured themselves. Here is the article I have sent:

To the Potentate Mr. Brady.

At the inquiry instituted to get at the causes and establish the responsibilities of the accident of Notre Dame du Sacré-Cœur, Mr. Brady, instead of acting as a wise, prudent and impartial judge, you have said before the inquiry was opened that the trainmen were the guilty ones and that there would be perjurers at that inquiry.

On what ground, Mr. Brady, could you possibly say such a thing?

More than that, during the inquiry, you went so far as to intimidate those poor fellows who were already sorry enough about the accident which had happened them, by hurling to their face the accusation that they were perjuring themselves.

Why were you saying that, Mr. Brady, if you are an intelligent man, if you have an elementary conception of the duties which pertain to you as a commissary of the Intercolonial? And, lastly, what were your reasons for throwing such despisable insults at some brave employees who, so far as honour and respectability are concerned, are certainly the equal of any commissaries on the Intercolonial?

Why! we have here seven or eight men swearing positively that the semaphore was down when their train passed, while two or three others from the outside swear the contrary, and that was enough for you to say that the first ones were perjuring themselves. But then you are not reasoning at all, Mr. Brady. Or, rather, you are reasoning contrary to the very evidence that was laid before you.

Mr. Brady, if you knew anything about a railway, you might have said to yourself that, in fact, a half minute before the train passed, it could have happened that the semaphore was up, but that through some inadvertance or oversight it might have been lowered for a few minutes and afterwards raised at the very moment that the train had passed, and that it was at that moment that some people from outside have seen that in reality the semaphore was up and that the train had passed.

Instead of dismissing the eight men you have thus brutally fired, without mercy and without any cause whatever, if you had acted as an impartial judge, your duty was then to give them the benefit of the doubt and to act colonial?

There is still more than that, Mr. Brady. You went so far as to tell them: 'If you do not speak English, we have no use for you on the Intercolonial.'

Is it true, Mr. Brady, that you have had the imprudence to say such a thing?

If, as some honourable people have told me, you have expressed yourself in the above terms, you do not deserve to be allowed to move about a single instant in the province of Quebec, because a gross insulter as you are has no right to occupy a position which puts him in daily contact with French Canadians.

On what right, Mr. Brady, you who do not speak French, could you reproach to a man not to speak English perfectly? You ought to know that indeed every one of those employees has more instruction than you have, in this sense that they all read and understand English, although they may perhaps not all speak it as fluently as if they had been born on the banks of the Thames.

That was obviously no obstacle to the fulfilment of their duties, and it was not neces-

sary to speak English in order to ensure some politeness.

Happily, all the English people in this country are not of your opinion, Mr. Brady. But the reason you try to avenge yourself on the French Canadians is perhaps because you have not the honour to belong to the noble Anglo-Saxon race.

In conclusion, Mr. Brady, I must urgently ask you to give us an account of your conduct as regards the above-mentioned facts. It would indeed be preferable for you to give us immediately an answer to each accusation which public indignation has forced me to lay at your door. With the conscience of my duty as a representative of the people, I will go to the end of it without fear. You may take that as meaning that I have a good deal more in store for you, because your record is heavily laden.

H. Boulay.

Mr. GAUVREAU: Has Mr. Brady answered that letter?

Mr. BOULAY: No, I never got an answer. What happened at Sacré-Cœur was an accident. There was some fog at the time, and all the train men swore that the semaphore was down, while the agent has sworn that it was up. In face of the only evidence of the agent, and without having any regard to the oaths of the employees, Mr. Brady has dismissed every one of those men.

Mr. LEMIEUX: How many?

Mr. BOULAY: Seven or eight. The least he could have done would have been to give the benefit of the doubt to those poor people?

After I had written the above article, the Society of Railway Employees took the case in hand and remonstrated with Mr. Brady. Three or four months after, those employees were taken back. If they were not guilty, why should seven or eight fathers of families have been suspended and suffer great losses, and then admit that a mistake had been made? If they were guilty, why have they been taken back? By so doing, Mr. Brady has admitted that he had been in the wrong, and he cannot escape from that.

A little later, I was a personal witness of another accident which happened at Sayabec.

I was at the station, and I saw conductor Deschamplain at the agent's office. He was then at his post, awaiting orders. Mr. Deschamplain's train was on the side track. That special train, which was stationing on the side track, backed up and struck the Ocean Limited, on a signal given by one of the brakemen or by the engineer to move that train on the main track. At that moment, conductor Deschamplain was on the station platform.

Was it the fault of the conductor if one of the brakemen made a mistake? Who was the one who should have been punished for the order given to back up the train? Was it the conductor or the brakeman? The conductor was then at his post, and he was the one who had the punishment.

Mr. PAQUET: Was there any inquiry?

Mr. BOULAY: There was no inquiry, and the very one who was guilty has not been suspended for a single day.

That happened in full daylight, in summer, and in the presence of every one who was on the train at the station.

I seized the opportunity to write another article, denouncing those facts to Mr. Brady. This is what I wrote:

Mr. Brady Judged by his Misdeeds.

Some time ago, Mr. Brady, a slight accident happened at Sayabec, at about 7 o'clock in the morning. I was at the station, and I saw conductor Deschamplain in the office, at his post, and waiting for the Ocean Limited to pass. Conductor Deschamplain's train was on the side track.

I had barely got on board the Ocean Limited, when we felt a great shock and I heard the breaking of glass. Promptly alighting I saw that the special train had backed up and struck the Ocean Limited on a signal given by one of the brakemen or the engineer in order to have that train moved on the main track. At that moment Conductor Deschamplain was on the station platform.

Was it his fault, Mr. Brady, if one of the brakemen made a mistake? And who was the one to be punished in the circumstance: the conductor who was at his post, waiting for the orders which were to be given to him, or the brakeman who made a mistake and who was the primary cause of the accident?

If the same question was put to a child who could have witnessed the accident, I am sure, Mr. Brady, that the answer of that child would be a good deal more logical than your own could be, since in the lofty heights in which you soar and in your much vaunted wisdom, the best you have been able to do was to hold that poor conductor responsible for the accident.

You suspend him for a month, depriving him of his salary during that time, or rather robbing him of his due, while the true author of the accident has not been suspended for a single day, and could then claim the right to indulge again in the same nonsense on the next day.

Do you know, Mr. Brady, that a man who does not show better judgment than that and who indulges in such foolish mistakes might just as well affirm that two and two make three and might turn a railway topsy-turvey inside of six months? You keep piling on injustices and tyrannies on your employees, you even dismiss those who fulfil their duty and you pretend to be in the right?

The Canadian Pacific saw fit to dispense with your services a few years ago, and I have learned that it could not have been without reason. You ought to learn how to be logical, Mr. Brady, and to reason before pronouncing a judgment. You should never forget that, in depriving of his salary that

poor father of a family, you thereby take the bread out of the mouth of his children, and that the little ones with their mother in tears, are crying for vengeance against you.

The Government, and especially the hon. Minister of Railways ought to put an end to your exactions with the least possible delay, because the times of Nero are now gone forever, when that potentate used to show his cruelty in lighting Rome with living torches. While you are moving about, or rather 'winding along,' on the Intercolonial, in a luxurious private car put to your disposition by the people, you have become the terror of your employees who hold you in execration more than they dread you, you may be sure of it.

And the Intercolonial is not better managed than it was at the time of old Mr. Pottinger, who had alike the respect of the public and of his employees, whom he treated as men and not as brutes, that is with kindness and justice.

Now the game is up to you, Mr. Brady. You must defend yourself, if you are able to do it and if you have that audacity, against the accusations I have laid against you. You must show that you have acted in the right way in dismissing mercilessly Mr. Deschamplain for an accident of which he was in no way responsible. If you are able to do that, the public will decide who was right and will see if you have any brain left in your silly head.

Do not forget, Mr. Brady, that you owe to the public without delay, a frank and clean explanation of all the misdeeds I have laid against you. Should you persist in keeping, as usual, a prudent silence, I will be obliged to ask for an explanation of your conduct on the very floor of the House of Commons.

N. Boulay,
Member of Parliament.

Some time after that, I had another dispute with the same man, with regard to another affair, just as ridiculous as the above. It was on account of the lowering of the floor of the freight sheds, that is those that were to be built. As a rule, the floor of those sheds is on a level with the platform of the passenger station. This makes the handling of freight more easy. By lowering the level, you have an idea of the trouble to which the men are put who have to handle the freight. It naturally follows that those men experience much difficulty in passing from one floor to the other. There may not be any trouble with light freight, but when it comes to heavy loads of 1,500 or 2,000 lbs., it is another affair. When it comes, for instance, to handling a barrel of molasses or a steam engine, weighing often more than 2,000 lbs., you can see at once that the difference in the levels of the floor increases considerably the work of the men, and that those poor people are thus very often liable to accidents. Indeed, accidents are generally the rule, and any one can see at a glance that there is no common sense in that.

I have had to fight that during the whole summer, last year, and I was even forced on that account to come to Ottawa on two occasions. The Deputy Minister of Railways, who is a practical man, has given me justice. He took in the whole situation at a glance, and he admitted that such a scheme was ridiculous. Orders were immediately given to remedy that.

I have still another case to relate, so as to show the incompetence of Mr. Brady, whom they persist in keeping at the administration of the Intercolonial. We had on the railway a conductor named Audette. He was one of the best conductors on that railway, and the travelling public of the province of Quebec had come to know him very well.

That man has been doing service on the Intercolonial during over thirty years. He has been superannuated, although he should still be on active service. But Mr. Brady took into his head that he should be put on the superannuation list. On a certain winter day, when Mr. Audette had presented himself for duty, Mr. Brady did not find that he was sufficiently dressed to meet his tastes, and so, forthwith, and without inquiring about the physical capacities of Audette, he gave him the necessary orders to the superintendent to have the man put on the superannuated list. All the other employees objected to such a proceeding, because they were forced to pay the man a pension under the general fund kept up by those same employees, and that during 10 or 15 years, without any necessity whatever, because Mr. Audette is still able to work during all those years.

But Mr. Brady was not the one who could admit he had made a mistake. He maintained his decision and Mr. Audette was put on the superannuation list. Mr. Audette draws to-day a pension. He is an insurance agent, and, as evidence that he is still to-day quite able to work, he is able to earn a salary equal to the amount of his pension. He is still more able and stronger than any other employee to be met with on that railway.

There is another case I may cite, and which is, so to say, worse than all the others, to show the lack of judgment of that Mr. Brady. What I will relate has happened on the 2nd of February last. A train came into collision with another train at St. Moïse. Conductor Smith had orders to run ahead of train No. 99, which had left Campbellton and was going to St. Flavie. When he left Sayabec station, he saw that there was a train in rear, but nobody told him that it was No. 99, and he kept on towards St. Moïse, which is the next station. Train No. 99, which was really the one arriving at Sayabec when Smith was leaving that station, was obliged to wait about ten minutes so as to leave the necessary interval between two trains following each other.

Now, engineer Matheson was on train No. 99, and he knew very well that Smith could not be very far, because he was kept at Sayabec so as to give Smith sufficient time to get away, and his duty was to slacken speed so as to prevent an accident. Between Sayabec and St. Moïse there is an ascent of five miles, followed by a descent of three miles, when coming to St. Moïse. As Smith's train was coming into St. Moïse at a speed of ten miles an hour, he saw coming towards him in the rear, at great speed, train No. 99. As his orders were to meet train No. 76 at St. Moïse, and in order to avoid an accident with the train which should be in front of the station, he was forced to slacken the speed of his own train to ten miles an hour, thereby acting in the way of prudence and acting according to the rules. He has been censured for not having properly protected his train, but he could not do that, because there is no necessity to protect a train under way, especially when running at ten miles an hour.

As a sequence to the inquiry, the only man suspended was Smith, who was not guilty. I will read some parts of the evidence heard at the inquiry, so that you may better understand all tne facts:

Mr. Brady wrote to Mr. Price as follows:

Moncton, N.B., Feb. 22, 1913.

E. Price, Esq.,
Superintendent,
Campbellton, N.B.

Dear Sir,—Referring to yours of the 12th February, relative to the pitch-in at St. Moise on the 2nd February, Conductor Smith and his rear brakeman are at fault for not properly protecting their train. You will suspend the conductor three months and reduce him to a brakeman for six months, and if he does not act as a brakeman for six months he is to remain suspended for six months, and you will suspend the brakeman, Dubé, for three months for violation of the rules regarding rear end protection. You will reprimand Engineer Matheson for not using better judgment in approaching St. Moise station on this occasion. Mr. Matheson admits himself that he could see the van lights of the train ahead of him for sixteen or seventeen telegraph poles.

Yours truly,
(Sgd.) F. P. Brady,
General Superintendent.

This same engineer, only three weeks before, lost his train and ran seventeen miles into a station without discovering that his train had parted. He was recommended by the superintendent to be suspended for two weeks, but has not been suspended, and on this poor fellow, Conductor Smith, has been placed the whole responsibility for the accident. Matheson admits himself that he could see the van light of the train ahead of him for fifteen or sixteen telegraph poles.

Mr. BOULAY.

Mr. LEMIEUX: What do you mean by saying he lost his train?

Mr. BOULAY: There was a cut-off between the train and the engine, and he went on without noticing that he had lost his train until he got to the station. He had left his train seventeen miles behind. That is the same man to whom the accident happened about three weeks afterwards. In the investigation held into the second accident, the one which occurred between No. 99 and Conductor Smith's train, he admitted that he could see Smith's van fifteen or sixteen telegraph poles ahead of him and he had only fifteen cars on his train then.

Mr. GAUVREAU: Did you ever have any opportunity to complain of this to the minister or why did you wait so long to bring it up here?

Mr. BOULAY: I will give you the answer in a moment. When this was reported to me, I went to the deputy minister's office and explained the whole thing. I will read what Mr. Campbell writes on the matter. He wrote this letter to Mr. Brady:

Friday, April 11, 1913.

Dear Sir,—I return herewith the inclosure received with your letter of the 28th ultimo, your file B2/9286, re collision between No. 99 train and Smith's west-bound special near St. Moise on Febraury 2 last.

I have gone carefully over the evidence brought forth at the investigation into this accident, and from what I can gather from this evidence I am unable to understand the discipline which you have meted out to those responsible.

In the first place, from Conductor Smith's evidence it would appear that his train was running at about the rate of 10 miles per hour when struck by No. 99, so that I am unable to undertsand what further protection he could have given his train than he did by having his brakeman jump from the rear of the train to stop No. 99 before that should strike Smith's special.

On the other hand, Engineer Matheson of No. 99 train, knowing that Smith's special was only a very short distance in front of him, as No. 99 train had to be held 10 minutes at Sayabec to permit Smith's special to get away, should have had his train under control so that it could have been stopped within the length of his vision. This was not the case, as he stated he saw the rear of Smith's train when within about six telegraph poles from it. In his report of the matter Superintendent Price recommends the suspension of Conductor Smith and Brakeman Dubé for two months, for not protecting properly the rear of their train, and suspension of Engineer Matheson for two weeks, for not having his train under proper control.

However, in your letter of February 22 to Superintendent Price, you increase the discipline of Conductor Smith from two months suspension, suggested by Superintendent Price, to three months suspension, with reduction to brakeman for six months, and if he does

not act as brakeman for six months he is to remain suspended for six months; you also increase the proposed two months suspension of Brakeman Dubé to three months suspension. On the other hand, you reduce the discipline of Engineer Matheson from two weeks suspension, as recommended by Superintendent Price, to a reprimand for not using better judgment in approaching St. Moise station, although you add 'Mr. Matheson admits himself that he could see the van lights of the train ahead of him for sixteen or seventeen telegraph poles.' In his evidence he states that he was about six telegraph poles from the rear of Smith's special when he first saw it. It would appear, as suggested by Superintendent Price, that Engineer Matheson should be disciplined, and while conductor Smith might have given further protection by the use of fusees and torpedoes, yet he and his brakeman were on the lookout and his brakeman, in order to flag No. 99, jumped from the train while it was running ten miles an hour. Doesn't it appear as if Engineer Matheson seeing Smith's train six or seven telegraph poles ahead, should have so controlled his train as to have avoided this accident. Doesn't it also appear as if Matheson was exceedingly reckless in running into Smith's train while the latter was still moving at ten miles an hour? There is strong exception taken to the discipline meted out to Smith and Dubé, especially in view of Matheson being allowed to go free.

I wish you would look over the evidence again, particularly with reference to the points which are referred to in this letter, and let us have your further views as to why Matheson should not be punished.

Yours truly,
(Sgd.) A. W. Campbell.

This letter was written to Brady on April 11, 1913. This was a very sensible letter according to the evidence and what is said there is according to the best judgment of the deputy minister. Certainly between April 11 and this date Brady should have found his way to correct himself in justice to these poor people who were badly treated, but still it is only lately that he has found a way to repair the michief he has done. I shall read his letter later on. He replied to Mr. Campbell on April 16, 1913, as follows:

A. W. Campbell,
Chairman Government Railway,
Management Board, Ottawa, Ont.

Dear Sir,—Replying to your communication of the 11th instant, with reference to the pitch-in between No. 99 train and Smith's west-bound special at St. Moise on February 2 last. I have noted the contents.

Conductor Smith did not put on his protection quick enough. He might just as well under the circumstances not have put it out at all. He could at any point have dropped off a fusee, which is furnished him for this particular purpose without it being necessary for him to have jumped from the train. This he did not do, and the circumstances show clearly that neither he nor his brakeman jumped from the train until they saw No. 99 coming into them.

Engineer Matheson was within his rights. I know of no rule or custom that requires a regular train to run at a rate of speed to enable them to stop within their vision, and if such a rule existed we would never get our regular trains over the road. Matheson claims he had his train under control so that he could have stopped before passing the semaphore if it had stood at danger and the small amount of damage done sustains him in this. On account of frost in the air he was unable to see the semaphore until about the time he saw the tail lights. This accident was due entirely to the fact that the conductor did not protect his train as quick as he ought to have done and as he could have done without any inconvenienec to himself or his brakemen and they are both responsible.

The punishment meted out to these men is similar to the punishment laid down by the hon. the minister in the Sacré Cœur accident; which is similar in all respects.

The great majority of the accidents we have had this winter of this nature was caused either through slowness on the part of the men who should have protected or entire failure to protect.

Yours truly,
(Sgd.) F. P. Brady.

I made some further representations, and Mr. Campbell wrote again to Mr. Brady. When I saw that I could not get justice from Brady, Conductor Dubé and I went and had an interview with the minister and a letter was written on the 16th April by Mr. Campbell to Mr. Brady. I have not the letter which was written by Mr. Campbell nor have I the reply. These two letters have apparently gone astray. Anyway they were in much the same terms as the letters which I have just read, Mr. Brady taking the ground that he could not do anything.

Now, I will give some particulars from the evidence in this case. I have given a summary of the evidence and I have no doubt that my statement of the case will be understood by most hon. members who are conversant with the running of trains. Smith's train had an order from the despatcher to run ahead of train No. 99, which was two hours late. After he had started he found that there was another special running ahead of No. 99. He ran ahead of this special train all the time. His order was to run to Ste. Flavie. The order said: Run ahead of No. 99 until overtaken, which means until the train comes near enough to pass you. When he was leaving Sayabec, Smith saw a train behind him which he thought was the special, but which was No. 99. Nobody told him about that train. The despatcher should have advised him that this train was the one which should have gone ahead of him, but for some reason he was not so advised and when Smith was leaving Sayabec train No. 99 was entering the station yard. According to the rule in force on the railway no train may leave a station until ten minutes has elapsed after the departure of the preced-

ing train, and under this rule the agent at Sayabec should not have permitted No. 99 to depart before that time. The train of which Matheson was driver should have waited for seven or eight minutes at Sayabec to allow the ten minutes to elapse and as it did not do this the engineer knew very well that the other train was not very far ahead of him. He knew very well that he was running too fast. There is an upgrade from Sayabec for about five miles and then there is a down grade of about three miles to St. Moise. He had a lighter train than that which was ahead of him. Still he left Sayabec after the expiry of the time, went up the grade, and then struck the three mile down grade leading to St. Moise. He could not have been looking out for the train ahead of him. Conductor Smith had an order to cross another train at St. Moise and the rule says that when a train has an order to cross another at a certain point it must approach the station slowly. Conductor Smith's train was running at a rate of about ten miles an hour approaching the station at St. Moise where he was obliged to go slow in order to avoid a collision with the train he expected to meet at that station. Still, although running at the rate of ten miles an hour, he was struck by the other train coming behind him. Notwithstanding this, Mr. Brady says that the man ahead must be punished for not getting out of the way of the other fellow. Now, I propose to read some of the evidence.

Mr. MACDONALD: Will the hon. gentleman tell me who the train despatcher was who gave the orders?

Mr. BOULAY: I could not tell that.

Mr. MACDONALD: Is he not the man who is responsible?

Mr. BOULAY: I think the despatcher should have advised the agent at Sayabec that train No. 99 was close enough to the special ahead to allow it to pass.

Mr. MACDONALD: Have you made inquiry who was the despatcher there?

Mr. BOULAY: No, I did not inquire. This was not done, but the driver knowing the facts, he should have been more careful and he is the man who should have been punished and not Smith.

Mr. MACDONALD: Who is the superintendent of the division?

Mr. BOULAY: Mr. Price. Here is the evidence of Conductor Smith at the investigation:

Statement of conductor E. Smith, before assistant superintendent L. S. Brown, present; chief despatcher H. H. Bray.

Q. Dou you remember what orders you had leaving Sayabec?—A. I got an order at Matapedia to run ahead of No. 99 until overtaken, and held an order to cross No. 76 at St. Moise.

Q. What time did you leave Sayabec?—A. 5.30—K.

Q. Was No. 99 train at Sayabec when you left Sayabec?—A. No. 99 train was about the east semaphore at Sayabec when I left there, but I did not know it was No. 99 train as Raymond's special was following me at Causapscal ahead of No. 99.

Q. What kind of a night was it? —A. It was a cold night, but the lights could be seen distinctly.

There are two lights on the rear of every special train showing all the time.

Q. How far away was No. 99 train when your train was near the semaphore?—A. About eight or ten telegraph poles from the rear of my train.

Q. Could you notice that they were coming fast?—A. Yes.

Q. Did you not think it necessary to put out a signal?—A. I ordered brakeman Dubé to put out a signal, he took his lamp and jumped from the train, the red light went out; he had the white light and gave them a signal to stop; he went back about a telegraph pole and was all the time he had. I was on the rear step of the van and could see him giving the stop signal; I was also giving the stop signal. My reason for not knowing it was No. 99 train following the train order I held read as follows: No. 76 will cross Smith and Raymond at St. Moise; No. 99 train was not mentioned.

The driver on Smith's train deposes as follows:

Q. Did you stop at the east semaphore at St. Moise?—A. I did not. St. Moise is a bad place to cross and I was approaching the semaphore carefully. As soon as I saw that the semaphore was all right I released the brake and was running at about ten miles per hour.

This corroborates the evidence given by the conductor plainly that they were running ten miles an hour. Then the evidence of Driver Matheson is:

Q. How far would you be from the rear of his train when you first saw it?—A. I would judge about six telegraph poles.

This man deposed that he saw the train for about six telegraph posts, and any man who has a knowledge of railroading knows that a train of fifteen cars, if equipped with air brakes, if the brakes are in good working order, can stop that train inside of five telegraph poles, even though it were running twenty miles an hour. This man admits in his evidence that he saw the train at six telegraph poles from him. He also deposes in his evidence that he could have seen a train sixteen or seventeen telegraph posts ahead. But, strange to say, after the evidence given in this case, and after the facts elicited, and after representation of the superintendent that Smith be suspended only for two months, Mr. Brady comes and says: I suspend him for three months and I give him six more months

braking, and I give no punishment of any kind to Matheson. A man who has no more judgment than Brady and who does such a thing to poor people who depend on him for their livelihood, should not be any longer retained in the public service.

Mr. E. PAQUET (L'Islet): Mr. Speaker, during the years 1903-4, the liberal government, which was then at the head of public affairs, had on the Intercolonial a deficit of $900,000. In 1904-5, that deficit had increased to $1,725,000. In face of these deficits accruing every year the liberal government had established a commission entrusted with the administration of the Intercolonial, and the results obtained show a notable improvement. And so, under the conservative administration, the surplus have kept increasing considerably.

The hon. member has mentioned Mr. Brady. That gentleman is certainly not endowed with all perfections; but in my county I believe he has given justice, because I can say that in every case the decisions he has rendered have been strictly in accordance with the evidence. At all events, under his administration, and from the information gathered, the results have certainly been better than those of former times. We must, of course, attribute a large part of those results to the prudence and ability of the hon. Minister of Railways and of his officers at Ottawa.

I am not prepared to assume the responsibility of all that my hon. friend from Rimouski has seen fit to say about Mr. Brady.

Quite lately the Government has given a strong and energical impulsion to the administration of the affairs of that railway by entrusting it to a man of great competence.

Before concluding those remarks, I would have a favour to ask of the hon. Minister of Railways, and that is to appoint a French-speaking counsel to whom would be entrusted the examination and settlement of all claims in our province. He will certainly not refuse to do that act of justice to the province of Quebec.

Mr. GAUVREAU: Why did you not keep the one that you had? That was certainly the time for the member for L'Islet to have shown himself.

Mr. PAQUET: I will say this to the hon. member for Temiscouata. A few years ago, I rose in this House to ask for the appointment of a French Canadian as member of the Intercolonial Commission. My adversary in the elections of 1908 was chosen by the liberal government and was appointed general counsel and member of that commission. On account of my relations with Mr. Caron I did not want to mention him in this House, but I believe that we could easily know why that counsel has deserved the fate that has happened to him. I may say that having written to that gentleman in order to obtain justice in my county, Mr. Caron gave me to understand in his answer that, as a commissioner, his influence did not amount to much in the commission.

I am asking the hon. Minister of Railways to appoint a general counsel to hear the claims of the French Canadians along the Intercolonial. He should appoint a barrister of some eminence who would be entrusted with the settlement of those claims and who would render justice to whomsoever it is due.

Mr. GAUVREAU: Why have you not kept Mr. Caron, who was the only French Canadian, and who has just been dismissed? It was then that you should have shown yourself the great defender of the French Canadians.

Mr. LEMIEUX (Rouville): Mr. Chairman, as I have been sitting during many years with Mr. Caron, who was then the member for Ottawa, and as I have protested the other day against his dismissal, I believe it is my duty to answer to the somewhat harsh observations which have just been made by the hon. member for L'Islet.

Mr. PAQUET: I have been led into speaking of Mr. Caron by the remarks of the member for Temiscouata.

Mr. LEMIEUX: Obviously the hon. member for L'Islet has not forgotten the contest in which Mr. Caron was engaged with him, in 1908, in the county of L'Islet. He ought to keep in mind the famous retort of a King of France who was saying: 'The King of France has not avenged the insults made to the Duke of Orleans.'

Mr. Caron has been during many years a barister practicing his profession in the province of Ontario, among the French population. He is known for his competency, and also for being a man open to conciliation. I may say that if he has been appointed a member of the Intercolonial by the Laurier Government, it was especially due to the fact that he was eminently a conciliating man.

We had been asking since many years for the appointment of one of our own countrymen to hear the claims of the farmers along the Intercolonial. I am happy to say that the ex-Minister of Railways, the member for Renfrew, acceded gracefully to our request, and then appointed Mr. Caron.

That appointment was approved by all the French Canadians, without distinction of parties, and I never heard that there had been a complaint against Mr. Caron's manner of filling his duties.

Mr. Caron had a very lucrative practice in Ottawa, among the French people of the province of Ontario.

To comply with the law, Mr. Caron had to take up his abode in Moncton, far away from his friends and his family.

Since having been appointed a commissioner, and I have had the proof of it every day, he has rendered justice to the Government and to those who had claims against the Intercolonial. He has that great advantage to speak with equal fluency the two languages, and he is thus able to hear complaints from whichever side they come.

He has now been dismissed. I have just heard the remarks made by the hon. member for Rimouski. He complains of Mr. Brady and of his injustices. I am not familiar with the questions which have been submitted to the consideration of this Committee this afternoon by the member for Rimouski; but I must affirm that those difficulties will come back again and will be more numerous than ever if the Minister of Railways does not return Mr. Caron to the position which has been taken away from him in such an arbitrary manner, or if his place is not filled up in the commission by one who speaks our language.

I do not understand the attitude of the member for L'Islet. During many years he has posed in the province of Quebec as the apostle of national revendications. To his mind, the French Canadian members of the House of Commons, and especially those who were in the Laurier cabinet, were traitors to their race, traitors to the French language, and he denounced them vehemently. Now the hon. member, with all his party, has passed to the right of the Speaker, and the dismissals, I regret to have to say so, have been especially numerous among those who speak the language and who profess the faith of the hon. member for L'Islet. Among those who have thus guillotined the French Canadians, we see, in the first ranks, the hon. member for L'Islet, the hon. Postmaster General, Mr. Pelletier; the hon. Minister of Inland Revenue, Mr. Nantel, and all those apostles of Nationalism of the years dating before the contest of 1910-11, all those intransigents who used to say: We must have all or nothing, and now the very ones who are most eager in their work of dismissing their countrymen from public offices.

Mr. Caron is a victim of the system which has been inaugurated when the conservative party came to power in 1911. And whatever might say the hon. member for L'Islet, it is not true that Mr. Caron has had no influence in the commission. Here is probably what has happened: The hon. member for L'Islet and some of his friends must have asked Mr. Caron to commit injustices. He has not seen fit to grant them what they were asking, and so he was put in a bad posture.

Mr. PAQUET: Can the hon. member show any proof of that?

Mr. GAUVREAU: Did you show yourself any proofs against Mr. Caron, a moment ago?

Mr. LEMIEUX: This is what happened. So as to put an end to those absolutely unfair demands which were made to him by the member for L'Islet and his friends of the same kind, Mr Caron must have answered that he had not the necessary influence, but every one knows that he was a conciliating man, that he had the confidence of his colleagues, that he was upright and that he would have never submitted to be a party to an injustice. They have taken advantage that the conservative party was in power to dismiss him. I have no hesitation to say that such an act is one more nasty trick added to the long list of those already committed by the tory party since they have assumed power.

How do you justify the dismissals, in the Yukon, of Notary Gosselin and of Mr. Laliberté? How can you justify the dismissal, in Paris, of Mr. Poindron, who was the commercial agent of Canada? How do you explain that hon. Mr. Parent, instead of being superseded by a citizen of the province of Quebec, and his place filled by Major Leonard? I do not question the competency of Mr. Leonard, and I simply want to show this: and it is that in spite of his violent declamations, in spite of all that outward show of intransignificance, in spite of all his St. Jean Baptiste speeches, and all that about everything and about nothing, the member for L'Islet has been largely instrumental in having the province of Quebec lose the influence which it had under the old regime.

When I see him approving the dismissal of Mr. Caron, who has given up a lucrative practice in order to take up his abode in Moncton, and whose strong health is now to-day impaired; when I see him rejoice at that dismissal for which there was no cause nor any ground whatever, I say that the member for L'Islet is a false patriot, and that the sooner the electors of Quebec will know it the better it will be for the province and for the county of L'Islet.

Mr. COCHRANE: I may say to the hon. member for Rimouski (Mr. Boulay) that all the men on the Intercolonial railway belong to organizations—the trainmen, enginemen, trackmen, and so on. When any punishment that is unfair is meted out to any of them, the organization is soon after the management to see that the matter is put right. I am perfectly willing to leave it to the organizations to say

whether pustice has been done or not, because we have no word from them, although the accidents happened some time ago. When men get careless, lives are lost, and punishment must be meted out. If we let them go without punishment, the travelling public and the men themselves would not be protected. In reference to the doing away with the management board and Mr. Caron, the appointment of a French-speaking lawyer at Montreal or some other place on the road will take place very shortly.

Sir WILFRID LAURIER: What will be the functions of that official ?

Mr. COCHRANE: He will do any legal work that is required in the province of Quebec.

Mr. PROULX: How many lawyers are there to be ?

Mr. COCHRANE: One is enough in the province of Quebec. We could have another in the other provinces.

Mr. LEMIEUX: Was any charge made against Mr. Caron ?

Mr. COCHRANE: No charge at all was made against the commission. The commission was done away with, not Mr. Caron.

Mr. LEMIEUX: If there was no charge against Mr. Caron, I appeal to the sense of justice and fairness of the hon. minister. Mr. Caron was a member of this House for several years. He was a practising lawyer in the city of Ottawa, and had quite a lucrative practice in this district.

Mr. COCHRANE: I do not suppose he practices in Quebec.

Mr. LEMIEUX: No, not in Quebec; in Ottawa. He was appointed by the former Minister of Railways and Canals. I presume that the salary paid by the department was about equal to the amount he received from his practice in Ottawa. The fact that he left the city of Ottawa ought to be considered. He has been in office for three years and has taken up his residence at Moncton. He has been dismissed —there is no other word for it. If my hon. friend is going to appoint a gentleman who speaks the French language to settle the claims that are so numerous in the province of Quebec on the Intercolonial railway, he might just as well appoint Mr. Caron for these duties.

Mr. COCHRANE: He is not qualified to practice in the province of Quebec.

Mr. LEMIEUX: It is not necessary that he should practice before the Quebec courts. His duty was to go about and find out what were the claims and to report to the department whether or not the claims should be settled. If the claims are referred to the Exchequer Court, it does not matter whether the lawyer belongs to the Bar of the province of Quebec or to that of the province of Ontario. Mr. Caron has lost enormously over this. He has lost his legal practice. After three years he has been recalled from Moncton to Ottawa, and he has to start afresh in life. My hon. friend says the commission was dismissed. That may be true in one sense, but it is not true in the other. Mr. Brady and Mr. Tiffin are retained under Mr. Gutelius, and Mr. Caron is the only one who is left out.

Mr. COCHRANE: What about Mr. Pottinger ?

Mr. LEMIEUX: Mr. Pottinger has been in the service for forty years and is pensioned. I regret the fact that Mr. Pottinger is pensioned, because he is to-day one of the leading authorities on railways in North America. At all events, he is provided for, while Mr. Caron is literally thrown on the streets, although there is no charge against him. I appeal to my hon. friend's sense of fair play and justice, and I ask him to reconsider the decision which has been arrived at by the Department of Railways and Canals. Mr. Caron was a good official; he was popular on the line with both parties. He may not have been popular with the hon. member for L'Islet (Mr. Paquet), but this gentleman is not the only pebble on the beach. Let my hon. friend ask the other members who happen to belong to the conservative party. They will tell him that Mr. Caron was a fair-minded man, very accessible, very genial, and really was a credit to the Board of the Intercolonial railway and to the public service. I understand from what the hon. gentleman has said that the man who has chopped off his head is the hon. member for L'Islet, and not the hon. minister.

Mr. COCHRANE: He never had anything to do with it.

Mr. PAQUET: Will the hon. member allow me to ask him a question?

Mr. LEMIEUX: Yes, when I have done.

Mr. GAUVREAU: That may have been the price of his treachery.

Mr. PAQUET: Mr. Speaker, I must ask the hon. member for Temiscouata to withdraw his words.

Mr. GAUVREAU: I have no need for your intervention, Mr. Chairman; I am conscious of having gone beyond the rules of the House; I withdraw those words, we will settle that by and by.

Mr. LEMIEUX: If that is so, then the real author of the dismissal of Mr. Caron is the member for L'Islet (Mr. Paquet).

Mr. COCHRANE: That is absolutely untrue. The hon. member for L'Islet could not have anything to do with it.

Mr. MACDONALD: He wanted to have it done.

Mr. COCHRANE: He did not.

Mr. LEMIEUX: The hon. minister says that there is no charge against Mr. Caron, and that he was a good officer. He says at the same time that Mr. Brady and Mr. Tiffin will remain in the service. Therefore I say there is something mysterious about Mr. Caron's dismissal. If there is no charge against him, do the right thing by him. Do not treat him so severely. Consider that he has lost some of his former good health, and that he has taken up his abode in New Brunswick. Consider also that he has lost his practice as a barrister in the city of Ottawa. And if the hon. gentleman has any sense of fair play and British justice he will see that Mr. Caron is treated loyally.

Mr. PAQUET: I had no intention to prolong this discussion, but I must protest energetically against the language of the hon. member for Rouville. I must say to the hon. member that I have laid no charge neither directly nor indirectly against the commissioner of the Intercolonial, Mr. J. B. T. Caron. I must say that my relations with him have been friendly, and that I have nothing whatever to say against the manner with which I have been treated in my official relations.

Mr. LEMIEUX: Why then should not the hon. member have him appointed counsel for the Intercolonial?

Mr. PAQUET: I have said a moment ago that I had no intention to introduce the name of Mr. Caron in this discussion, but I have been led to do it owing to the harsh observations made by the hon. member for Temiscouata.

Mr. GAUVREAU: I must say to the hon. member that if I have mentioned Mr. Caron's name, it was because he had asked the Minister of Railways to have his place filled by another French-Canadian.

Mr. PAQUET: I believe that the hon. member for Temiscouata lends himself to being carried away by his violence every time I speak in this House. Indeed, I have never asked the hon. Minister of Railways to put another man in Mr. Caron's place, neither did I ask for his dismissal, and if the hon. Minister of Railways appoints him again to the same place, the member for l'Islet will have no cause of complaint against him.

Mr. LEMIEUX: Will you recommend him? If the hon. member recommends him to the minister, then I am ready to retract everything I have said against him.

Mr. PAQUET: I am ready to recommend him if it can be shown to me that the members of the commission deserve to occupy the position which they had before their dismissal.

I believe my words must be clear enough. The hon. member for Rouville has accused me of having been the means of lowering the influence of my race because I had claimed the rights of the French language. I will say this: If in asking that a French-Canadian should be appointed general counsel for the protection of the French-Canadian interests along the Intercolonial, I have committed a crime, then I declare myself guilty; if by so doing I have betrayed the rights of the French language, I am willing to continue to do so in the future as I have done in the past.

Mr. MACDONALD: Mr. Caron was a member of this House and was known to quite a number who are still members. When he retired and accepted a public office, it was under such conditions that everyone felt that he deserved the position which he was given. I am able to say that, so far as the people along the line of the Intercolonial railway are concerned, they found in Mr. Caron a very satisfactory official. He was popular with both sides of politics and there was no element of partyism evident in any part of his administration. It has long been an unwritten rule of this country that when a man in public life retires and accepts a position in the public service, some exceptional recognition should be given to the fact that he has devoted his life to the public welfare. There are few if any cases in which such men in office, no matter by which side they have been appointed, have been retired.

Mr. COCHRANE: Why was not the commission made permanent then?

Mr. MACDONALD: The minister has not answered my point. What I say is that the history of this country would be searched in vain for many cases—I doubt that there is one before this of Mr. Caron—in which a member of this House retiring and accepting a public office has had that office taken from him. Such a man, retiring, knows what his rights are and what his limitations are and how far he can and should go, and I am sure that in the eastern provinces there will not be found a man who will say that Mr. Caron did anything

in a political way or did anything at all but fulfil the duties of his office in a most satisfactory manner. Therefore, he had special claims upon the Minister of Railways and Canals. To other hon. members of this House the time will come sooner or later when they will wish to retire. There are members on on that side who are already looking for opportunity to retire in some public office. And also the time will come inevitably when their party will be out of power and their opponents will be in office. Do they want the rule which has always been exercised, a sort of free masonry, to be violated, and the consideration which has always been regarded as due to men in their circumstances forgotten? The minister tells us that the member for L'Islet did not want Mr. Caron removed. Well, the member for L'Islet did not do very much to keep him there. He did not go to the minister and ask him to leave Mr. Caron who was a French representative on the Board of Railway Commissioners. He did not tell him: In the readjustment, whatever you do, do not take Mr. Caron away. In his heart, he wanted Mr. Caron removed, because Mr. Caron had been an opponent of his. The fact that the hon. member for L'Islet made such a tremendous somersault on the naval question furnishes some explanation why Mr. Caron was dismissed, and that seems to me a very reasonable explanation. The hon. member for L'Islet, at any rate, is not urging very strongly upon the minister to keep this ex-member of Parliament in office. In fact he is trying to get some other gentleman to fill the place. Do not let us have any misunderstanding about this thing —that is where the hon. member for L'Islet stands, and the minister too. The minister says that the commission was abolished and he had to dismiss Mr. Caron. Well, while Mr. Caron was a member of the commission his duties were well defined. He was dealing with the legal questions that came up in connection with the administration of the railway. But the minister let Mr. Caron go, and is going to proceed next week to appoint another gentleman simply because he is a French-Canadian, probably a Nationalist out of a job, wanting to hang on to the coat-tails of this Government, fearing that they will soon be out of power and the Nationalist wing will be left out altogether. Mr. Caron, a former member of this House, a man of integrity and ability, is being treated in this very shabby way—no mincing matters, that is where we stand.

I have heard the hon. member for Rimouski (Mr. Boulay) discuss railway questions. It was not very clear what his opinion of the administration of the Intercolonial railway really was. Does he think that administration is good, wise and efficient? Surely he did not take up the time of the committee merely to tell us that here was a man who had committed a wrong, and, instead of getting three months' suspension he should have only got two. Is that the complaint he is making, or is that the reason he is taking the position he does in this House? What does the hon. member really think about the administration of the Intercolonial since the change of Government? I would like to hear what he has to say about it.

Mr. BOULAY: Mr. Chairman, in answer to—

Mr. MACDONALD: Let us have it in English, so we shall understand what you are saying.

Mr. BOULAY: I can not offer an opinion on the management of the Intercolonial. I see there has recently been a change, but I make it a practice to judge every one by their own acts; therefore I must wait for a while yet. I think I have said enough to express my opinion on Mr. Brady's management. The hon. Minister of Railways told us that the employees of that railway had associations to protect themselves. I know that such associations are in existence, but it is very well known what a costly experiment it is to bring them into action. The president of the Brotherhood lives in the United States and it takes month after month before you can reach him; and during that time the unfortunate heads of large families are kept out of work waiting for the association to deal with the question. Moreover, it is very important to have as managers of the railway, men who can settle such questions without waiting for the interference of the association.

For the last thirty-five years we have had a man who was general manager of the Intercolonial. I am referring to Mr. Pottinger. His management met with the approval of both French and English Canadians. I, myself, have had occasion to meet him frequently and I have always found him a perfect gentleman, very agreeable in his dealings with all.

He would receive us in his office like gentlemen, and although we did not always get satisfaction, although we sometimes failed to get what we asked for, we left him happy and contented, because we had the answer of a fair and clever man. I am sorry to see such a man leaving the service of the Intercolonial while such a man as Mr. Brady is being kept on. Mr. Pottinger is still in full possession of his mental and physical strength. He knows the Intercolonial from the first mile to the last; he is friendly with everybody in the maritime provinces as well as in the province of Quebec. I have known him since 1875, and I am sorry to see him retired. I hope he asked to be retired, but I cannot believe it

unless I am told so by himself. We will never have a more devoted servant of the country than he was.

It is said that since Mr. Brady has been appointed Chairman of the Board there is no more deficit. That is true, but it must be borne in mind that Mr. Pottinger was there when the road was created. The fact is that he built and equipped the road. There was a surplus then, but everything was to be done. He must have had to submit to political influences and must have had to do things that he would not have done had he been left to himself. With Mr. Brady it is quite the reverse. When he was given the management of the road he was also given leave to do as he liked. He has cut heads off; he has cut down everywhere and he has increased the freight rates. Moreover, the traffic has increased largely. It was there the same as elsewhere. Twenty years ago the revenue of the country hardly reached 35 millions; to-day it is 160 millions. Everything has increased in proportion and the revenue of the Intercolonial like the rest. And still we are told that the surplus is due to Mr. Brady's management. It seems to me that is not fair.

During my long experience on the Intercolonial I have not known of one single employee who has ever criticized the decisions of Mr. Pottinger, even when he was not satisfied. I must give him that credit publicly. He deserves it.

As to Mr. Caron, whose dismissal is deplored, I would certainly prefer to see him remain at his post, to having nobody put in his place. Mr. Brady should make room for a French Canadian.

There is another anomoly of which I have to complain. For a few years back, the travelling public observes that the Pullman employees are all or nearly all English-speaking people. I have asked the House for a statement of the Pullman car employees travelling between Montreal and Halifax. From that statement it appears that there are 26 conductors in all, 21 of whom are English-speaking and 5 French-speaking people. From a table showing the dining-cars, which are very numerous, we find there are 120 employees, conductors, cooks, table waiters, &c. Of the 15 conductors not one is French speaking. To summarize, out of that number of employees there are only 10 French Canadians, which show that the proportion is not fairly kept.

In 1911, I complained of all these facts, at the management office, which is under the charge of Mr. Archibald at Halifax. I also complained to Mr. Tiffin. I have received from these two gentlemen answers which failed to convince me. One of these letters mentions the fact that the bill of fare is in French. I have no ojection to leaving aside the bill of fare question, although, for my part, I do not understand, neither in dining-cars nor hotels, the bills of fare written in English. Many travellers, ladies especially, abstain from going in to take their meals because they could not get the servants to understand them.

I believe it would be in the interest of the railway to have at least table waiters who could understand French. It is not an absolute obligation, as Mr. Tiffin put it, but it would be more profitable to the railway.

I think I have said enough on this point, and I think it will be admitted on both sides of the House that, up to the present time, on this last item we are not having a fair deal; out of 120 employees only 10 are French-speaking people; and especially when the others do not speak French, we are not having the proportion we ought to have and the travelling public is not having satisfaction. One-half of the Intercolonial is situated in the province of Quebec, a large portion of its revenue is drawn from that province and we are entitled to a greater degree of consideration.

Mr. GAUVREAU: Before the hon. member gets through with his speech, I would like to know what he thinks of the appointment of ticket collectors on board the trains of the Intercolonial in the province of Quebec.

Mr. BOULAY: I am just explaining this thing, and before the railway estimates are voted, I will have the opportunity of dealing with this question.

Mr. MACDONALD: I have been endeavouring to ascertain what my hon. friend was really saying. I think it is unfair to hon. gentlemen on this side of the House that he did not speak in English, and that his eloquence was confined to his own particular language. I heard him speak in English earlier in the day and he seemed to speak it quite glibly.

Mr. LEMIEUX: He says the Intercolonial railway is very badly managed.

Mr. MACDONALD: Everybody knows that the hon. member for Rimouski has been going about the House complaining of the way he has been treated by the present Minister of Railways, and by the present Administration, and I was wondering if he had the pluck to say in the House what he was saying outside. I am disappointed that he spoke in French.

Mr. BOULAY: So far as the new administration of the Intercolonial is concerned, I have nothing to say, because we have to wait before we can pronounce our decision upon their acts. I think I have said enough for the present about Mr. Brady. I did not complain of the minister, or of

the deputy minister. These gentlemen have always been very courteous to me. I have discussed lots of complaints with the deputy minister, and have always found him a true gentleman in all respects. What I said was against Mr. Brady, and I think I said enough to show that I was not satisfied. As for the future, I am going to wait and see the results.

Mr. TURGEON: My hon. friend from Rimouski has diverted from the question of the dismissal of Mr. Caron. Representing a maritime province constituency, I deem it my duty to pay a tribute to the services of Mr. Caron during the few years that he held the position of legal adviser to the commission of the Intercolonial. Personally I had very few dealings with Mr. Caron during the time he held that office, but along the north shore of New Brunswick, from Moncton to Campbellton, I have never heard a word of dissatisfaction, either from conservatives or liberals, as to the branch of administration with which Mr. Caron was connected. As the French member of the commission, speaking both languages, he was legal adviser to the commission for the whole railway, from Montreal to Halifax and Sydney. He not only represented the province of Quebec, and the French element, but, as master of both languages, discharged his functions with satisfaction to all, English and French alike. I understand that Mr. Caron, a French-Canadian, is to be replaced by another French representative on the commission, but, as I understand the hon. Minister of Railways, his successor will represent only the province of Quebec. Therefore there will be another legal adviser to the commission for the maritime provinces. If I were the hon. member for Rimouski, I would consider that the French representative of the commission is intended to occupy an inferior position to that which Mr. Caron occupied. He will not be a legal adviser for a commissioner, such as Mr. Caron was. If I represented a county in Quebec, I would not be satisfied to have the French representative occupy such an inferior position. I appeal to the minister, if he wants to give justice to the people, not only of Quebec, but of the maritime provinces, to appoint a French commissioner who would occupy the position which Mr. Caron held.

Mr. LEMIEUX: They should reappoint Mr. Caron.

Mr. TURGEON: They should reappoint Mr. Caron who as I have said gave satisfaction all along the road, to the English as well as to the French. With regard to Mr. Pottinger, while I am willing to admit that the new commissioner, Mr. Gutelius, may be a man of great railway experience and fine qualities, it will take him many years to acquire the knowledge and experience of actual railway matters possessed by Mr. Pottinger, whom I consider one of the best railway men, not only in Canada, but in North America. While Mr. Pottinger has reached advanced years, his mental faculties are in no way diminished; he is as bright and active to-day as he was years ago. Therefore with all respect to the railway ability of the new man, if I were the Minister of Railways, and wanted to appoint one commissioner for the Government railways, Mr. Pottinger would be the man I would select.

Mr. GRAHAM: Everybody has been out of order all afternoon. What we have been discussing chiefly is the operation of the Intercolonial railway instead of the capital account. With reference to the new arrangement, the situation is that Mr. Gutelius is not a commissioner, as I understand it, he is general manager. The old arrangement is reverted to, namely, that of having one general manager, the only difference being that Mr. Gutelius is that officer instead of Mr. Pottinger. An error is often made in calling the board, which has been in operation for some years, a commission. A commission was in the platform announced by the right hon. the Prime Minister. He was to have a board of commissioners to manage the Intercolonial. I think that was in his Halifax platform. Some fault was found with the administration of the late Government because the board was not made a commission. The difference between a managing board and a commission in brief is that a commission would be responsible to Parliament while a board is responsible to the minister. I prefer the board idea to the commission idea, because I do not believe that even by engaging a general manager the minister can get away from responsibility for whatever is done on the Intercolonial railway. The idea of that board is based on what is done by several of the leading railway companies. They have a board that meets regularly. It is made up of the heads of the different departments, and these plan the policy, and carry it out. On my recommendation, the late Government tried that experiment in connection with the management of the Intercolonial railway. It had its weaknesses, but I maintain that a vast improvement was made in the administration of the Intercolonial under the board on which each department had its head. In the working out of the scheme a weakness was found, which was that we had no man on the board to handle the legal end of the business. Hon. members of this House who were then members will recollect that a Bill was introduced giving to the local courts in the various provinces

through which the Intercolonial runs power to try suits against the Intercolonial up to a stated amount. That was an advanced step. Before the Act was passed, no matter how small the claim a man residing along the Intercolonial might have against the railway, it was a claim against the Government, and the Government could only be sued in the Exchequer Court, and then only if a fiat had been issued. So the modus operandi of a man bringing suit against the Government railways was expensive and tedious, and as a result there was a great deal of complaint amongst those who had sustained losses. An Act was passed placing the trial of these small cases within the jurisdiction of the local courts. That necessitated a legal man on this board. I looked about for a man who was not only a man of good legal attainments, but I thought it was essential that he ought to be able to speak both languages, and Mr. Caron filled the bill in both respects. I admit that, having served in Parliament for a number of years, I have a tendency to giving the preference to one who has been an associate in parliament, because the great majority of members of parliament, notwithstanding anything that is said to the contrary, make sacrifices for the country and, everything being equal, it is not unjust that they should be given the preference in a matter of this kind. Mr. Caron was given the position with the approval, I think, of every member of the House at the time, because I cannot recollect one objection being taken to his appointment. I think that the press on both sides endorsed his selection.

In dismissing Mr. Caron and appointing a man in the city of Montreal the minister does not meet the difficulty with which he is confronted. The difficulty is that the Intercolonial railway cannot have, with the consent of the Justice Department, a man in the city of Moncton to handle all the legal cases. Some adjustment ought to be made by which one legal gentleman would be able to handle the legal business of the Government railways without all these cases coming to the city of Ottawa for adjustment. From the practical railway standpoint there should be a legal head at the head office of the Government railways, just as there is a legal head at the head office of the private railways. Until this is done there will not be satisfaction in the settlement of claims against the Intercolonial railway. The Justice Department ought to work out a scheme by which all Intercolonial legal business shall be handled by the legal head at the headquarters of the railway. This business should not go through the Justice Department except in some particular cases. That being so, the appointment of one man to look after this business is a necessity, and I do not know of any man better fitted for the position than Mr. Caron. The appointment of a man in the city of Montreal will only mean that he will attend to the cases around the city, and the cases fifty miles away from Montreal will be sent to local legal men by the Department of Justice. If there are half a dozen cases coming on in any one district how is a man in Montreal going to attend to them all? He will send these cases to a man in the locality in which they arise and that, no doubt, is a better way to do it. But the only way to have them settled properly is to have a man at the head office of the Government railways with full power to handle the legal business of these railways and let him select, just as the Justice Department does now, if a case is to be tried in Montreal or at some point where he cannot attend, or is not expected to attend, a representative to look after it. That is the only possibly solution of the question.

If my hon. friend undertakes to handle the legal business of the Intercolonial railway through the Department of Justice there will not be satisfaction. As it is the Justice Department is overburdened with work. We have had a new department added to it recently, and a portion of the money might better have been devoted to the establishment of a legal department for the Government railways. If the minister will work out the scheme along that line he will find a satisfactory solution. One reason why the Government is troubled with all these claims is that there is no man in Moncton who has power to settle them. Even Mr. Caron had not power to settle them. But he did a lot of good work along the line of settling claims without allowing them to come to trial. The legal department might be more usefully employed in settling than in defending suits. There should be some centre of legal authority on the line of the railway so that the public would not have to appeal to the Department of Justice and go through all the red tape in order to secure the settlement of the case. If you had a legal department you could perhaps reach a settlement in twenty-four hours in the case of a man who might otherwise become a litigant, and the only way to accomplish this is to have a legal department established at Moncton. The Department of Justice is not in favour of this because it is contended, and perhaps with some reason, that the Department of Justice is responsible, that it represents the Crown, that this being a Government railway, it is the Crown's, and that, consequently, the legal

business cannot go through any person else. I will admit that the Justice Department is in a measure responsible, but it might have a man at Moncton with power to settle all these claims. I believe that the legal department, the railway department and perhaps the Prime Minister could get together and work out a scheme by which the legal business of the Intercolonial railway could be handed over to a man competent to take charge of it at Moncton, and who would be empowered to settle all claims that came in. I submit that Mr. Caron would be a good man to put in that position because he has had a great deal of experience in that particular line of work. I think that if the minister takes this up with the Justice Department he will find that the proper solution of the problem is to work out a scheme with their consent whereby a legal department will be established at the head office at Moncton with full powers to act and to settle all claims.

Mr. LEMIEUX: I do not wish to prolong this discussion more than is necessary, but I feel that the Minister of Railways would not wish to do an injustice to Mr. Caron. That is the reason why I insist on his reconsidering his decision. I appeal first, to his good judgment, and second to his sense of justice. I suppose the hon. member for L'Islet will say in private what he has just stated in the House publicly this afternoon: that he would raise no objection to the reappointment of Mr. Caron in the capacity of legal adviser to the board at Moncton. The hon. member for Rimouski (Mr. Boulay) also said a good word for Mr. Caron, although in former years Mr. Caron was a political opponent. There are things I would not care to mention in this House; anyway, I would not give names; but it is within my knowledge that some years ago a gentleman who had been for many years a prominent conservative member of this House, found himself in pretty difficult circumstances, and someone made an appeal to the then Government, and he was appointed to a position which gave him the necessaries of life. Not many years ago another gentleman who had been a very prominent man in the province of Quebec against the liberal government, was defeated; he had been a member of the House for nearly a quarter of a century; he appealed, and not in vain, to the Government of the day. We found for him a good position as counsel, not in the Civil Service, I admit, but through the influence of the Government, in a large corporation. I say this only to confirm what the ex-Minister of Railways has stated, that old members of Parliament who have received Government appointments should be protected and not be made the victims of party exigencies. In view of the fact that those who may have made complaints against Mr. Caron admit publicly that they would raise no objection to his reappointment and in view of the fact that he has now the experience which is so necessary in the management of the railway, it seems to me that Mr. Caron should get the benefit of the new appointment which the minister is about to make.

The House having resumed at six o'clock:

PERSONAL EXPLANATION—SIR WILFRID LAURIER.

Sir WILFRID LAURIER: Before you leave the Chair, Mr. Speaker, I wish to call attention to a statement in the Montreal Gazette of this day. In a despatch from Ottawa to that journal, I read:

> There was a sensational story current about the capital to-day to the effect that Sir Wilfrid Laurier had flatly told the Liberal leaders in the Senate that if they did not kill the Naval Bill, he would at once resign the Liberal leadership in the House of Commons.

I avail myself of this the earliest opportunity at my disposal to say there is not the slightest foundation for this statement. I do not know the gentleman who wrote it, nor do I know where he got this information, but I state that there is not the semblance of truth in it.

At six o'clock, House took recess.

After Recess.

SUPPLY

The House resumed at eight o'clock, and again went into Committee of Supply.

Mr. BOULAY: Mr. Chairman, I have but a few remarks to make. My hon. friend from L'Islet spoke in favour of Mr. Brady. I am not surprised of it, because his position is very different from mine as far as the Intercolonial is concerned. That railway only runs through his constituency for 15 or 20 miles at most, and there is but a score of employees. Things are very different in Rimouski, where there is a dual divisional point. Trains run from Ste. Flavie in both directions, east and west. There are more than 600 employees and naturally I had more dealings with the general manager, Mr. Brady; that is why I have more cause of complaint than hon. member from L'Islet.

Those are the few remarks I had to offer.

General protection of highways, $65,000.

Mr. CARVELL: I do not wish to detain the minister long, but I would like to give him my opinion for what it may be worth that he would be well guided if he would retain the services of Mr. Caron, or, if he is not satisfied with him, appoint

some other man; at any rate, place the whole question of accidents and small claims in the hands of some one man, and not divide the work as he purposes doing. The next important thing is to give power to his representative in claims. I have some experience in this, and I think I know what I am talking about. There may be a small claim, the killing of a lamb, the burning of an acre of land or a few rods of fence. Up to the present the method has been to send a claims agent to get the particulars and report back to Ottawa. The effect of the procedure is to exasperate the officials of the department who seem to think the whole idea is to prevent the farmers from getting his claim, and, what is worse, it is exasperating to the claimant who thinks he has a good claim against the road. The minister may say that if he hands over power to the claims agent, he is giving power which may be improperly used—the claims agent may be too generous. But all the claims on the Intercolonial railway put altogether would not amount to the aries of half a dozen of his highly-paid officials. Especially, you take the small claims under $100 or something like that. I believe that if the minister could do it, it would increase the popularity of his department if he would place the power in the hands of some person in whom he has confidence, with the right to go to these people and settle the claims in a reasonable time. I do not mean to give every man what he desires—that would be unreasonable. But he must know of some man in whose judgment as to law and as to fact he has confidence. Let him appoint this man to go to the locality in such instances and look the matter over and settle with the farmer. The member himself must have more trouble and annoyance, and I know the farmers along the line of railway have more trouble and annoyance over these subjects than over all the bigger matters put together. The minister might even take a leaf out of the book of the company roads. It may be said, perhaps, that they do not pay anything they can get out of paying, but the point is that you can get a settlement with them. I have done so in hundreds of cases; sometimes I go to the claims agent or perhaps to the head office in Montreal. The matter is threshed out as a matter of business, and we settle it almost always. But it is practically impossible to do anything with the Intercolonial railway. There is so much red tape that by the time you do get a settlement, the people concerned have almost forgotten what they were talking about. There seems to be a disposition on the part of the officials—I do not know why—to act as though the organization were there to prevent the settlement of these cases. You will never succeed in obtaining a settlement of these claims on a reasonable basis until you have a claims agent or a claims solicitor—if the minister would rather leave it in the hands of a solicitor—but whether a claims agent or a claims solicitor, he ought to be a man in whom some power is vested. Heretofore, all the man could do who went down to investigate was to report. Sometimes he gets the facts and sometimes he does not. He has no power, he has no ambition; he knows that his report is of no value. The officers of the department will not take the opinion of the claims agents, and if he was rash enough to give an opinion, they seem to learn that opinion only to oppose it. If it is possible to take a different course from that recommended they will take that course. The main difference between the claims agent and the officials is that the claims agent has been on the ground and the officials have not. The claims agent may have collected information that he cannot put on paper. He has seen the situation and has formed an opinion whether the road is in the wrong or not. But when the matter comes to the Department, the Department will not pay anything unless it is proven, beyond a doubt that the man has a legal claim. They put the burden on the farmer or local man to prove to their satisfaction that he has a legal right, and in the majority of cases, even when proven, it is not admitted. I know the minister would save himself a lot of worry and trouble, and would make the road more popular, if he would appoint to this position some one who knows what he is doing and big enough to do it. If the minister does not choose one of the officials then let him choose some one else; but let him give the man who is appointed power to settle claims.

Mr. COCHRANE: I did not know we had been so dilatory in the past. I will look into the matter as soon as the House closes, and see if some remedy can be found.

Mr. LEMIEUX: I would like the minister to say a good word for Mr. Caron. Let the minister say he will consider his case.

Mr. COCHRANE: I said I would consider it, but that does not satisfy my hon. friend.

Docks and wharfs at Halifax, $400,000.

Mr. MACLEAN (Halifax): Is this for the completion of pier No. 2?

Mr. COCHRANE: Yes. The contract was let about two years ago. It has not gone on as fast as I should like, but they promise without fail to have it ready in October.

Mr. MACLEAN: Does the minister purpose going on with the other new pier pro-

jected at the same time that No. 2 was projected?

Mr. COCHRANE: No tenders were called for. That was for pier No. 5, I think,

Mr. MACLEAN: I do not recall it by number. Does the department intend calling for tenders for that pier or is that to be abandoned?

Mr. COCHRANE: For the present. We are going on with the new scheme.

Mr. GRAHAM: How much does this dock cost?

Mr. COCHRANE: The contract is for $900,000.

Mr. GRAHAM: But it will cost more than that, I suppose?

Mr. COCHRANE: They have not asked for any more yet.

To increase accomomdation and provide machinery at Halifax, $111,500.

Mr. MACLEAN (Halifax): What is that for?

Mr. COCHRANE: This amount is asked for remodelling Richmond yards and purchase of machinery; extension of pier No. 7, $26,000; bridge to pier No. 8, $10,000; engineering, inspection, advertising and contingencies, $10,000; one forty-two-inch car wheel lathe with motor and hoist for the roundhouse there; one forty-two-inch car wheel borer, one double axle lathe, one forty-eight-inch car wheel press, tracks, trucks, cranes, &c.

Mr. MACLEAN: This is simply a revote.

Mr. COCHRANE: Yes.

New terminal facilities at Halifax, $2,500,000.

Mr. MACLEAN (Halifax): I wish to say a few words upon this item. On the occasion, nearly two months ago, when Parliament was asked to vote one-sixth of this amount, I addressed myself briefly to the committee upon the same matter. At that time I said to the hon. minister and to the Government that I strongly protested against the manner in which the announcement of this proposed expenditure for terminals was made at Halifax, in October last. As I remarked on that occasion, possibly the minister himself was not altogether to blame. It was, however, made the occasion of more or less political jubilation on the part of his friends in that city. This project involved a very considerable expenditure and was an important undertaking, and the announcement, I submit, should have been first made to Parliament, or, failing that, to the public interested, in a frank, comprehensive and businesslike manner, which I claim was not done. The announcement was premature, and clearly for political effect. Concurrently with the ministerial announcement to which I refer, appeared a statement made by the Halifax Herald, a paper friendly to the Administration, that the total expenditure contemplated for the Halifax terminals would amount to $35,000,000. This estimated expenditure was never contradicted or qualified by anybody speaking on behalf of the Department of Railways. The citizens of Halifax consequently considered that this amount would be expended for steamship and railway terminals at Halifax. This statement of the amount to be expended by a newspaper believed to be speaking for the Government naturally had an effect upon the public. Naturally the proposal to expend such a large sum of money for terminals was gratifying to the people of Halifax and it apparently had the effect of suppressing for a time, any general criticism of the details of the project, although considerable unexpressed doubt existed in the minds of many as to such details. I fear that many persons honestly concluded, that any criticism of the scheme would be construed into opposition, and they preferred for a time, silence to misconstruction. Opposition to the mode of affording the port of Halifax the terminals required, gradually developed, until now I am advised and believe it is quite substantial. This, I venture to say, might have been largely obviated, or would have culminated more quickly, which would perhaps have been to the advantage of the Department of Railways had the minister taken the public more largely into his confidence, and have afforded them the reasons for the adoption of the terminal scheme as announced. These reasons were apparently given to no person who could or did transmit them to the public. From the standpoint of the Railway Department this was a mistake; for, in any projected railway location or re-location and construction which affects to any great degree any city or town, it is only fair that they should have an opportunity of expressing their opinion as to the details of the project. In a projected work involving such conspicuous changes, as in the city of Halifax, it was only fair that the citizens should have had the most ample opportunity of considering the plans and the project generally, so that they might be able to submit their judgment and views upon the matter to the minister for his consideration. The reason why I make that statement is this, that it has transpired that a very strong opposition has developed in the city of Halifax to the proposed location of the projected terminals and this dissentient opinion has never had an opportunity of expressing itself. I am not approaching this matter in a partisan spirit. I have no political interest to serve in doing so. Politics is not the source of the opposition I refer to. I am not even asserting positively that this

opposition is well founded. I merely say it deserves consideration and attention. I say that in a matter involving as it does the elimination of so much property for residential and business purposes upon a peninsula, now quite restricted for such purposes; involving as it does the creation of a new railway and shipping terminal district in another part of the city, which has for a century been used entirely for other purposes; involving as it does the question of the practicability of the ocean terminals at the point selected by the department; for these and many other considerations which have, I know, been brought to the minister's attention before this, I do wish to submit to the minister that before making a final determination, further consideration should be given to this matter. A great number of citizens of Halifax, and with some warrant I submit, cannot quite understand why sufficient and efficient terminal accommodation might not have been obtained in that part of the city where the railways and principle shipping terminals are now located, or elsewhere on Halifax harbour. It may be that a proper and wise selection has been made, it may be that it would have been impossible to obtain as suitable and efficient terminals in that portion of the city where the present terminals are now located or elsewhere. That may all be true; but I do say this should have and could have been made clear to the public. If the city of Halifax could be even yet assured that the best selection was made, that the only suitable, efficient and comprehensive system of railway and shipping terminals was obtainable only at this particular point, then I think any opposition would be largely immediately withdrawn and the minister would hear nothing further about it. My purpose in taking up the time of the committee in relation to this particular matter is to enable me to impress on the minister that there is a very strong desire on the part of a large proportion of the citizens of Halifax that before tenders are asked for and construction of these terminals is commenced, the project as laid out by the engineers of the department should be made the subject of review by other engineers, particularly of terminal engineers of experience. Some doubt has been expressed as to the experience of the engineers employed by the department on this work.

Mr. COCHRANE: No.

Mr. MACLEAN: At least respecting some of them. I do not approach this question in a partisan way, I have nothing to gain from discussing the matter in that spirit. I have avoided a partisan consideration of the matter at all times. I would certainly very much prefer that there was entire unanimity in Halifax upon the subject, I congratulate the Government upon their decision to make the expenditure of money they contemplate for this purpose. I think it was absolutely necessary that an expenditure of this nature should be made in the interest of the port of Halifax, and in order to meet its growing business. I am, of course, speaking generally, and without reference to the specific location of the terminals, and the particular mode of execution. I am not endeavouring particularly to express my own personal views upon this matter, but am rather trying to reflect what I believe to be the opinion of a very considerable proportion of the citizens of Halifax who are entirely in accord with the wishes of the Government to give that port modern and efficient terminals, but who differ just as to the location of the projected terminals, and I therefore feel that I am justified in asking the minister if he does not think that before proceeding to construct these works he should reconsider the matter of the location of the proposed terminals and have the whole project passed under the review of the very best men he can obtain in the world. I think this a fair and reasonable request. Perhaps an alternative scheme is possible, and which might be better in every respect. I do not think it will take a great deal of time to do this, and the amount of money involved for such a purpose would be inconsequential. In any event a reconsideration of the question will be reassuring and can do no harm. Having put the matter in this way before the minister, I hope he will consider that I have done it in a reasonable way, because I have no desire to do anything to delay or postpone unduly the construction of the needed terminal facilities at the port of Halifax. I have occupied the time of the committee only because I feel that I owe a duty to many at least of the constituents whom I represent; and finally because I think I am voicing what is the apparent opinion of a very considerable number of the citizens of Halifax, namely, that the departmental terminal scheme be reconsidered and reviewed by the best port terminal experts available. If they approve of the present government plan and present their reasoned opinions therefor, in preference to any other possible scheme or plan, then I am sure the citizens of Halifax generally will accept the same. They require however some further evidence as to the necessity and advisability of the present plan.

Mr. COCHRANE: I beg to say that I had absolutely nothing to do about the luncheon that was given at the time I made the announcement at Halifax. It was a

non-partisan luncheon, got up by the board of trade, and the president of the board of trade presided, I think a leading liberal there, before that meeting the plans were submitted to them as far as they were completed at that time, so that they could get an idea of what the Government proposed, and I am sorry that I have not with me the telegram that ten leading men of Halifax sent to the Government in appreciation of it. They were five liberals and five conservatives. I have absolutely tried to keep it free of politics altogether. I do not think there has been a great deal of feeling since the announcement was made. Unfortunately, we took options on an old property where we proposed to have this, and on the day of the announcement, people went in to see the options and tore them up, so hostile were they then, because they felt they had lost considerably in giving options on their property before they knew that it was a Government proposition. I do not think that I should be censured for that kind of thing. I feel that we did what was right in the interests, not only of Halifax, but of the whole country.

In reference to the plans, I think I have one of the most competent harbour engineers that there is on the continent. I understand that a few years ago when the harbour board advertised for plans for Montreal harbour—I think it was at the time when the board which has now gone out of existence was appointed—the competition was open to everybody, and Mr. Cowie, the engineer who is the adviser of the Government in this case, superintended the whole thing. His plans were accepted in that competition, and I feel satisfied that he is right in this matter. So far as location is concerned, he spent some time down there and looked over the place. He had able engineers there, and they all decided that, unless the Government proposed to expropriate all the wharfs now being used, this was the most feasible and the best plan for the city of Halifax. If we had taken the course suggested and continued down, it would have interfered with the trade of Halifax to such an extent that matters would have been worse than they are today.

With reference to spoiling the residential portion of the city, I stated when I was there that I would endeavour to do as little damage as possible. It is said that electricity and coke and gasoline have done much in connection with terminals to remove nuisances, and it has been inferred that I would take steps to prevent, as far as possible, nuisance in that section of the country. I propose to act along that line. In reference to the engineering department, I do not think that any greater engineering feat or more scientific proposition is involved in this than was involved in No. 2 pier which is there now, and I do not think any expert was engaged by my predecessor in planning that out, or in letting the contract. I do not think he made any mistake. There has been a good deal of talk in reference to using cement piles. It has been said that a big ship coming up against them would so jar them as to break them off. Sir John Jackson, who has had considerable experience in these matters, and who has used a considerable number of those piles in building docks, told me that we need not be alarmed, that we are absolutely safe. Therefore, I feel I am going ahead in the right direction, in the interests not only of the people of Halifax, but of the whole country, because this is not a Halifax proposition only, but a Canadian proposition.

Mr. MACLEAN (Halifax): I have been informed, and I assume correctly, that some time ago the minister had requests from influential people in Halifax asking for a review of the location and of the project generally as framed by his engineers, and that he gave the matter due consideration and decided to adhere to the present plan, and still adheres to the project as now outlined. In other words, does he decline to reconsider the present plan?

Mr. COCHRANE: Yes.

Mr. MACLEAN: Has the minister decided how to proceed with the construction of these terminals? I was informed some weeks ago by the minister that so far as the railway part of it was concerned, he proposed asking for tenders, and that he would construct under the tender and contract system. At that time, however, he had not made up his mind as to how the wharfs and piers would be constructed. I was informed that he had under consideration the idea of constructing them by day's work under Government supervision. Will the minister kindly inform us if he has reached any decision on that point?

Mr. COCHRANE: We propose taking tenders for the piers, and if they come under the engineer's estimate of what they can be constructed for we will accept them; if not, we will do the other thing.

Mr. MACLEAN: What about the railway station? Is the minister proposing to ask for tenders for the railway station at the same time?

Mr. COCHRANE: Oh, yes.

Mr. MACLEAN: In proceeding down the northwest arm of the Halifax peninsula, in getting to the site of the so called terminals, the minister will necessarily interfere very

greatly with the sewage and water systems; at least I would think so.

Mr. COCHRANE: We will have to take care of that.

Mr. MACLEAN: So that ultimately it will not be an expense upon the city, is that the idea?

Mr. COCHRANE: Certainly.

Mr. GRAHAM: I suppose we may take it for granted that this large amount of money for the terminals at Halifax is meant to include accommodation for the Canadian Pacific railway, the Grand Trunk Pacific, the Canadian Northern railway, the Intercolonial railway and the Halifax and Southwestern.

Mr. HENDERSON: And any other railroad.

Mr. GRAHAM: The Canadian Pacific railway is there now in a way, with certain rights on the Intercolonial, and the Grand Trunk Pacific has in its contract a clause giving it running rights under terms and conditions to be arranged between it and the Government. The Canadian Northern railway will eventually get there in some way. If the minister knows how, I do not, but they are bound to get to Halifax and St. John before very long. The only excuse for this very large outlay would be that it includes accommodation for that traffic. The minister might tell us if it includes accommodation for that traffic. The minister might tell us if it is true that he has arranged to take over the Halifax and Southwestern railway.

Mr. COCHRANE: I have not heard of it.

Mr. GRAHAM: I have a good deal of sympathy with some of the remarks made by the hon. member for Halifax. I am not conversant with the difficulties of locating the line running through the residential property and cannot speak as to them, but this is to be a very large undertaking. It is a national undertaking, and its object must be borne in mind as the construction goes on. Maybe it is necessary to do what the Government are doing, but what I want to urge upon the minister is that, notwithstanding the ability of Mr. Cowie, and I admit all that the minister says, and in consideration of the fact that this is a national work intended to meet the necessities of the rapidly growing commerce of Canada, it would be a wise precaution to at least submit the plans to some authority which Mr. Cowie might himself suggest. There is never a man so great who might not be helped out a little by another view. In the case of the Welland canal, my hon. friend is following that course. I understand he is submitting the plans to Mr. Noble of New York.

Mr. COCHRANE: That is a bigger undertaking, a different thing.

Mr. GRAHAM: It is a different thing, and it is a different engineer to whom he has submitted his plans. Mr. Noble is a good man, and I think the minister is doing right in that respect. He is only following the precedent which was set in constructing the Welland canal in the first place, and also in the reconstruction. I admit there are difficulties surrounding the construction of the Welland canal that do not appear in this undertaking. I visited the Kiel canal, of great celebrity in Germany, and I consider that the construction of the Welland canal is more intricate in some respects than the construction of the Kiel canal. I am not sure but that in some points it rivals the Panama canal in difficulties of construction. Notwithstanding that, I approve of what the minister has done there. I think it would be a wise precaution to submit the plans of the harbour part of the work, which would include the terminals, to an expert with ability equal to that of Mr. Cowie, and if these two agreed there could be no question raised. If the other expert disagreed with respect to some details of the work, perhaps he and Mr. Cowie could come to an understanding, because it might be that Mr. Cowie would agree to what might be an improvement of his plans. It would be a wise precaution for the minister to take, and especially a wise precaution in view of the fact that this is a great work designed to serve the commerce of Canada for years to come.

Mr. COCHRANE: I will certainly consult with Mr. Cowie about it.

Mr. MACLEAN (Halifax): How long will it take to complete the railway from Fairview on Bedford basin down to Point Pleasant? Can you have it finished this year?

Lévis to St. Romuald—double-tracking line, $173,000.

Mr. GRAHAM: How long is that and what is it for?

Mr. COCHRANE: This does not appear correctly in the estimates. It should be from Chaudiere Junction to St. Romuald. You know the congested condition there? We are doing this much this year and we hope to continue it to Levis gradually.

Mr. GRAHAM: And its being in there is an intimation of what is going to happen eventually?

Mr. COCHRANE: Yes, but it is not intended to be in there.

Mr. GRAHAM: How long is the line?

Mr. COCHRANE: Three and a half miles.

Mr. GRAHAM: That is as expensive as the Transcontinental.

Mr. COCHRANE: Well, it is pretty expensive ground there, and this amount includes the purchase price. I can give the items: 10,500 cubic yards solid rock excavation; 5,000 cubic yards loose rock; 25,000 cubic yards common excavation; 16,000 cubic yards burrow; 1,400 cubic yards foundation excavation; 2,100 cubic yards stone-masonry and bridges; 600 cubic yards stone filling behind abutments; 500 cubic yards hand-laid rip-rap; 10,000 feet of 2-inch tongue and groove forms, spruce; 1,000 lineal feet old rails in culvert stop; 20,000 cubic yards ballast; 5 miles track-laying; 20,000 track ties; 600 tons 5-inch steel rails.

Mr. GRAHAM: What is the weight of the rails?

Mr. COCHRANE: Eighty pounds to the yard, standard; 50,000 pounds track spikes, and 7,000 pounds track bolts.

Mr. GRAHAM: The rock cutting seems to be quite extensive?

Mr. COCHRANE: Yes. And then there is 600,000 cubic yards overhaul 100 feet, and 255,000 pounds of bridge steel. There is very extensive rock cutting. This is the estimate of the district engineer.

Mr. GRAHAM: Mr. Bowden?

Mr. COCHRANE: No, Mr. McKenzie, the chief engineer at Moncton.

Mr. GRAHAM: I was going to say a word further about the construction of the docks at Halifax. The minister may be wrong if he is going to form his judgment from the estimate which the engineer will give him no matter how good he is. I understood the minister to say that if the tenders are lower than the engineer's estimate he will let the work by contract, and if not he will do it by day's work. I am not sure whether that is a very safe guide either way.

Mr. COCHRANE: It is a check one on the other.

Mr. GRAHAM: It is a check but the minister says that if the tender is higher than, or as high as, the chief engineer's estimate, he is going to build the docks by day's work. I am inclined to think that his day's work will probably be higher too when he gets it done.

Mr. COCHRANE: The only objection I have to doing it by day's work is on account of the big plant that would be required.

Mr. GRAHAM: I was going to point that out as another objection. You have to calculate interest on the plant, wear and tear, and when you are through with it you will have it on your hands for a time at least. There is a great deal to be said in favour of a contract unless the price is not within reason.

Mr. COCHRANE: I move that the item be changed to read 'from Chaudiere Junction to St. Romuald—double-tracking line.'

Amendment agreed to.

Lévis—improvements at, $160,000.

Mr. LEMIEUX: What are these improvements?

Mr. COCHRANE: This vote is for the purpose of buying four pieces of property to extend the terminals at Levis station as follows:

From Rhodes estate: 56,956 square feet of beach at 25 cents, $9,239.

From H. Dussault: 24,420 square feet of beach at 25 cents, $6,105; 22,958 square feet deepwater lot at 25 cents, $5,714.50; 6,114 square feet wharf at $2, $12,228; total, $24,047.50.

From E. Couture, 5,074 square feet small wharf at $2.50, $12,685; 22,657 square feet, large wharf at $2.50, $56,642.50; 25,015 square feet land at 25 cents, $6,253.75; total, $75,581.25.

Legal expenses, $1,132.25; 79 acres of land for a stockpen, $50,000.

Grand total $160,000.

The accommodation is very contracted and we are trying to extend it.

Mr. GRAHAM: What plan was adopted in the purchase of these lots? I see that my hon. friend got into trouble in Halifax by getting opinions and then losing them.

Mr. COCHRANE: I did not lose them.

Mr. GRAHAM: I understood him to say they were torn up.

Mr. COCHRANE: Yes, but that did not stop it.

Mr. GRAHAM: Does the minister follow the old method of having valuators appointed, do they give satisfaction or does he occasionally have to change them and get new ones? Who were the valuators?

Mr. COCHRANE: This is merely an estimate of the cost. We have filed expropriation proceedings; we will appoint arbitrators later or go to the Exchequer Court.

Mr. LEMIEUX: From what I have been able to gather the estimate is not exaggerated.

Moncton—locomotive and car shops with equipment, $136,000.

Mr. GRAHAM: If the hon. member for Westmorland (Mr. Emmerson) were here, he would ask: are you building locomotives or only repairing them?

Mr. COCHRANE: Only repairing locomotives.

Mr. GRAHAM: And how many cars have you built and of what kind?

Mr. COCHRANE: We are building box cars.

Mr. LEMIEUX: Where do you buy your locomotives?

Mr. COCHRANE: From Canadian manufacturers; it is pretty hard to get them.

Mr. GRAHAM: The Moncton shops are not as large but they are as well equipped as any on the continent; will you be able to handle some of the work of the Grand Trunk Pacific at this point?

Mr. COCHRANE: I think so. If I had been in office I would have advocated getting the two yards together and a lot of money could have been saved but unfortunately when I came to the Department the work had gone too far under the late Government. We can repair for the Grand Trunk Pacific but perhaps not build.

Mulgrave—to provide new car ferry and a dock for same, $460,100.

Mr. McKENZIE: What kind of a steamer are you getting?

Mr. COCHRANE: We have not yet asked for tenders. Her length will be 322 feet by 40 feet in width and 14 feet draught. The present steamer is only 282 feet long. The new steamer will have three tracks of seven cars each. The cars are made longer now and the steamer needs to be longer.

Mr. McKENZIE: Will there be two boats in use?

Mr. COCHRANE: Yes. We had to send the old to the dry-dock last May and we used an old scow which was very dangerous, and we had to take a great deal of risk.

Mr. McKENZIE: I think this is a wise expenditure and one which is much needed.

Mr. GRAHAM: I suppose the steamer will be built in Canada?

Mr. COCHRANE: I am going to try very hard.

Mr. GRAHAM: I think the minister is inclined to be a made-in-Canada man if he gets half a chance.

Mr. COCHRANE: How much ought we to allow extra for building her in Canada?

Mr. LEMIEUX: Fifteen per cent.

Mr. GRAHAM: I may not be orthodox, but I would be willing to go higher than that.

Mr. LEMIEUX: I am more conservative than the ex-Minister of Railways.

Mr. GRAHAM: I would not like to say how far I would go until I saw the tenders, but I would not be confined to fifteen per cent, I think.

Mr. COCHRANE: The builders in Canada want about twenty per cent extra.

Mr. GRAHAM: I would go that distance to have it made in Canada.

Mr. REID (Minister of Customs): Would a boat forty-eight feet wide come through the canal? There are ship-building firms at Port Arthur and Collingwood, but I doubt if a steamer of that character could get through the canal.

Mr. COCHRANE: The deputy minister tells us the Welland canal is only forty-five feet wide.

Mr. MACLEAN (Halifax): You had better get this ship built in the East.

Original construction, $800.

Mr. MACLEAN (Halifax): Is the minister making a survey of the proposed diversion of the Intercolonial railway so as to eliminate the Folly Mountain grade?

Mr. COCHRANE: I have not done so yet.

Mr. MACLEAN: Do you propose doing so this year?

Mr. COCHRANE: I do, but I would not like to make any promise.

Mr. MACLEAN: I saw a statement in a newspaper recently that the survey was in progress.

Mr. COCHRANE: That is not the survey we have been working on.

Improvements at Point Tupper, $90,000.

Mr. KYTE: Will the minister explain what this work is?

Mr. COCHRANE: We were unfortunate in having a fire there this year, and we are going to repair the damage.

Mr. GRAHAM: Sometimes it is a good thing to have a fire.

Mr. COCHRANE: We only had $11,000 insurance on this. The works proposed are: Brick station, $25,000; concrete platform, $2,250; grading around station, $2,000; roundhouse, ten stalls, $50,000; turntable, foundation, ring wall, excavation, ties, &c., $3,737; turntable, 75 feet through, steel work, 102,000 lbs., $4,590; coaling pockets, 16 at $225, $3,600; ashpit, complete, including drain, $1,183; tank, complete,

$4,500; sand house, standard, $1,800; stand pipe, set up, $400; pipe from tank to stand pipe, laid, $300; earth and rock excavation 20,000 c. yds., at 75c., $15,000; earth excavation, 6,944 c. yds., at 30c., $2,083.20; rails 67 lb., 67 tons, at $25, $1,675; angle bars, 214 pairs, at 45c., $96.30; bolts and nuts, 856 lbs. at 4c., $34.24; track spikes, 4,500 lbs., at 3c., $135; frogs, rigid, 6 at $26.50, $159; guard rails, 6 sets at $16, $96; split points, complete, 6 sets at $45, $270; switch ties, 6 sets at $34, $204; switch stands, 'Rampo,' 6 sets at $20, $120; track ties, 1,500 at 33c., $495; ballast, 7,000 c. yds. at 30c., $2,100; labour laying track, $313.43; freight shed, $3,500; fire pump, $1,500; engineering, inspection, advertising and contingencies, $10,850; total, $125,-419.19; say $126,000, less estimated expenditure of 1912-13, $25,000, leaving $101,-000. Loss to be credited to fire renewal account, $11,000; required for 1913-14, $90,-000.

Mr. KYTE: The new station is a considerable distance from the old station, nearly half a mile, whereas, I understand, the freight shed is to be located where the old station was, behind the track. Objection seems to be made by the people residing there on account of the freight sheds being so far from the railway station. Point Tupper is a place where several lines of steamers call, and these deposit freight and passengers at the wharf, which is near the old station. Heretofore all that was necessary was to land the freight and the baggage at the wharf, and put it in the freight room close by, and, when the train came along there was no expense in transporting it to the car. Under the new arrangement, the passenger getting off the steamer must have his baggage transferred to the freight shed, and then it will be necessary for him to get a dray to transport it to the railway station. I suppose those entrusted with the location of the new freight shed have some good reason for its location, but to one who is not an expert it does seem rather an unfortunate location. The Boston boat calls at Port Hawkesbury, and there is very great traffic in the summer of passengers who are transferred by boat from Hawkesbury to the wharf at Point Tupper. All these people will be inconvenienced by the new location. I should think the Government ought to undertake the construction of a wharf at the new station, so that these steamers could call there and land passengers for that place at the station, and thus save expense in the transfer. I should be glad if the minister would make a note of this and ask those entrusted with the handling of this matter to make a report as to the desirability of having a public wharf built near the new station.

Mr. COCHRANE: I have not been at Point Tupper since the station was built, but I will make a note of what the hon. member says and ask the general manager to look into the matter.

Mr. KYTE: When does the minister expect that the new ferry steamer will be completed and in commission?

Mr. COCHRANE: I have not asked for tenders. I am waiting to have the vote first.

Mr. KYTE: What does the minister intend to do for a substitute for the Scotia should she go in dry-dock this summer?

Mr. COCHRANE: Do what has been done in the past—make the best shift possible.

Mr. KYTE: In other times the SS. Mulgrave was there and transferred freight on barges and carried the passengers. But in the fire last summer the slip and apron were destroyed, and I understand the hoisting machinery was taken away and shipped to New Glasgow, so it will be impossible for the minister to take advantage of the makeshift which was used on former occasions. Should anything happen to the Scotia it will be impossible to transfer a pound of freight across the strait of Canso. I think it is unfortunate that those in charge of these matters did not repair the Mulgrave slip or apron. There is no apron to allow the barges to discharge freight cars at Point Tupper at the present time.

Rivière du Loup—additional facilities, $28,000.

Mr. GAUVREAU: I would like to know if the minister is aware of the scheme under consideration by the former Administration by which extensive wharfs were to be built at Fraserville, not only for unloading coal for the Intercolonial railway, but especially for the development of the lumber industry. I do not know whether the Minister of Railways and Canals is aware, but Rivière du Loup port is one of the best ports below Quebec, in spite of what my hon. friend from Rimouski (Mr. Boulay) would say. The reason why the scheme could not be carried out, as I have been informed, was that the Minister of Public Works at the time could not get the ear of the Minister of Railways to make him share in the expense of the work. Last year we had in the estimates of the Public Works Department for rivers and harbours in Quebec, an item of $75,000 or $78,000. Nothing was spent last summer. Perhaps the Minister of Public Works did not feel like inviting the Minister of Railways to share the expense. This year we have in the Railway Department $78,000,

and, if you look at the item for harbours and rivers under the Public Works Department you will find an item for $50,000 for improvements in the harbour. I would like to know from the Minister of Railways if he is converted now to share the expense of the work we were promised. What is going to be done about that work at Rivière du Loup?

Mr. COCHRANE: I think the hon. gentleman has got the wrong idea about the Minister of Public Works being converted. The arrangements were made last year, but we did not go on and spend the money, because the work which had to be done under the Public Works Department was not finished and our work could be done so much quicker. The wharf was not of much use to the boats because the water is shallow.

Mr. GAUVREAU: How is the $78,000 to be spent?

Mr. COCHRANE: We have to build a track down to the wharf. I believe this work is a good business proposition. We haul up to Quebec by boat about 50,000 tons of coal for Rivière du Loup, and we rail it down. If we had this dock and the track and other facilities for unloading—which I hope will be better than they are at Quebec, because the unloading costs about forty cents to sixty cents a ton more than we could buy the coal for at Montreal—we could save a great expense on that rail carriage and handling, besides making the transport by vessel a little cheaper than to Quebec.

Mr. GAUVREAU: There is nothing in that amount for the building of a new station at Rivière du Loup?

Mr. COCHRANE: You have a pretty good station there now.

Mr. GAUVREAU: Then the minister must have passed at Rivière du Loup during the night, if he speaks that way; but, after all, if we can get that amount spent on coaling at Rivière du Loup, I shall be satisfied for this summer.

Mr. MICHAUD: Is it impossible for passengers from the province of Quebec, taking the train at Rivière du Loup, at 11,30 p.m. to find out from the station agent an hour or two before the express comes in whether or not they can get accommodation in the pullman? A number of passengers come to that place about nine o'clock in the evening and cannot get any such information from the station agent. If the conductor of the pullman would wire from Ste. Flavie that he has certain berths vacant, it would accommodate the public.

Mr. COCHRANE: I shall be very glad to make a note of it and look into the matter.

Rolling stock, $1,000,000.

Mr. GRAHAM: This rolling stock for capital account is $1,000,000, but that is not all to be spent on rolling stock?

Mr. COCHRANE: Yes.

Mr. GRAHAM: This question came up this afternoon on some other item. In the management of the railways, three new accounts have been established; I do not know whether they are maintained or not, there is the equipment renewal account, the rail renewal account and the fire protection account.

Mr. COCHRANE: They are all kept up.

Mr. GRAHAM: I should like to know what amounts are expended each year out of revenue. Take the rail renewal account. An amount is taken out of revenue and placed in that account. While it does not appear in the estimates, it is in that account just the same; but it does not have to be reported as it has been taken from the surplus. The same thing happens with the equipment renewal account and the fire protection account. These will not appear in the estimates as they are included in the amount required for operating expenses and not for capital account. I should like to get a statement of the three accounts.

Mr. COCHRANE: For the rail renewal account, $150,000 is the amount kept up each year; equipment renewal account, $300,000; fire protection account, $60,000. This is what we have bought out of revenue since April 1, 1912: one hundred and thirty coal cars, sixty refrigerator cars, one hundred and fifty wooden box cars, one snowplough, twelve thousand steel box cars, one hundred and fifty platform cars, two tank cars, one hundred dump cars, ten first-class passenger coaches, two dining cars, two sleeping cars, three baggage cars, thirty consolidated locomotives, four switching locomotives.

Mr. GRAHAM: These purchases have been made out of revenue and not out of capital at all?

Mr. COCHRANE: Yes. Out of the present $1,000,000, four hundred steel frame cars and twenty freight engines have been ordered. The cost of the freight engines is $470,000. The cost of the freight cars is $484,000. Inspection, &c., makes up the million dollars.

Mr. GRAHAM: What has been spent out of fire protection?

Mr. COCHRANE: About $17,000 up to the 1st of March.

Mr. GRAHAM: The question of all steel construction of passenger coaches has been taken up by all the leading railways, parti-

cularly where there are fast-running trains. I think the time has come when we might begin making up that fast train the Ocean Limited out of all steel cars.

Mr. COCHRANE: It is well worth looking into.

Mr. CARROLL: Have any changes been made in the tariff of freight rates charged to the Dominion Steel Corporation at Sydney?

Mr. COCHRANE: The figures have been raised. We could not go on paying the coal company an increase of some fifty cents per ton and the men some $750,000 or $1,000,000 more, and still charge the same rate. I do not think we have made a dollar out of the steel company's business from Sydney to Montreal. No freight on this continent is carried as cheaply as theirs.

Mr. CARROLL: Some time ago, while some of the hon. minister's estimates were being considered, I brought to his attention the fact that a report was current that there was likely to be a change in the Dominion Steel Company's tariff over the Intercolonial railway. At that time I gave expression to a hope that the minister would reconsider any notion that he had of increasing this tariff. I do not know whether or not there should be any favours in this country, so far as real favouritism is concerned, but I do contend that the Dominion Steel Corporation having been given in its earlier days a schedule of freight rates over the Intercolonial railway that were somewhat lower than the ordinary rates, that at this particular period of the history of that institution the freight rates should not be raised. The Dominion Steel Corporation, like other new corporations in this country, has much to contend with. The gentlemen who saw fit to put their money in the new scheme of manufacturing steel on the harbour of Sydney were given certain privileges by the people of the city of Sydney and by the Dominion Government in the shape of tariffs and of bonuses, they were also granted certain privileges by the Government of Nova Scotia, all those things were done at that time with a desire to influence the men interested in the Dominion Steel Corporation to start operations in this country. Some of these privileges were afterwards taken away, the bounties on steel rods were removed by the late Government and although the Conservative party in the eastern part of Nova Scotia was profuse of promises prior to the last election that if returned to power they would renew the bounties on steel, not only was there not a renewal of the bounties but now we find that their rates over the Intercolonial railway are being raised. First of all the tariff in the sheds at Sydney has been raised one hundred per cent, and now the corporation has as much as it can do to make both ends meet. It was granted those privileges with the idea of influencing these men to put their capital into the enterprise. These institutions are up against a proposition that not only are they not receiving those bounties, but also they are finding that they are compelled to pay higher rates of freight. I contend that every dollar that the Dominion Steel Corporation are obliged to pay over to the railway over and above their freight rates of the past, is a dollar taken out of the workmen of eastern Nova Scotia, because if the Dominion Steel Corporation has to pay more freight they will certainly have to make a decrease in their wages in order to make both ends meet. I think it is most unfair that this institution, the Dominion Steel Corporation, having been given the idea that they were to have a cheap rate over the Intercolonial railway, should at this particular period of its history be made to pay a higher rate than they have hitherto paid. The eastern section of the Intercolonial railway is the best paying part of that railway, or if it is not the best it ranks second only to the Montreal end. I say it is discouraging to capitalists who have placed their money in this province, it will discourage future capitalists from doing so under the idea that they are getting certain privileges and, as representing the constituency where the Dominion Steel Corporation carries on its business, I protest to the minister and this Government, I protested when this news gained currency, that it is unfair not only to this corporation but to eastern Nova Scotia and unfair to the workingmen of Nova Scotia. The steel corporation of Sydney has been instrumental, together with the coal company, in building up good towns in Sydney, Glace Bay and other parts of the country. These towns afford markets for the farmers of Nova Scotia, not only of Nova Scotia but of Prince Edward Island and the eastern section of New Brunswick and I think it is rather discouraging that the Minister of Railways should see fit to make this change in view of the fact that this end of the line is one of the very best paying sections of the whole road. I can only add my word of protest against this increase so far as the eastern section of Nova Scotia is concerned. What does this mean? It means this, further, that the Intercolonial railway are not going to gain anything by this change, for I dare say the Dominion Steel Company will hereafter ship as much as they can by water rather than submit to this increase in freight rates over the Intercolonial railway. If the Intercolonial railway were going to gain by this increase it would not be so bad but I believe the

railway will be the loser. The corporation are bound not to pay such a high tariff and having that in view they will endeavour in every possible way to make all shipments from Sydney by water.

Mr. GAUVREAU: Is the minister going to let a contract this summer for the work at Rivière du Loup?

Mr. COCHRANE: If the Minister of Public Works goes on we certainly will.

Mr. MARCIL: With regard to the explanation the minister gave concerning rolling stock, do I understand that the number of freight cars on the Intercolonial railway has been increased?

Mr. COCHRANE: Yes, largely increased.

Mr. MARCIL: That was a source of complaint last winter. With your permission I should like to read extracts from a number of letters that have a bearing on this matter. I have already had an apportunity in the present session of congratulating the minister on the improved passenger service he has given in our constituency by maintaining the Ocean Limited throughout the year. That was a good move and the result was very important to the Gaspesian peninsula where people are landed at Metapedia at nine o'clock in the morning instead of at two or three in the morning. I hope that the freight service will be equally improved, and for this reason I would call attention to some of these letters which have been in my desk for some time past, although the conditions may not be quite the same as when these letters were written. I have a letter here from a leading merchant in Bonaventure enclosing letters from millers with whom he deals. His letter reads:

I inclose letters received from some of the millers with whom I deal, which speak for themselves. They might be of some use to you and you could mention facts and omit the names of the firms. One car of flour left Brantford on November 30 and arrived at Giroux January 7, the other left Seaforth first week of December and arrived at Giroux on January 7 also. I got sold out of flour before the holidays and there was a general sing out for flour from Nouvelle to New Richmond. I disappointed my customers, lost trade and feel that I have a clear damage for the break in trade which $1,000 would not cover.

Attached to this letter are two letters from large milling firms of Canada, one of which reads:

We are in receipt of your favour of the 27th, and in reply beg to say that we are very sorry for delay in delivery of your car, and we are tracing same. The railroads are very much behind in their deliveries on account of congestion of freight.

Another milling firm is somewhat outspoken in its language, but I shall read it as it is. By this letter there seems to be a difficulty somewhere; it reads:

Montreal, Jan. 6, 1913.

We have your favour of the 4th and we certainly do not blame you one bit for making a big kick about the delay in the delivery of your car. It is a downright shame the way the Intercolonial railway people are delaying some cars. We must say that the greater part of their cars seem to go through pretty well, but occasionally there are cars that are held around Montreal, Campbellton, and other places in a most vexatious way to the very great annoyance and loss of the buyers. If you do refuse the car we will not blame you. If refused we will sell it to the best advantage we can and will endeavour to make an example of the Intercolonial railway over it. We do not think, however, that our cars are any worse delayed than those shipped by our competitors. You know that it is not our fault. We are tracing cars till we are black in the face, and we are doing everything we possibly can to get them forward quickly. The only thing we can suggest is for the shippers and buyers of flour to get their heads together and make a determined protest against the damnable treatment we are getting from this Government road. There are no politics in it with us, not a bit, but business is business, and it is a crime the way the public are being served. For our part, we do not pretend to submit to it, and if we can get the necessary help, we will stir up a rebellion if this thing goes on any longer. What do you suggest your self

This letter contains only a portion of the truth. I have heard a number of complaints in this House about the shortage of cars, and I thought they applied only to the western part of Canada, but I see that the same evil has occurred in the eastern part of Canada along the line of the Intercolonial. The Intercolonial railway may not be wholly responsible, or may not be responsible at all, but the inconvenience is there, and I think it my duty to call the minister's attention to it, to see if it cannot be remedied. I consider the branch line in my constituency practically a branch of the Intercolonial, and I would like to read an extract from another letter showing the great disadvantage to which merchants using that branch line are put to. This letter reads:

As it is now, it is getting so we can't ship anything, its too costly. I shipped one car of potatoes in December billed from St. Godfroy to New Carlisle, a distance of 10 miles, $10, and New Carlisle to Matapedia, 98 miles, $24. You can see what amount the poor farmers have to pay; they have to give their goods reduced to compete with the farmers on the Intercolonial railway.

I have already called the minister's attention to the advisability of taking over the Quebec Oriental railway and the Atlantic, Quebec and Western railway. Among

documents brought down to the House last week there is an important letter, which might not have attracted the minister's attention, and which I would like to read. It might be an encouragement to increase the number of cars on the Intercolonial railway, because all the cars used on that branch line come from the Intercolonial railway. The letter is from the St. Lawrence Pulp and Lumber Corporation, and reads:

Pabos Mills, P.Q., April 1, 1913.

E. A. Bouillon, Esq.,
Paspebiac, Que.

Dear Sir,—In further reference to our conversation regarding proposed operations, I beg to state that we propose erecting a pulp mill with an output of 30.000 tons per annum, and sawmills to cut 30,000,000 of feet per annum—with a probability of an increased output later on.

Naturally, we have been counting to a great extent upon railway facilities for our operations especially as regards our winter operation; and, the lack of an effective railway service will, of course, have the effect of obliging us to curtail our contemplated manufacture—if indeed we do not take steps to manufacture elsewhere, by shipping the raw material in summer, by water, to a more congenial spot. This would naturally have a very discouraging effect, and I sincerely trust that you may succeed in your endeavours to have the Government take over and operate the railway.

Regretting my inability to be present at Ottawa,

I am, yours very truly,
St. Lawrence Pulp and Lumber Corporation,
per H. W. Racy,
Manager.

That is another important statement in regard to the shortage of cars in that district, and I hope that in the estimates the minister has now before the House provision is made for this car shortage, so that it will not occur again. In that particular portion of the province of Quebec, we have not the advantage possessed by our friends in New Brunswick or Nova Scotia, where they have several railways. We are entirely dependent on the Intercolonial, and when the Intercolonial fails us, everything fails us. So far as the Intercolonial is concerned, any improvement will receive my hearty support. I know from experience that the passenger service has been very much improved, and I am glad to know that the minister is taking steps to improve the freight service.

Mr. COCHRANE: The very thing upon which my hon. friend congratulated me in connection with the running of the Ocean Limited, had the effect of making her short of motor power. We had a good deal of trouble last year, and for three reasons. The first was that the yards of the Grand Trunk railway were very congested, and it was almost impossible to handle the freight and to hand it over to us promptly, with the result that cars lay there for a month. The congestion was so great that we had to put a man there and get right after them. Then we were short of motor power, and made slow time. We are trying to rectify that as fast as we can, and hope that next winter the service will be much better. There were a good many complaints about the Ocean Limited being late, but at one time, owing to the deep snow, we thought we would not be able to continue it. Fortunately we were able to do so, but it took up a lot of motor power. We would have changed the time table had we thought we were going to run the Ocean Limited all winter. We were trying to make summer time in winter, which was impossible and unsafe. I have had an occasional complaint in respect to cars from the branch line referred to, and I would be very glad if we had enough cars to serve the purposes of all those who want them, but we have to take care of our own traffic first. But with this vote I hope to have more motive power, and with the cars already received, and with those on order now, we will be able to give better satisfaction to the people there.

Mr. CARVELL: I understood the minister to say that they set apart $100,000 only for the replacement of cars. That would mean twenty or twenty-five miles of rails. Would that be sufficient on the average to cover the wear and tear of the rails?

Mr. COCHRANE: I would not be able to express an opinion upon it, I do not know. I am told that the amount is $150,000.

Mr. McKENZIE: There are two or three things in connection with the rolling stock to which I wish to call attention. In the earlier part of the session, I spoke of the defective locomotives on the Cape Breton end of the road. I do not know if anything has been done to better the situation. Last October, November and December, the conditions were very bad indeed, as the minister knows. I do not know whether it is the custom to transfer locomotives across the Strait of Canso. I suppose it is not desirable to transfer them frequently. The traffic from Canso down to Sydney is very heavy and I would urge upon the minister the necessity of giving us good locomotives. I think that one or two good locomotives should be put there, and as the run is only about ninety miles, the rails heavy and the road bed fairly good, they should last quite a long time. We had too many experiences last year of being three and four hours late in that short run from Point Tupper to Sydney. I trust it will not be necessary to say anything further to the minister on that subject.

There is another matter that I brought to the attention of the minister last winter when we had something up in connection

with the road. I refer to the necessity of supplying cars, not cold storage cars, in which to carry fish. In the fall of the year, in the part of the country I come from, it is impossible to get sailing vessels to come in for the fish that are caught away north and right out into the ocean. The market for these fish is in the New England States, Boston, New York and other places and the only way of sending the fish is over the Intercolonial railway. We have a steamer running from North Sydney down the shore. She brings the fish to the end of the Intercolonial railway and we could send it out if we could get the cars. Last year we could not get cars. We were told that fish gives a bad odor to a car and that possibly it would not be suitable for anything else. That is hardly a sufficient reason. I think that there could be a few cars set apart even if they had to be devoted altogether to this kind of work. As the Intercolonial is our only railway we should be given an opportunity of shipping our fish out over it. In the fall of the year there is splendid fishing. Great runs of fish come in along the coast very late in the fall until it gets too cold for people to go out and fish, and if we could get cars we could always count on a catch of fish to send away. I hope the minister will provide us with some cars.

There is one thing more, and it has reference to the train connections at Truro. I do not know whether the matter can be remedied or not. As I have personal knowledge of this matter I wish to bring it to the attention of the minister. The last time I had to go to North Sydney from here I went by the Intercolonial railway and arrived at Truro at about four o'clock in the afternoon. The Intercolonial train came along from Halifax at about eight o'clock. Passengers who had come from the west had to stay at Truro from four o'clock in the afternoon until eight o'clock in the evening. Then the Intercolonial came in from Halifax and the passengers were ready to go right on to Sydney but they had to stay there until one o'clock in the morning waiting for the Canadian Pacific railway train. My hon. friend will realise that it is a rather tough proposition for a passenger to get to Truro at four o'clock in the afternoon, get his own train at eight and then be obliged to stay there until half past twelve or one o'clock in the morning before he can make a start to go home. This may be impossible of improvement but as this was my own personal experience I want to inform the minister that if there is any possibility of bettering that situation I would like to have it done. The stay is altogether too long. I have no doubt the man who is coming on the Canadian Pacific railway is very anxious to make connection, and I sympathise with him, but if something could be done to better the situation I think it would be hightly desirable. It discourages traffic on the Intercolonial railway. If you know that you are going to be kept seven or eight hours at Truro you feel that you might as well go by the other road and not be detained at all.

Mr. COCHRANE: I will be very glad to look into these matters.

Mr. BOULAY (Rimouski): Mr. Chairman, the hon. member for Bonaventure has just complained of the want of freight cars on the Intercolonial. For my part I have received a great many complaints about this. We have a real grievance in Rimouski in connection with the want of cars for the shipping of freight in the Metapedia valley and other parts of the county of Rimouski, where there is a big trade in potatoes. I may say that I have been overwhelmed with letters on this subject and I know that the superintendent of the railway has been hard pressed to give patrons of the road the cars that they needed. It often happens that one has to wait for over a month and after the cars are loaded they are left for a full month on the sidings.

In days gone by it was sought to make the Intercolonial pay by cutting down the expense for the purchase of cars and even of engines. That was the way they tried to get a surplus. I am glad to find a substantial increase in the amount to be voted this year for rolling stock. I have even strong doubt of the amount being sufficient. Traffic has increased and is constantly increasing on the Intercolonial, as elsewhere, for that matter, and moreover there are new branches built which are using our cars. In that way the Baie des Chaleurs, Intercolonial and Caraquet railways are using our cars to carry their freight. Instead of supplying cars for the service of those lines connecting with the Intercolonial, it would be more practical and more in the interest of the country to buy these branch lines of railway. We are already supplying them with the cars they need. The Intercolonial could operate these railways cheaper than they can be operated by the companies; it already has the necessary plant, such as shops, &c., and it could realize better profits than the companies. I hope the hon. Minister of Railways will take the necessary steps for the purchase of these branch lines before the Pacific Company takes hold of them. There is the railway from Ste. Flavie to Matane, the International, the Caraquet railway, the Baie des Chaleurs railway, I mean the road that goes from Metapedia to Gaspé. I hope that means will be taken to purchase these branches and thus increase the profits of the Intercolonial.

Mr. MARCIL: What the hon. gentleman from Rimouski says is quite true, that the branch lines in eastern Canada are provided with Intercolonial railway cars. On this two hundred miles of railway on the Gaspé coast the cars all belong to the Intercolonial railway, with a stray Grand Trunk railway or Canadian Pacific railway car. The same thing is true of the Caraquet railway, and several other branch lines. This may be a strain to the Intercolonial railway, but it is also an argument in favour of taking over the branch lines, seeing that all the business comes from and goes to the Intercolonial railway.

Mr. GRAHAM: Someone has suggested that all these cars have not been purchased by tender during the past year.

Mr. COCHRANE: Except the last five hundred for which the order was extended.

Mr. GRAHAM: A year or so ago the contract was given, and it was extended without asking for tenders.

Mr. COCHRANE: Oh, no, it was only given two months before the extension.

Mr. GRAHAM: If that be the case it is almost a violation of the statute.

Mr. COCHRANE: No.

Mr. GRAHAM: I am told that at the time the order was extended these cars could be bought for $100 each cheaper than was paid for them.

Mr. COCHRANE: We asked for tenders from all the concerns. We extended the contract because they said they would give us the cars before navigation closed.

Mr. LEMIEUX: Where did you buy the cars?

Mr. COCHRANE: The Nova Scotia Car Company of Halifax.

Mr. GRAHAM: I am told that you could have got them for $100 per car less at the time the order was extended.

Mr. COCHRANE: I would like to know where. There is a company which started up since which could not have given us cars at the time.

Mr. GRAHAM: I did not refer to that company.

Mr. COCHRANE: I was told something similar since by the hon. member for Pictou.

Mr. GRAHAM: I did not know that company was doing business. My information was, of course it may not be correct, that tenders were asked for and after several months had elapsed the order was extended for five hundred more cars costing $600,000, and that if tenders had been asked for at the time the extension was made, the cars could have been got for one hundred dollars each less.

Mr. COCHRANE: Where ?

Mr. GRAHAM: Perhaps the same company; the price quoted was less generally.

Mr. COCHRANE: The tenders were exactly the same, and I do not think the cars could have been got for less. If they could, I would like to know where.

Safety appliances for equipment, $24,000.

Mr. GRAHAM: How long will it be before all the old cars are equipped with safety appliances ?

Mr. COCHRANE: In about two years.

St. John—to increase accommodation, $18,000.

Mr. GRAHAM: There was an arrangement made at St. John with a sugar refinery that they were to ship their freight. Has the refinery shipped any freight yet ?

Mr. COCHRANE: I do not think so. The arrangement was completed only last fall.

Surveys and inspections, $25,000.

Mr. CHISHOLM (Inverness): I accompanied a delegation which waited on the minister with respect to the proposed branch line between Orangedale and Chéticamp. I have discussed the merits of that branch line in the House on two occasions. At the time the delegation met the minister I suggested that he should send one of his engineers down and report on the merits of this line from a traffic standpoint. The minister acquiesced, and I am glad to say carried out his promise, and the report is now in his hands. I asked for the report five or six months ago, but did not get it. I believe the report is very favourable to the construction of this line, and I am convinced it could not be otherwise than favourable. I give myself credit for being candid enough to say that I would not suggest to the minister that he send his engineer down there if I did not believe in the merits of the proposed railway. I have watched the policy of the minister with regard to branch lines, and I may tell him, as I told him before, that I have always had faith in his line, and I have faith in it now more than ever. It is not necessary to take up the time of the committee to go over the same ground again, as I have discussed it on two occasions. The minister knows my opinion; he has the opinion of the delegation that waited on him, and he has the opinion of his own engineer, to which I attach a great deal of importance and which I believe is favourable to the construction of the line. I trust the minister will give this proposi-

tion careful consideration, and as soon as possible will do something to start the construction of that line. And I would like if the minister would be good enough to give the committee his opinion of that report.

Mr. COCHRANE: The report is altogether too rosy, I am afraid; the actual facts would not bear it out.

Mr. CHISHOLM: I am glad to get the minister's opinion. I suppose I can have very little hope for the construction of that line under the circumstances. The engineer who reported was selected by the minister and I suppose he was one with the necessary qualifications to make a thorough report. But now, because the report is too favourable to the road the minister thinks it too rosy. I thought I had accomplished a great deal when I got the minister to give consent to send the engineer down. But now, having received the report of the engineer, he considers it too rosy.

Sydney Mines, diversion, $40,000.

Mr. McKENZIE: This is a very important piece of work. I suppose every member of Parliament regards the work of his constituency as important, but this has been regarded as important from the Intercolonial standpoint. It will have the effect of removing a serious defect in the line of that important railway. It is getting rid of a very serious grade and will enable the road to do three times the business that it is capable of doing to-day. A considerable amount of money has been expended in building the line as far as Sydney Mines. I have no hesitation in telling the minister that the expenditure that has been made will be useless unless the work is completed. It is necessary to extend the line. Of course, when he gets to Sydney Mines he can link up with the Intercolonial railway which carries him to North Sydney. We have the line completed from Georges River to Little Bras d'Or, and from Little Bras d'Or to Sydney Mines. But from North Sydney to Leitch's Creek, four or five miles the line is not yet touched. I have urged the minister to fill in that gap. The sum of $40,000 will not complete that work, and it is important to complete the whole loop from Georges River to Leitch's Creek. So far as my own town of North Sydney is concerned, that has far outgrown the local terminals there. The minister's officials will tell him that the Newfoundland traffic has grown so enormously that the terminal facilities he has there cannot handle the traffic at all. While I am anxious to have these terminal facilities at North Sydney, I tell the minister frankly that it would not be well for him to spend money on the terminus he has now. He must remove it, for the present location will not afford him the facilities necessary for the road. I pointed out to his officials that the proper place for the terminus is what is called Ballast Ground. I do not wish to bind the minister to any particular route; but I do say that if he and the Government are willing to properly equip that terminus, they will put the rails down on Ballast Ground, where they have a magnificent area and plenty of room and deep water all around it. There is no other spot in North America quite so well fitted for an ocean terminal as Ballast Ground at North Sydney. I trust the minister will build these terminals and build them quickly. I have urged this upon these officials, also the building of the gap between North Sydney and Leitch's creek.

Mr. COCHRANE: This item is to finish the work we have been constructing. There is in the supplementaries $100,000 to start the connection the hon. gentleman is so anxious to build. The land damages on the front line are very high according to the figures I get and that may confine us to the back line which we can build for less than a half of the other and make as good connections. The matter has not yet been settled as to whether we shall take the front line or the back, but we are making progress and propose to go on.

Increased accommodation and facilities along the line, $126,000.

Mr. COCHRANE: I have here a list of the proposed improvements:

Sydney drop pit	$ 1,000
Between Sydney and Jefferson's siding to hold 30 cars	3,551
Hawkesbuhy Junction, extension or siding, 20 car lengths	1,432
New Glasgow, additional sidings	7,816
Stellarton drop pit	1,000
Westville, extension of freight shed	1,775
Pictou, extension to ice house	1,020
Oxford Junction, hot water heating in station	700
Springhill Junction, extension of siding	766
Amherst, additional sidings	4,900
Boundary Creek, addition to freight room	1,085
Hampton, turntable at	3,500
Bathurst, extension of siding	3,104
Rimouski, tracks to freight shed	2,685
St. Romuald, enlarging station building and additional yard accommodation	4,953
Ste. Rosalie, additional siding accommodation	5,270
College Bridge, new station	4,500
Drummondville, coal handling yard and extension to freight shed	9,200
Chaudière Junction, additional sidings and drop pit	31,000
Unforseen	25,000

Mr. MARCIL: No items in the Matapedia valley.

Mr. COCHRANE: I did not read them all.

Mr. MARCIL: Are there any from Matapedia West?

Mr. COCHRANE: St. Andre, Causapscal, Moffat's, Montmagny.

Truro—to increase accommodation, $155,000.

Mr. GRAHAM: There used to be an annual discussion about some place that required filling in these towns. What became of that?

Mr. COCHRANE: I think they are all filled now. $99,000 of it is a revote.

Mr. GRAHAM: Will this amount finish the station and everything at Truro?

Mr. COCHRANE: Yes.

Mr. GRAHAM: What will the whole amount be?

Mr. COCHRANE: $294,887.

Spur line to Wallace harbour, $69,500.

Mr. COCHRANE: This was an agreement entered into by the coal company. They have not carried out their part of it. They were to build a dock and do the dredging done there. We are revoting it to some extent.

Mr. GRAHAM: To see what they would do?

Mr. COCHRANE: When they start work we will carry it out. We made a contract to haul a certain amount of coal down there at so much per ton, but they have not done their part yet.

To increase water supply, $41,500.

Mr. COCHRANE: This is at different places along the line. Matapedia—pipe line, dam and tank, gravity supply, $17,100; Assemetkwagan—pipe line, dam and tank gravity supply, $7,400. We find it pays to put in these tanks.

Mr. MARCIL: The next station west from Matapedia is St. Alexis. Has anything been done there?

Mr. COCHRANE: I have no vote for it. There is water supply at the following stations: Bloomfield, Merrigomish, Brockville, Cold Brook, Dorchester. Wells at stations, $3,900.

Towards the construction of a railway from a point on the Intercolonial railway at or near Dartmouth, in the county of Halifax, via Musquodoboit harbour and the valley of the Musquodoboit to Dean's settlement in the said county, $1,000,000.

Mr. GRAHAM: This is one of the lines for which a contract was given some years ago. How long is the road, and what is the estimated cost per mile?

Mr. COCHRANE: Seventy-three miles; estimated cost, $28,545 per mile.

Mr. GRAHAM: This road will run through some timber territory.

Mr. COCHRANE: I do not think it gets as far as the timber territory.

Mr. GRAHAM: What weight of rails are you using on that road?

Mr. COCHRANE: 65 and 67 pound, the old rails. $600,000 of this is a revote.

Mr. KYTE: In the absence of the hon. member for Guysborough (Mr. Sinclair), I should like to ask if the hon. minister is prepared to make any announcement tonight as to whether the construction of the Guysborough railway will be undertaken.

Mr. COCHRANE: Not yet.

Mr. GRAHAM: Is that the road which had the very high estimated cost?

Mr. COCHRANE: It was $68,000 a mile there.

Mr. GRAHAM: The estimate was made almost on a Grand Trunk Pacific standard, which was not necessary at all.

Mr. CARVELL: Has there been any change in the classification on the work now under construction from Dartmouth eastward? A very serious change was made in the classification after the work was well under way, a change which means a great loss of money and possibly ruination to some of the sub-contractors. I am speaking now from some professional knowledge of the subject. Certain contractors and sub-contractors tendered on the work along the lines of classification that had held good in eastern Nova Scotia for many years. After the work commenced and for some months down, I think, to the month of May or June of last year, they received a classification which gave them a fair profit after paying their ordinary expenses. For some reason a new order went forth from Ottawa, and the engineers on the work were ordered and compelled to give an entirely new classification, I understand, very much against their better judgment.

Mr. COCHRANE: That is absolutely untrue. No new specification and no new orders have been given.

Mr. CARVELL: I did not say there was a change in the specification; I said there was a change in the classification.

Mr. COCHRANE: There was not.

Mr. CARVELL: I tell my hon. friend that there was.

Mr. COCHRANE: I know, but the hon. gentleman makes a statement that it was given forth from Ottawa. I say that is absolutely untrue. I know what I am talking about.

Mr. CARVELL: I think I know what I am talking about. If necessary, I shall be glad to produce the proofs. Engineers in Nova Scotia did get instructions from Ottawa, and acting on these instructions changed the classification and cut it down until some contractors will lose money. There is hardly a man on the work but will lose money, let alone making a profit. It may be that it was the proper classification, I am only telling the minister the facts that took place. I know because clients of mine were interested. I not only heard them but I went on the work myself.

Mr. COCHRANE: That would not prove the classification.

Mr. CARVELL: I saw the engineers and the instructions. If the minister will investigate he will find I am telling what is true and the classification was changed.

Mr. COCHRANE: No, Sir.

Mr. CARVELL: It was changed in May or June of last year.

Mr. COCHRANE: Neither one nor the other.

Mr. CARVELL: And amounts were taken out of the estimates which had been given before, in June, July or August of last year, in order to bring it down to the new classification. A great injustice has been done to practically every contractor on the work. I shall give the minister privately the names of the officials in Ottawa who gave the instructions. I wish he would make the inquiry.

Mr. COCHRANE: I have been into it.

Mr. CARVELL: I wish he would do justice to these people and put the classification back where it was.

Mr. COCHRANE: This contract was let when I came in, the specifications were drawn and there were no changes in the specifications or classification. The point is it was let to Messrs. Davis and Company and they sub-let to another and this sub-contractor again sublet so that there are two rake-offs, if these men are losing money. The question of hard pan comes in but that hard pan was to be seen and if the men the hon. member speaks of had gone over the ground they could have seen for themselves. There is at least 20 per cent profit being made off the sub-contractors. The contractors took the easy sections themselves and then these men went on blindfold and we are not the parties to make good to them. We are holding the original contractors, and it is to them that the sub-contractors should go if they have been misled in any way.

Mr. CARVELL: The minister has not denied one statement I made. I know that the contractors were the Davis firm and that they sub-let portions of the contract. I think the first twenty miles was sublet to one firm.

Mr. COCHRANE: There have not been two interpretations of the specifications.

Mr. CARVELL: I have seen the original estimates and I tell the minister that a certain classification was given in June and May and after that that classification was taken away. While the first classification would yield a profit, the other classifications entailed an actual loss.

Mr. COCHRANE: Here is the deputy minister and he does not know.

Mr. CARVELL: Let him go to his chief engineer and he will find out there.

Mr. GRAHAM: When does the minister expect this to be completed?

Mr. COCHRANE: We hardly hope it will be finished this year up to Lévis.

Mr. CARVELL: Engineers on the work advised contractors who were going to throw up their job to go on with the work with the promise that the May classification would be restored.

Mr. COCHRANE: He had no authority to do anything of the kind.

Mr. CARVELL: He did it.

Mr. COCHRANE: I connot help that.

Mr. CARVELL: He did it to me personally, and the result was that the contractors went on and did the work and they have had their classification reduced and lost money. The trouble with my hon. friend is that he will not believe a man is telling the truth when he is.

Mr. GERMAN: It seems to me that the hon. member for Carleton has made a serious charge, if he has received information from engineers in the department that is not in the possession of either the minister or the deputy. If that is so, the minister should ascertain it, and such a man should receive his congé in rather short order.

Mr. D. A. LAFORTUNE (Montcalm): (Translation.) Mr. Chairman, when the Great Northern Railway Company built the branch line which starts from Ruisseau St. Jacques and goes to Rawdon, it was agreed that a siding would be laid near the village of St. Alexis, to accommodate the interests in that parish. Since then the company has often been approached but it has failed to grant the demands of the people, and interested parties in St. Alexis had to build that siding themselves, at their own cost, which is a crying injustice, and such an important company as the Great Northern

should not be guilty of leaving this siding to be constructed by the people instead of building it themselves.

That road shortens by about two miles the distance between Ruisseau St. Jacques and St. Alexis.

Had that siding been built as agreed, the distance to the main line would only be one and a quarter miles. It is a great hardship, especially when the roads are bad, to be obliged to go four miles. It is still harder for the traders, farmers and manufacturers who are obliged to go to that station. The company has often been asked to lay that siding, and recently the parishioners, seeing that nothing was being done, have felt compelled to build it themselves.

It is a crying injustice. These companies ask subsidies from Parliament, they are well treated and liberally subsidized. It seems to me that means ought to be taken to compel them to grant such just requests made by the tax-payers and to force them to build these roads themselves.

I ask the hon. Minister of Railways, who seems so well disposed, to give justice to whom justice is due, and to see that the cost of that road, built at the expense of the rate-payers of the parish of St. Alexis, be reimbursed to them and that an order may issue to give justice to these honest people.

I also wish to ask the hon. minister what has been done with regard to the proposed line of railway which, from Rawdon, was to be continued to connect with the Transcontinental? I was called upon to examine the plans submitted to the Great Northern Company. These plans were deposited in my presence and approved of by the hon. minister. Since then, I have not heard what has been done. Has there been a beginning of the work between Rawdon and the Transcontinental, such as proposed by that company?

Mr. COCHRANE: I cannot give the hon. member any answer, because I do not know anything about it.

Mr. MARCIL: Perhaps I might explain. The hon. member appeals to the minister to use his good offices to induce the Canadian Northern to construct a siding at the village of St. Alexis, and he also wishes to know what progress has been made with the construction of the line from Ruisseau St. Jacques to Rawdon in the county of Montcalm. He is under the impression that plans were approved of, and he wants to know if any progress has been made.

Mr. COCHRANE: Has the line a Dominion charter?

Mr. MARCIL: Yes, to connect with the Transcontinental.

Mr. LAFORTUNE: The plans were submitted to the minister in my presence and I understood they were accepted. I want to know what has been done.

Mr. COCHRANE: Of course the approving of the plan does not build a railway.

Mr. LAFORTUNE: I want to know if something has been done?

Mr. COCHRANE: I do not know anything about it. I do not know how much they have built or what they will do, but I will take a note of it, and write to the Canadian Northern, and do anything in my power in connection with the matter.

Mr. GRAHAM: If the line to which my hon. friend (Mr. Lafortune) refers has a Dominion charter, an appeal to the Board of Railway Commissioners would compel the company to do what he suggests.

Prince Edward Island Railway—to increase accommodation facilities along the line, $5,000.

Mr. HUGHES (Kings, P. E. I.): I wish to call the minister's attention to the fact that the Railway Department owns a wharf at Souris, P.E.I., which cost a considerable sum of money. The cars go down to that wharf and a steamer calls there four times a week, carrying a good deal of freight. She does not call at the railway wharf, and the freight has to be carted from the railway wharf to a private wharf at considerable expense. The boat is subsidized by the Government. There is considerable expense to some person, either to the consignees or to the department if it pays for the cartage. It appears to be such a strange thing that I would like an explanation.

Mr. COCHRANE: It has never been brought to my attention before, but I will make a note of it.

Mr. HUGHES: Does the department know anything about it?

Mr. COCHRANE: The deputy minister does not know, but I will make a note of it.

Mr. HUGHES: The Department's wharf there is a large expensive wharf, but it is left without facilities for doing business. There is no proper freight shed.

Mr. COCHRANE: Does the boat not call there?

Mr. HUGHES: She does not call at all.

Mr. COCHRANE: Is there any reason why she should not call?

Mr. HUGHES: I do not know of any reason.

Mr. COCHRANE: It ought to be looked into.

Mr. HUGHES: Some facilities are required for doing business at the wharf.

There is an old freight shed there, which is hardly suitable. It is not exactly in the right place. Another thing very much required is a weighing scale. A thousand dollars would put a suitable freight shed and scale there. I would like the minister to look into the matter.

Mr. COCHRANE: All right.

Prince Edward Island Railway—to provide car ferry and make necessary alterations incidental thereto, including change from narrow gauge to standard gauge, $1,000,000.

Mr. HUGHES: I would like some information about this. I presume that tenders have been called for the construction of the piers.

Mr. COCHRANE: Tenders have been received, but I do not know whether the contracts have been completed or not. The award has been made.

Mr. HUGHES: What are the amounts of the tenders that have been accepted?

Mr. COCHRANE: Let the item stand until we get the information.

Mr. HUGHES: And the tender for the steamer that has been accepted?

Mr. COCHRANE: I will get the information for the hon. gentleman if he will allow the item to go through, both with regard to the boat and each terminal.

Mr. HUGHES: All right. Will the hon. gentleman get it to-night?

Mr. COCHRANE: Either to-night or in the morning.

Mr. HUGHES: I secured an order of the House about twelve days ago for some information as to what the completion of the Elmira branch cost, when it was taken off the contractor's hands? I would like to get that information.

Mr. COCHRANE: I think we had to send to Moncton for it. We will get it as early as possible.

Mr. HUGHES: I do not know whether I shall have an opportunity of discussing this matter again.

Mr. COCHRANE: Yes, when the supplementary estimates are under consideration.

Mr. HUGHES: We may be rushed for time. I would like to point out some things in connection with it that I think the department should know. This work cost a great deal more than it should have.

Mr. COCHRANE: It cost a lot of money, I know.

Mr. HUGHES: It was very badly managed. There were men employed by day-labour, after the work was taken off the contractor's hands, who were not capable of doing half a day's work. I have information that the coalshed was painted after it was covered with ice and snow and that when the ice melted off there was no paint left on the building. The cemeteries were not ransacked, but actually men were taken out of the poorhouse to work on that road. The local politicians got charge of it. I do not suppose that the department knew what was going on, but whoever was in charge of that work ought to be called to account. If there was an engineer in charge of it he was no good or he was overruled. The work cost twice as much as it should have cost. It was the most notorious piece of graft that has ever taken place in that part of the country. Surely someone is responsible. I would ask the minister to look into it. I wish to discuss it when the supplementary estimates are under consideration.

Mr. MACDONALD: I would like the minister to tell us how soon he expects the car ferry to be completed and whether he intends to proceed with the widening of the gauge of the Prince Edward Island railway this summer?

Mr. COCHRANE: No.

Mr. MACDONALD: I would also like to ask him whether he intends to do the work by contract or day labour, whether he intends to take over as part of the Intercolonial line from Cape Tormentine to Sackville, and if so what arrangement he has made in that regard.

Mr. COCHRANE: We hope to have the car ferry running by the 1st August, 1914, the docks completed and the boat there. We do not propose to start the widening of the railway this year. We have not made any arrangements for getting to Cape Tormentine yet. That will come in under our branch line policy and we will construct a line if we cannot make suitable arrangements.

Mr. MACDONALD: Does the minister intend to proceed to widen the gauge of the Prince Edward Island railway by day's work or by tender and contract?

Mr. COCHRANE: I said that we were not going to do anything with it this year, and we have not discussed it or decided on any plan.

Mr. HUGHES (Kings, P.E.I.): With regard to freight rates, the people of Prince Edward Island thought they had a promise that the disadvantage of the three short hauls would be eliminated when the car ferry would be established.

Mr. COCHRANE: When was the promise made?

Mr. HUGHES: I think on the eve of the last election.

Mr. COCHRANE: Well, I do not know anything about it. Did you make it?

Mr. HUGHES: No, I think the Prime Minister made it. I am not quite sure, but that the Minister of Railways and Canals made it.

Mr. COCHRANE: The Minister of Railways?

Mr. HUGHES: Yes.

Mr. COCHRANE: And that was before the last election?

Mr. HUGHES: I am quite satisfied that gentlemen supporting the Government made the statement that they had that assurance from the Prime Minister.

Mr. COCHRANE: I did not make it, I can assure you.

Mr. HUGHES: Can the minister give us any statement with regard to it?

Mr. COCHRANE: No, it is a matter that has not come before me to my knowledge.

Mr. HUGHES: It has not been considered yet.

Mr. COCHRANE: No.

Mr. HUGHES: Well, then, we will have to depend on the future?

Mr. COCHRANE: I would be almost willing to give them the railway if they would only undertake to run it and build the ferry too.

Mr. MACDONALD: Does the minister intend to operate the car ferry as a part of the Intercolonial railway when it is completed, or is he going to allow the Department of Marine and Fisheries to have anything to do with the operation of the steamer?

Mr. COCHRANE: It is a matter that will have to be decided in the future. I could not give the hon. gentleman an answer because we have not discussed it.

Mr. MACDONALD: The trouble with this car ferry proposition and the attitude of the Government has been that the whole thing has been a leap in the dark. My hon. friend's proposition to-night indicates that he does not know what he is going to do. The only thing he knows is that he has let a contract for a car ferry and that he is going to construct two docks at the Prince Edward Island mainland terminals.

Mr. COCHRANE: What would the hon. gentleman do?

Mr. MACDONALD: If I had the responsibility I would be able to tell the hon. gentleman when he would ask me, and I would be in a different position from what he is in to-night. I would know what I was going to do, because he apparently does not know what he is going to do. The minister proposes letting a contract in his department to provide transportation facilities between Prince Edward Island and the mainland. I was going to ask him, if it is really his desire to give proper communication with Prince Edward Island, to take over the control of the winter service between Pictou and Charlottetown and Georgetown and operate it as a part of the railway system of the Dominion. The grievance that Prince Edward Island has had against the federal Government, and it is one which still exists, arises out of the extra cost of the transportation of its products during the winter months. The railway brings them to the sea-coast, and they are placed upon boats which are controlled by the Department of Marine and Fisheries and where the charges are of such a character that it is impossible for the products to be sent forward except at a great disadvantage. Notwithstanding the car ferry between the capes, the Government will have to continue the operation of the winter boats, which ply to the two great ports of Prince Edward Island. Has the minister considered that phase of the question; have his supporters who come from Prince Edward Island urged on him the desirability of taking over the operation of the two winter boats, and lightening the cost of the transportation facilities in that way so that the people of the island will have a real and substantial benefit?

Mr. McLEAN (Queens, Prince Edward Island): I understand—

Mr. MACDONALD: I did not ask the hon. gentleman; I asked the minister.

Mr. McLEAN: I have the right to speak in this House.

Mr. MACDONALD: Usually when a minister is asked a question, the courtesy of the House allows him to make a reply.

Mr. McLEAN (Queens, Prince Edward Island): I am going to make a few remarks notwithstanding the objection of the member for Pictou. As I understand it, the railway system of Prince Edward Island will be connected by means of this car ferry with the Intercolonial railway system on the mainland, and that will be a fulfilment of the terms of Confederation which require continuous communication between the island and the mainland. The car ferry will be regarded, as I understand it, as so many miles of railway, and the Prince Edward Island railway will, when the car ferry is in operation, be simply a section of the Intercolonial railway. That is the arrangement, which as I understand it, is made by the Government with the people of Prince Edward Island, and such an arrangement will be carried

out when the car ferry is established. I am glad the minister is able to tell us this system will be completed on the 1st day of August, 1914. We have looked for it for many years; ever since Confederation, practically. We have asked the successive Governments of Canada to fulfil the terms of Confederation in this regard, but until the present Government came to power we have been unable to get anything. There have been three short hauls to connect with the mainland, which has been a great expense and disadvantage to the people of the island in the past, and when this car ferry is in operation, it would practically mean one haul, and the people on the island will be put on an equal footing in that respect with the people of the mainland. That is only due to the people of the island and it is nothing more than fulfilling the terms of Confederation. The people of Prince Edward Island have just as much right to this car ferry as the people of the mainland have the right to have filled in any gap between two parts of the same line of railway. I cannot see any reason why the contention should be raised that there should be any extra charge for the car ferry service than if the freight were carried just the same number of miles on a section of the Intercolonial railway.

Mr. MACDONALD: The hon. member for Queens, Prince Edward Island (Mr. McLean) evidently knows more about what this Government is going to do than does the Minister of Railways. If he had only waited until the minister answered the question, the House would have obtained a statement from some responsible authority as to the policy of the Government. I want to know whether the minister will assume control of the transportation facilities between Prince Edward Island and the mainland including the winter steamers.

Mr. COCHRANE: Do you mean when the ferry is started?

Mr. MACDONALD: Yes.

Mr. COCHRANE: I misunderstood you. I thought you asked if when the ferry was completed the Department of Railways is going to run the ferry. As to its being one straight haul, it will be taken as part of the transit across there and in that way will be about the same as a tunnel, so far as the terms of Confederation are concerned.

Mr. MACDONALD: There is nothing about a tunnel in the terms of Confederation.

Mr. COCHRANE: I know, but I suppose this would be a continuous communication.

Mr. MACDONALD: Continuous communication was to be maintained between the island and the mainland, and the minister is going to have a ferry boat and two wharfs built to cost a large sum of money, but he does not know how he is going to get down from the Intercolonial railway at Sackville to Cape Tormentine; whether he will take over that railway there or build a new one.

Mr. COCHRANE: I would not tell you if I did know. There is no use stating to the House what railways I will buy or what railways I will not. There is lots of time to build a road there or to buy the existing railway or to rent it.

Mr. MACDONALD: My hon. friend the minister says he would not tell me if he was going to buy that railway.

Mr. COCHRANE: I would not.

Mr. MACDONALD: I am not so very anxious to know that, but what I do want to know is whether or not the minister is undertaking to assume the solution of the transportation problem there. I am telling him that although he may have a car-ferry service in August he will not escape the demands which will be made by the people of the island. Notwithstanding the statement of the member for Queens, P.E.I., that the demands of the people would be satisfied with a car ferry. The minister will have to assume the responsibility of meeting the request of the people of Prince Edward Island that the winter boats which now run from Charlottetown and Georgetown to the mainland, will be kept on. The solution of the problem by a car ferry service is of a most doubtful character, while these winter boats built at great expense, have practically solved it. Have any of his friends or supporters from the island placed before him the proposition that he should regard it as his bounden duty to at once provide cheap transportation on these winter boats? Will the minister tell me whether he will take these winter boats over?

Mr. COCHRANE: No.

Mr. MACDONALD: Why not?

Mr. COCHRANE: Because that is in another department at present, and I am not going to take it out of that department. If we do not find our scheme satisfactory, we will have to adopt some other scheme, but I will wait until the time comes. It is time enough to bid the devil good morrow when you meet him.

Mr. MACDONALD: You will not help the people of Prince Edward Island?

Mr. COCHRANE: I have helped the people of Prince Edward Island, and the hon. member has sat in this House a number of years, and he never did anything to help them.

Some hon. MEMBERS: Hear, hear.

Mr. MACDONALD: My hon. friend from Vancouver (Mr. Stevens), who arrived in this House about a year and a half ago, knows so much about the province of Prince Edward Island that he thinks it very amusing that these questions should be discussed here.

Mr. STEVENS: The hon. gentleman from Vancouver has respect for the minister, and your impertinent cross-questioning is enough to make anybody resent it.

Mr. MACDONALD: I ask you, Mr. Chairman, to call the hon. gentleman to order. I was not impertinent. The hon. member has no right to make that remark.

Mr. STEVENS: If I did withdraw it, I would only have to say that it was not true.

The CHAIRMAN: The hon. member, of course, understands, that nothing offensive is to be said in debate.

Mr. MACDONALD: As the member for Vancouver has been in the House only a year and a half, he certainly displayed a great deal of temerity in the remark he made commenting on the request I made of the minister in the interest of the people of Prince Edward Island. The minister has been treated very well by the Opposition—I think he is bound to admit that. The Minister of Railways and Canals is one of the ministers who has always received special consideration from this side of the House. So far as I am concerned, I have no complaint to make of his courtesy. But I do not propose, when discussing a matter in which the people I represent are interested, to be deterred from seeking information by any little demonstration on the part of hon. gentlemen opposite. The minister was good enough to say, when I put a proper question, that he was not going to do anything about this question of a winter service in the meantime, and I want it distinctly understood whether that is the position of the minister or not—that although the people of Prince Edward Island have a problem of winter communication, he does not propose to remedy any of the grievances with regard to the cost of the transportation of freight. He said that I had been in the previous House and had supported the late Government, and that this, that or the other had not been done. Surely, after this country has been governed for almost two years by this great Conservative party which once claimed to have the only initiative in government given by divine or any other authority, and whose leader went to Prince Edward Island and pledged himself in advance to deal with this question and to satisfy the needs of the people, they ought to be able, when a courteous question is asked of the minister as to his policy, to give a better answer than that their predecessors had not done these things. What were they given power for? Merely to follow in the footsteps of their predecessors?

Mr. GRAHAM: They came in to build a tunnel.

Mr. MACDONALD: They gave the impression that the building of a tunnel or the providing of a car-ferry was a part of the terms of Confederation. Apparently, the situation is that the minister is going to have a car-ferry, but he is not going to have the means to get to it so that he can operate it. When it is there in 1914 he cannot tell the House whether that ferry can be operated in the winter months or not.

Mr. COCHRANE: The hon. gentleman does not know that it will not.

Mr. MACDONALD: If I had the responsibility, I should be ready to make a definite statement one way or the other.

Mr. COCHRANE: We are going on; that is a definite statement.

Mr. MACDONALD: And the minister is asked whether he is going to operate the car-ferry in the winter time, and he gives no answer. He will find that he cannot operate in the winter time. I warn him of that in advance and tell him that the winter service will have to be kept on. I am warning him in the interests of the people of Prince Edward Island that he should give cheap transportation this winter and take charge of the whole system of connections.

Mr. McLEAN (Queens, P.E.I.): For many years in this House the members for Prince Edward Island argued that it was necessary in the interests of the people of Prince Edward Island that these three short hauls should be done away with. The hon. member for Pictou was a supporter of the Laurier Administration for fifteen years, yet he threw cold water upon the request of the people of Prince Edward Island for this boon. He laughed and jeered at practically everything the members from Prince Edward Island said with regard to lowering freights between Prince Edward Island and the mainland, but now when he sees that this car-ferry is going to be put in operation between Cape Traverse and Cape Tormentine, sixty miles from his own town, he is getting a little anxious and for the first time argues in favour of the people of Prince Edward Island. The people of Prince Edward Island do not want his assistance, and

have never asked for it. On every occasion when they asked for anything, he was the principal man on the other side. He laughed and jeered at the project of a tunnel, and now he laughs at the project of a car-ferry inaugurated by this Government. I think the car-ferry will probably fill the bill and will be of the greatest benefit to Prince Edward Island. It may not be of much benefit to the people of Pictou whom the hon. gentleman represents. I know he feels sore that the Government have taken this up, but the people of Prince Edward Island do not care a rap how he feels.

Mr. HUGHES (Kings, P.E.I.): The information sought to be obtained by the hon. member for Pictou was proper information. In the event of the car-ferry not being a success, he wished to know from the minister whether the transportation between Georgetown, or Charlottetown, and Pictou would be maintained. That is information useful to the committee. I would like something definite on this subject. I understood the minister to say that the car-ferry would be in operation in August, 1914, and also that the result of its operation would be the elimination of the disadvantage of the three short hauls, that is, that people living in Prince Edward Island could export and import at the same rates for equal distances as those on the mainland. For instance, people living at Souris would be able to send goods to Montreal or Toronto at the same rate as those of Pictou, assuming the distances to be the same. I understood the minister to make that statement.

Mr. COCHRANE: No.

Mr. HUGHES: The hon. gentleman made some statement with respect to the elimination of the three short hauls. Would he be good enough to tell me what it was?

Some hon. MEMBERS: Carried.

Mr. GRAHAM: That is not the way to get on.

Mr. COCHRANE: The statement I am asked to make is one I should really consult the Government before making. Some people say the Prime Minister made a statement to that effect. If he did, he will carry it out. But I did not make it.

Mr. HUGHES: I thought the minister made the statement just now.

Mr. COCHRANE: No. But if the Prime Minister made a statement to that effect, hon. gentlemen can rest assured it will be carried out.

Mr. HUGHES: The member for Queens—

Mr. COCHRANE: The member for Queens says he saw a letter to that effect.

Mr. McLEAN (Queens, P.E.I).

Whatever promise was made by the Prime Minister will be carried out definitely.

Mr. HUGHES: The member for Queens made the statement, if I understood him correctly, that the disadvantage of the three short hauls would be eliminated. That must mean that freight would be carried to and from Prince Edward Island at the same rate as on the mainland for a similar distance. The member for Queens must have had some authority for that statement. I am sure he will tell me what that authority was. Does the hon. gentleman not know anything about it?

Mr. McLEAN (Queens, P.E.I.) The hon. member for Kings is in the habit of catechising members who speak in this House. He heard what I said. I make this statement, and I think it is one which must be correct and in line with the policy the Government have formed in regard to the car-ferry—that the car-ferry will be simply so many miles of railway, and when a man ships goods from Charlottetown to Montreal, he will ship at the same rate as if the water were land. That is the way I have understood it, and so by reason of the construction of the car-ferry, the three short hauls will be eliminated.

Mr. HUGHES: Would the hon. gentleman tell me on whose authority he makes that statement?

Mr. McLEAN: The hon. member for Kings made a motion in this House for the production of certain papers. Those papers were brought down and he knows what was in them as well as I do. He knows that a car-ferry connecting the railway system of Prince Edward Island with that of the mainland was set forth in those papers. When you connect two systems of railway and buy a car-ferry, it means that the car-ferry is part of the railway.

Mr. HUGHES: I do not know that I can take that meaning out of the correspondence. There is nothing in the correspondence, so far as I can remember, stating that this disadvantage of the three short hauls would be eliminated, or that the people in Prince Edward Island could export or import goods at the same rate for the same distance as they could be carried at on the mainland. The minister will not make that statement to-night. We want to get something definite now. I think the responsible minister who is in charge of this, if such information is in existence, should be able to give us definite information on the subject.

Some hon. MEMBERS: Carried.

Mr. HUGHES: Then, I have this information to ask from the minister. In the

event of the car-ferry being a failure, will the present service be continued?

Mr. COCHRANE: Certainly.

Mr. HUGHES: In that event, will the three short hauls be eliminated by the other route?

Mr. COCHRANE: I do not know.

Mr. HUGHES: The Government own and operate the railway on Prince Edward Island, the railway on the mainland, and the only steamers that connect with these two railways. If the Government really were sincere in eliminating the disadvantage of the three short hauls, it could be done now.

Mr. McLEAN (Queens, P. E. I.): Why did you not do it when you were in power?

Mr. HUGHES: The hon. member for Queens says that he got a promise that it would be done. I am only asking the present Government to carry out that promise. They do not appear to be ready to say that they will.

Mr. COCHRANE: I said that, if the promise was made, I would carry it out. I have said so three times, but somehow I cannot satisfy my hon. friend, although I would like to do so.

Mr. HUGHES: What were the promises that were made?

Mr. COCHRANE: I do not know. I have not seen the promises.

Mr. HUGHES: The hon. member for Queens says that the promise was to the effect that goods exported from Prince Edward Island, say from the town of Souris to Montreal, the distance being the same as from the town of Pictou to Montreal, would be carried at the same rate for similar goods, and from Montreal or Toronto to Souris or Charlottetown.

Mr. COCHRANE: If that promise has been made, it shall be carried out.

Mr. MACDONALD: Let me point out to my hon. friend the minister, who is willing to carry out promises which he does not know were made or not, that his leader in 1907 promised that, when they came into power, the Intercolonial railway would be put under the control of a commission who would run it absolutely free from party influence of any kind whatever. That promise is contained in documents which have become a matter of public property. The hon. minister is not carrying out that promise.

Mr. COCHRANE: He was not elected in 1907. The people did not want him then.

Mr. MACDONALD: My hon. friend is pleading the statute of limitations. He is not very clear as to what promises his leader really made. My hon. friend from Halifax, Mr. Maclean, confirms the impression which I have in my mind that the present Premier of this country in 1911 reiterated that promise, and assured the people of the maritime provinces that, when he came into power, the Intercolonial railway would be run by a non-partisan commission, free from party influence.

Mr. COCHRANE: It is now.

Mr. MACDONALD: Where is the commission? My hon. friend has dispensed with the board. He does not propose to have any commission. He has appointed a general manager.

Mr. COCHRANE: It is run in a non-partisan way now.

Mr. MACDONALD: My hon. friend runs and intends to run the Intercolonial as a non-partisan institution?

Mr. COCHRANE: I am doing so now.

Mr. MACDONALD: Does my hon. friend have a patronage list? Will he accept recommendations from reputable people in the maritime provinces?

Mr. COCHRANE: That would be partisan. I am running a railway as a railway should be run.

Mr. MACDONALD: That is all very well in theory. My hon. friend is not doing that. He need not pretend to say to anyone coming from the maritime provinces that he is not accepting recommendations from Conservative members and defeated candidates all along the line of the Intercolonial. He is running that railway as a partisan institution. He does not propose to carry out the promises of his leader. He knows that his leader promised a non-partisan commission, and he is not going to have a commission at all. What is the use of attempting to bluff the House of Commons?

Mr. COCHRANE: Mr. Chairman, is that word parliamentary?

The CHAIRMAN: I think that word is rather strong. The rule is that nothing offensive shall be said.

Mr. MACDONALD: My hon. friend is not offended. He does not mind being told that he is a bluffer. He knows that he is an old hand at bluffing.

Mr. STEVENS: My hon. friend (Mr. Macdonald) does not play the game.

Mr. MACDONALD: My hon. friend (Mr. Stevens) seems to think that members on this side of the House have no rights at all. We are here at the close of the session. Nobody on this side of the House is obstructing

or doing anything of that nature. We are asked to discuss this vast expenditure on railways and to do it in one day. The minister and I understand one another. I say he tells the hon. member for Kings, Prince Edward Island, that he does not know whether his leader make a promise or not but if he did he will carry it out, no matter what it is. I might call attention to the fact that his leader made a promise in 1907 and in 1911, and that the minister knows his leader made it.

Mr. COCHRANE: I do not know.

Mr. MACDONALD: Will my hon. friend dispute the copy of the Conservative literature of both those years containing that statement on the Halifax platform?

Mr. COCHRANE: I do not know it.

Mr. MACDONALD: The hon. member does not know anything about the Halifax platform. If the present Premier in 1907 and 1911 promised that the Intercolonial would be run by a commission as a non-partisan institution would he carry out that promise?

Mr. COCHRANE: That is not under discussion at all.

Mr. MACDONALD: Oh yes it is. It is very apt and very important in order that my hon. friend and the people of Prince Edward Island may know whether he is going it blind or whether he will carry out the promises made by his leader no matter what they are. The minister knows that his leader promised he would run the Intercolonial railway by a non-partisan commission. He knows himself that he does not intend to carry out that promise.

Mr. BURNHAM: Suppose he had discovered a better way?

Mr. MACDONALD: As the hon. member for Cape Breton says, the alarm clock has gone off again. If the minister has discovered a better way we will consider that. The minister does not take that position.

Mr. COCHRANE: Time will tell.

Mr. MACDONALD: Time will tell, we will watch to see whether Mr. Gutelius is going to run the Intercolonial railway as a non-partisan institution and whether or not the promise of the Premier will be carried out in the operations under his control. The people of the island will have to accept the assurance and go it blind, that whatever the Prime Minister promises the minister will carry out. I would like to ask the member for Queens, P.E.I., who is so ungenerous in regard to the good word I am inclined to say for his province, that last year I had the pleasure of visiting the island, the constituency of my hon. friend for Kings, and meeting a large number of the people of that splendid little province. My hon. friend does not speak for the whole people of the province; I am proud to believe that in that province there are a number of friends who are my friends and who believe in regard to this attitude which I am taking on this question that I am acting in their best interest. I defy the hon. member for Queens to stand up and say he is not in favour of the position I am taking, that the minister should take over the operation of the winter boats, cut down the freights and give advantage in regard to transportation of goods which he says he proposed to do when the car-ferry is in operation.

Mr. HUGHES: I asked if the contracts for the ship and for the piers have been let?

Mr. COCHRANE: The contract for the ferry has been let to W. E. Armstrong and Company at £138,000. The pier at Cape Tormentine has been let to A. P. Mackie at $571,590. The pier at Carleton point has been let to the Halifax Dredging Company at $199,493.

Mr. HUGHES: Will these amounts complete the piers and the boat ready for service?

Mr. COCHRANE: That is the understanding.

Mr. GRAHAM: I suppose when my hon. friend speaks of widening the gauge of the Prince Edward Island railway the proposition is to introduce a third rail until the present rolling stock has been worn out?

Mr. COCHRANE: I had an engineer all summer working on the question of the car-ferry but I have not had an examination as to the third rail or the conversion of the Prince Edward railway to standard gauge. You would practically have to rebuild the road to put on the third rail.

Hudson Bay railway—construction and terminals,—$4,500,000.

Mr. OLIVER: How much of this is for railway construction and how much for terminals?

Mr. COCHRANE: The contracts as let, as near as we can get at them, are: from the Pas to Thicket Portage, $2,500,000, one hundred and eighty-five miles; from Thicket Portage to Split Lake Junction, $1,000,000; from Split Lake Junction to Hudson bay, $1,000,000. That is as near as we can get at the cost of the railway at present, that is from the Pas to Nelson.

Mr. OLIVER: This vote is enough for the whole construction then?

Mr. COCHRANE: We have got to put in something for the harbour work. We expect to send a number of men with supplies and a complete plant down this year

to start the development of the harbour there, they have dredges and cement and a regular plant for the development of the harbour.

Mr. OLIVER: What part of this vote is for the harbour?

Mr. COCHRANE: $1,500,000. We do not expect to spend all of it this year.

Mr. OLIVER: And how much is it estimated that the harbour improvement will cost?

Mr. COCHRANE: I have not a definite estimate. The trouble is to get into communication there. I propose to put a wireless station at the Pas and one at Nelson. The one at the Pas we can move to some other place afterwards when we get the land lines through. The one at Nelson we will, of course, require permanently. We have only had one communication since navigation closed last fall, since I came out in fact, and I cannot say definitely what the total cost will be.

Mr. OLIVER: It is definitely decided to establish the terminus at Port Nelson?

Mr. COCHRANE: Yes, it is so much shorter than the other route. There are seventy miles of barren land on which it is difficult to say how the operation of a railway would act. It is frozen, and I think there are from three to seven or eight feet of muskeg on the top. It would be difficult to get over.

Mr. OLIVER: I think the Government is not well advised on deciding on Port Nelson until information is at hand as to what the cost will be of establishing proper harbour facilities at that point. My information is that the expense will be stupendous, and that under no circumstances can an entirely satisfactory port be established at Nelson.

Mr. COCHRANE: That is not our report.

Mr. OLIVER: The reason being that there are many miles of shallow water from the shore until deep water is reached. There will have to be a dredged channel for some ten or fifteen miles, to enable vessels to enter the harbour at the mouth of the river. It is absolutely impossible that vessels can reach the sheltered mouth of the river by way of that dredged channel in any but calm weather. That, as it appears to me, is a tremendous objection to the establishment of Port Nelson as the terminus of the railroad. At any rate, I want to place before the Government my view that they should have the fullest information as to what the cost will be before they begin to make large expenditures. There is no doubt that at Churchill there is a harbour at the present time, a harbour easy of access, and safe when reached, not large, but possibly large enough for any reasonable requirements. I quite appreciate what the minister says against Fort Churchill. The distance is greater, and there are certain questions as to railroad construction. That, of course, must be admitted, but on the other hand we know that there is a practicable harbour at Churchill; we know that if we are to have a practicable harbour at Nelson it will have to be made, and I say again that we ought to know what it will cost to make that harbour before we make large expenditures upon it. I understand from the minister that he proposes to spend a million or a million and a half of dollars upon that harbour, and as much of that amount as possible during the current summer without having full information as to what the expenditure required to complete the work will be. If that is the position, I think it is hardly a desirable position.

Mr. COCHRANE: The hon. gentleman has got some wrong information. Shortly before I arrived at Nelson last year, the Minto was up within a mile, I think of the place where it is proposed to have the harbour. There is a channel there, over twenty feet deep, and there is no aid to navigation. There are no buoys or anything of that kind to guide a vessel up to the harbour. That matter will have to be straightened to some extent, and buoys will have to be put in to guide a ship up. I do not intend to go on with any elaborate expenditure until we know something definite about the navigation. If we are sure on that point, we will go in and make a permanent place, but until we find out about the navigation and see what benefit it is going to be as our grain route, I would not care to go to any great expense there. But I saw the place myself. The water is shallow, but the channel is there, and it can be made more navigable without a great deal of dredging. They propose to run a pier out into the stream rather than dredge, because they think it would be cheaper to do so.

Mr. GERMAN: The hon. minister has made a remark which appeals to my mind very strongly. He says he does not propose to make any very great expenditure in connection with the harbour at Port Nelson until he has assured himself that that will be a satisfactory harbour. That will certainly be an act of wisdom, and I trust he will retain that idea in connection with the building of the so-called Hudson Bay railway, and will not proceed with any lavish expenditure in connection with that railway until he has absolutely assured himself that its construction will work to the advantage of Canada generally. I am one of those who doubt that the construction of the Hud-

son Bay railway will be of one dollar's worth advantage to Canada.

Mr. CARVELL: Hear, hear.

Mr. GERMAN: The wheat from the Northwest cannot reach the British market by the Hudson Bay railway and Hudson bay during the year in which it is grown and harvested. It could only get through Hudson bay in the following year. I maintain that if you satisfactorily deepen the St. Lawrence navigation route you will get a transportation route, which, together with the railway facilities that we have, will carry to Great Britain every bushel of grain likely to be grown in the Northwest during the next 100 years, at a cost less than you could carry it over the Hudson bay route, and it would be carried at a much more rapid rate, so that it would reach Liverpool earlier than grain carried by any Hudson bay road you can build. Although this Hudson bay route was suggested by the late Government, I was opposed to it, and I am opposed to it to-day, and until I see some evidence more clearly showing that the construction of that railroad will be to the general advantage of Canada, I shall retain the opinion I have always had, that it will not be to the general advantage of Canada. The history of that country teaches us that the Hudson bay is not navigable except for about three months in the year.

Mr. COCHRANE: It never freezes.

Mr. GERMAN: But the straits are impassable. No boats carrying wheat from the Northwest would ever attempt to go through there, excepting for about three months of a year. No insurance company would insure them. It is to my mind an absolutely impracticable route, and I am not alone in saying that. I have asked men of wide experience and wide knowledge, of much wider knowledge and experience than I have. Such a scheme, as a financial proposition and as a scheme for the general advantage of Canada, is absolutely absurd and it is throwing money into a hole. It is an absolute waste of material. Let us use our money to better advantage. I trust that my hon. friend, pursuing the policy which he has announced with reference to Port Nelson, will use some degree of wise discretion in regard to the construction of the railway and not spend very much money or go ahead rapidly until he has absolutely satisfied himself, as the level-headed business man he is, that the construction of the railway would be for the general advantage of the country and that the money cannot be used to much greater advantage in the building up of our water transportation.

Mr. FOSTER (Kings): Having had the pleasure of travelling over that section of northern Canada last year, I feel that I should not allow this opportunity to go by without saying a word with regard to it. While perhaps the opinion of a man of my years would not weigh as much as that of the hon. member for Edmonton (Mr. Oliver), or of the hon. Minister of Railways and Canals (Mr. Cochrane), or of other older gentlemen, I may say that I have formed a conclusion in regard to this subject that is the result of personal observation and study. In this connection let me point out that the report issued by the Senate in 1905 or 1907, gave a very large amount of information in regard to that north country, to which information I gave particular study last year. I am of the opinion that the Hudson Bay route is navigable for four or four and a half months in the year, and that any expenditure which this or any succeeding Government may make with regard to the extension of a railway into that section of Canada in order to make that route available, will in the future result in immense good to the country. Fort Churchill, as the hon. member for Edmonton has stated, is one hundred and fifty miles north of Port Nelson and is only five hundred miles in a direct line from the heart of the Peace river valley, an area seven hundred miles long by one hundred and fifty miles wide, and possessing, according to statements by agriculturists of the most advanced knowledge, probably the finest agricultural land in Alberta. Let us consider that Fort Churchill is some fifty-eight miles nearer to Liverpool by water than is New York, let us consider that the heart of the great provinces of Alberta and Saskatchewan is within a five hundred rail-haul of water communication, that the products of that great country can be placed in a ship at Fort Churchill and Port Nelson and transferred across the water by a route which is admittedly fifty-eight miles shorter than from New York to Liverpool, and we must come to the conclusion that these conditions are bound to contribute to the greater development of Canada in the future. Few hon. gentlemen apparently have given the matter sufficient study to warrant them in coming to a final opinion in regard to the matter. In consulting the records in regard to the natural resources of that section of the country, we get an idea of its tremendous area and the variety and volume of its products. The United States consul at Kingston or Toronto, I forget which, in preparing data for the United States Government in regard to the forest belt of northern Canada, describes what he calls the spruce belt of Canada, as running from Labrador north-westerly to

Alaska, a stretch of land in area some fifty-four times larger than the state of New York and possessing untold millions of feet of timber, spruce, fir, pine and birch. That is not all. In that great northwestern country there are 3,000 miles of inland navigable waterways which can be connected by the building of a short line of railway of only thirty miles and that inland water communication, at present navigable, is only five hundred miles from Fort Churchill and some seven hundred and fifty miles from Port Nelson. When we consider the fact that the isothermal lines in northwestern Canada do not run east and west, as I venture to suggest hon. gentlemen have believed offhand, but run north and south and that, therefore, the ability to raise wheat and vegetables has been demonstrated as far north as within fourteen miles of the arctic circle in the great Mackenzie valley, we can picture with some degree of accuracy, we can prophesy with some degree of certainty, what the future of this great section of the Dominion will be. The question which presents itself to my mind is whether or not the expenditure of a million or two millions in the Hudson Bay district will not be the percursor of expenditures which will contribute to the building up of a larger Canada in that great northwestern section of this continent than we have at present under civilization. From what study I have given to this subject I am profoundly enthusiastic over the great possibilities of this northern country. I am profoundly impressed with the belief that any expenditure wisely made by this Government or by succeeding governments cannot but contribute to the future development of the country.

One word more and it is in regard to the point that was made by the hon. member for Welland (Mr. German) on the question of the navigation of the Hudson Bay route. He says that he does not think that the straits are navigable. It has been demonstrated that the Government steamer went in there in the early part of July and that it came out on the 5th of November last year. We know from personal observation that we have found greater obstacles in the straits of Belle Isle and north of Belle Isle, where steamers operate in the early part of the summer, than we found going through the Hudson straits on our trip last year, and from which I gained a most favourable opinion as to the feasibility of that route. Some information has been given us by Captain Bartlett who went through the straits on the Minto. It must not be forgotten that instead of a day of ten or twelve hours they have in that north country a day of nineteen hours or twenty hours and at some seasons of the year they have not more than three hours of night. All these things taken together must convince anybody who studies the question that this expenditure in that country is a worthy undertaking and that it will redound to the benefit of the Dominion generally.

Mr. OLIVER: I would not like the minister to think that the remarks I made with regard to the probable cost of improvements at Port Nelson would be any reason why work on the Hudson Bay railway should not be pushed. My theory is that having made harbour improvement at Port Nelson, or having fixed on Port Nelson as the terminus of the railroad and it being found that the expense is great or the result unsatisfactory, the road itself should not thereby be condemned. That is what I want to provide against. It is certain that we have a practical and safe harbour at Churchill.

Mr. COCHRANE: I think it would cost almost as much to do what I propose doing at Nelson as it would at Churchill. I was at both places and it is shallow out a long piece and there is no channel at Churchill. I think it would cost at much at Churchill as it would at Nelson, and of course it would take a great deal to build the railway eighty-five miles further.

Mr. OLIVER: It would certainly cost more to build the railway to Churchill. I am not quarreling with the minister because he is making an attempt at Nelson. I appreciate the advantages of Nelson if it is practicable, but I want to guard against the supposition that Nelson is the only alternative.

Mr. COCHRANE: I understand that.

Mr. OLIVER: I am pointing out that there are certain difficulties at Nelson and I would be glad to see them overcome. If they are not satisfactorily overcome and if they cannot be, then there is no doubt that a practical port can be found at Churchill. One point in connection with Churchill is that it is more directly accessible to the Peace river country than is Nelson. When the Peace River country is developed, Churchill would be the natural port for that country, and it would give the Peace river wheat region closer access to the ocean, that than Manitoba has to-day, and thus cheapen the cost of the transportation of the product of that country.

Mr. COCHRANE: It is a very barren place?

Mr. OLIVER: No doubt, but still the isothermal lines in the western part of the central country run far north, so that directly west of Churchill is a wheat-growing country when you reach the Peace river. How many miles of the railway are actually under grading at present?

Mr. COCHRANE: The bridge across the Saskatchewan river was unfortunately only

finished last month and they only commenced this month to lay the track. I have not a report as to the number of miles of track laid. I think the grading is done for 100 and some odd miles; we hope to have the rails on the first 185 miles this fall.

Mr. OLIVER: Will the work be opened up beyond that point this summer?

Mr. COCHRANE: They have provisions in to work on any rock work there may be found there.

Mr. OLIVER: How many men are employed?

Mr. COCHRANE: Speaking from memory the last report said there were between 400 and 500 men.

Mr. OLIVER: Are there any heavy bridges on that 185 miles?

Mr. COCHRANE: There are quite a number of bridges, but I do not think any large ones.

Mr. GRAHAM: Lest my silence might be construed that I have lost faith in this work, I may say that I have still faith it will be a practicable and profitable undertaking and if I had not I would not have committed the country to the expenditure. I would go so far as to say that the railway should be constructed even if it had not any steamship connection to Europe. Railways have been constructed in different parts of Canada where there is far less prospect of doing business than in connection with this project. From what I know of the country and the prospect of traffic from the bay I would be in favour of building the line even if there were no ocean ports there at all. I always favoured Nelson from the information I had in the department, and that view seems to be confirmed. If the traffic is to assume any dimensions at all—and unless the department were satisfied it will, they would not go to the expense of having very costly terminal facilities there—if the traffic is to assume any proportions a good harbour is necessary, and from the information in the department the best harbour is to be found at Nelson, provided the difficulty referred to is overcome. I would not say that navigation would be opened for four and a half months, but it has always been my opinion that it will be open for between three and a half and four months, and even at that it will relieve the congestion very materially.

And I would like to point out to the doubting Thomases this: they refer to grain only; but the dairymen and stock raisers of eastern Canada may well keep in mind the fact that that part of the West is going to be a great dairying and stock-raising country. Nobody need tell me that stock that can be put on shipboard with a rail haul of two cool nights and one day and then taken by a cool route to Liverpool, will not be in better condition than if carried by a long rail haul. The amount saved in shrinkage would alone be a large item. All this must be taken into consideration when we are thinking about the effects of this route.

Mr. EDWARDS: And there is the import.

Mr. GRAHAM: Yes, there must be the return cargoes to the West. Even if we say that it is only for three, or three and a half, or four months in the year, I cannot see but that the expenditure will be in the interest of the people of Canada not only of the West but of the East as well. Is the minister any nearer to arrangements for a steamship connection than he was a year ago?

Mr. COCHRANE: That is hardly in my line. I have been urging it on the Government, but I do not know that much has been done. We shall have to subsidize a line—

Mr. GRAHAM: No doubt.

Mr. COCHRANE: And we shall have to give what some people regard as a heavy subsidy; but to have a proper test, this will have to be done. This is going to help out Nova Scotia and the East, especially in the shipping of steel rails to the West. There is a steamer haul of two thousand miles from Sydney to Nelson, and then a rail haul of six or seven miles would distribute over quite a large country in the West.

Mr. GRAHAM: Where are the rails purchased for this road?

Mr. COCHRANE: At Sault Ste. Marie. Of course on a shipment by way of Fort William, we get a much lower freight rate than the other way. Until we get a wharf and a track and have other facilities for handling freight, the rates by the other way would be very high, because handling freight by lightering it out in small boats is very expensive. I think I am safe in saying that it takes $3 to do what $1 would do with proper facilities.

Mr. OLIVER: Are the wireless stations to be built this summer?

Mr. COCHRANE: The one at Port Nelson goes up on the first boat, and the one for Le Pas is ordered now. By means of these we can keep in touch and get information.

Mr. LEMIEUX: I wish to say a word in favour of the Hudson Bay railway, as I was a member of the Government which first encouraged this national undertaking. When the Canadian Pacific railway was

started thirty years ago there were many doubting Thomases, and yet events have proven that it was a successful national undertaking. When the Grand Trunk Pacific was started under the leadership of the present leader of the Opposition there were many who predicted that it would be a huge failure, yet to-day we are not satisfied with two transcontinental lines but are building a third, and probably shall be asked within a day or so to help that third line. When the people of the West are clamouring for the construction of the Hudson bay railway, and when, according to the experts, there is a legitimate expectation that it will bring relief to that section of the country which is building up so rapidly, and which in twenty-five or thirty years will be the home of millions of people from all parts of the world, I think it is only fair that the Government should begin now to provide for the future. What I wanted to lay emphasis upon was this further fact that, when you have completed the Hudson Bay railway from the centre of the prairie region to the great sea of Hudson, when you have reached Port Nelson you will be face to face with this difficulty that the straits will be kept open only for a limited period of the year.

Mr. COCHRANE: I do not think that has been definitely settled.

Mr. LEMIEUX: It has not been dealt with definitely, and I do not suppose it will be in the near future. It is admitted, however, that the straits cannot be kept open for a long period of time. Once the grain has reached the shores of Hudson bay, if the straits are closed up, I believe the next best thing to do is to build a railway from the head of James bay to Montreal, tapping the Transcontinental at Cochrane.

Mr. COCHRANE: No, it would be farther east of Cochrane.

Mr. LEMIEUX: East of Cochrane, and from there to Montreal or Quebec, then working in conjunction with the existing main lines in this section of the country. The Hudson bay itself—I am not speaking of the straits—is navigable for at least eight months in the year, according to the reports. Grain can be shipped more cheaply by water than by rail. You can certainly save a large amount of money on big shipments of grain via the Hudson bay from Port Nelson to the head of James bay. If you have a railway from James bay to Montreal or Quebec, which will put this whole railway system in communication with the eastern parts of Canada you have found the key, the solution to the transportation problem of Canada during summer and winter. I hope the hon. minister will look favourably upon that project.

The legislature of the province of Quebec has heavily subsidized that section of our transportation system between James bay and Montreal. It will develop the resources of northern Quebec and I think, at least incidentally, part of northern Ontario. That region, which I had the advantage of visiting last summer, strikes me as being very rich and capable of a vast development. The government of the province of Quebec has opened up new townships in that region, and already a large number of settlers have gone there. The reports received so far are most favourable. This railway system from James bay to Montreal, working in conjunction with the Hudson bay railway is bound to be a great success in the near future. That is why I vote, without any hesitation, the necessary moneys for the construction of the Hudson Bay railway. I care not whether it benefits the West; I sincerely believe it will benefit the country as a whole. What benefits the West, benefits the East. For my part, as a member of the late Government, I claim some credit for having with my colleagues shaped the policy in favour of the construction of the Hudson Bay railway. If the present Government will continue in our footsteps, I will say 'Yea' with great pleasure.

Mr. KYTE: Will the hon. minister give me some information with respect to the expropriation of land at St. Peter's canal? The minister was good enough to place the file in my hands. I cannot understand, however, why the award made by O'Dwyer, who was sent down by the department to value those lands, was revised by three men in the town of St. Peter's, all of whom are personal and political friends of Mr. J. A. Gillies, the defeated Conservative candidate, who owned the land. The hon. minister stated to me last year that, if the owner of the land was not content with the valuation placed on it by that gentleman, the matter would have to go to the Exchequer Court.

Mr. COCHRANE: I sent Mr. O'Dwyer down there as he had done good work as valuator for the Intercolonial. When his report came in, I thought it was high, just as the hon. gentleman stated in the House, and so I apointed the others. Their award was very little less than Mr. O'Dwyer's. I was aware, when the second award came in, that we would have been in a difficult position had we gone to the Exchequer Court at that time, because they could have summoned these men and produced their valuation. I have in the supplementary estimates a sum for a valuator of the department, whom we can send around. He has been working on the Intercolonial and has done good service. He will soon have completed his work there.

Mr. KYTE: Will the hon. minister tell me who recommended those valuators at St. Peter's?

Mr. COCHRANE: I cannot give the information at present, I could look it up in the department.

Mr. KYTE: I presume these appointments would come through the person having the patronage in the county of Richmond?

Mr. COCHRANE: Absolutely no.

Mr. KYTE: The recommendation would rather suggest that.

Mr. COCHRANE: No.

Mr. OLIVER: How long will it be before the road will be completed to the bay?

Mr. COCHRANE: They have taken the contract to complete it next year. From the progress they have made I question whether it will be finished then or not.

Mr. OLIVER: Is there a reasonable prospect of its being completed by 1915?

Mr. COCHRANE: Yes, I do not think there is any doubt about that.

Mr. OLIVER: Is there any mention of reaching Split Lake in advance of railway construction?

Mr. COCHRANE: I think there is a way up. They go up Lake Winnipeg; there is a chain of lakes which they use in order to strike the railway very near there. I think Split Lake will probably be the next point to which they will move their headquarters in the fall.

Mr. OLIVER: Have the locations of the terminals at the Falls been decided upon?

Mr. COCHRANE: Yes, on the south side.

Mr. OLIVER: Are they acquired from the Indian reserve?

Mr. COCHRANE: Yes, the Indians are being given valuation on their property. I hope it will not be too high. I do not think their land is worth much.

Mr. OLIVER: The question has been raised here in regard to the cost of this railroad, the charge upon the treasury. Some years ago the principle of pre-emptions was introduced into the western country, with the understanding that the fund accruing from the sale of pre-emptions would be considered as an extra source of revenue from which the Hudson Bay railway might be constructed. There was no ear-marking of money received. When the policy of sale of pre-emption was introduced, it was introduced with the understanding that a new source of revenue was being created which would relieve the general treasury from the cost of the Hudson Bay railway. Therefore the treasury of Canada is not finding the money for building the railway. It is the land of the Northwest and the price that is being paid for that land that is building the Hudson Bay railway; and enough money is being taken out of pre-emptions in the West to pay for that railway. I think it is just as well to have that statement made.

Mr. COCHRANE: The road will be built anyway.

Mr. OLIVER: I want to relieve the assertion that the road constitutes a serious charge upon the finances of the country. As a matter of fact, it does not. Another point was that the grain that was raised in a certain year cannot go forward by the Hudson bay route during the same calendar year. That is measurably true, but it is also true with regard to grain going forward by the St. Lawrence route. Only a portion of the year's crop goes forward during the calendar year in which it is grown. I think it is safe to say that by far the larger part goes forward after having lain in storage not less than four, five, six or seven months. Therefore the disadvantage of the Hudson bay route in that particular is not serious. The disadvantage of navigation of Hudson straits is spoken of. Surely Hudson straits are more easily navigable during their proper season of navigation than the straits of Belle Isle. The straits of Belle Isle are three or four miles across while the Hudson straits are from forty miles to one hundred miles across. Yet an enormous traffic goes through the straits of Belle Isle when they are open. It is dangerous but it is short and much traffic is handled that way. In the Hudson straits there are disadvantages but they cannot be as great as in Belle Isle and the shortness in distance compensates for the disadvantages. The Hudson bay route was for two hundred years the only route by which could be reached what is now our prairie west and if it was adequate for the purposes of that trade during that time with the means of navigation that then existed, surely it will be of advantage under present conditions where the needs are so very great and the means of navigation have so greatly improved. In any case, it is a matter that may be talked about interminably without any conclusion being reached. The only way in which the question will ever be solved will be by laying the rails from the wheat fields to the bay, and the sooner the rails are laid to the bay the better for the country and the greater the credit to this Government.

Mr. COCHRANE: I think the greatest difficulty that navigators will experience will be drift ice and fog. I do not think the straits ever freeze over, from all the information I can get, but the raft ice and

fog during a portion of the year are very bad. You cannot do much even with wireless where you have ice. If it was only fog, if the straits were free of ice, you could have wireless stations and guide the steamers up through the straits but where you have both it will be very difficult.

Mr. GRAHAM: We will go on with these estimates to-morrow?

Mr. ROGERS: I think we will take up the militia estimates and the Justice Department estimates to-morrow. An understanding to that effect has been reached between the whips.

Mr. CARVELL: Could the Justice Department estimates be taken up, as I want to be present when the militia estimates are taken up, and I have to attend the Railway committee for some time in the morning.

Mr. ROGERS: Yes.

Mr. GRAHAM: We have been accustomed to having an interim report of the Transcontinental commission, giving the work up to date on the construction of the line. We will expect that information from the minister when these estimates are taken up. On the item for the Welland canal, I presume the Minister of Public Works will be able to announce the policy of the Government in connection with the Georgian Bay canal. These questions will surely be asked and pressed and I wanted to give notice.

Some resolutions reported.

On motion of Mr. Rogers, the House adjourned at 12.30 a.m., Tuesday.

HOUSE OF COMMONS.

TUESDAY, May 27, 1913.

The SPEAKER took the Chair at eleven o'clock.

PRISONS AND REFORMATORIES ACT AMENDMENT.

Mr. DOHERTY moved for leave to introduce Bill No. 236, to amend the Prisons and Reformatories Act.

Sir WILFRID LAURIER: Explain.

Mr. DOHERTY: This Bill relates to three matters in connection with prisons and reformatories. The first clause amends the law relating to Ontario and enables an indefinite sentence to be inflicted of not more than two years. It is most important that there should be power in the case of persons sentenced to reformatories to either shorten or extend the sentence in accordance with the condition of the prisoner, so that where a person is speedily reformed he may be at once released and put in a position where he can establish himself as a good citizen, and in other cases that the sentence should be prolonged within reasonable limits so that reform may be effected. The principle of this has already been established, for instance, in the case of British Columbia in the Act of last session 1912, chapter 43, section 146.

The next amendment relates to the province of Prince Edward Island. In that province there is no reformatory, and this clause is to enable the province to make an agreement with the adjoining provinces of Nova Scotia and New Brunswick for the care and custody of offenders sentenced to a reformatory.

The next clause is the addition of part 9, which is to cover the case of a Protestant reformatory for girls which is on the point of being established jointly for the provinces of Nova Scotia, New Brunswick and Prince Edward Island. This legislation does not provide anything with respect to this reformatory that has not already been established with respect to the reformatories for other provinces.

Motion agreed to, and Bill read the first time.

FIRST READINGS.

Bill No. 234, for the relief of Lenore Power.—Mr. MacNutt.

Bill No. 235, to incorporate The Evangelical Lutheran Joint Synod of Ohio, and other States.—Mr. Fripp.

PENITENTIARY ACT AMENDMENT.

On motion of Mr. Doherty, it was ordered that the House go into committee to-morrow to consider the following proposed resolution:

That it is expedient to amend The Penitentiary Act, and to provide that the salaries payable to officers and employees of penitentiaries shall not exceed the rate in the following schedule, namely:—Warden, with quarters heated and lighted, $2,800; deputy warden, with quarters heated and lighted, $1,800; surgeon, $1,700; superintendent of insane ward, $1,000; accountant, chief clerical officer, $1,600; clerical assistants, $1,200; chaplains, to give exclusive service to the prison, $1,200; chaplains, with permission to take outside work, $900; chief keeper, $1,200; chief watchman, $1,200; steward, $1,200; assistant stewards, $900; hospital nurse, $1,000; assistant hospital nurse, $900; matrons, with quarters heated and lighted, $700; engineer and electrician, $1,300; assistant engineers, $1,000; chief trade instructor, $1,200; industrial guards, to act as instructors, $1,000; watchmen, $900; guards, $800; day firemen, $800; night firemen, without uniform, $900; temporary and probationary officers $100 less than the schedule rate for permanent officers.

Provided, that the above schedule shall not affect prejudicially the existing salary, or the eligibility to gratuity of any officer in the

penitentiary service at the date of its adoption.

RUSSIAN IMMIGRANTS.

On the Orders of the Day being called:

Mr. VERVILLE: Has the Government any information respecting the fifty-five Russians who were ill-treated at Moosejaw?

Mr. BORDEN: In replying to the hon. member for Moosejaw, who referred to this some time ago, I inadvertently fell into an error. I stated that no communication with respect to the matter had been addressed to me. I found afterwards on inquiry that a day or two before, a resolution had been sent to me, and it had been transmitted at once by my secretary to the Department of Labour for inquiry as to what they knew about it, and whether there had been any investigation. I have since learned from my colleague, the Minister of Labour, that the department did make some investigation through their officials as to the facts alleged, and I believe the circumstances as detailed in the resolution are, according to the information which has come to me from the Department of Labour, exaggerated. I shall ask my colleague, the Minister of Labour, to make a statement to the House with regard to it to-morrow. I regret that I have been guilty of inadvertence in replying to the hon. member for Moosejaw, but the fact that the resolution had come to me was not present in my mind; as a matter of fact, I think it was sent at once to the Department of Labour without having been specially laid before me.

EQUALITY OF FREIGHT RATES.

On the motion of the Right Hon. R. L. Borden for Committee of Supply:

Mr. W. F. MACLEAN (South York): I intend to bring before this House a matter of supreme importance to this country and especially to the people of the West; that is, the present inequality of freight rates that exists as between the West and the East. I have spoken on this matter three or four times this session, and I had expected that a Bill amending the Railway Act would have been brought down and that an opportunity would there be presented of having an amendment, declaring for equality of railway rates and of other railway charges, within the jurisdiction of the Board of Railway Commissioners, inserted in the Act. I had also hoped that probably some of the members from the West might have made a proposition in this direction on going into supply. But, as the House is now approaching prorogation, and as the question is of supreme importance to the people of the West, I propose not only to bring the attention of the House to this condition of affairs but to ask the House to declare that it is of the opinion that there should be no discrimination as between the East and the West. I am not going into the details of the question now, for they have been presented to the House time and again. I have presented them on many occasions, and so have other members, and the journals of public opinion in the West have expressed their views, and a very prominent declaration of opinion has recently been put on record by the Board of Trade of Winnipeg.

I think I can bring the matter to the attention of the House in a very few words by saying that in my view legislation and progress are sometimes a matter of strategy, and that inasmuch as the Canadian Pacific railway has taken advantage, as I believe, of Parliament, and advantage of the Government in increasing its capital stock as it did last year; and inasmuch as the Grand Trunk railway have been here for relief, and inasmuch as I believe there may be a proposition in connection with the Canadian Northern this session, to my mind in such opportunity Parliament should assert itself and secure from these great companies concessions in the direction of equality of railway charges in the West with the charges now imposed in the East. The Canadian Pacific railway is enormously rich; its charges are high and it can well afford to reduce them. The Grand Trunk Pacific railway was built for the very purpose of creating competition and reducing rates; the same policy was announced in connection with the construction of the Canadian Northern, and when we have them before us in Parliament, asking favours of one kind or another, we should demand that they should give some concessions to the people. The people of the West feel that they are not getting justice because the railway rates in the West are higher than they are in the East. Our railroads are national roads; they have been subsidized by all the people and therefore all the people should be treated equally. To my mind, even if the cost of operation were higher in the West than in the East, I would still be of the opinion that there ought to be equality of charges. These people have contributed as much in the West as they have in the East; all the proposals for relief that may go through this House will have to be made good by the people of the West together with the rest of the people of Canada. Citizenship in Canada ought to involve equality of treatment in a national proposition, and especially where the national funds are called on or have been called on to aid any proposition. If the proposition is within the jurisdiction of Parliament, if it is subsidized by Parliament, if it is relieved time after time by Parliament, then I say Parliament should say that that corporation ought to give equality of treatment to all the people of Canada. To make that clear I shall read from an article in the Winnipeg Free Press of Friday last. I am also going to read a short extract involving the declaration of

the Winnipeg Board of Trade. The Winnipeg Free Press of last Friday says:

The Free Press has all along contended that as the first step towards the remedying of the injustice of the railway rates in the west the Dominion parliament should in a formal enactment establish the principle that there must be equality in the rates in all parts of the Dominion, save and except where the railway companies show that in any section of the country there are differences of density of traffic and of costs of maintenance and operation, justifying higher rates. This applies equally, of course ,to express and telegraph rates.

I do not accept that principle of the Winnipeg Free Press that because there is density or absence of density of traffic there should be discrimination. I have already stated there should be equality of treatment, inasmuch as all the country contributes to these railways and that citizenship should involve equal treatment throughout the entire length and breadth of the Dominion. The Free Press then goes on to deal with the matter that I brought up in this House a short time ago, namely, the proposal of the Minister of Railways to increase the salary of the Chief Commissioner of the Railway Board. I said that I was in favour of that; but I took the opportunity of drawing the attention of the House to the inequality of railway rates. The Free Press goes on to say:

The laying down of the principle of equality would not be a complicated business at all. It would be simplicity itself. The thing could be done in a couple of dozen words. All that would be necessary would be to draft a declaration of the principle of equality and have it incorporated in the Railway Act. The principle has been set forth several times in the Free Press during the past few years.

It is very well set forth in the closing paragraph of the resolution recently passed by the Winnipeg Board of Trade in regard to the reported application of the Canadian Northern to the Dominion Government for further financial assistance to the extent of some $35,000,000. That resolution, after stating that the rates in the West are higher than the rates in the East, and are excessive charges for the services performed and constitute a heavy burden on the people of the West, concludes as follows:

I want to direct the attention of the hon. Minister of Public Works (Mr. Rogers) and the members from the West to what the finding of the Winnipeg Board of Trade is in regard to this inequality of treatment:

Therefore, be it resolved that the Winnipeg Board of Trade hereby petition the Government of Canada and respectfully urge (without expressing any opinion as to whether aid should be given by the Government or not) that in the event of it being considered expedient by the Government to grant the Canadian Northern Railway Company financial aid in connection with the construction of its lines, such assistance be given only on the condition that the rates charged for the carriage of freight between points upon the Canadian Northern west of Port Arthur be reduced to an equality with rates charged by railways in Eastern Canada for similar services, except in so far and to such extent as the railway company may be able to establish higher cost of operation in the west.

That is the resolution of the Winnipeg Board of Trade. While it specifically deals with the case of the Canadian Northern railway, it asserts the principle that there should be equality. The Free Press goes on to say:

What the member for South York urged on the Minister of Railways and the Government was simply the insertion in the Railway Act of a clause in general terms, declaring that the priniple enunciated in the closing lines of the above closing paragraph of the Winnipeg Board of Trade resolution in regard to Canadian Northern rates shall apply to all railway rates. It would be no Herculean labour to draft such a clause. There would be no need to consider a single item in a single railway rate, much less 230,000 railway rates.

I believe this resolution expresses the views of all the people of the West. The western roads have been built at smaller cost rather than at higher cost. I do not believe the cost of operation in the West is greater than in the East. If this resolution expresses the opinion of the people of the West, it ought to be put before the House, and the opinion of the House taken on this great question.

I have no faith, nor has the Winnipeg Free Press faith, in any general relief coming from the Board of Railway Commissioners. They are engaged in examining 230,000 individual tariff rates; they are taking months to do so, and they will take months more. If they do anything this year, all that they will give will be small measure of relief. Parliament ought to come to the assistance of the Railway Commission and declare that there shall be equality as between East and West. When the Board are in possession of that principle, they can easily find what fair and equitable rates should be, and then they can apply them to the whole country without discrimination. The railway policy of this country is not to be framed up by the Board of Railway Commissioners. The jurisdiction is in Parliament and Parliament ought to lay down this principle of equality in treatment. When that principle is declared by Parliament, it may be necessary for the Railway Commission slightly to increase rates in the East in order to give fair treatment to the West. If that is to be done, it should be done immediately. Why should this stigma rest upon the people of the West that they must pay higher rates than the people of the East pay? No member from the West will say that it is fair treatment for the West to be under the bondage of paying higher rates than the people of the East pay. My motion does not involve any loss of rev-

enue to the railways, but it says that the railway rates as imposed shall be equally distributed as between East and West. Therefore it involves no unfair treatment to the railways. This principle of equality in charges applies not only to telegraph and telephone charges but to express charges as well as other tolls. Railway passenger rates to-day are on an equality. The maximum rate to-day by a declaration of the Railway Board is three cents a mile. Why not have the same thing inserted in regard to freight and all these other charges? The railways are making more money at the present time in the West than in the East. None of them are complaining of lack of business; they are all overworked. I am not arguing for lower rates in the West; but, if it should be the case that the two weaker roads would be at a loss by a reduction of rates in the West, Parliament ought to find some means of making up the loss to these roads in order to work out this principle of equality.

I cannot put the case more clearly before the House than I have done. I have spoken about it time after time and session after session. I have been waiting to see the relief come, but it does not come. The question of freight rates has been sent to the Board of Railway Commissioners and they are probably dealing with it as best they can, but they are dealing with it without the guiding principle before them.

We have delegated to them the question of dealing with railway matters in a large measure, but we have not delegated to them the right to frame the general policy of the Railway Act and of the Railway Commission in regard to equality of treatment. I trust to have the support of the entire House in this declaration of equality of treatment in connection with railways. My motion is very short. I have made no arrangements with anybody, and I do not know whether I shall get a seconder or not. I hope some member from the West will second my motion. It is a hard thing for a member in my position to bring up a question, which has such a widespread interest, and on which there may be a wide divergence of opinion between the two parties. I beg to move:

That all the words after 'that' be struck out, and the following substituted therefor: 'That in the opinion of this House there should be no discrimination as between East and West in the tolls for freight or any other service within the jurisdiction of the Board of Railway Commissioners for Canada.'

Hon. RODOLPHE LEMIEUX: I shall be glad to second the motion.

Mr. MICHAEL CLARK (Red Deer): I quite appreciate the courage of my hon. friend in ploughing a lonely furrow so far as his own side of the House is concerned. As he knows, I have been supposed to have done some little work in that line myself and it is not always an agreeable position. He says it is a hard thing for him to move an amendment like this in his present situation. I have always thought my hon. friend's situation was a little illogical, because he is a natural born radical. He reminds me of the well known character of one of Molière's plays, Jourdain, who was talking prose all his life without knowing it. I can quite appreciate that it is a hard thing for him to have come to the help of the western farmers in his own present political Egypt. We are, as he recognizes, suffering under a disability in the West in this matter of freight rates. I would point out that it is not the only disability under which we suffer, and I am afraid that we are so used to being called on to make bricks without straw that we shall cease to repine from sheer inanition if we are not stirred up occasionally by some radical like my hon. friend. I have great hope of my hon. friend, he is a man with his eyes wide open and watches the turn that political events have taken. He has good blood in him. I believe it is a fact that his father was the pioneer, from his point of view, of the protective policy in this country. He saw what they were doing in the United States and he said: from our nearness to the United States, protection, if it is a good thing there, must be a good thing here. I am quite sure my hon. friend has his eyes open and sees that United States are going the other way now and he will not be dishonourable to his father's memory if he becomes the pioneer of free trade in Canada because United States are going in that direction. I interject these remarks in the question of railway rates in order to point out that there are more kinds of bondage than one. We may be in bondage to the railway companies, but we have another kind of bondage and I want my hon. friend to give free play to his radical proclivities and show that he is a man of independence and a good Canadian, and to cross the floor of the House and join another radical like himself and then we radicals will go all abreast like the horses of the sun.

At this stage of the session I do not wish to hold up the House for any length of time, but I should say it was so plain that a wayfaring man, though a fool, may see the truthfulness of it, that there ought not to be any difference between freight rates in the East and in the West, there should not be any discrimination. The way to build up a great empire is not to divide Canada whether on a naval question in the provinces or a fiscal and railway question in the provinces. The way to get imperial unity is by means of Canadian unity, and if we can have Canadian unity in regard to freight rates I am sure the western

members will give my hon. friend any credit that is coming to him for having been the pioneer on the subject. I wanted to say these few words to encourage my hon. friend in the development of very hopeful symptoms which I see breaking out in him.

Hon. FRANK OLIVER (Edmonton): I wish to support the motion of my hon. friend, and give him all credit for the course which he has taken, so far as he has taken it. I think, however, he was hardly fair in giving the impression that the western members in the House had not taken due interest in this matter during this session.

Mr. MACLEAN (South York): I hope the hon. member will pardon me; I did not attempt to impute any such thing. I appreciate what he said and the speeches that have been made in that direction.

Mr. OLIVER: In order that there may be no misunderstanding, I wanted to say that this question was brought to the attention of the House by the hon. member for Regina (Mr. Martin), and supported in the House by several other members, in the only manner in which it could be brought before the House at that time and in that condition of the business of the session. It has been a long and very strenuous session up to date; it is not possible to attend to every matter that may require attention even during the period of a very long session, and I think it will be generally agreed that at this particular stage of the session, if there is not a larger representation of western members present in the House and prepared to take part in this debate it is not to be imputed to them as blame. The western member, by reason of his distance from home, absolutely sacrifices his business during the period of the parliamentary session, whereas the member who resides in the nearer parts of the provinces of Ontario and Quebec is able, under stress, to keep up his own business at least to some extent while attending to his parliamentary duty. Therefore, the length of the session is not so material to, say, one half the members of this House who live within a twelve or fifteen-hour run by rail from Ottawa. The length of the session is not so serious to these gentlemen in the discharge of their business as it is to the gentlemen who come from the far western constituencies and particularly from the prairie west where there are just two seasons, spring and fall, and if a man is not on hand to attend to his business in the spring and fall he has not any business in the intervening season. So I say if we have not that fuller discussion of this matter that my hon. friend would like on this occasion, from western men it is a condition of circumstances that cannot be avoided. I do not wish to impute to my hon. friend any blame. He has brought forward the matter probably as early as it was possible to bring it forward and for my own part I am entirely in sympathy with the idea of bringing it forward as a substantive motion. I am further in favour of actually voting on it. I do not wish to recriminate, but the House will remember that when my hon. friend brought a similar motion before the House at the last session it was not brought to a vote. However, there is no question about the importance of this matter to the western people and to the eastern people as well, and it is from that point of view that I wish to discuss it for a few moments.

On the great products of the West the export rates, I think, are generally admitted to be reasonable or measurably reasonable. They are special rates especially provided so as to enable the great products of the plains to be marketed profitably to the producer and also to the transportation interests. It is not in regard to those rates that complaint is being made at the present moment, it is in regard to the rates on merchandise and produce—on what might be called the interior rate on merchandise and produce. But as the carriage of freight under those rates consitutes a large part of the business of the railway companies and these rates give them a very considerable amount of revenue, the question of what those rates are to be is important both to the people and to the railway companies. Let it not be misunderstood; it is not a question of export rates on wheat or cattle that is at issue.

Mr. MACLEAN (South York): Except on the ocean.

Mr. OLIVER: It is principally the interior rates that are in question at the present time. The contention is that the interior rates in the West are higher than the interior rates in the East. On that point my hon. friend calls for a declaration of principle by Parliament. I had the honour to say, at last session of Parliament, that I believed with him that Parliament was the proper authority to make that declaration, and that it was a responsibility that Parliament had no right to lay upon the Railway Commisison. But there is this view: Does not the Railway Act as it stands to-day declare for equality of rates? Is not that the specific and fundamental principle of the Railway Act?

Mr. MACLEAN (South York): I think so.

Mr. OLIVER: Then, if that is the fact, and I believe it to be the fact; and I certainly am aware that it was the principle that Parliament believed to have been embodied in the Act at the time it was passed —then, there has been a failure on the part of the commission, or of the Govern-

ment, or of the commission with the Government, in not seeing to it that the principles of the Act were enforced. Now, I am not going to blame either the commission or the Government because that has not been done. A certain condition did exist, and they found it in existence. Western rates were higher than eastern rates, and the Administration with the commission has acknowledged that condition without undertaking to remedy it; they accepted that condition and carried on under it, though it was contrary to the principle of the Act. But, I say the time has come, in my judgment, when Parliament can no longer consider that it is discharging its responsibilities to the country if it does not by declaration compel the Government —if that is the proper word—and instruct the commission as to what Parliament intends shall be done in this matter.

What should interest eastern Canada in this question of Parliament and the railway rates, and nondiscrimination in railway rates,—the traffic that is really important in relation to the business of Canada considered as a whole—is not altogether the export rate on products from western Canada; it is not altogether the internal rate either in eastern or western Canada. May I suggest to our eastern friends that to them more especially the important question of railroad rates is the question of rates that carry the products of their industry and their merchandise to the markets of the West. Let me suggest that as the question of railroad rates of greatest interest to them. It is that feature of the railroad rates that either builds up a united Canada or breaks Canada in half.

Now, let me show my manufacturing friends and those engaged in merchandising here in eastern Canada that under existing conditions the railway company—there is only one at the present time, but we hope to have two more very shortly, though when we have two more the condition will be just the same as it is to-day, unless Parliament exercises its authority—the railway company charges transportation rates on eastern goods to western markets adjusted with a view to the railway company absorbing as large a proportion of the tariff protection as it is possible for them to do and still keep the business going. I say to the manufacturers of eastern Canada that the protection that they see in the tariff as it stands to-day is absorbed in large degree, as a matter of system and principle, by the railway company; the railway company gets it, and they do not. I hope I have been able to impress that idea upon our friends here.

Mr. WILSON (Laval): They share it.

Mr. OLIVER: Yes, but the manufacturers think they get it all now. They do not get it all; I doubt very much if they get half of it. I say it is a matter of principle, it is one of the foundation facts upon which the railway companies establish their tariffs, that they take the benefit of as much of the customs tariff as they are able to take. And there is no way by which our friends in eastern Canada are able to protect themselves against that condition, except by the exercise of the authority of Parliament.

Mr. LALOR: Is there any discrimination between the freight rate coming East and the freight rate going West for the same distance?

Mr. OLIVER: I could not say as to that. But my friend will understand that the rates on the great export products of the West are fixed on a special basis for export purposes, and eastern Canada has the benefit of these export rates on these great products.

Mr. LALOR: It was not to the export rate that I alluded. For instance, would the rate from Toronto to Calgary on the same commodity be the same as from Calgary to Toronto? I was wondering if there was a discrimination in that.

Mr. OLIVER: The hon. gentleman's comparison does not hold, because the article that is the product of Toronto is not the product of Calgary. Therefore, a tabulated rate that would show the same for the Toronto product to Calgary as for the Calgary product to Toronto would have no meaning or effect. I am taking this opportunity to state the fact, the outstanding fact, which I do not think our industrial and commercial population of eastern Canada understand, I am taking this opportunity of placing it before them strongly—that the railway company as it exists at the present time fixes its rate with a view to absorbing to the benefit of the company as large a share of the tariff protection in regard to each particular industry as it is possible for them to absorb. The result of that is that, especially in heavy manufactures or heavy goods which are produced in the United States in territory very much farther west than eastern Canada and therefore much nearer to the markets of the prairie west, these manufacturers in the United States get an advantage over the eastern manufacturer because of that adjustment of freight rates. I want that great outstanding fact to sink into the minds of our friends from eastern Canada on both sides of the House, because they may have been at some loss to know why they were hit, as they have been hit, by imports from the western states into the Canadian Northwest. That is one important and outstanding reason, and the higher the tariff is raised the higher the railroad rate will be raised. The outstanding feature that I want to keep before the House is that as

regards trade between eastern and western Canada, the tariff means tariff for the railroad, as much as for the eastern manufacturer, and probably a good deal more.

In regard to the question of the rates on railroads in the West, I would think that the question of density of population is not a factor to be considered. I would consider that cost of construction or cost of operation might fairly be considered, but I do not think that density of population should be considered. Where the population is sparse, is where there is an opportunity to build up, and in order that business and population may build up in those regions there must be reasonable rates. To establish high rates simply gives the railroads running through unoccupied country the means of keeping that country unoccupied, which is not the intention of the constructors of the road, or the desire of anybody concerned. I do say that where there has been excessive cost of construction, or where the cost of operation is excessive, that the railway company might reasonably be entitled to greater rates.

However, I desire to support the motion of my hon. friend because I believe it is an established fact that the foundation principle of the Railway Act as it stands to-day is not being lived up to, so far as western Canada is concerned, and without blaming the Railway Commission, without blaming the Government for that, I say that here and now is the time and place for the people of Canada to assert, direct, and give their mandate that the principle of the Railway Act in regard to equality of freight rates shall be maintained. That principle has already been established in regard to passenger rates; it is more important that it should be established in regard to freight rates, and it is upon the shoulders of the members of this House of Commons that the responsibility rests, and not upon the shoulders of the Railway Commission.

Mr. F. N. McCREA (Sherbrooke): In the matter of equality of rates, there is certainly room for complaint and for a remedy, but the inequality of rates is not, I think, the only and most serious inequality. The inequality of treatment is perhaps more serious than the inequality of rates. I am not quite prepared to say that we should have uniform rates in all parts of say eastern Canada as against western Canada. In the unpopulated parts of this country it would be hardly reasonable to expect the same passenger rates as in the settled parts of the country where there are large cities. What I desire to speak of however, is the inequality of treatment, as between competing points on railways and noncompeting points. I am connected with several industries, the lumber trade and the pulp trade, and consequently am a very heavy shipper, and my experience is, and I shall speak from experience just now, that the great grievance, is in the treatment given to shippers at non-competing points as against competing points. If we want two cars or a dozen cars to ship from a competing point, we would not have to go and ask the railway company for them. They are out catering for the business at these competing points, and there is no season in the year when they are not prepared to furnish cars on twenty-four hours' notice, or less. But at other points, where there is no competition, we can wait a month for cars. Personally I am a shipper of timber, and square timber, when ready for shipment, is almost as perishable as fruit because if left long exposed to sun and weather it becomes cracked and weather beaten, is not merchantable when it reaches the market. The only remedy we have is to say to the railway companies unless you give us cars to ship our goods you will not get any business from us at competing points. By using this threat we generally succeed in getting cars, but I do not know how it is with the poor fellow whose business is entirely at noncompeting points. I think that this is a question that the Government of this country should take up and deal with. There does not seem to me to be any reason why a railway company can supply cars on twenty-four hours' notice at competing points, and cannot supply them at noncompeting points within a reasonable time. This is a point which my hon. friend (Mr. Maclean) has not touched upon, but it is a condition from which the public are suffering more than from the inequality of rates. For my part, I would quickly pay one or two cents additional per hundred if I could get a car when I wanted it in preference to having goods damaged by delay in for cars. When goods are not merchantable when they reach the market, it becomes a serious question.

Mr. J. D. TAYLOR (New Westminster). It is one of the advantages of a periodical change of Government that translation from right to left in this House brightens the minds of so many hon. gentlemen and makes them conscious of long outstanding facts of which, for a long period, they appear to have been utterly unconscious. I am delighted indeed to hear a member of the late Government (Mr. Oliver) champion equality of treatment between East and West. I am all the more delighted to hear it because it has always seemed to me strange that any western minister, like him, should have been content to rest so long in control of the administration of affairs, particularly with regard to the West, and to pay no attention to the representations made to

him and to his colleagues in the Government for equal treatment.

With respect to the amendment now before the House, I may say that it was not because of any lack of sympathy with the suggestion that the hon. gentleman who has moved it found that he was ploughing a lonely furrow. He would have had no difficulty at all in securing a seconder, or supporters for a resolution of this kind, if it had been made at a time when it seemed to be with serious intent, instead of for the purpose of advertising. This is no new thunder which has been sprung upon the House to-day. This matter of the equalization of rates, and the securing of justice to shippers to and from the West, so far from not having received attention, has been receiving the most elaborate attention and is now before the Railway Commission, it having been presented in a most thorough way through the efforts of the boards of trade of British Columbia, in co-operation, I believe, with the boards of trade in various parts of the prairie provinces. We have strong hopes of success in our efforts before the Railway Commission, because we believe that if the Railway Commission find that the representations which we have made to them in an orderly and regular manner are justified, and that they lack the power to make such order as they desire to make, they will apply to Parliament in an authoritative way and ask Parliament for the necessary power. If they do, I am in strong hopes that such a request shall receive the support of hon. gentlemen on both sides of this House.

The hon. member for Edmonton (Mr. Oliver) has been rather careless in his concluding statement to the House, that passenger rates have already been equalized. If he had given the attention to the subject which anyone who was earnestly interested in the success of this movement might have been expected to give, he would have known that on the contrary passenger rates have not been equalized, but that the province of British Columbia suffers still from a disability to which it was subjected very many years ago, and that the railways are permitted to charge, and do charge, the extortionate rate of five cents per mile in British Columbia, whilst in eastern Canada the rate is three cents per mile. I would press upon the attention of the Government the advisability of removing the permission which the railway companies have to make that discrimination; and, further, the advisability of dealing with the subject of American railroads crossing the border into our Dominion and taking advantage of the Canadian law to charge in Canada rates which are double those charged on contiguous portions of their lines in the United States. I have in mind particularly the Great Northern railway line from Seattle to Vancouver, running for about twenty miles through the district that I represent. The company charges the full five cents per mile on the Canadian side of the border as against two cents per mile on the American side, notwithstanding the fact that the traffic is quite as great in Canada as it is in the United States, and notwithstanding the fact that the railway has no justification at all for this increase in the charge, except that the Canadian law permits it, and it takes full advantage of the law without any other reason whatever. I would call the attention of the minister to the fact that these abuses do exist, and I would suggest to him that this matter might very well be made the subject of serious consideration at the first opportunity on which Parliament can consider it. While we do not expect a change of this kind to be made as an amendment to Supply, we from the West are strongly in sympathy with the principles laid down by the mover of this amendment.

Mr. D. B. NEELY (Humboldt): Mr. Speaker, before we leave this subject, I have just one or two words to say. First of all, the hon. gentleman who has just taken his seat (Mr. Taylor) has not in my judgment added very much to the case that has been made out in reference to the question that is before us for consideration. I do not think that I ever heard the hon. member for New Westminster rise to address this House that the chief substance of his argument was not this: You did not do it; why should you expect us to do it? The hon. gentleman says that this is no new question that is before us. The hon. gentleman is right; it is not a new question; it is not any newer than the oriental question in which my hon. friend was so interested when he sat on this side of the House, instead of where he sits at the present time. The railway question and the oriental question were questions upon which the hon. gentleman raised his voice very frequently in this House, but with reference to the oriental question the hon. gentleman has not a word to say. Perhaps it is too much to expect to hear from the hon. gentleman on that question now. Probably his voice gave out when a change of administration took place. His views changed with the change of position that his party made in this House.

With reference to the question brought up by the hon. member for South York (Mr. Maclean), hon. gentlemen know perfectly well that the question is one of vital interest to the people of western Canada and to the people of Canada at large because that which affects the welfare of the West certainly affects the welfare of the East. If we are discriminated against, if the railways are taking away the prosperity of

the people of the West, it is going to reflect very greatly upon the welfare of the manufacturing and other interests in eastern Canada. I am still of the opinion that the proper tribunal to deal with this question is the Board of Railway Commissioners. It is before them at the present time. I think that the present railway legislation does not give that board authority to deal with this question. If it does not give them that authority, then I agree with the hon. gentleman that it is the duty of this Parliament to give them the necessary power. I do not think it would be in the best interests of the House and the country that we should undertake the expert investigation necessary to determine the truth of this matter, the grounds upon which railways discriminate as between one part of the country and another. It is a matter for expert investigation. I have faith and confidence that if it is demonstrated that there is unfair discrimination in the freight rates as between the East and the West the Board of Railway Commissioners will deal with the matter in a way that will be satisfactory.

My complaint against the present Administration is that, as this matter has been referred to in this House before, they are not forcing the case forward for the consideration of the commission in the way they ought to. It has been discussed already and I do not propose to go over the same ground, but I do submit that if this Government were as anxious to see this case determined as they ought to be in the interest of the public, they would see that this now almost interminable delay in dealing with the question by the Railway Commissioners does not exist any longer. The hon. member for New Westminster speaks of the discrimination in passenger rates as between British Columbia and the rest of Canada. My hon. friend knows very well that about three years ago the McBride Government came into office as the result of a contract between them and the Canadian Northern Company. I wonder if the McBride Government, as political friends of my hon. friend, took precautions, when they were making that contract, to safeguard the rights and interests of the people both as concerning freight and passenger rates in that province. There is no question of doubt that the McBride Government have had their share of responsibility if there is a discrimination in that province as to passenger rates in British Columbia as compared with other provinces.

The hon. gentleman also complains of the fact that the American roads running into Canada charge a higher rate in Canada than they do in the United States. Of course they do. When they cross the boundary they are not under American law, and certainly if the Canadian railways are compelled to reduce their passenger rates the American roads in Canada will be compelled to do the same. I see no point in referring particularly to the American railroads and the differences in their charges in Canada as compared with their charges in the United States, because any change in tariff that is brought to bear on the Canadian railways, will affect the American roads operating in Canada.

Mr. MACLEAN (South York): Our Canadian roads to-day are carrying people in Michigan, and other American states for two cents a mile while they are charging Canadians three cents a mile in Canada.

Mr. NEELY: I am quite aware of that fact, and I agree that if they can carry for two cents in the United States their rates in Canada are too high. The population is I believe denser in the states referred to by my hon. friend than in western Canada. I am not defending the tariffs in Canada on any of the railways, but I am simply pointing out in reference to the argument of the hon. gentleman from New Westminster that if the tariffs on the Canadian roads are altered, that will necessarily affect American railroads operating lines in Canada. This is a live question and my hon. friend from South York (Mr. Maclean) deserves the support of the House in the object he has in view, namely, the lowering of freight and passenger tariffs in Canada and the bringing about of equality between one part of Canada and the other. But I still hold the opinion I have always held, that the proper tribunal to settle the question is the Board of Railway Commissioners for Canada, within whose sphere it lies. If there is responsibility, that responsibility lies with the Government and with the Minister of Railways particularly to see that the dilly-dallying that has occurred up to the present on the part of counsel, representing the Government and the public before the commission, shall not be permitted to continue and to cause further delay. I trust that the Minister of Railways will see that his counsel will be asked to bring this matter to a speedy and, we trust, successful conclusion.

Hon. FRANK COCHRANE (Minister of Railways): I am a little surprised that I got no notice of this motion. I was attending a meeting of the Railway Committee, considering some Bills that had been referred to us by the Senate, when this motion was made in the House, and I did not have an opportunity of listening to the remarks of the mover or of the seconder, and I only heard part of the address of the hon. member for Edmonton.

I can look upon this motion as nothing but a vote of want of confidence, not only in the Government, but in the Railway Commission. The rate question was dis-

cussed here nearly one whole day by gentlemen on both sides, and I then took the ground that there had not been any dilly-dallying or delay on the part of the commission. This is a bigger task to undertake than any of the members of this House realize. The chief commissioner told me that there are in the West 230,000 different tariff rates. We have an expert working on these rates, and we hope very shortly that the commission will be able to determine the matter and announce their finding. If there is not authority in the Act, then I agree with the member for Humboldt (Mr. Neely) that we should put it in the Act. The commission is the proper place to decide this case; they have the expert officials competent to study out these things and decide the matter on the principle of justice.

As to the statement of the hon. member for New Westminster (Mr. Taylor), I certainly will bring that to the notice of the Government and make inquiry with respect to it, because I do not think the American railroads which come into this country should charge higher rates than they do in the United States.

One remark made by the hon. member for Edmonton (Mr. Oliver) was, I think not quite fair, when he said that through sparsely settled country rates should be as low as thickly settled country, because it cost the same amount anyway to run the trains. I think he is a little wide of the mark there. I cannot accept the resolution.

Mr. OLIVER: The Railway Commission has made certain reductions in express rates; did they reduce these express rates so that the rates in western Canada should be equal to the rates in eastern Canada?

Mr. COCHRANE: I understand they have not reduced the rates in the East at all. They found that in the East the expenses are going up and the receipts coming down. The experience of the parcel post system in the United States is that it has reduced the receipts of express companies by twenty-five per cent in less than six months, and when the Parcel Post Bill of the Postmaster General is passed, the same result may probably follow here. It was felt that the rates could not be lower in the East than they are today. I cannot tell what a comparison of the eastern and western freight rates would disclose, but I understand there was a reduction of twenty per cent in many instances west of lake Superior.

Mr. OLIVER: Then, notwithstanding the reduction in the West, the rates are still higher than in the East.

Mr COCHRANE.

House divided on amendment of Mr. Maclean (South York):

YEAS:

Messieurs.

Bourassa,	Maclean (York, O.),
Boyer,	MacNutt,
Buchanan,	McCoig,
Carroll,	McCrea,
Champagne,	McKenzie,
Chisholm (Inverness),	Michaud,
Clark (Red Deer),	Molloy,
Cruise,	Murphy,
Delisle,	Oliver,
Douglas,	Pacaud,
Ethier,	Papineau,
Fortier,	Pardee,
Gauvreau,	Proulx,
German,	Ross,
Guthrie,	Seguin,
Hughes, (Kings, P.E.I.),	Thomson (Qu'Appelle),
Kyte,	Turgeon,
Lafortune,	Verville,
Lanctot,	Warnock,
Lapointe (Montreal, St. James),	White (Victoria, Alta.),
Laurier (Sir Wilfrid),	Wilson (Laval)—42.

NAYS:

Messieurs

Achim,	Kemp,
Armstrong (Lambton),	Lalor,
Armstrong (York, O.),	Lancaster,
Ball,	Macdonell,
Barrette,	McLean (Queen's, P.E.I.),
Beattie,	Marcil (Bonaventure),
Bellemare,	Merner,
Bennett (Calgary),	Middlebro,
Bennett (Simcoe),	Morrison,
Best,	Munson,
Blain,	Nantel,
Blondin,	Nicholson,
Boulay,	Nickle,
Bowman,	Paquet,
Boyce,	Paul,
Brabazon,	Perley,
Bradbury,	Reid (Grenville),
Burnham,	Robidoux,
Burrell,	Rogers,
Clarke (Wellington),	Sexsmith,
Clements,	Sharpe (Lisgar),
Crothers,	Shepherd,
Currie,	Smith,
Doherty,	Stanfield,
Edwards,	Steele,
Fisher,	Stevens,
Foster (King's, N.S.),	Stewart (Lunenburg),
Garland,	Taylor,
Gauthier (Gaspe).	Thompson (Yukon),
Girard,	Thornton,
Hartt,	Tremain,
Henderson,	Walker,
Hughes (Victoria, O.),	Weichel,
Jameson,	White (Renfrew),
	Wilcox.—69.

PAIRS:

Messieurs.

Ministerial.	Opposition.
Aikins,	Turriff,
Ames,	Tobin,

Arthurs,	Devlin,
Baker,	Kay,
Barnard,	Martin (Regina),
Bristol,	Bickerdike,
Davidson,	Chisholm (Antigonish),
Coderre,	Lapointe (Kamouraska),
White,	Emmerson,
Fowler,	McLean (Queen's-Sunbury),
Cochrane,	Graham,
Hazen,	Pugsley,
Rhodes,	Macdonald,
McCurdy,	Maclean (Halifax),
Sutherland,	Marcile (Bagot),
Schaffner,	Neely,
Green,	Knowles,
Cockshutt,	Charlton,
Crocket,	Carvell,
Pelletier,	Lemieux,
Thoburn,	Robb,
Chabot,	Demers,
Northrup,	Nesbitt,
Clare,	Cash,
Alguire,	McMillan,
Elliot,	Brown,
Barker,	Power,
Smyth,	Boivin,
Stewart (Hamilton),	Richards,
Foster (Toronto),	Clarke (Essex),
Elson,	Gordon,
Borden,	Beland,
Roche,	Sinclair,
Meighen,	Cardin,
McKay,	Reid (Restigouche),
Lesperance,	Gauthier,
Wilson (Wentworth),	Law,
Lewis,	Loggie,
Wright,	Lovell,
Clark (Bruce),	McCraney,
Webster,	Bureau,
Wallace,	Brouillard,
Sevigny,	Martin (Montreal, St. Mary's),
Marshall.	Lachance.

Mr. BELAND: I was paired with the senior member for the city of Halifax (Mr. Borden). Had I voted I would have voted for the amendment.

Mr. NEELY: I was paired with the hon. member for Souris (Mr. Schaffner). Had I voted I would have voted for the amendment.

Mr. COCHRANE: I was paired with the hon. member for South Renfrew (Mr. Graham). Had I voted I would have voted against the amendment.

Amendment negatived, and main motion agreed to.

SUPPLY.

House in Committee of Supply:

Administration of Justice—Salaries, $116,536.25.

Mr. DOHERTY: Any differences over last year are due to increases and some promotions under the Civil Service Act.

Mr. MURPHY: There is an increase in the number of employees. Will the hon. minister explain that.

Mr. DOHERTY: There are six in the first division, sub-division B. That is the result, I think, of one promotion from one division to another. The first division, sub-division B, is where the increase is to be found. This is to provide additional clerical service particularly or entirely of stenographers and persons doing that class of work.

Mr. LEMIEUX: What salary does Mr. Beauchesne receive?

Mr. DOHERTY: His salary is fixed in the supplementary estimates at $2,800. He came in originally, temporarily, to do work in connection with pecuniary claims, and was paid $200 a month. His services have been found perfectly satisfactory.

Mr. LEMIEUX: Mr. Beauchesne is a personal friend of mine and a confrere of the Bar of Montreal. If he were to confine his activities to the Justice Department, he has every reason to aspire to the higher ranks of the Civil Service. But, speaking frankly, I am informed that he does other work, work of a political nature. He is an excellent writer, as my hon. friend knows, and I am told that he is writing for the Conservative press and in the interest of his party. I do not know whether that is true or not. I am glad to see him in the Department of Justice and hope he will remain in the department and give his time to the work there. I make no charge against him, but simply say what I have heard, not with the intention of injuring him in any way. He has great ability and wide knowledge, especially of the law of the province of Quebec, and can be of great usefulness to the department. He is an excellent writer, as I have just said, as good a writer as he is a lawyer; but I hope he will give his time to the work of the department. I would be pleased to see him advanced to higher ranks in the department; but he must not be there to do political work.

Mr. DOHERTY: I have no knowledge of his doing work outside of the department or of doing work of the kind the hon. gentleman mentions. However, from what I know from personal observation, as well as from reports presented to me by the deputy minister and the assistant deputy, Mr. Beauchesne is most diligent, and the work he does fully justifies the enconiums upon his abilty and knowledge of the law which the hon. gentleman (Mr. Lemieux) has given voice to. It certainly is to be expected that a gentleman in his position would devote his time to the service of the department, and the results of Mr. Beau-

chesne's work would seem to indicate that he does so. I have no knowledge of his engaging in any other occupation.

Mr. WILSON (Laval): Will the minister kindly give the names of the employees in the first division, sub-division A? The heading on twelve made 'The Department of Justice including the penitentiary branch,' I would like to know whether this includes the inspectors of penitentiaries. If so, I have some observations to make.

Mr. DOHERTY: Yes, the first division, sub-division A, includes the inspectors of penitentiaries.

Mr. WILSON: This would include the salaries of Mr. Douglas Stewart and Mr. G. W. Dawson. And I understand that a new inspector has been appointed, Mr. Hughes.

Mr. DOHERTY: There are only two inspectors, Mr. Stewart and Mr. Hughes. Mr. Dawson has recently been transferred to the Department of Public Works.

Mr. WILSON: I would repeat a suggestion that was talked over last session a good many times, that there should be an inspector familiar with the French language. My hon. friend is aware there are in the penitentiaries nearly two thousand convicts. There are nearly five hundred resident convicts in St. Vincent de Paul in my own riding, and I feel pretty sure that seventy-five per cent, certainly sixty per cent, of the convicts and also of the guards and other employees are not familiar with the English language at all. I know that inspectors Stewart and Dawson have sometimes great difficulty in cases that arise, and have had to employ the services of an interpreter. It seems to me that that is a very queer position. Disciplinary offences will sometimes cause severe punishment. The inspector is to decide and impose the punishment, and it may be a punishment of two, three, four, and even six months. I have received complaints on the part of convicts, and on the part of guards that they could not express themselves fluently in English, and some could not speak English at all, and the judgments delivered by the inspectors were sometimes not to the point. I would say—and I think in this I will be supported by the majority in this House—that, if not a French-Canadian, which I would prefer, at least a man should be appointed in the inspection department who is familiar with both languages.

Mr. DOHERTY: I think a great deal is to be said in favour of the hon. gentleman's suggestion. I may be allowed to say that the existing state of affairs I inherited from the Government which the hon. gentleman supported, which had two inspectors neither of whom spoke French. The hon. gentleman says that complaints have been made arising out of this condition. If complaint is made of injustice done through failure of the inspectors to understand French, or from any other cause, I should be pleased to have these cases brought to my notice and will do my best to rectify them. I realize the importance of what the hon. gentleman says of having an inspector or some similar officer qualified in the respect he mentions. I confess, I took the situation as I found it, and it did not occur to me to make a change. But now that he has brought it to my attention, I shall be pleased to consider to what extent it will be possible, for me, under the circumstances, to meet his suggestion.

Mr. WILSON (Laval): If I may be allowed to make another suggestion, it would be that the work of the inspectors is too great. It must not be forgotten that there are seven penitentiaries, and the inspector has to travel from New Westminster to Dorchester. I should favour the appointment of an inspector for each penitentiary, but, if that cannot be done, at least the number should be increased. Then it would be possible to appoint a man familiar with the French language, and I know his services would be appreciated and would be for the benefit of the administration of justice, for there are many convicts in every penitentiary who are more familiar with French than with any other language.

Mr. EDWARDS: I think the suggestion of the hon. member for Laval is deserving of consideration. My own opinion is that, instead of there being two inspectors, there should be three; and if there were three, I think his contention would be quite reasonable, that one of the three should be a man conversant with the French language. It often happens that in the administration of the penitentiaries it is found necessary for one of the inspectors to take the place of the warden for the time being. It requires no argument that, in the case of St. Vincent de Paul penitentiary, if this action were necessary the man to temporarily relieve the warden of that institution should be thoroughly conversant with the French language. I think the position taken is a very reasonable one, and while I would not like to see the number of English-speaking inspectors reduced, because most of the institutions are what might be called English-speaking, I think an additional inspector should be appointed, one thoroughly conversant with the French language.

Mr. MURPHY: Under what circumstances was Inspector Dawson transferred to the Public Works Department?

Mr. DOHERTY: The transfer was made because the qualifications which he possesses, a knowledge of building operations

and things of that kind, qualified him particularly to be of greater usefulness in that department than in the particular department in which he was, although I am not reflecting in the slightest degree upon the performance of his duties as Inspector Dawson.

Mr. MURPHY: What are his duties in the Public Works Department?

Mr. DOHERTY: The Minister of Public Works could better give that information.

Item 32. Miscellaneous expenditure, $10,000.

Living allowance for judge of Atlin district, B.C., $1,200.

Mr. DOHERTY: These are amounts that have been voted in the successive years. The first is to provide under the head of miscellaneous expenditure for the cost of administration in the Northwest Territories as now constituted and in the unorganized territories, expenses incurred in connection with extradition and fugitive criminals, sundry small expenses which it is quite impossible to foresee accurately. $10,000 has usually been voted. In most years it is not all used but, of course, it is posssible that we might have exceptional circumstances requiring more in one year than in another. The $1,200 for the living allowance for the Atlin judge has also been allowed from year to year.

Mr. OLIVER: Did the minister say that in this item of miscellaneous was included the salary of judges in the unorganized territory?

Mr. DOHERTY: It is to provide for the administration of justice in the unorganized territory.

Mr. OLIVER: Is there a judge or stipendiary magistrate there now?

Mr. DOHERTY: I am not quite sure of that. There was a judge in the territory that has been annexed to the province of Manitoba but, of course, after that annexation, his office disappeared as the territory became a portion of the province of Manitoba. There may be expenses, the necessity of arresting a criminal or something of that sort, and that is covered by this vote.

At one o'clock, House resumed, and then took recess.

House resumed at three o'clock, and again went into Committee of Supply.

Appropriations not required for 1913-14, decrease, $300.

Yukon territory—travelling allowance of judge, $500.

Mr. DOHERTY: With regard to the Yukon territory, we have a very considerable decrease, because we have decreased the number of judges. There were three judges before; now there is only one. Last year we had $1,500 for travelling allowances; this year there is only $500. The living allowances for three judges last year amounted to $15,000; this year the amount is only $5,000. Then the amount for salaries of sheriff and deputy sheriff is reduced, because one of these officials has been dispensed with. Last year we passed an Act to provide for the reduction of judges, and apart from that we have reduced the number of officers.

Mr. PROULX: Is there the same necessity now for giving a living allowance of $5,000 to the judge in the Yukon as there was when the judges were first appointed? Since communications have improved there, the cost of living must have decreased.

Mr. DOHERTY: I have no reason to suppose that there has been any material reduction in the cost of living. All the officers, not only in this department but in the other departments have this allowance, and unless we have evidence, which I certainly have not, of some substantial decrease in the cost of living, I hardly think we would be justified in withdrawing the allowance. They were appointed on the understanding that they were to have that allowance and I have no information that would justify me in concluding that there was reason for altering that arrangement.

alaries, territorial court, sheriff and clerk, $4 000 each; two stenographers, $2,000 each, $1 ,000.

Mr. OLIVER: That is a reduction of $1,800. Will the minister say how that reduction comes about?

Mr. DOHERTY: The officials of the court, as well as the judges, have been reduced in number.

Mr. OLIVER: What officers have been dispensed with?

Mr. DOHERTY: There was a sheriff and a deputy sheriff. We have dispensed with the deputy sheriff.

Living allowances of officers of Territorial Court and police magistrate, $8,600.

Mr. OLIVER: I suppose that reduction is because there are fewer officers?

Mr. DOHERTY: Yes.

Mr. OLIVER: Has the police magistrate been dispensed with?

Mr. DOHERTY: No, we have still one police magistrate at White Horse.

Fees and expenses of witnesses, jurors, and interpreters in criminal trials, $5,000.

Mr. OLIVER: Is that reduction in the expectation of less judicial work?

Mr. DOHERTY: Because the business has decreased.

Transport of prisoners, $4,000.

Mr. OLIVER: Is there a jail in the Yukon?

Mr. DOHERTY: I think prisoners are detained in the guard room of the mounted police barracks.

Mr. WILSON (Laval): What is the meaning of the transport of prisoners?

Mr. DOHERTY: The territory is very wide and when a man is arrested at any one place he has to be brought to the place where he can have his trial. If a man is sentenced to the penitentiary he would have to be transported to the British Columbia penitentiary as that is the institution that serves the purposes in that respect of the Yukon territory.

Miscellaneous expenditure including fees and expenses of crown prosecutors, salaries and living expenses of other employees connected with the administration of justice, coroners' inquests, &c., $10,000.

Mr. OLIVER: Is that a general reduction or is there any special change?

Mr. DOHERTY: This is merely a reduction because we found that the business had not increased and there was no necessity of asking for more than the amount appearing in the item.

Mr. OLIVER: Is there one crown prosecutor and how is he paid?

Mr. DOHERTY: I think the crown prosecutor is paid a salary. There is only one, if my memory serves me correctly. There are not more than four lawyers in the territory.

Dominion police, $104,000.

Mr. DOHERTY: The increase of $7,000 is due to the fact that we require an additional constable at the Royal Mint, an additional constable at the ticket of leave office, an additional constable at the criminal identification bureau and two additional constables at the National Art Gallery. That makes five constables at $1,000 each. The other $2,000 is made up of an increase in the pay of three inspectors of the detachment at Esquimalt. Twenty per cent is added to the ordinary pay of the detachment at that point.

Penitentiaries—Kingston, $155,200.

Mr. OLIVER: Would the minister be kind enough to state the reason of the increase in the case of each penitentiary?

Mr. DOHERTY: At Kingston there is an increase of $2,000 in salaries and retiring allowances.

Mr. OLIVER: Is that in salaries or an increase in the number of salaried officials?

Mr. DOHERTY: There is a new isolation ward necessitating an additional officer and his salary had to be provided for. Maintenance of convicts last year amounted to $26,000 and this year it is estimated at $30,000, an increase of $4,000: Last year we found that the cost of maintenance had been under-estimated. Provision is here asked for a possible daily average of five hundred and fifty convicts.

St. Vincent de Paul, $131,000.

Mr. DOHERTY: The only item of increase is $3,000 for maintenance of convicts due to the fact that, as in the other case, the amount last year was under-estimated.

Mr. OLIVER: What is the number of convicts at St. Vincent de Paul penitentiary?

Mr. DOHERTY: Provision is made for four hundred and ninety.

Mr. WILSON (Laval): I understand that this item of $131,000 does not include the increases provided for in the resolution now before the House and which is coming up for discussion to-morrow.

Mr. DOHERTY: No; the increases in the salaries of officers of St. Vincent de Paul will be provided for in the supplementary estimates.

Mr. WILSON: So that the increases will have to be added to the item of $131,000?

Mr. DOHERTY: Yes.

Mr. WILSON: At the opening of the session, the hon. member for Kingston (Mr. Nickle), in seconding the Address, made quite a few remarks about penitentiaries; and, if you will permit me, Mr. Chairman, without referring to a previous debate, I would like to quote a few of his remarks. They were made in good faith and with the intention of improving our penitentiary system—there is no doubt about that. But I will have to take exception to a couple of his observations. He says:

I would like to take advantage of this opportunity, Sir, to urge on the Ministry the necessity of doing something that will make the men in these institutions better fit when they leave them to earn their living.

I quite agree with the hon. gentleman on this point.

On a Sunday afternoon I have spoken in the Kingston penitentiary to 600 men whose faces showed nothing but sullen despair and hopeless sorrow.

I would like to have an explanation as to whether this was an infringement of the rule. I have never thought of going

to the penitentiary of St. Vincent de Paul and addressing a meeting there. I do not know whether my hon. friend means that he went there to pay a visit, in which he would have been within his rights, as it is a privilege that every judge and every member of this House has. I hope the hon. gentleman will tell us what was the purpose of his meeting. We read in the papers the other day that Sarah Bernhardt visited the penitentiary at St. Quentin in California and gave a grand performance before the convicts. There was an address presented to her by a convict who had been born in France. I presume that this was done from a humanitarian point of view and in the expectation that it might improve the condition of the convicts. But I would like to know what kind of a speech my hon. friend made at Kingston penitentiary—whether it was on religion, humanitarian, or political lines.

I believe that something can be done to improve the condition of these men.

Mr. BLAIN: They are not voters, are they?

Mr. WILSON: No, but they might become voters after they had served their terms.

Mr. OLIVER: You could not be sure of it if it were a close election in Manitoba.

Mr. REID (Minister of Customs): The Grits brought them out of the asylum to vote against me.

Mr. WILSON (reading):

I believe that something can be done to improve the conditions of these men, and I want to urge upon the Minister of Justice, whose humanitarian principles I well know—

As we all do.

—and on the Minister of Agriculture, who will I know recognize the necessity in this matter, that such steps be taken as will make each penitentiary a demonstrative and reformative institution. There is no reason why cheap land should not be bought and be so developed that the farmers who live in the adjacent municipalities and districts may come and see what is being done, and how they may best improve their own condition. In following out these principles a favour will be conferred upon the prisoner, because when he leaves the penitentiary he will not be obliged to enter again the city slum with all its temptations, and a favour will be conferred on the agricultural classes, because from one end of this country to the other the cry goes up for farm help. A favour will likewise be conferred on the state by freeing it from what must always be a burdensome load.

I do not know if there is any farm attached to the penitentiary at Kingston, or to any other penitentiary, except St. Vincent de Paul, where I know there is one. The penitentiary farm is between three hundred and four hundred acres in extent; it has a quarry on it, a large stone barn and also a wooden barn. I know something about farming, because, like most of the members of this House, I was brought up on a farm, and I think it is my duty to say that the worst farming done in Canada is on a penitentiary farm. It has been so in the past under every Government, it is so now, it will continue to be so, and it cannot be otherwise. It is all very well to call for an eight-hour day, and that is the rule applied at the penitentiary, but you cannot apply it to farming work and be successful. If the diligent farmer wakes at four o'clock in the morning he sees the sun rise; he knows more than science about the condition of the weather; he will wake up his sons or employees and get to work to save the crop, and he will work during the day continuously until the storm comes. That is not the way in the penitentiary; the convicts rise at half-past six in the morning; they go out to the fields to work, at 8 a.m., and at half-past eleven they line up and come into the penitentiary for lunch; they return at one o'clock and come back at four or half-past four so as to get to their cells at five o'clock. How could you run a farm on such principles? I suggest that we should sell the land around the St. Vincent de Paul penitentiary, retaining only a few acres on which to grow the table vegetables which are used in the institution.

I presume the same conditions obtain at other penitentiary farms as at St. Vincent de Paul. Therefore, instead of favouring the proposition of my hon. friend from Frontenac (Mr. Edwards), which has been made in good faith and for a good purpose, I would urge the minister to get rid of some of the land around the St. Vincent de Paul penitentiary. That land has increased in value enormously. Land around Montreal that was worth fifty dollars an acre some years ago, is now worth $2,000 an acre and I would not be surprised if the minister could get $500 or perhaps $1,000 an acre for the St. Vincent de Paul farm which money could be used to much better advantage than at present. Indeed, the Department of Agriculture could establish an experimental farm there, but not to be cultivated by convicts, who are limited to working at certain hours.

Then again, the farm superintendent at St. Vincent de Paul has great trouble in finding men to work the farm, because it is only short term men who are allowed outside the walls of the penitentiary, and sometimes he runs short of labour. I have seen very excellent crops of hay and oats lying on the field in the penitentiary farm without sufficient labour to save them,

and that was not the fault of the farmer, nor of the inspector, nor of the minister; but of the system. The minister has now an opportunity to improve the system.

There is another reason why the crops have suffered at St. Vincent de Paul penitentiary, and it is this: the Canadian Pacific railway track crosses the penitentiary, and there is a road in front of the penitentiary called la Monte de St. Francois, and on the north there is a station, and on the west there are three sidings, two for the use of the public and one for the exclusive use of the penitentiary. I am glad to see my good friend Mr. Douglas Stewart, the inspector, here, because he knows the conditions of which I speak. A gentleman bought a quarry there and he asked the Canadian Pacific railway to have a derrick erected, and the answer was that there was not room for it because the penitentiary had its private siding there. I interviewed the Canadian Pacific railway authorities, and they said they could do nothing unless the Government removed the siding. I now suggest to the Minister of Justice that he have that siding removed. The penitentiary buys its coal at a season of the year when coal is cheapest; it burns above 4,000 tons, and the coal reaches the penitentiary siding in July, just at the period when the crops are being harvested. The man in charge of the farm wants the horses, teams and agricultural instruments to save the crops, but the deputy warden needs the teams and carts to haul the coal. They have to cart the coal from the siding at the north gate a distance of five or six acres, because if the cars are detained, the Canadian Pacific railway will charge so much per day demurrage, and so the appliances are taken from the farm work to dispose of this coal. On the penitentiary farm, I, representing Mr. Trenholme of the Montreal Lime Company, succeeded in having a siding in order that he might take limestone from the quarry there to the Mile End at Montreal. This siding should be prolonged near the north gate of the penitentiary; and there should be a shed of some kind so that, in the month of July, when coal is cheaper, it can be dumped there. In that case the deputy warden would not need the carts and only a few men. With those automatic cars the coal could easily be dumped. There are some periods during the winter when the wardens do not know what to do with the convicts. This will provide for the work during that time and will not interfere with the work at the farm. There are more shipments from the county of Laval from the quarries than from any other part of the Dominion. Therefore, the public will have the advantage of that third siding which is at present for the exclusive use of the penitentiary. It would not cost $2,000 to the Government to improve it; the roadbed could be built by the convicts, and the cost of steel and ties would not be very much.

There was some trouble about a woman who came into the penitentiary of St. Vincent de Paul. She was sentenced to a term of four or five years in the penitentiary. She came from the Eastern Townships and had to stay somewhere for two or three days until the papers were ready for the warden of Kingston to receive her. There is no place at St. Vincent de Paul to receive women. The only place to put her in was the parlour where visitors are allowed to speak to the convicts. I think the law should be amended so that all magistrates in the province of Quebec should have the power to send prisoners from the tribunal where the sentence is passed directly to Kingston, instead of sending them to St. Vincent de Paul. The wardens do not know what to do with these women, and their presence creates some excitement in the penitentiary.

I think the convicts should be kept within the precincts of the penitentiary. I have often met on the sidewalk forty, fifty or sixty convicts when they leave the penitentiary and go to work on the warden's property. A couple of years ago, a new house was built and as many as seventy convicts were employed there every day. So far as I am concerned, I do not take much exception to that. I know, however, that the public at large is not very fond of meeting convicts. When a man is sentenced to the penitentiary, he is supposed to be within the precincts of the penitentiary, and he does not like to be exposed to the public view. Many of these convicts will put their straw hats over their faces in order that they may not be recognized. They go to work either in the gardens or at the waterworks. The penitentiary is surrounded by a system of waterworks, the mains of which pass through the streets. Inhabitants on both sides of the streets, through which the mains pass, are entitled to use the water provided they pay a certain amount, I think $10 a year. If there is any trouble with the waterworks or the pump down the river, or if any improvements are to be made, the convicts come down. Sometimes they come down in order to clean the streets. It seems to me this could be avoided. This country is rich enough to have some civilian employees who will do this work around the penitentiaries instead of letting convicts wander through the village as they do now. Take Longue Point, where there is a lunatic asylum. You do not see the lunatics there wandering through the streets. I do not see why these convicts should be subjected to such humiliation. Sometimes I have seen very disagreeable convicts on the streets. There are young

people around; and, although it may be a good warning to them, on the other hand I think the convict's life is not so gay that the Government should make it more unpleasant. I think a couple of men at reasonable salaries could do all the work that is required, and the convicts could earn something for the benefit of the department by working within the precincts of the penitentiary. They have their own private road to the farm. I have even seen ladies taking the back streets so as not to meet convicts who will look at them sometimes in a very queer way. Real estate values at St. Vincent de Paul are not so high as in other villages on account of being within the shade of the penitentiary.

I have practiced mostly before the criminal courts for the last eighteen years, and have often heard judges make this remark: Young man, I do not know what to do with you; you are only sixteen, seventeen, or eighteen years of age. I pity the condition of that poor man. I should like to see the time when no young man under 21 years of age should be sent to the penitentiary. But our judges believe—and under the circumstances we cannot say that they are wrong—that it is better to send a man to the peniteniary for two years than to send him for twenty-three months to the common jail. This was more especially true in Montreal until the Bordeaux prison was completed. The hon. Minister of Justice knows the awful condition the prisoners were in in our city jails, and it is no wonder that the judges should prefer to send the prisoner to St. Vincent de Paul. I think that the aim of the penitentiary is faussé. The men sentenced to penitentiaries are supposed to be sent there to learn a trade—a man would be sent to the carpenter shop if he desired it, and if there was room, or to the shoemaker shop, or be taught some other trade. It seems to me that a wrong idea has been dominant in our penitentiaries for the last twenty years at least, and possibly ever since Confederation, and that is the idea that the penitentiary should benefit itself from the work of the convict. And this is the reason for the amazingly small product of the penitentiary works. From what I have seen at St. Vincent de Paul, or Kingston or any other penitentiary, I do not believe that our present system turns out good tradesmen. There is a hospital to be built, a warden's house to be built, a north wing to be built, a wall to be built, and word constantly coming from the department that the work is to be rushed. The guards do not take the trouble to teach a man the trade properly—they cannot do it under the system. When a man at 17 years of age is put to learn the trade of stonecutter, let us say, he should be under instruction, and if the stone is not properly cut, let him begin over again, as at school. But that is not the system. The work has to be done, whether it is done well or not, because the primary idea is that the whole work should be done by the convicts. That may save money to the country, but now that we are trying to improve the convicts, I do not think the saving to the country is of such importance. I make these suggestions in good faith.

So far as the staff is concerned, and so far as the officials of the Department of Justice are concerned, with regard to penitentiaries, I do not think there is much fault to be found. So far as I have come in contact with the employees of the penitentiaries, I have found them anxious to do their work well, ready to take suggestions, even inviting suggestions, and putting them in practice to improve conditions. I say this not to pay them compliments, but merely to give them what belongs to them. The hon. member for Jacques Cartier (Mr. Monk) four years ago spoke in the same way on a similar occasion, declaring that in St. Vincent de Paul, for instance, there was practically no room for improvement under our present system. I have no doubt that the Minister of Justice, who has done well, will give my suggestions his best consideration, and will carry them out if they are good.

Mr. NICKLE: The hon. member for Laval (Mr. Wilson) has asked me how it came that I delivered the address to the convicts in Kingston penitentiary to which I made reference in the early part of the present session. It has been the custom for some years in the penitentiary for the chaplain from time to time to invite those whom he thinks interested in penitentiary work to address the convicts on Sunday afternoons in relation to any non-controversial subject. It was in relation to such a subject that I addressed the men that afternoon. If my memory serves me correctly the general theme of that address was 'The opportunities of the unfortunate.' I can understand that my hon. friend would not be in a position to appreciate that subject in its fullness, and therefore I shall not go into details. But I can assure him that if he will come to Kingston any Sunday afternoon, I shall be glad to spend an hour listening to him, and if he will—

Mr. WILSON (Laval): Will the hon. gentleman provide me a seat between two convicts?

Mr. NICKLE: I will provide him with that which I am sure he would like, a seat on the platform. In relation to the work of the penitentiary my hon. friend and I differ radically as to the way in which the

convicts should be treated. He seems to think that the penitentiary farms should be managed from the point of view of saving to the state. I take the exactly opposite view. I think the penitentiary farms should be so managed as to give a maximum of education to the convicts so that they may leave these institutions better able to do a useful life's work. I believe that the objects of the penitentiary are reformative as well as punitive, and I think that in the administration of our institutions we have emphasized too much the punitive idea and have lost sight almost altogether of the reformative. I believe farm work can be so conducted that there will be little or no loss to the state and a distinct gain and advantage to the convicts.

We have heard not a little during the present session about the cost of living in Canada. Go back to fundamentals and you will find that the reason the cost of living is increasing is that industrial occupations are taking the men out of the country, and the proportion of men and women engaged in industry is now much greater in proportion to the total population that it was a few years ago. In other words, the farming population is proportionately growing less, while the demand of the inhabitants of cities, towns and villages for our natural products is growing greater. You cannot make two eggs do the work of four, you cannot make twice the beef from one animal that you made from two before. The demand for these natural products is increasing more rapidly than the supply. What does that mean? It means that the greatest opportunity for the convict is to go back to the land; that he should be removed for his own good from the city conditions and for the advantage of the country put back upon the land where his work is most in demand. For that reason, if the minister could be induced to develop this farm-work side of penitentiary life, he would be conferring a favour upon the state and upon the convict as well. I do not know about the penitentiary in the province of Quebec. From what little knowledge I have of farm conditions in Ontario, and from what I have observed while driving around, I should say that the penitentiary farm in Kingston is well run.

Mr. WILSON (Laval): What is the area?

Mr. NICKLE: I am told by the inspector that it is some three hundred acres. The education given on that farm has certainly redounded to the advantage of the country.

Mr. HUGHES (Kings, P.E.I.): At what hour in the afternoon do the convicts leave the farm work?

Mr. NICKLE: It depends on the season of the year; in summer, about 5.30, in time to have the penitentiary locked up at six o'clock. No disadvantages will redound from the men being given farm work. It is a very simple, practical thing.

Contractors tell me that when the ordinary penitentiary convict is liberated and goes to them for work he shows by his colour and by the state of his muscles that he has been a convict, that he is not a physically fit man, and as a result they do not care to employ him at an ordinary rate of wage. I believe that if those men could be put out in the open and given stiff manual labour their skin would become tanned and their muscles hardened and they would be able for a day's work when they left the penitentiary. I quite agree with the hon. member for Laval that it is objectionable that convicts should have to meet from time to time the public under disadvantageous circumstances. I would direct as I have done in private the attention of the minister to what I consider a most unfortunate practice, that of having the liberated convicts accompanied to the railway station by uniformed guards.

Mr. WILSON (Laval): That is correct.

Mr. NICKLE: When a man has served his time in the penitentiary, the moment he leaves the gate of the penitentiary he should be a free man and I object to any system that authorizes a keeper in uniform to accompany him to the station so that every man on the train knows that a convict is on the train with him.

Mr. WILSON (Laval): My hon. friend knows that this practice is followed because in some cases when men have been liberated from the penitentiary and have been supplied with tickets to the places from which they came, they have gone to the corner hotel, sold their tickets and gone on a spree and perhaps have come back to the penitentiary that night and brought something in the way of 'square face' for the other convicts.

Mr. NICKLE: My hon. friend misses my point. I was not objecting to the prisoners being accompanied to the train by a guard but by a uniformed guard so they may be recognized as convicts. In relation to the question of trades, if one examines the returns as shown in the report of the Minister of Justice, one cannot but be struck with the number of young men who are serving first terms in the penitentiary. I am told that the instruction given in the penitentiary is not of such a character as to be of very great practical value when the inmate leaves the institution. The labour is direct manual labour of the old school type and does not equip them for taking their place in life in relation to

modern methods where intricate and involved machinery is used and, with the hon. member for Laval, I hope that some solution may be devised by which a better opportunity will be afforded the convicts of acquiring a trade. I quite realize that it is unwise and impossible to bring into competition with the free labour of the outside world, the product of the manufactories of the penitentiary. There certainly must be a loss to the state, but the loss which the state suffers through instruction in trades being imparted to the inmates of the penitentiary would surely be more than overborne by the benefit through the men being able to earn a living when they are freed from the institution.

Mr. EDWARDS: I want to add a word or two to what has been said by the hon. member for Kingston (Mr. Nickle), first in regard to the penitentiary farm. The farm at Kingston has been very much enlarged from what it was some years ago, and I think he is fully justified in saying that the farm under its present management, shows up very well indeed. The farm is in charge of a practical farmer from the vicinity of Kingston. He has certainly produced results which are very much to his credit and to the credit of the farm. Mr. McCaugherty, to whom I refer, received an increase in salary some years ago in common with the heads of different departments. The increase was one hundred dollars a year. At that time he was living in a house on the penitentiary property which he enjoyed free of rent, but when his salary was increased he was at once charged one hundred dollars a year for this house, so that he really received no increase and no consideration whatever. That is notwithstanding the additional services which he was called upon to perform because of the increase in the area of the farm. Nor does there seem to have been any consideration paid to the return from the farm. Many things which formerly they had to buy he has succeeded in raising, thus lessening the cost of maintaining the institution. For all this he has received no consideration whatever. This strikes me as manifestly unfair.

I want to add another thought in regard to the employment of the convicts in the penitentiary. If you allow convicts to engage in occupations through which the product of their labour will come into competition with outside free labour, at once objection will be raised that you are interfering or competing with free labour. The public do not seem to want that, but there is a line of work in which the convicts might very well engage, at least at Kingston. That is in the manufacturing of tile for road draining. It is a very simple kind of work, it does not require skilled training. The Government could supply the forms of various sizes for making these tiles for culverts, &c. It is well known in my part of the country at least that they are not now putting down any wooden culverts, and wherever it is possible they are superseding the wooden bridge with something in the form of concrete. I think the penitentiary might be supplied with forms for making tile of different sizes for culverts and making arches to be used for the smaller bridges on our roads. I believe there would be a very great demand for such products. I suppose that in some penitentiaries the material for that kind of work would not be so handy as it is at Kingston. There, there is any amount of limestone, and the sand and cement would be all that would require to be carted in. These tile or arches might be made and supplied to various parts of the country at exactly the cost of their construction. I do not think there would be any objection on the part of any people in the country on the ground that it would interfere with that class of work outside. I am led to think so, because in the city of Kingston, in the county jail there, they have been making certain sizes of tiles by jail labour for a number of years, and I have never heard one word of objection raised by people outside. The tiles are being sent to various townships in the county, and even outside the county, and are being utilized as fast as the limited labour in the jail can supply them.

There is another thing which I think should be taken into consideration in connection with our penitentiaries. I think that these institutions should maintain the roads alongside their property. I have a reason for suggesting that. Wherever these institutions are placed, in a city like Kingston, for instance, the merchants and tradesmen of the city reap a certain amount of benefit from supplying their wants. That, however, applies to only a limited number. Wherever these institutions are built, and 200 or 300 acres of land are taken up, that land contributes nothing to the general revenue of the township, and the burden of taxation is consequently increased in the municipality. I think it is a reasonable argument to advance that wherever these large institutions are situated, the roads adjoining the property should be maintained, and in the case of Kingston could be maintained at a minimum cost, by convict labour. For instance, there is a piece of road called the Bath road running through the penitentiary farm at Kingston. It runs for a distance of at least half a mile through the penitentiary property, and I think that piece of road should be maintained by convict labour.

Mr. WILSON (Laval): Has that not been done in the past?

Mr. EDWARDS: No. There is one piece of road which has been maintained for a number of years by convict labour, but there are other pieces of road which I think should be maintained in the same way. I would not restrict the application of this principle to penitentiary farms. It should be applied also to military property, and I am pleased to say that the late Government did take a piece of road in the vicinity of Kingston under their control and maintenance. I think the same principle should be applied to the roads in the vicinity of these large institutions. Every person in the province of Ontario, and I presume also in the province of Quebec, knows that the principal tax on the people is the school tax. The second largest tax is probably the road tax. Of course these properties contribute nothing to either of those taxes, and necessarily the burden is proportionately increased in that neighbourhood. It is right that we should have, and we do have, a certain amount of sympathy with the convict. I think that when the convict is released, the guard who takes him to the station, and places him on board the train, should go in civilian clothes, and not in the regular guard's uniform. I think that is a good suggestion, and one which could be easily carried out. I do not see anything that could be said against it. But there is another class of people who are affected by the incarceration of a certain element of the population, and who are more entitled to our sympathy than the convicts. I think we would be perfectly justified in placing convicts at remunerative labour, and in placing a value upon their labour. I think it would have a very beneficial effect if part of the money so earned by the convict were applied for the benefit of that convict's family, who, under our system, are obliged to suffer for the sins of the person who is convicted. A man is sent to the penitentiary, he may be the head of a family, and the children are obliged to suffer for his misdeeds. It is not fair, I do not know that I could outline just what plan should be adopted, but it occurs to me that a value might be placed on the convict's labour, as it is placed upon his labour in certain lines, and it might be held out to him as an inducement to good conduct that a portion of the money so earned would be applied for the benefit of his family who, under the present system, are made to suffer through no act of their own.

It is not my intention to go into details in regard to the running of penitentiaries at the present time. But I do not believe there is a proper division of labour amongst the guards in the penitentiary. I think some men have to work longer than others and do not get just as fair a show as some others receive. I think the guards are entitled to the increase which is being given to them this year. The cost of living has increased for them, as it has for other people, and their work is of such a kind that they are in more or less danger. If they perform their work properly, they are running risks which should call for a higher remuneration than they have received in the past. There are one or two cases which I hope the Minister of Justice will consider in connection with the Kingston penitentiary in the past. I have in mind one man of whom I spoke to the minister some time ago. He was for many years a guard in the Kingston institution, and there was not the slightest black mark against his conduct, which was all and everything that should be. Through an accident he lost the sight of one eye, but he was still retained.

Mr. LEMIEUX: Did the accident happen when he was discharging his duties?

Mr. EDWARDS: The accident occurred while he was engaged in his duties as a guard in that institution. The man's name is Charles McConville, who has a very long record as a very efficient guard in that institution. He lost the sight of that eye through the neglect or the inability of the surgeon of the penitentiary at that time. He was, however, retained in his position as guard notwithstanding that he was there against the regulations of the institution, being a man with only one eye. He was advised by some of his friends to say nothing about it. Some time after this accident happened a convict escaped. A number of convicts were down at the wharf and one escaped for a few hours. That was made the excuse for the dismissal of this man, McConville. He was dismissed when Sir Charles Hibbert Tupper was Minister of Justice. The action of the Minister of Justice at that time does not reflect anything to his credit. He used that man with extreme harshness. I am bringing the case before the House in order to emphasize what I have said privately to the Minister of Justice that this case should be looked into. That man, after serving something like twenty-five years, without a single mark against him in all that time, was dismissed without any gratuity or recognition.

Mr. WILSON (Laval): We have seen worse than that lately.

Mr. EDWARDS: If you have seen worse cases than that then those cases should be considered. What is the use of talking about administering justice if you pass over a case of that kind and not grant

justice to a man who is entitled to be fairly treated and has not been fairly treated ? I do not care who is responsible, that man's ill-treatment in the past should be rectified at the earliest possible opportunity.

This morning I took occasion to back up a suggestion made by the hon. member for Laval (Mr. Wilson) with regard to the appointment of another inspector who had a knowledge of the French language. I think that suggestion is a good one. Very frequently we have had to send inspectors to an institution to take charge of it for a time. We have had very efficient men as inspectors; especially is this true of the oldest inspector in the service, Mr. Stewart, who knows every detail of penitentiary work. But there are occasions when, as I have said, an inspector may go and take charge, and I think that there is such an occasion at the present time in connection with the Portsmouth penitentiary. The present warden, Col. Irvine, who is a very efficient man, is temporarily absent on account of illness and I do not think it is right that that institution should be in charge of a man against whom charges have been made for misconduct in his official capacity. I think that some person should be sent down there to take charge of that institution until such time as the charges against this official have been investigated as they should be investigated.

Mr. OLIVER: Did my hon. friend say that there were charges against Colonel Irvine ?

Mr. EDWARDS: No, I did not.

Mr. OLIVER: What charges does the hon. gentleman refer to—I did not catch what he said.

Mr. EDWARDS: I said that I did not think it was just the correct thing to have that institution in charge of a man against whom charges had been made. I do not cast any reflection upon Colonel Irvine at all, because I believe he is a very efficient man. But it does occur to me that this is an occasion when one of the inspectors of the penitentiary should temporarily take charge during the illness of the warden, and especially in view of the fact that charges have been laid against a person who, in the absence of Colonel Irvine, is the head of the institution. There are many particulars in which Portsmouth penitentiary will compare very favourably with any of the other penitentiaries in various parts of the Dominion. Stoney Mountain was not capable of holding some desperadoes and they were sent down to Kingston. It was a difficult matter to hold them there, they made a break for liberty, but were recaptured. I think that the Kingston penitentiary in that respect has a very enviable record. The officials have been very alert and have shown themselves to be exceedingly vigilant and up to their work.

But while saying that I want also to say from information that I have received from various sources, and which I believe to be reliable, that the institution at Portsmouth should be thoroughly cleaned out from one side to the other. It is in need of being cleaned out. There is injustice, petty tyranny, favouritism, and men are being hounded out of their positions through spite. I repeat that the institution should be thoroughly cleaned out and an investigation held that will have the effect of putting a stop to that sort of thing. I live within three miles of the penitentiary and naturally there are a great many of these complaints which come to me. I suppose that a great many of them also reach my hon. friend the member for Kingston (Mr. Nickle). It is only natural. The parties concerned will apply, I presume, to any member who lives in the vicinity of any of the penitentiaries. The various officials of these institutions, when they have complaints to make, will hunt up a member and pour their grievances into his ear. In many cases, no doubt, these grievances are only imaginary, but I am convinced that in so far as the Portsmouth penitentiary is concerned the grievances in many respects are not imaginary.

While hon. gentlemen have been expressing their sympathy for convicts here this afternoon, I am afraid that the same sympathy is not shown sometimes by the officials for the convicts. I call to mind an incident in connection with the penitentiary at Portsmouth, not during the administration of the present Minister of Justice, I may say, but some years ago. A night guard stopped on his rounds to cut down a convict who was hanging himself in his cell. As you are aware a guard has to go around and wind so many clocks. These clocks are an indication of whether he was awake or asleep during the night. It took some little time to get into the cell and cut down this man who was hanging himself. The clock in the morning showed that the guard was a little late in winding it. Being reprimanded for being late in winding his clock, he explained the reason, stating that one of the convicts was committing suicide, that he thought he should stop him and not permit him to hang himself. He was told by the official to whom he reported and who reprimanded him for being late: Let him hang, but wind your clock. That is carrying discipline even farther than I believe the Minister of War would carry it. You are talking about sympathy for convicts, but that particular official

did not have very much sympathy for that particular convict.

Mr. WILSON (Laval): Has that remark any reference to our present Minister of War?

Mr. EDWARDS: Or to any other minister of war, or to any warlike minister. If that statement of mine is true, then any official who showed himself so absolutely heartless as to tell the guards they could let the convict hang who is committing suicide in his cell, and go and wind their clocks, I say that man is not fit to hold a position as an official in that institution or in any other institution. I want to say that every hour that passes that such a man is kept in a position of trust in that institution is a reflection upon the department for leaving him in that position. I have stated these facts before; I have asked that the facts be investigated, and I believe it is a proper case to investigate. I want to place myself on record as saying that it will be the more creditable to the Minister of Justice, the sooner he has that investigation and looks into the correctness or otherwise of what I am saying. This is only one instance of wrong-doing which should be looked into. I am merely making these statements to support my contention that there are good reasons why an investigation should be held into that institution.

Some little while ago I was charged in this House with haying advocated the appointment of a man to the position of warden of the Kingston penitentiary because he was an Orangeman, and with being annoyed because the Orangeman did not get the position. I want to say that that is not correct at all. The only man I recommended for the position of warden of Kingston penitentiary was Major Hughes, a gentleman who now occupies the position of inspector of penitentiaries, and Major Hughes is not now and never was a member of the Orange Order. It would not be anything to his discredit if he were a member of that order; I want that distinctly to go on record as my opinion at all events, whether any person else may think to the contrary. I did advocate the appointment of Major Hughes because he had demonstrated by years of faithful service that he was one of the best men this country ever produced in that line of work. He was spoken of in the highest terms by the late Sir Oliver Mowat, when he was Minister of Justice, by Sir Charles Fitzpatrick, when he was Minister of Justice; by the late Sir John Thompson, when he was Minister of Justice, and he was backed up for the position of warden by twenty-five or thirty members of this House and a good many influential people outside of this House. I think that is ample justification for my advocacy of Major Hughes for the position I thought he was eminently fitted to occupy. However, the Minister of Justice saw fit to appoint him to the position of inspector of penitentiaries, and I maintain that the choice of the Minister of Justice was a wise one. I believe Major Hughes will do good service in that office. A man who has ordinary intelligence—and Major Hughes has more than ordinary intelligence—a man who has ordinary intelligence and has satisfactorily filled a number of positions in an institution like the Kingston penitentiary, must gather a lot of information which ought be of very great value indeed, and I have no doubt Major Hughes will amply justify his appointment by the Minister of Justice to the position he now occupies. It may be that in placing him there the minister has acted more wisely than I would, if it were in my power to appoint him to the wardenship, but the Minister of Justice was quite within his right in appointing Major Hughes as inspector and I am sure no mistake was made, because I believe he will make an efficient officer in every respect.

I wish to impress upon the members of this House my position with regard to the Kingston penitentiary, and I ask them to bear in mind that the constituency I have the honour to represent comes right up to the borders of the city of Kingston. The county of Frontenac surrounds the city of Kingston; the island municipalities being south of the city and the other portions of my county being north, and east and west of the city. Because of that fact I am necessarily thrown very much among the officials of that institution. I have heard a number of their grievances and complaints; I suppose that where there is any large institution like that there will always be men who think they have grievances, and of course there are many of them who think they have grievances when they really have not. I am perfectly sincere in stating that I do think there is ample justification for a thorough investigation into every department of the Kingston penitentiary, and I am only anxious to have that investigation take place in the best interests of the penitentiary. I believe that is the view entertained by the Minister of Justice. I impress upon him again the importance of having that investigation, and I believe it will mean a lot less trouble to him, a lot less trouble to all those upon whom responsibility rests for the proper conduct of that institution, if the investigation results in straightening out the tangles and getting everything on a proper working basis again.

Mr. WILSON (Laval): I do not want my opinion to be misconstrued with reference to penitentiary farming. I am not

against farming in connection with a penitentiary, but I do think the area of land devoted to that purpose at St. Vincent de Paul is too large. I think one hundred acres would be ample. I agree with my hon. friend (Mr. Edwards) that there is benefit to be derived from education in farming at a penitentiary. As the Minister of Justice is bringing down to-morrow a resolution to increase the salaries of the penitentiary officials, may I be allowed to suggest that he should bring down a penitentiary Bill on the lines which I will suggest. What I will read to the House is a Draft Bill prepared under the late Administration, I think about the month of June last, but on account of the conditions which arose at that time, the Bill was not submitted to the House, although I have no doubt it will be found in the archives of the Department of Justice. This Bill was drafted with the concurrence of my hon. friends from Edmonton (Mr. Oliver), Westmorland (Mr. Emmerson), Regina (Mr. Martin), and I think all the members who have penitentiaries in their constituencies. The first amendment proposed by that Bill was the nomination of three inspectors instead of two. I had a conversation with the Minister of Justice this morning, and I think the law will be amended so as to give affect to the suggestion that three inspectors should be appointed, one of whom will be familiar with the French language. Another important change would be made by section 34, which reads:

If any officer dies in the service leaving a widow or any person who in his lifetime was dependent on him, the same gratuity as defined and calculated in previous sections may be paid to such widow, if any, and if not, to any person or persons in the litetime of such officer dependent on him, or to any person or corporation in trust for any such person or persons so dependent on him.

We had a case in St. Vincent de Paul where Mr. Champagne died suddenly before he had time to sign his resignation and his family was deprived of the annuity. I think a similar case came from Kingston and one from the West. I would suggest, when a man has not an opportunity to resign before his death, his gratuity should be paid to those dependent upon him. (Reading):

2. Such gratuity may be increased by one-half the amount thereof if the death of such officer is occasioned by any injury received by him in the performance of his duty, without fault or negligence on his part, at the hands of any convict, or in preventing an escape or rescue, or in suppressing a revolt, 6 E. VII., c. 38, s. 34.

3. No officer on the permanent staff of a penitentiary, except the warden, deputy warden, matron, deputy matron, Roman Catholic and Protestant chaplain and surgeon, shall be allowed to remain on the staff of a penitentiary after he has attained the age of sixty-five.

4. Every officer, when reaching the age of sixty-five, will ipso facto cease to be an officer of a penitentiary and will be entitled to the gratuity provided for in section 33 of this Act.

5. Every officer on the permanent force of a penitentiary, who has reached the age of sixty, may, at that time, or at any time between the ages of sixty and sixty-five, tender his resignation to the hon. the Minister of Justice, who may accept said resignation; and, said resignation being duly accepted, the officer whose resignation has been accepted shall be entitled to the gratuities of section 33 of the Act, provided that in each case the conduct of that officer has been good, and that he has been faithful in the discharge of his duties.

I do not need to make any comments. I think my suggestion as an amendment to the Bill is quite clear. I do not think a man of sixty-five years of age can resist a convict who is twenty or twenty-five years old, in the prime of life. How can a man of sixty-five fulfil his duty in chasing a convict and bringing him back?

I thought it my duty to make these suggestions now on account of the resolution which will be presented to-morrow. I shall give notice to the hon. Minister of Justice. If he will allow me, I shall be glad to send him this draft.

My hon. friend from Frontenac (Mr. Edwards) made reference to the appointment of Mr. Hughes. I do not know Mr. Hughes. I am trying to believe that all he said about him is true. There is one thing that the Minister of Justice should explain: what has become of Mr. Dawson, who was a faithful employee of the department for a good many years, a prominent man and an ex-member of this House. He seems to have done his duty while in office. It would be interesting to know where he is now, and for what reason he left the department. We are entitled to know whether he has been removed or superannuated.

Mr. DOHERTY: I answered the same question to another hon. gentleman this morning. Mr. Dawson was transferred to the Department of Public Works, as it was found that his knowledge would be very valuable to that department. There was nothing in the transfer of Mr. Dawson which reflected on him in any way and nothing to prejudice his position or salary.

I am very grateful for the suggestions of the hon. members who have spoken on this subject. There can be no possible question that, in the matter of administration of penitentiaries, there is room for vast improvement. The whole subject of how best to deal with the convict, the man who has so conducted himself as to call down upon him punish-

ment at the hands of society, is a most intricate and difficult, and at the same time a most interesting problem. It is one that has caused a good deal of thought to the officers of the department and, I may say, to myself, since I have occupied the position which I hold to-day, which makes me responsible for the administration of these institutions. I have had in mind some general scheme of improvement in the system. That is something that of course requires to be very carefully thought out, and a measure to bring that about is one that would necessarily call for serious consideration, and take up in that consideration not a little of the time of the House. For these reasons I do not propose to attempt to deal with that subject in a general way at this session. I hope, later on, to be able to introduce legislation looking to the improvement of the entire system. When I come to do so, I shall be very pleased to bear in mind the suggestions that different hon. gentlemen have made and I have no doubt they will be found most valuable.

The hon. member for Laval (Mr. Wilson) referred to the existence of a siding at St. Vincent de Paul, which I understood him to say interfered with the advantageous use of the property in the interests of outsiders, particularly with the placing of the derrick at the station there and in the neighbourhood of the station. This matter is entirely new to me. I shall have it looked into. I may say that the penitentiary desires to act as a good neighbour to those who live in its surroundings. If we find there is any inconvenience or disadvantage resulting from the existence of our siding which can be remedied, we shall be glad to find a way to do it.

With regard to the unloading of coal, and this being done at the most undesirable time of the year, that is to say, at the time when it interferes with farm labour, I am told by the inspector that over two years ago instructions were given that arrangements should be made so that the coal should arrive at a season of the year when its unloading would not interfere with the necessary labour upon the farm. If these instructions are not being carried out, it is not because they have not been given. I shall have that matter looked into.

The hon. member referred to the case of a woman who was detained for a day or two at St. Vincent de Paul on her way to the women's penitentiary at Kingston, and suggested that there should be some amendment in the law to prevent the happening of such things. The law expressly provides that, from the time of sentence, the person sentenced to a penitentiary is assumed to be in the hands of the warden of that penitentiary, in the sense that he is the person to whom that prisoner is to be taken direct. I understand that, as a matter of custom, when it is necessary that a prisoner should stay over for any period of time at any city on his way, the jail is the place where that prisoner is usually detained. The reason for that is simple enough. The prisoner is at the time in the hands of the officer of the court, which is the provincial court; and, in the particular case referred to, I understand the convict was on her way from Quebec, where she had been sentenced, to Kingston, her ultimate destination. The officer who was in charge of her certainly erred in the place which he selected for her to remain in during her stay in Montreal. Moreover, I think the Penitentiary officer erred, when it happened that she was brought there and as a matter of fact did stay there, in not finding some other place in which to confine her. At that time the fact was reported to the department; and, I may say, met with the censure of the department. The officer responsible for it is no longer an officer of the department.

Mr. WILSON: Will the hon. minister tell why the commitment was made to St. Vincent de Paul instead of to Kingston direct? I understand she was confined in St. Vincent de Paul pending the decision of the department as to what to do with her.

Mr. DOHERTY: I understand from the inspector that the woman was, on the face of the commitment, committed to St. Vincent de Paul, and the error was in detaining her there. She should have been forwarded to Kingston. I understand that all the convicts sentenced in the province of Quebec are sentenced to St. Vincent de Paul, but in view of the fact that the woman's department is at Kingston penitentiary, she should have been immediately transferred to Kingston.

Mr. EDWARDS: Is there no woman's department in St. Vincent de Paul?

Mr. DOHERTY: No.

Mr. WILSON: In order to avoid that a woman convict should be sentenced to the penitentiary at Kingston even from Quebec, and then she would go direct. The warden at Kingston would have no authority to receive the woman if the commitment was to St. Vincent de Paul.

Mr. DOHERTY: I shall look into the matter to see what can be done in that respect. It was a misapprehension that the woman was directly committed. With regard to the complaint of convicts going through the village in which the penitentiary is to places where their work is to be done, causing inconvenience to the inhabitants of the village, and also exposing the convicts to be unduly gazed upon, by the public, we should be glad as far as possible to avoid this. On the other hand,

we endeavour to find work for them, and when there is useful work to be done on the penitentiary property, I should not like to undertake absolutely that convicts should not be sent from one place to another. Of course, they should not be allowed, and I do not believe they have been allowed to wander in the village street. But I think the matter can be so arranged that the mere passing of a few convicts on the village street from one point to another would not cause very serious inconvenience. However, I shall look into the matter.

Reference has been made to the taking of released convicts to the railway station by a guard in uniform. This matter has been brought to my attention, and I have given it some consideration. The inconvenience found is in the guard having to specially dress himself for the purpose of taking the convict to the station, and then changing his costume when he comes back. But I think we can so arrange it that complaint will not be made. Of course, as pointed out by the hon. member for Laval, it would not do that these men should be let out of the gate of the penitentiary and allowed to stay in the town or village where the penitentiary is. I believe that the law provides for their being sent out of the town,—I make that statement on the information of the inspector.

The suggestion of the hon. member for Frontenac that convicts might be used in working on the roads adjacent to the penitentary building is one that I think commends itself. As the hon. member says, we have done some work of that kind, and I shall be glad to look into the possibilities of extending it further. We have also done work of that kind in Manitoba, on the road from Stony Mountain to Winnipeg. It has not only given satisfaction to the people of the neighbourhood, but has proved a useful method of turning to good account the work of the convicts. I have also taken note of the hon. member's suggestion that we might employ these men in making tiles for drains. This whole question of productive work by convicts is one that presents very considerable difficulty. I entirely sympathize with the view of the hon. gentleman that it is highly important that we should find some method by which the labour done by the convicts in the institution should inure to their advantage, and more especially should inure to the benefit of those dependent upon them and who by their imprisonment are in fact condemned to a severe punishment, perhaps a more severe punishment than that which falls on the convict himself. I should be glad if we could devise some method by which that most desirable object could be obtained without giving rise to justifiable complaint on the part of free labour outside. For you have to consider that always. Since I first interested myself in penitentiaries, this question has been the subject of thought with me. I have had representations on the subject from people who take an interest in the subject of improving the condition of convicts, and have made inquiries into attempts that have been made elsewhere to meet this difficulty. In the efforts that were made in France, the results, so far as I can find, were not very encouraging. At the same time I am glad to find my view on the principle involved at any rate supported by the hon. member for Frontenac, and I shall be glad to give my best attention to the matter and endeavour to devise some method by which we can gain the desired result. But, as I have said, we must bear in mind that we should not create a condition of affairs that would interfere with men outside engaged in work similar to that to which the convicts might be put.

As to matters of administration complained of, or charges against the penitentiary officers, particularly the matters referred to by the hon. member for Frontenac, I desire to say that it is my purpose to have an investigation into the institution mentioned, and to have it at the earliest possible moment, just as soon as I can secure the services of commissioners who are absolutely qualified both to do impartial justice upon complaints of, or charges against, individuals, and to investigate the methods of administration, and to make such a report thereupon as may be useful to us in our endeavours to improve the system generally. Those endeavours will be materially assisted by the valuable suggestions we have had this afternoon.

Some reference was made to the newly appointed inspector and to some observations that I understand were made upon the recommendation that the gentleman should be appointed to the position of warden of Kingston penitentiary. So far as the qualifications of Major Hughes are concerned, I desire to join most heartily with the hon. member for Frontenac (Mr. Edwards) in what he has said with regard to them. I was so much impressed with the idea that Major Hughes would be most valuable to the penitentiary administration in the highest position connected with it that I appointed him to that position. I think that is the best evidence of my appreciation of his merits and his ability. The hon. member has said that some reference has been made to Major Hughes being an Orangeman and that this was not so. The hon. member said that he would find no fault with him in that regard. I would also say that I would have found no fault with him if he had been an Orangeman, the fact of his being or not being an Orangeman would have made not the slightest difference in my appointing him to a position for which I believed he was eminently competent. Neither in his case nor in the case of

any other man would I be affected by any consideration of that kind. People may differ about matters of this sort, but when you want a competent officer for a particular position, that is no consideration one way or the other in my mind.

Manitoba penitentiaries, $66,700.

Mr. OLIVER: In regard to Manitoba penitentiary, I understand that Colonel Irwin, who has been warden there for a number of years, has been transferred to Kingston. Who has been appointed warden of Manitoba?

Mr. DOHERTY: Captain Ponsford.

Mr. OLIVER: What was his previous occupation?

Mr. DOHERTY: I cannot say at the moment precisely what occupation he was following at the time his appointment was made. He had previously been engaged in business which involved his controlling and directing very large numbers of men and he had also had experience in the active militia as a captain and was very highly recommended to me. These facts were put before me, I had several interviews with him and I felt convinced that he had qualities which would enable him to perform his duties with satisfaction. Since he has been in charge of the penitentiary I have had the most satisfactory reports from reliable sources as to his competency for the position.

Mr. OLIVER: What was his calling in life?

Mr. DOHERTY: He had been engaged in the carrying out of very large contracts, principally in connection with building operations, I think.

Mr. OLIVER: How many convicts are there in that penitentiary?

Mr. DOHERTY: Last month there were one hundred and ninety-five convicts there.

Mr. OLIVER: Has a comparison been made of the actual cost of maintenance per prisoner in the different penitentiaries?

Mr. DOHERTY: That information is given in a special appendix to the report.

British Columbia penitentiary, $90,600.

Mr. OLIVER: Some years ago there was a good deal of criticism of this penitentiary and its management owing to the escape of a very noted criminal. Has anything occurred since that shows either a better condition of the conduct of the penitentiary or better arrangements in any way or have the unfortunate occurrences of those years been repeated and if not what is the reason?

Mr. DOHERTY: I am not in a position to say that conditions are materially improved there, but at the present moment the inspector is on his way to British Columbia penitentiary, taking in the others on his way, with a view to make a thorough inspection and examination and report upon the conditions in that penitentiary as well as in others. I do not know that I am in a position to say that we have any special information showing either improvement or deterioration in conditions since the incident to which the hon. gentleman refers.

Mr. OLIVER: Have there been many changes in the staff and in the actual buildings since then?

Mr. DOHERTY: There have been no changes of importance in the staff, but the large wall which was defective at that time has been completed.

Mr. OLIVER: Had the condition of the wall anything to do with the escape of this prisoner?

Mr. DOHERTY: I understand that the convict at the time of his escape was working outside the wall, so that the condition of the wall had no bearing upon the escape, and the respect in which the person responsible was blameworthy was in allowing him to work outside the wall in the conditions that existed.

Mr. OLIVER: What is the number of convicts in New Westminster penitentiary?

Mr. DOHERTY: 360 are provided for.

Mr. OLIVER: How many convicts are there in Edmonton penitentiary?

Mr. DOHERTY: There were 197 convicts last month.

Mr. OLIVER: From time to time representations have been made to the Government, and to the minister, in regard to the removal of the penitentiary. Can the minister give us any information as to how that matter is now viewed by the Government?

Mr. DOHERTY: Representations have been made at different times, by different parties, suggesting or recommending the removal of the penitentiary at Edmonton. There have been suggestions that it should be removed and placed on a different site in, or adjoining, the city, and there have been suggestions that it be removed to some other locality. The last time the matter was discussed was when I had a visit from a gentleman occupying a high position in the municipal government of Edmonton. He was very desirous that we should arrive at some arrangement by which the penitentiary property might pass over to the city, the city providing another site which would still be in the neighbourhood, but not in the heart of the city, as I understand it is at present. As a result of that interview, I asked the gentle-

man representing the city of Edmonton to put a definite proposition in writing as to the location of the land they proposed to give us as a site, and to send it to us, and we would consider it. That was a couple of months ago, and we have not yet received any definite proposition on the subject.

Mr. OLIVER: Would the minister care to say whether any proposition would be accepted, and if so, what would be the fundamental necessities in such a proposition as to area, the distance from the railway station, and the possibility of having the benefit of the city utilities, the water works, and so on. If the requirements of the department were known there could be some definiteness in the efforts put forth to meet them. But the minister will understand that with properties at high values, and with people more or less keeping an eye on property values, it is not likely that anyone on behalf of the city would go to work and secure a knowledge of a certain area of property that might be acquired, when, after that knowledge had been acquired, the department might say that they did not care to effect any removal, or that the property selected was not suitable for certain reasons. If we could know what the requirements of the department would be in the event of removal, the city of Edmonton would have something more definite to work upon. I know there is a very great anxiety to have the penitentiary removed from where it is, and I am anxious to try to bring the wishes and interests of the city of Edmonton to work with the wishes and interests of the Department of Justice. I think both could work together successfully.

Mr. DOHERTY: The way we look upon the matter is that the penitentiary is satisfactorily situated as it is. As I understand, the citizens of Edmonton are desirous that we should remove it. We are not exactly in the position to define conditions upon which we should go out, because we are not in the position of wanting to sell. The city comes to us; we are satisfied with the present position. We find many advantages in the present site, which they say they desire to acquire. Under these conditions, it seemed to us fair to ask the city, what is your proposition; you are the people who desire the change. I think we would be disposed to give every consideration to a proposition in the interests of the city of Edmonton, consistent with our duty as administrators of the penitentiary, but it seemed to us that the initiative lay with the people who desired the change to be made, rather than with us. If the change involved no detriment to the public service, and was carried out in a manner that would be just to the penitentiary, we would be disposed to give it every consideration. However, I will consider the matter from the point of view of the hon. member.

Mr. DOUGLAS: Has the minister any objection to stating who the official was from the city of Edmonton?

Mr. DOHERTY: At the moment I cannot recall the gentleman's name. He was an alderman of the city. I do not mean to say that he was speaking officially in that capacity, but like the rest of the citizens he was interested in this matter, and he came to see me, and we talked the matter over. As I have said, I made the suggestion that he should endeavour to see if some definite proposition could be made. He was not in a position to speak of any particular site. If he had been in that position, and if we had had a proposition to exchange sites, we would have been in a position to look into it, and to deal with it. But it is difficult for us to go looking around for sites. We might select what we considered a good one, and find that it was not possible to secure it. The city on the other hand knows what sites could be procured.

Mr. DOUGLAS: The alderman who visited the minister would probably be Alderman Smith. I understand he was given authority to interview the department regarding the removal of this penitentiary, and that the city government had made arrangements to purchase land, within three or four miles of the city, which would be suitable for penitentiary purposes. They had also arranged, I understand, to extend the street railway system on the understanding that the Government would surrender their property in the city of Edmonton. As the hon. minister is aware, the property, as at present situated, comprises 100 acres in the very heart of the city. It is not only that the location is objectionable, but this vacant land in the heart of the city is detrimental to the best interests of the city, and I think it would be in the interests of the Government that these conditions should not prevail much longer. If the city is prepared to give the Government a suitable situation and possibly erect a building, such as they have on the present area, I presume the Government would have no great objection to the change being made.

Mr. DOHERTY: I am not prepared to say offhand that merely on this basis we would be prepared to act. We have to bear in mind that we have an exceedingly valuable property, an asset of this Dominion, and when it comes to a question of exchanging, we would have to look to the question of what we are parting with and the value of what we are receiving. I

do not mean by that to say that no consideration should be given at all to the position and interests of the city of Edmonton and that we should act absolutely with the view of wanting to treat this as a purely commercial question, but I say, and I am sure the hon. gentleman will agree with me, that the comparative values of the property to be parted with and that to be given to us is a matter that we have to consider. Then the peculiar advantages that our present site has for our special purposes will have to be taken into consideration as compared with the advantages that would attach to any area which may be offered to us. It is difficult for us to make a definite answer to a general proposition. It is a matter that does not seem to me that we can come to any conclusion upon unless the department is put in possession of precise information as to what the city offers to us in exchange for what we have. I have the best disposition towards the city and to consider what is in the interest of the city of Edmonton as well as what is in the interest of the Dominion as a whole.

Mr. OLIVER: There is a certain area surounding the present penitentiary. The whole of that area is not practically available for the purposes of the penitentiary as the railway tracks run across a part of it. I do not know how much of the property is occupied, but it would probably be twenty or thirty acres. It might be presumed that that is a small area for a large penitentiary. If the department would consider that a larger area less conveniently situated would answer the purposes of the department as well, or better than a small area conveniently placed, as this is, there would be some ground for the city of Edmonton to go on and try to make an arrangement. But I am afraid, from what the minister has said, that we have not made much through the change of Government, because the argument he puts forward is about the same as that which his predecessor put forward. It was up to the city to show cause.

Mr. DOHERTY: It is difficult to accept or reject a proposition that is not made. That is our proposition pure and simple. I said to the gentleman who came to me, and I say it again, that I would be prepared to deal fairly with any proposition that is made to me, bearing in mind the importance of this matter to the city of Edmonton, as well as trying to do my duty as representing the Dominion. But I cannot say offhand that, if a site is offered to me, I will accept it. No doubt the advantages of a larger site would be a matter to be considered. I can only say that I am quite open to any other suggestion that may be made and I am prepared to consider it as fairly as I am capable of doing. I can realize how important it is to the city of Edmonton and I shall be glad to meet their views consistently with doing my duty on behalf of the Dominion.

Mr. OLIVER. I do not wish to press the minister unduly and I do not wish to suggest that he is not acting in good faith and consistently with his position, but it is my business to place before him and the committee the position and views of the people whom I represent. It is conceded generally, as was stated by my hon. friend from Laval (Mr. Wilson) and my hon. friend from Frontenac (Mr. Edwards), that it is in the public interest as well as in the interest of the penitentiary itself, that the institution should not be inside the city. It should not be inconveniently situated, but it is better that it should not be surrounded by population. In Edmonton the situation of the present penitentiary is absolutely surrounded by population. While it is not in the centre of the city, it is measurably centrally located. I have not very full knowledge, but it is probably more within the city than any other penitentiary in Canada. That being the case, the citizens of Edmonton are inclined to the view that it is not in the interest of the city, or in the interest of the good administration of the penitentiary, or of the country, to have the penitentiary located there, and that it should be located outside the city. The area that is now occupied by the penitentiary is admittedly small compared with the ordinary requirements of a penitentiary. Therefore, to take the further step, they believe that the penitentiary should have larger grounds, which it can only have by being outside the city. There are certain advantages possessed by the penitentiary and the department by reason of its location, in that it has street cars, city utilities, electric light, waterworks, and all the other conveniences. These are great advantages and they possibly could not be supplied at any serious distance outside of the city. If the Government would say that the use of these utilities was an essential condition to the location of the penitentiary outside of the city, the people dealing with the matter would know that, with respect to any location that they desired to secure, they must not go out of the range of city utilities. If the Government would insist on the use of the utilities, convenience to the street cars, convenient access to the steam railways, and a certain distance from the city, the people could go and do business. If these utilities were not insisted upon, of course, it would make the task very much easier and a still larger area of land might be secured at more reasonable

figures. It is not with a desire at all of tying the Government or the department up to making an exchange that I am presenting this matter to the minister, but I would like to get what would be the minimum that the Government would accept in the way of the use of utilities, distance from the centre of the city, &c. If we could get the minimum the Government would accept in these three particulars, we could go on and see what arrangements we might make; not tying up the Government to accept what we would think, but we would have something definite to go on in making these preliminary arrangements. On the other hand, if it is not possible to secure a change of location, there is no reason I can see from the standpoint of the Government or of the city, for retaining as penitentiary property that part north of the railway track. It seems to me that part might be disposed of because it is not of serious value to the penitentiary for penitentiary purposes. The fact is that the lines of the Canadian Northern railway and of the Grand Trunk Pacific cut this part off for penitentiary purposes from the rest of the ground, and it might very well be disposed of.

The other point is that the wall around the penitentiary is only a board fence, and I would almost make the criticism that the reason the convicts remain in the penitentiary is because they like the board and the situation of the place. There does not seem to be any reason why they should stay there unless that be the case. If it is intended to maintain the penitentiary in that place, a more sufficient and permanent enclosure should be erected so that the officers of the penitentiary be not at the risk of their lives as they are to-day, with that continual inducement to the convict to escape. There have been several escapes. There have been several escapes or partial escapes from the Edmonton penitentiary, and probably the minister does not know that the then assistant warden was done to death in the penitentiary some years ago. The conditions are that if the penitentiary is to remain where it is there should be improvements which would tend to the retention of the prisoners and the safety of the officers. I am satisfied there might be blame attached to the officers for escapes, which I think would be entirely unjust, under present conditions. It is because it is necessary to make extensive permanent improvements in the present location that I would urge in the interests of the administration of justice that ultimately, although perhaps not at present, it is desirable the locality should be changed and the conditions approximately more closely to those universally accepted as conditions which should surround a penitentiary.

Saskatchewan penitentiary, $53,800.

Mr. OLIVER: How many convicts in the Saskatchewan penitentiary?

Mr. DOHERTY: A daily average of one hundred. It is situated at Prince Albert.

Mr. OLIVER: Is it within the city limits?

Mr. DOHERTY: About three miles from the city.

Mr. OLIVER: What area of land surrounds it?

Mr. DOHERTY: About six hundred acres in the penitentiary reserve.

Mr. OLIVER: That bears out very strongly the argument I addressed to the minister in respect to the Edmonton penitentiary.

Mr. DOHERTY: An increased area would probably be of advantage at Edmonton, and having listened to what the hon. gentleman (Mr. Oliver) has said, I shall be glad to think the whole matter over and see if there is some practical method of meeting his views.

Mr. OLIVER: If the minister would let me have an idea whether he would insist on access to city utilities, or whether he would be willing to accept a situation not in touch with such utilities, it would greatly help.

Mr. DOHERTY: I will think it over.

Mr. DOUGLAS: Has the penitentiary at Prince Albert electric light, sewers, and water supply?

Mr. DOHERTY: The penitentiary has its own sewers and water supply, and the electric light is supplied by the city.

Expenses under the Pecuniary Claims Convention with the United States, $2,500.

Mr. OLIVER: What claims are these?

Mr. DOHERTY: There is a commission sitting to determine a number of pecuniary claims which the United States Government, the Government of Great Britain and the Government of this country had agreed upon to submit to the determination of that commission. There is a great variety of claims, most of them of very long standing. This commission, which began its sittings a week or two ago at Washington, is to pass upon these claims, after the particular claims that are to be submitted have been determined by the respective parties. There are already two schedules and may possibly be others. It is a mistake putting the amount of $2,500; it was intended to be $25,000. The balance has to be made up in the supplementary estimates.

Mr. LEMIEUX: Is the country to be reimbursed for the costs after the adjudications have been made?

Mr. DOHERTY: I do not know that the commissioners are authorized to make adjudications as to costs. Some of the claims are on behalf of individuals, and, with regard to certain classes of these, I think the Government would consider it had done its duty in procuring the establishment of a tribunal to deal with them and in giving proper notice to the individuals concerned, leaving the individuals themselves to provide for the conduct of their own cases. Of course we would conduct those cases which were of a public nature. Certain people, for instance, were charged duty on hay going into the United States. It was subsequently determined that that duty was not properly charged, and these people have claims to be reimbursed what they paid. With regard to claims of that nature I do not think the Government would consider itself under obligation to provide for the cost of urging and supporting them before the commission.

Mr. LEMIEUX: I understand there are three gentlemen on that commission, Sir Charles Fitzpatrick representing Great Britain. Who represents the United States?

Mr. DOHERTY: Mr. Chandler Anderson.

Mr. LEMIEUX: And Mr. Fromageot, of France, is the third arbitrator.

Mr. DOHERTY: Yes.

Mr. OLIVER: There are some claims made by Canadian Indians against the Government of the United States. Do they come under this convention?

Mr. DOHERTY: Yes, I believe so. There is a particular claim in the case of the Cayuga Indians, and I think there are other claims.

Mr. OLIVER: There are other claims by Indians, and I would be glad if the minister would see that any such claims are included.

Mr. DOHERTY: I have been paying a good deal of attention to that.

Mr. LEMIEUX: Would my hon. friend give the House as soon as possible a list of these Canadian claims? The reason I ask is because some years ago one of my electors, Mr. Lindsay, of Gaspé, had chartered the steamer La Canadienne from the Government during the summer. That steamer was injured by a United States warship going by way of the canals to the great lakes.

Mr. HAZEN: That claim is before the commission.

Mr. DOHERTY.

Militia and Defence—Allowance active militia, $120,000.

Mr. CARVELL: Will the minister explain how this money is to be expended?

Mr. HUGHES: It is for camp and drill instruction, care of arms, postage and for trumpeters and signallers' degrees on qualifying for a certificate.

Mr. CARVELL: Has the minister decided upon any policy regarding the care of arms? Some small armouries have been established in different parts of the country. If an armoury of any size is built and arms are placed in it, it seems to be the custom that they shall be taken care of by the caretaker of the armoury, whoever he may be. Here is a case in point. I think that probably the first instance where a small armoury was built in connection with a public building, that is, a combination of an ordinary public building and an armoury, was in the town of Hartland in my constituency. I think one corps of militia is now housed in the armoury. I understand that somebody was appointed to build the fires, to keep the place clean and to act as general janitor of this public building.

Mr. HUGHES: When?

Mr. CARVELL: Some time within the last six or eight months. The building was completed only a few months ago. I have found that the captain of the local company has been notified that henceforth he has nothing to do with the arms of his company, they are taken out of his charge and placed in the charge of the janitor of the building. It may seem a very small thing to the minister, but it may be a very important matter to the men interested. In the first place, he says the responsibility is entirely upon him to look after those materials, keep them clean and keep them in order, and if there is any remuneration he should have it. But, more than that, when inspection day comes around, if there are deficiencies, the captain is responsible, and the amount will be taken from his pay, and he will have no way of recouping himself. Has this matter been brought to the attention of the Minister, and will he under the circumstances, leave the matter to the competent officer connected with the company who understands these matters—and has given good service?

Mr. HUGHES: I have no knowledge of the case referred to. The question of the care of these armouries in public buildings is a matter of rather serious import, and so far as I am concerned, I have refused in many instances in which it was brought to my notice to have the public building used for company purposes. They entail, as the hon. gentleman says, the appoint-

ment of a caretaker, and the furnishing of fuel, and, so far as I am concerned, our policy—which we are gradually getting into shape—is to turn these buildings over to the Public Works Department and erect small halls of our own. Furthermore, we have not yet quite developed our policy in relation to the caretakers, but I find that many of these gentlemen have done little, if anything, except to cater to the companies in the evening occasionally when they are in their quarters. Accordingly, we are rearranging the whole scheme of caretakers, and we purpose seeing that they attend to business where they are necessary and that they are retired where they are unnecessary. My own idea is that the officer in command of the company in a small place should be the man to take charge of the armoury. Of course, where the dual policy is in vogue—it has been in vogue for some time, and I have not interfered with it except in cases of necessity—where the caretaker of the public building looks after the room and arms, the officer in command of the company still gets half the pay. But we have the whole matter under consideration. Some of my officers have personally inspected a number of the armouries and in scarcely one solitary instance have we found them satisfactory. Toronto was satisfactory; Hamilton was more than satisfactory; Ottawa was simply scandalous, and there were other places where the men were not earning their money or doing their duty. A system will be devised to meet the case.

Mr. CARVELL: I am glad to hear the statement made by the minister. With respect to the armouries which are wholly military and entirely under the hon. minister's department, I do not think there is any complaint. We have a very competent caretaker who was removed for special purposes, and another gentleman appointed in his place, of whose qualifications I make no complaint. He is a good Tory, and that was enough to secure his appointment.

Mr. HUGHES: He can do his work, I will guarantee.

Mr. CARVELL: I wish to say, to the credit of the minister, that he stood by the militia and against the caretaker. The caretaker would not allow the band in the room because they made a noise, the minister interfered and allowed the band to go in and make all the noise they wanted to. However, that is not what I wished to speak about. So far as the Woodstock drill hall is concerned, no fault has been found, because a man was appointed who received sufficient pay to justify his giving attention to the matter; and, so long as I had anything to say about it, I had a very competent man who certainly looked after everything in good shape. But, when you come to the small dual armoury and Public Works building you have a different state of affairs. You have a civilian appointed as caretaker. I do not speak with reference to the gentleman in the case to which I specially referred, because while this is in my own constituency, I do not even know his name. But in such cases, you have a civilian appointed who knows nothing about militia matters, and the captain of the company feels that a great injustice would be done to him if he were compelled to hand over these arms to a man who is not responsible, and yet the captain of the company himself is held responsible.

Mr. HUGHES: Is the hon. gentleman certain we have a man there? I have a fairly good memory, and so have my officers; and we have no recollection of appointing a man in any way under the Militia Department. The man must be a public works man.

Mr. CARVELL: I do not know. I have a file of correspondence here which, though in a sense confidential, yet which I shall be glad to show the minister if he so desires. Although, it might be—what do the minister's men call it?—derogatory to these in command to have an officer write to somebody else——

Mr. HUGHES: This is a free country.

Mr. CARVELL: This officer wrote to me. I am not finding more fault than is necessary, but as I understand, it was proposed that the care of these arms should be taken away from a military man and placed in the hands of a man who was appointed by the Public Works Department. The captain objected, and I think with great reason. Whether the matter has been carried out or not, I do not know. I hope the minister will tell me that it will not be carried out.

Mr. HUGHES: I have no recollection of such a case. I have no knowledge of any place in Canada where we have an officer in a public works building.

Mr. CARVELL: But the minister has knowledge of cases where the Public Works Department building officer has been given charge of arms and equipment.

Mr. HUGHES: No, not at all.

Mr. OLIVER: This item covers provision for the storage of arms and accoutrements. That was the cause of a good deal of difficulty when I was a member of the Government, representing a constituency and supporting the Government. I hope that there will be less trouble now that the responsibility is on other shoulders. But it is not in regard to drill halls I wish to ask, but in regard to the provision for a country

squadron. What is the system in the department in regard to caring for the accoutrements of, say, a country squadron of mounted men?

Mr. HUGHES: The system is the same as my predecessor pursued in relation to individual squadron headquarters. It would be impossible, even in a large number of years, to make provision for each squadron or company headquarters, but we are adopting a policy of inexpensive drill halls for squadron headquarters where we can store these supplies and we make the cost about equivalent to the rent of buildings we would have to obtain for storage purposes. These headquarters buildings also serve as places for the men to meet and drill.

Mr. CARVELL: In looking over the correspondence, I find that the caretaker was a former militia man, but he is not now and has not been for some years.

Mr. HUGHES: I shall look it up.

Mr. MARCIL: As there is not a dollar spent in my constituency for militia purposes, I am perhaps qualified to ask what is the total amount asked for this year for militia purposes and what is the increase over last year and the year previous?

Mr. HUGHES: The total last year was $8,896,397. This year it will be $10,500,000.

Mr. MARCIL: Have you the year before?

Mr. HUGHES: No, I have not those figures with me.

Mr. LEMIEUX: Where is the chief increase?

Mr. HUGHES: The increase is chiefly an increase in the number of militia.

Mr. MARCIL: Would the minister add to the figures here given the amount that is being spent by the Public Works Department for militia purposes?

Mr. HUGHES: I have not that information here.

Mr. MACLEAN (Halifax): I thought the minister was going to transfer the construction of buildings used for military purposes, such as drill halls, from the Public Works Department to the Militia Department and construct them under the supervision of his own engineers.

Mr. HUGHES: Up to $15,000.

Mr. LEMIEUX: When the minister says an increase in the number of militia, does he mean an increase in the number of men and horses and the cost of equipping these men and horses with guns, armaments, &c.? Would the minister give the number of men and horses for the two years?

Mr. HUGHES: Yes. For 1911-12: men, 44,045; horses, 8,880; for 1912-13: men, 48,140; horses, 9,758 were trained in camp. That is about 1,000 more horses than were trained the year before and nearly 5,000 more men. This year the total increase over last year will be 9,151 men and 3,528 horses, which is a pretty large increase.

At six o'clock, House resumed, and then took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

PATENT OF COMMERCIAL ACETYLENE COMPANY.

House in Committee on Bill No. 207, respecting a Patent of the Commercial Acetylene Company of New Jersey.—Mr. Maclean (South York). (Mr. Deputy Speaker in the Chair.)

Mr. OLIVER: In the absence of the promoter, this Bill stood over on the last occasion it was up. It is a Bill that affects patent rights, and it certainly should not go through without some responsible statement being made as to how far private rights are affected by it.

Mr. CARVELL: I would suggest to the Government the necessity of bringing in some sort of legislation next session to get rid of all this nonsense of placing people in the position they previously occupied, and which they lost on account of negligence, because in ninety-nine cases out of one hundred these Patent Bills are for the purpose of relieving people of the results of their negligence. It used to be the case that the patentee had to show some reason why he should be reinstated, but now we seem to have reached the point where a man can come here and say that he was negligent and had not paid his fees, and he is then reinstated. If it is right to reinstate a patentee in that way, it is not fair to make him pay two hundred dollars, besides solicitor's fees. It is taking up the time of Parliament. There should be some way of reinstating patentees without taking up the time of Parliament. I have made this statement before, and I offer it as a suggestion to the Government. If they are going to continue the present course of renewing every patent right that has expired by reason of negligence, the patentee should be relieved of the expense of coming here.

Mr. ROGERS: I entirely agree with the remarks of my hon. friend, especially when a patent holder has been negligent in his duty and when he places his Bill and explanation in the hands of some member who is also negligent in his duty, thus wasting the time of Parliament. I en-

tirely agree with the hon. member that the time of Parliament should not be wasted in this way by men who do not appear to have any interest in their own business.

Mr. CARVELL: A system has grown up that is almost vicious in its results. We are getting more and more lax every year. Men come here now and claim reinstatement as a matter of right. They pay two hundred dollars and get their patents renewed. Up till two or three years ago we made the applicant show some reason why he should be reinstated. I can tell my hon. friend that three years ago a matter came before me professionally which meant a lot to the parties I represented. They were willing to establish an industry in my town, and expected to employ forty or fifty men if I could get their patent renewed. But I could not see any reason why it should be renewed, for they had simply been negligent. I did not want them to come and perjure themselves, and I advised them that I did not see any way of getting their patent renewed, and the patent was not renewed. Now, if that case came up to-day, all I would have to say to them would be, pay two hundred dollars and the fees of the solicitor. It is a great change, and I have doubts whether it is a change for the better. Parliament gives a man protection for a certain number of years by reason of his invention. It is a premium to the man for his diligence in inventing some article or piece of machinery. That is all right. But Parliament gives him that protection on certain conditions, one of which is that at the expiration of six years, if he does not pay his fees for renewal, his rights are gone. It seems to me that the public have some rights in this matter as well as the patentee. The man who has not enough interest to pay his fees, does not deserve to be reinstated, and I do not see why Parliament should come to his rescue, simply by asking him to pay $200.

Mr. BURNHAM: The patentee, who comes from Toronto, was here last week and was exceedingly anxious that this Bill should go through. He appeared before the committee, and the Bill seemed to be all right.

Mr. MACLEAN (South York): The Bill is to grant an extension of time for one year for the manufacture of the patented invention. The hodlder of the patent is a Belgian, and did not know the manufacturing requirements of the Patent Act. An English company has taken up the invention and proposes to establish a factory in Canada within a year if the patent is reinstated. The facts were brought out fully before the committee, the Deputy Minister of Agriculture being present, and the committee was satisfied that a case had been made out. That is all the explanation I have to offer. It is similar to other Bills that have been before the House. It is very similar to the case covered by the Bill that has just gone through, and I would ask the committee to give it the same consideration.

Mr. NESBITT: What is the patent for?

Mr. MACLEAN: I cannot explain that in detail. It has been before the committee and the minister, and it has gone through the Senate.

Mr. REID (Minister of Customs): The Bill states that it is:

> A patent, issued under the seal of the patent office of Canada, number sixty-seven thousand six hundred and seventy-nine, dated the eighth day of June, one thousand nine hundred, for certain new and useful improvements in the method of storing acetylene, and that the said patent has expired by reason of the non-payment of the fees required by the Patent Act.

Mr. OLIVER: I understood from the promoter of the Bill that this was an extension of time to allow for the manufacturer to begin.

Mr. MACLEAN: Yes.

Mr. OLIVER: But I understand now from the Minister of Customs reading the Bill that it is a case in which the patent right had expired four or five years ago, and it is to renew it.

Mr. MACLEAN (South York): The purpose of this Bill is to grant an extension of one year to allow of the manufacturer of the patented invention, and with that extension they will immediately undertake the manufacture of the patent in Canada.

Mr. NESBITT: Is this for making acetylene?

Mr. MACLEAN: Just for storing it.

Mr. OLIVER: I am sure the hon. member will give the committee suitable information as to what the process is.

Mr. LALOR: It seems to me that the principle of extending these patents is altogether wrong. The patentees have a reasonable time in which to comply with the law, and if they do not take enough interest then we should not extend the patents by legislation in this House. If they do not comply with the law the patents should become public property.

Mr. MACLEAN (Halifax): In any event such legislation should be introduced by the Minister of Agriculture, and he should take the responsibility of recommending the passage of these patents in the House; it should not be left to a private member.

Mr. MACLEAN (South York): I am quite willing to allow the Bill to stand until the Minister of Agriculture is here if anybody wants that, but inasmuch as similar Bills have gone through the House, until such time as the Government establishes a fixed policy, exception should not be made of one particular Bill.

Mr. MACLEAN (Halifax): I agree with that.

Mr. NESBITT: I object to this continuous renewal of patents. If the people who take out patents do not take enough interest to get them renewed, we should not renew them here. I would like this to go as a warning to those whose patents have expired that they will not be renewed in this House.

Some hon. MEMBERS: Hear, hear.

Mr. OLIVER: It is a remarkable position to place the House in, because here we are renewing a patent and no one in the House knows what the patent is for. I do not wish to oppose the Bill, but the House certainly should have some information about it. Inasmuch as it relates to acetylene, we ought to have more light on it.

Bill reported, read the third time, and passed.

PATENT OF MAURICE DELVIGNE.

House in Committee on Bill No. 208, respecting a patent of Maurice Delvigne.—Mr. Barker. (Mr. Deputy Speaker in the Chair.)

Mr. OLIVER: As this also relates to a patent, and as the hon. member in whose name the bill stands is present, it would be in order to have an explanation.

Mr. BARKER: This Bill is on behalf of a Belgian, who invented an explosive, and who employed people here to get a patent for it. In ignorance of our laws—I do not put that forward as a genuine excuse for the Bill—he did not realize the necessity of renewing it, and allowed the time to expire. When he found out the true situation he at once tendered the money. The patent was granted only three years ago, and the bill protects anybody who may have begun to manufacture the explosive in the interval, so that there can be no harm done. The patentee is paying everything that he would have paid if he had known what was expected of him. The Bill passed the Senate, and they thought it was a proper Bill. It also passed our committee, and, subject to what the hon. gentleman (Mr. Carvell) says as to these cases being dealt with in this way, I cannot imagine a better case for reinstatement than this. This Belgian had no knowledge of the fact that he was risking anything; he thought he had his patent secured, and he offered to pay the money whenever he found it was necessary. In the Bill there is an express clause providing that any person who has begun to manufacture the explosive is protected, and that he may continue to manufacture.

Mr. CARVELL: Did I understand my hon. friend to say that the patent was granted only three years ago?

Mr. BARKER: In 1910.

Mr. CARVELL: Had the party to manufacture according to the provisions of section 38 of the Act?

Mr. BARKER: I think that was so. He did not begin within the three years, but he was ignorant of the necessity for doing so.

Mr. CARVELL: This Bill will of course go through, but it only illustrates the point I was making. If there is a principle of patent law known to every man who has had anything to do with patents, and to every solicitor in Canada who ever took out a patent for a patentee, it is that the patentee must commence to manufacture the article within two years, or come within the provisions of section 44 of the Act. I do not want to say anything offensive about my hon. friend's Belgian, friend, but no man can be so innocent, who would wish to get a patent in Canada and who would employ a solicitor for that purpose, that he would not know that he must commence to manufacture the article within two years. It is not possible, yet the man comes here and says: I did not know. That only illustrates the truth of what I said a little while ago that men ought not to be placed in that position. If it is right to renew these patents and allow them to evade the law, let us do it in a less public way than this; let us hand it over to the Department of Agriculture, to the Patent Commissioner, to some board, or to some public body, that can take these matters up, deal with them solely on the merits of each case and reinstate a man in his rights, if it is proper that he should be reinstated, but do not bring him to Parliament and make him state to the world that which it must bother him to state, or get somebody to state it for him.

Mr. BARKER: I quite agree with what the hon. gentleman (Mr. Carvell) says that it may perhaps be well to have some remedy other than that of coming to Parliament. But that is not the law yet. This man is a foreigner, a Belgian, he had people acting for him here and he had no notion that he was risking everything. The moment he found out the position of affairs he acted very promptly in coming here. The original patent was issued in 1910. If you can have any excuse under the present law I

think this is a reasonable excuse in this case.

Mr. OLIVER: I do not want to oppose the passage of this Bill, because, as my hon. friend says, this case is as good as a number of other cases that have received the assent of Parliament. But clearly the principle is vicious. My opinion is, however, that it is not a change in legislation that is wanted but that it is a change in administration. These are private Bills, it is true, and it has not been the custom of the Government to take control of private legislation. That is probably a sound principle under most conditions, but where private legislation is continually and repeatedly sought, as it has been at this session, to set aside the law which embodied the mind of Parliament, I think the time has come for the Government to take the matter in hand and either to propose to Parliament such changes in the law as would be right and fair or else assume responsibility for private legislation of this character. I am putting this before the Government with all respect and without any desire to find fault, but I think that the conditions which have been shown during this session with regard to the renewal of patents are such as reasonably call for definite action and for a definite policy by the Government in the administration of the patent law.

Mr. ROGERS: I quite agree with my hon. friend (Mr. Oliver), and were it not for the fact that the session is about drawing to a close, I would have no hesitation in saying that we would introduce legislation to cover the points which he has suggested. In the meanwhile I would venture to suggest that it would be well for the holders of patents to consult with their legal representatives, and if their legal representatives continue to be negligent in the future, as they have apparently been in the past, I have no hesitation in saying that the Government will next session introduce legislation to remedy this condition of affairs.

Bill reported, read the third time, and passed.

SENATE AMENDMENTS TO BILLS.

On motion of Mr. Lancaster the amendments made by the Senate to Bill No. 99, respecting the Canadian Northern Quebec Railway Company—Mr. Guilbault—were referred to the Select Standing Committee on railways, canals, and telegraph lines.

On motion of Mr. Fripp, the amendments made by the Senate to Bill No. 183, respecting the city of Ottawa—Mr. Fripp—were referred to the Select Standing Committee on Miscellaneous Private Bills.

SECOND READINGS.

Bill No. 228, to incorporate the Pointe aux Trembles Terminal Railway Company.—Mr. Baker.

Bill No. 230, respecting certain patents of Otto R. Barnett.—Mr. Kyte.

Bill No. 233, for the relief of Frank William Meek.—Mr. Pardee.

SUPPLY.

House in Committee of Supply.

Active militia—allowance, $120,000.

Mr. OLIVER: When this item was under consideration at six o'clock, I was anxious to get from the hon. minister an understanding of the conditions that are now imposed or observed by the department in dealing with the care of arms and accoutrements of country squadrons. I assume that it is the desire of the department to establish mounted corps throughout the western country; that is, as the agricultural population become well settled and fairly prosperous, it is hoped that the young men will find recreation and interest in connection with the militia; and that, as a matter of fact, the young men growing up in the prairie provinces will be the great strength of the militia force, especially so far as mounted men are concerned. Therefore it is important that the department, in its arrangements, should take cognizance of the conditions prevailing in strictly rural settlements. One of the difficulties is the care of arms and accoutrements in a purely rural community or where the community is almost purely rural. What is the policy of the department in providing for the care of arms and accoutrements of a squadron of militia in a rural community?

Mr. HUGHES (Minister of Militia): The policy is to give $100 allowance for each squadron for care of arms. The officer or someone in connection with each squadron looks after this himself. He usually provides his own building, sometimes an upstairs room in his own dwelling or a hall. The policy is, wherever there is a goodly sized town or even a country village with a squadron, to build a small drill hall. The custom has been to put an armoury in the public buildings. I have figured up the additional cost to the Public Works Department of these armouries in public buildings. I find that a very convenient little building can be put up as a drill hall in each of these towns for less money than it takes to place an armoury in a public building, the reason being that armouries in public buildings are more highly finished than the ones that we put up. It will take a good many years before we can catch up, because there are about eight or nine hundred of these units throughout the

country. Therefore we must rent for a long time. Where we do not rent, we give an allowance of $100 which recompenses a good man. For example, Wetaskiwin is a large town. The officer there did not want to be bothered with the matter so we rented a building. The rent is a little more than the allowance. We use the building for drilling the men in the evenings, and in that way get an additional advantage out of it.

Mr. OLIVER: The experience I had was that the allowance was under most circumstances entirely inadequate for the rent of a building that would take proper care of the arms and accoutrements of a mounted corps.

Mr. HUGHES: For saddlery, it is.

Mr. OLIVER: The necessity of having a water-tight and a good and roomy building for taking proper care of the saddlery is not recognized in the amount of money available under that arrangement. I wish to emphasize, as strongly as I can to the minister the absolute necessity of having either a larger allowance or a more elastic arrangement than formerly prevailed, especially in regard to mounted corps. While $100 might be quite sufficient to make provision for the arms and accoutrements of an infantry company, it would not be at all adequate for saddlery. There is another feature of it that I am sure must have struck my hon. friend. The saddlery that is required for the militia force might very well be used in civil life if it is not properly cared for, whereas the arms and accoutrements of infantry are not liable to be used except when the men are on duty. Unless the saddlery is kept under proper control, it is liable to become missing or the worse of wear.

While the minimum rental allowance that the minister speaks of may be adequate to provide a place to store the arms and accoutrements of an infantry company, it absolutely is not adequate, nor anything like adequate, to provide suitable storage room for the material of a mounted squadron. I take it for granted that it is to the prairie country that my hon. friend looks for the development of his mounted forces. That is where the mounted service is most likely to attract the favourable consideration of the young men. But if they are met, at the very beginning of their organization, by expense or inconvenience, it is distinctly a discouragement, for they are very apt not to take the interest in it that we all wish them to take. I urge the hon. minister to make a larger minimum for the mounted companies, recognizing the greater value and greater bulk of their material, and that he provide greater elasticity in the provision according to the circumstances. Because, while in a very small country village it may be possible to get rental at a low rate, when you take a thriving and a growing town, this accommodation must be paid for. It costs money, and if not paid for it cannot be had. I had great difficulty in impressing that on the late Minister of Militia; I hope I shall be more successful with the present minister.

Mr. HUGHES: We are working along the very lines the hon. member has laid down. In most cases, wherever an application is made and officers report upon it, we have increased the allowance to $125, $150 and so on. I may say that the value of the clothing and equipment of a cavalry regiment is $36,000, and it pays from an economic point of view to look after it.

Mr. CARVELL: Do I understand that the captain of an infantry company receives the same for looking after the arms of the company as the officer commanding a troop of cavalry?

Mr. HUGHES: No, the infantry get less.

Mr. CARVELL: That is what I thought, but the hon. member for Edmonton seemed to think that the minister assumed that they got the same amount.

Mr. HUGHES: The infantry get $80 and the artillery and cavalry more. We increase them because of the greater value and bulk of their material and the greater need of taking care of them.

Mr. CARVELL: I suppose the Minister of Militia will do as he has a mind to—we may take that for granted.

Mr. GRAHAM: No, he is amenable to reason.

Mr. HUGHES: Certainly.

Mr. CARVELL: The hon. gentleman says he is going to establish small drill halls all over the country—nine hundred or a thousand of them.

Mr. HUGHES: No, my hon. successors will do that; I will not be here that long.

Mr. CARVELL: I believe I had the honour of having in my constituency the first armoury and public building in Canada. Does the hon. minister think that he will get better results from the small buildings he is going to build than from the combination? If he is going to have a building big enough for a drill hall, he is going to spend many thousands of dollars. He cannot get architects and draughtsmen to design and put up cheap buildings for him. It cannot be done with public officials.

Mr. HENDERSON: They could do it, but they will not.

Mr. CARVELL: No, it cannot be done with Government officials. They will

design expensive buildings, and the minister will have to build them. If he is going to put up a building of any size he will run into five figures at least and when he has the building, he must have the expense of caretakers, fuel and so on. But in the combination building, one set of officials, one caretaker, one expense for fuel and light will do the whole thing. The smaller building may satisfy the vanity of my hon. friend, but it will not conduce to economy for the ratepayers of Canada.

Mr. HUGHES: I do not want to wrangle across the floor of the House, but my engineers have looked into the matter. As yet we are very economical; I do not know what we may be in ten or twelve years. In every instance where we have been asked to join in having one of these combination buildings and armouries—which, I am sorry to say, is never used for drilling purposes, but is used for smoking, card-playing, spending the evening and not for the upbuilding of the militia—when we have inquired into the cost of the thing and the architects of the Public Works Department have given us figures, we have found that with the extra money needed to produce the combination building, we can produce a commodious drill hall suitable for any company in Canada to drill in, we are doing it as a matter of fact. If the hon. gentleman will come down to the department, the engineers will show him the plans—if necessary, will show him the buildings.

Mr. CARVELL: What do these buildings cost?

Mr. HUGHES: They cost $6,000, $7,000 and $8,000—and the building for a battalion $16,000. This building has rifle galleries in it and everything.

Mr. HENDERSON: Are they wooden buildings?

Mr. HUGHES: No, brick buildings.

Mr. OLIVER: What size?

Mr. HUGHES: Fifty feet by eighty-five, sixty by eighty-five, and we have one eighty-five feet by one hundred and six, which is to be put up for $30,000, with armouries and all that sort of thing—one-third of the old cost.

Mr. OLIVER: I find a very considerable indefiniteness in my hon. friend's statement in his reply to my very urgent inquiry. In order to get the matter nailed down, can he give me what the provision is in regard to the Morinville squadron in regard to their armoury?

Mr. HUGHES: I do not know anything about it—I know where Morinville is; I have been there a number of times.

Mr. OLIVER: I thought the hon. minister had the information at hand.

Mr. HUGHES: I think there was an armoury building there, commenced by my predecessor—an armoury, not a drill hall. I think it cost away up in the thousands. I can give an instance at Niagara Falls, where $50,000 or $60,000 was spent for a building which we could put up for $10,000. Then, at Port Arthur, there was a drill hall that cost $200,000, and we can put it up for $60,000.

Mr. OLIVER: There are certain squadrons of mounted rifles situated at points in the vicinity of Edmonton. At Morinville, the squadron has an armoury, at Fort Saskatchewan I do not think they have. What allowance is that squadron getting for the storage of accoutrements?

Mr. HUGHES: One hundred dollars, besides the cost of fuel, &c.

Mr. OLIVER: I would say, beyond any question, that instead of the Government paying the cost of that caretaking and storage of accoutrement, the men or officers are paying part of it.

Mr. HUGHES: Yes I think they are, I know in some cases they paid thousands of dollars.

Mr. OLIVER: I think that is entirely wrong. It was wrong under the late Government and it is just as wrong under this Government. I do not think it is to be expected that men should sacrifice their money as well as their time and attention for such a purely material matter as the storage of accoutrements that belong to the Government and which have to be provided for their use.

Mr. HUGHES: In the larger towns in the West especially it is very difficult to secure a building at as low a rate as in a small town. We are anxious to do the best we can for the fellows in each locality.

Mr. OLIVER: There is this condition as compared with eastern Canada that in the smaller towns of eastern Canada which are not growing rapidly you can readily obtain a small building that is sufficient for the purpose at a moderate rental but in the West where every building that will keep out the weather commands a price, is worth money, it is more difficult to secure accommodation of this kind and I do not think the Government should expect the men to pay for such accommodation. I hope that the policy which the minister has indicated, though not very definitely, will be carried out. It is necessary to do something of the kind if the force is to increase as we wish it to.

Mr. GRAHAM: I approve of the policy of distributing a larger number of smaller

buildings for the use of the militia. I think it would bring practical results which no greater expenditure could bring and would give accommodation to a far greater number of squadrons. Might I ask the minister which one of these dimensions that he has mentioned we are to have in Renfrew.

Mr. HUGHES: I wanted Renfrew to have the eighty-five feet by one hundred and eighty-five feet, but I notice by the supplementaries that the estimate is not in, it has not been passed; but I hope to have it down in a further supplementary and, if not, I can erect them one, not quite as large, but nearly as large, out of the general vote. I would be glad to do that to oblige my hon. friend.

Mr. GRAHAM: That is very satisfactory. The next question is more personal to my hon. friend. I am asking this information for all Canada, although I sincerely hope that the course which is suggested will not be taken by the minister until after he has erected this building in Renfrew, because I would rather trust to him than to any other minister. He suggested that these buildings would be erected by his successor. Is that a confirmation of the rumour that has been afloat that my hon. friend might become the head of another department?

Mr. HUGHES: What I meant was that it will take at least twenty-five years to get all of these buildings and I think if I put in twenty years here I will then be fit for retirement.

Mr. GRAHAM: I would not think that, not for retirement.

Mr. MARCIL: Seeing that we are going to have a rather aggressive and costly militia policy, I would like some information about the methods of establishing militia regiments. I find it remarkable that in the constituencies of Gaspé and Bonaventure, with an area of ten thousand miles, we have not a single volunteer. There has never been a dollar of expenditure for militia purposes in those counties. I have been glancing over the militia list, and I find that these two constituencies are comprised in what is known as the fifth divisional area of the province of Quebec which comprises a vast territory, twenty-three constituencies, from Gaspé up to Richmond and Wolfe. I know that Richmond and Wolfe, Compton, Beauce, the districts around Quebec, have some volunteer organizations. I think they extend all the way down to Rimouski. Beyond that there is no organization whatever. Is the organization of those corps left entirely to the personal initiative of the citizens, or is there an official of the department charged with the particular work of seeing that each district has a certain organization, has a cadet corps, or a battery of artillery, or a squadron of cavalry, or a regiment of infantry or some organisation of some kind? Is there some principle on which the department proceeds? We have in those constituencies some of the best material in the country from which to recruit volunteers, Scotch, Irish, English and French, but no attempt seems to have been made to form militia corps there.

Mr. HUGHES: I am pleased to see my hon. friend interested in this matter. If he will come down to the Lévis camp in a week or two I will be glad to show him some men from Bonaventure in the 89th regiment.

Mr. MARCIL: How do they reach there, by joining regiments of other counties?

Mr. HUGHES: The 89th of Rimouski.

Mr. MARCIL: Would it not be possible to have them recruited there?

Mr. HUGHES: We find that one of the companies is recruited at Matepedia.

Mr. MARCIL: That is only the fringe of the district.

Mr. HUGHES: I would be glad if the hon. gentleman would take a personal interest in this matter in his county. It is men like himself that we want to see at the head of the corps, the best men in the country. There is no officer for recruiting, especially militia regiments, that comes spontaneously from the people of the corps and there are some now in my hon. friend's county. Major Paquet of Quebec has charge of the cadets for that district, and I think there are about fifteen thousand cadets already organized in the Quebec district, including the district represented by my hon. friend from Bonaventure. If he will be good enough to take the matter in hand, to pick out the different officers, I would like him to pick out the very best men in the county, irrespective of race or politics, and I am sure that the officers of the department would be only too glad to see a regiment established in those counties.

Mr. MARCIL: The initiative rests with the people in the district? Is the selection of the particular branch of the service also left to the people of the district?

Mr. HUGHES: In a rural district, infantry is best.

Mr. MARCIL: As to the cadet corps, I understand that there is an organization at New Carlisle. Levis camp is so far from my constituency that the men can attend only every other year. There should be a recruiting officer or organizing officer down there. Why should the minister not send one of his officers down to that district and point out the advantages of the service ?

Mr. HUGHES: I shall be delighted to ask Colonel Landry to go down.

Mr. GERMAN: I would like to call the minister's attention to the necessity for an armoury in the town of Welland. A few years ago the Department of Railways and Canals agreed to hand over to the Militia Department a piece of Government canal land for the purpose of erecting thereon an armoury in the town of Welland. There is a squadron of dragoons under Major Sharp there, and a company of the 44th battalion. We have Colonel Raymond, Colonel Cohoe, and Major Rose there, and these officers are all in favour of having an armoury. At the time an armoury was first suggested for Welland, one was also suggested for Niagara Falls, and the minister's predecessor said he did not think there should be two. I told him that the Niagara Falls one was more important, and consequently one was built there. The next town in importance is Welland. There is an excellent location there, and the gentlemen whose names I have mentioned, are in perfect accord with the idea, and I am sure have brought the matter to my hon. friend's attention. So far as I can, I desire to back up their suggestions. An armoury could be built very cheaply. There is a nice location and a nice lookout, and it would be a grand thing for the service in that locality. I trust my hon. friend will consider the suggestion favourably and act promptly.

Mr. HUGHES: The hon. member spoke to me once before about this matter and the officers he has mentioned, very excellent officers, have also spoken about it. There would have been an estimate this year, but it is in the list for next year. We intended to erect a small drill hall, but I have learned that Welland is growing very rapidly, and it will certainly require a larger hall; therefore we will postpone it until next year.

Mr. DOUGLAS: Can the minister give me any information regarding the armoury at Yorkton, Sask. The officer in charge of the regiment stationed at Yorkton went to the expense two or three years ago of fitting up the old immigration hall for armoury purposes. It cost him seven or eight hundred dollars, and he has never been recouped by the Government.

Mr. HUGHES: I am sure he never sent in his bill to my predecessor, or to me.

Mr. DOUGLAS: Perhaps he billed the Public Works Department, but I know he has been endeavouring for several years to get some of that expenditure back.

Mr. HUGHES: Tell him to send in his bill.

Mr. DOUGLAS: What is being done at Wetaskiwin in the matter of an armoury?

Mr. HUGHES: There is one squadron at Wetaskiwin, and we have rented a hall there. I am sorry to say that we pay a lot of money, between two and three hundred dollars, for a hall simply for storing the saddlery and so on, besides paying for the heating. I think that is pretty liberal.

Mr. DOUGLAS: Is the minister prepared to build an armoury or drill hall?

Mr. HUGHES: Certainly. In all these matters the policy of the department is to request the locality to furnish a site. We are now about two hundred or three hundred sites ahead, more than we can utilize for some time to come. I do not believe that our engineers have a site at Wetaskiwin. If my hon. friend could suggest the advisability of picking out a site, it might hasten the construction of an armoury.

Mr. DOUGLAS: The gentleman who ran against me, and who holds the patronage, has told the people of Wetaskiwin that there was an estimate this year for a hall

Mr. HUGHES: If he could give us a site, he might possibly be telling the truth.

Mr. LAW: Has the minister decided upon the size of the armoury which he intends to build at Yarmouth, and when it will be built?

Mr. HUGHES: Have they furnished a site? The hon. gentleman's friends were up here and spoke about it. I have no recollection that they had any site in view, though I think they promised one.

Mr. LAW: I believe that a site has been purchased, but perhaps notification has not reached the minister. When will the armoury be built?

Mr. HUGHES: It cannot be done this year.

Mr. LAW: What will be the size of the armoury?

Mr. HUGHES: When the time comes the engineers from Halifax will go down to Yarmouth, look at the sites there, and study the prospects to see whether the town is likely to grow or not. That largely determines the size of a drill hall. We go by the engineers' reports very largely.

Mr. LAW: Yarmouth has a population of about seven thousand and is growing, and I have no doubt it will continue to grow in the next few years. I would impress upon the minister the necessity of giving us an armoury of good size.

Mr. OLIVER: I think the city of Edmonton is in the position suggested by my hon. friend. I think they have provided something in the way of land.

Mr. HUGHES: Edmonton was the first town in the West to donate an entire square. I do not know what the value of the site is, but it is a very valuable one, and Edmonton is getting a $200,000 drill hall, suitable for the needs of the city.

Mr. OLIVER: When will it be begun?

Mr. HUGHES: I think it is under way now.

Mr. OLIVER: What is the department now paying in Edmonton for accommodation?

Mr. HUGHES: We are paying $1,900 altogether for rents.

Mr. OLIVER: For a time I know the officers were considerably out of pocket in paying for accommodation. I saw something in the newspapers recently about the resignation of some officers of the 101st Regiment in Edmonton. Has the minister any information about that?

Mr. HUGHES: I have not heard anything about it.

Annual drill, $1,730,000.

Mr. CARVELL: Would the minister kindly explain the enormous increase in this item as compared with two years ago? There must be some good reason. I have gone over the matter hurriedly, but I understand that there is some $600,000 or $700,000 of an increase.

Mr. HUGHES: We have not increased the figures of the year before last.

Mr. CARVELL: I can give my hon. friend the figures from the report of the Militia Council for the fiscal year ending March 31, 1912. I will look it up and let the minister know what the figures are.

Mr. HUGHES: I may say that last year, over the year 1911, there was an increase of nearly 5,000 men and nearly a thousand horses drilled. This year, over last year, there is an increase of 9,500 men and 3,528 horses drilled.

Mr. CARVELL: Does that amount include the cadets?

Mr. HUGHES: No, we have 30,000 cadets drilling outside of that.

Mr. WILSON (Laval): What about the boy scouts?

Mr. HUGHES: They are not a Government organization, but they are a very excellent organization all the same.

Mr. CARVELL: In the year 1911-12 you had 45,000 men.

Mr. HUGHES: 44,000. Last year we had 48,140, not including the city corps. Then we had 9,758 horses, an increase of 5,000 men and nearly a thousand horses. This year we are going to have 9,000 more men than last year, or 14,000 more than the year before, and 3,500 more horses than last year, or nearly 4,500 more than the year before. The infantry force in two years has increased in numbers over a third and yet the increase in the expenditure for annual drill is very small.

Mr. CARVELL: It is an increase of about 60 per cent. That may be a very slight increase. But, I find at page 38 of this report that the vote provided $1,169,000 of which $155,000 was unexpended and that left practically $1,000,000. Now the hon. gentleman wants $1,730,000 and $100,000 in the supplementary estimates making $1,800,000. He wants nearly $2,000,000 more than he expended two years ago and yet he says there is only a slight increase.

Mr. HUGHES: There were no city corps drilled in camp the year before last. I might point out further that the pay of the men has been increased to a dollar a day, that there are sixteen days' training for a large part of the force and the whole of the cavalry and artillery. A few years ago a company of fifty-seven would cost $4,500 for pay and allowance and feed in camp. Now the cost is nearly $12,800 owing to the increase in pay. The pay is practically double what it was before, the men were drilled sixteen days last year, the city corps went to camp last year, which they did not do before, and they are going to camp this year.

Mr. CARVELL: Does my hon. friend mean to say that the city corps did not drill in 1911-12?

Mr. HUGHES: Not in camp.

Mr. CARVELL: Well, they got a lot of money if they did not.

Mr. HUGHES: They were drilled at their headquarters for twelve days.

Mr. CARVELL: They got $217,000.

Mr. HUGHES: They will have from four to seven days in camp in addition.

Mr. CARVELL: It seems to me that if we do not put the brake on this militia expenditure in some way or other there is no telling what the end is going to be. It is nothing short of a scandal that we are going to spend between $10,000,000 and $11,000,000 this year on militia in a peace-loving country as Canada is, in which there is no more danger of a possible invasion than there is of an earthquake overtaking the whole Dominion and wiping it off the face of the earth.

Mr. HUGHES: There was one the other night.

Mr. CARVELL: I do not know hardly what to say. I have no doubt that I will be taken to task in certain quarters for presuming to criticize the militia estimates. It may be said that I am not loyal and all that sort of thing, but I am willing to take all the responsibility of what I am saying now. When it comes to spending $11,000,000 on our militia and when we come to think of the way in which the militia has been increased by the present minister we should stop and think what it all means. It is something terrific. When the hon. gentleman took charge of the department two years ago there was an expenditure of about $7,000,000.

Mr. HUGHES: $8,000,000.

Mr. CARVELL: I beg the hon. gentleman's pardon: He will find it in this report if there is any question about it. I find here that the total expenditure for 1911-12 was $7,579,000. A portion of it was unexpended, so that it brings us practically to $7,000,000. Now the minister has got it in two years, or practically one year because he took the estimates of the old Government for last year, up to $10,500,000, making an increase of $3,000,000 for one year, and he is going to add half a million to that in the supplementaries. There is between $3,000,000 and $4,000,000 of a jump in one year. What does he want? Is he going to give us a standing army of 100,000 men? Do we want that? Does he think the people need it? I never heard anyone who had any idea that we would be called upon to use the militia against an enemy except the hon. member for Brantford (Mr. Cockshutt) who the other night said that in case of war between the United States and Japan it may be necessary to police the borders of the Dominion to prevent our people from sending a few thousand bushels of wheat over to the United States and selling it at the best price they could get for it. If this money was going to the men who spend their time and devote their energies to the militia service, I would not feel so badly about it, but out of an expenditure of between $10,000,000 and $11,000,000 we have less than $2,000,000 going to the men. My hon friend in his orgies of extravagance has only about $1,830,000 for the men. What on earth becomes of the rest? It would make an interesting story if my hon. friend would take half an hour and try to explain it. Here we have eight and a half millions of money being squandered—I will not say squandered, but being distributed to everybody else but the men who ought to have it. Surely $1,800,000 ought to be enough for the whole thing. If you take the report and look at page 35 it will give you some little idea of what they do with the money. I find that in the year 1911-12 they spent $243,000 for eighteen-pounder limber wagons and $366,000 was paid to the War Office on account of thirteen and eighteen pounder guns.

Then, there is a very interesting item of $20,000 for inspection of small arms and scabbards. There must be a lot of men drawing big salaries for doing nothing when you can squander $20,000 for inspecting 13,000 rifles and 20,000 scabbards. The Minister of Railways yesterday told us he was going to take up the rails on a few miles of railway down in New Brunswick, because the road did not pay running expenses; he was taking away from the people a railway connection they had had for forty years because it would cost a portion of $13,000 a year to maintain it, but here we are throwing away $10,000,000 on the militia and $20,000 for the inspection of a few rifles. That may satisfy the ambition of the Minister of Militia, but it is getting to be a very serious matter in Canada. I know that the minister and many of his friends will find fault with me, and I presume his friends will say I am the one disloyal man in Canada, but I mean every word I am saying and I hope the public sentiment of Canada will be aroused to such a pitch that they will put a stop to this nonsense. If they have $10,000,000 to spend on militia, an excess of three and one-half million dollars over last year, they could use that money in a hundred different ways to really benefit the people of Canada. There is a great demand for the development of our natural resources and for facilities for carrying on our commerce, but it would seem that the whole occupation of the Minister of Militia is to build up a great army and a great war party in Canada for what earthly reason I do not know except it be the glorification of the Minister of Militia.

Mr. HUGHES: No one is charging the hon. member with being disloyal; at least, I am not; he is merely getting off his annual speech on the militia question. He was always tame when his own party was in power; he used to take a fling once in a while at these fuss and feather fellows and then he would subside. I am delighted to hear my hon. friend (Mr. Carvell) again on this question. I want to tell him that I am not spending this money; it is the people of Canada who are demanding this. I want to tell him that we are only drilling—

Mr. CARVELL: Ten or fifteen per cent more than ten years ago when it cost only two and a half million dollars.

Mr. HUGHES: I am not responsible for ten years ago. I am dealing with the present. We are drilling this year about 56,000 men and 13,000 horses. Let me tell my hon. friend that the people of Canada to the extent of about 70,000 more are de-

manding the right to train themselves and be trained to defend their country. It is the people who are demanding this, it is not the Minister of Militia. They are demanding the right to train themselves to defend their homes and their firesides and their country, and I tell the hon. gentleman that so long as I am Minister of Militia I am going to do my level best to give them a chance to do so, and I am going to do it as economically as it possibly can be done. It is the right of every citizen in the Dominion to train himself, and be trained to defend his country and if he demands that right, I am not the man to tell him he is not to do it. So long as the system is voluntary the people must pay for it; if the system is compulsory, then it will make it much more economic, but whether it is compulsory or whether it is voluntary, arms must be furnished and guns must be bought. My hon. friend (Mr. Carvell) is an old artillery man, and he knows the cost of a battery of artillery; it costs money, but it is money well spent in the upbuilding of the country. You may look around any part of the universe you choose and show me a race that is not possessed of the military spirit, and I will show you a craven and degenerate race. Show me a part of the world where the people neglect the defence of their homes and their firesides, and run after graft in docks and dredging and railways and I will show you a degenerate race.

Mr. GRAHAM: You will have to take that back when you get into the Railway Department.

Mr. HUGHES: I am not going to the Railway Department. It is presided over by a gentleman of great ability and good looks and splendid capability.

Mr. MACLEAN (Halifax): It is said that he is coming out and you are going in.

Mr. HUGHES: Not at all. We have nearly 60,000 voluntary militia now and we have 35,000 cadets trained this year in Canada for the modest sum of $10,000,000.

Mr. VERVILLE: The modest sum.

Mr. HUGHES: My hon. friend (Mr. Carvell) speaks of only $2,000,000 reaching the men. Has he ever figured it up? I can give him the expenditures in his own county in recent years and it rolls up to a considerable amount. I am glad to see my hon. friend from Bonaventure (Mr. Marcil) take an interest in militia matters now. He is generally complaining that his county does not get anything and I am sorry to say that not much money has been spent on militia matters in his county, although there has been a lot of hard-earned money of the people of Canada blown in along the shores of the gulf of St. Lawrence, and the maritime provinces, and Ontario and the West, and I do not know that it has built up the manhood of the nation any more than is proper, but I do know that the money spent for the training of the militia makes a better set of men in the Dominion of Canada than we would have if the money were not so spent. I make no apology for my aspiration to have 100,000 men trained and I make no apology direct or indirect for acceding to the demands of the people. As far as I can induce my hard hearted colleagues to go, in the expenditure of public money for militia matters, I am not going to make an apology.

Mr. GRAHAM: They are a parsimonious lot.

Mr. HUGHES: Yes, they are. When 70,000 people rise up in their might and demand the right to be trained, and I have to tell them we have no money to do it, it is pretty hard, but I am glad to say that a great many of them have organized and are training themselves this year without any money.

Mr. MACLEAN (Halifax): Are the women interested in this?

Mr. HUGHES: I am glad my hon. friend asked the question. When I took office I found the good women of the Dominion of Canada down on the militia system of this country, and rightly so to a large extent; I found that they were refusing to allow their sons to go into the camps, but I want to tell my hon. friend that the good women of this country to-day are right behind the militia movement and urging it on in every way they can.

Mr. PROULX: Has the minister closed the canteens?

Mr. HUGHES: There never have been any canteens since I have been Minister of Militia to be closed. I wish my hon. friend (Mr. Carvell) to be good enough to blame the people of Canada but not to blame the Minister of Militia. I point out to him that at Confederation it was understood that one-tenth of the annual revenue of Canada was to go for the development of the militia of this country and I point out further that I am far from the estimate of one-tenth of the revenue of the Dominion of Canada in my expenditure. That was the understanding with the Imperial Government at the time of Confederation, and I am two or three million dollars yet within that estimate.

Mr. OLIVER: You are catching up fast.

Mr. HUGHES: I intend to catch up fast and I intend to help the people of Canada who are demanding the right to train

themselves to defend their homes and their firesides. I am not urging them to do it. They are coming forward in thousands demanding the right. I have yet to see why they should not be accorded the right. I am sure my hon. friend would rather pay the trifling sum that is required for the training of these extra men than squander it in useless dredging and in erecting wharfs where boats will never tie up.

Mr. LEMIEUX: My hon. friend mentioned the words 'compulsory system' a moment ago. When one-sixth of the estimates were being considered, somebody asked him what his views were. I think I am entitled to have his views on that question. He has expressed his views outside of the House during recess, and I think we have a right to know what his views are.

Mr. HUGHES: The hon. gentleman has no right to ask me what my private views are, directly or indirectly.

Mr. LEMIEUX: Your views as a minister?

Mr. HUGHES: My hon. friend has no right whatever, and I have not accorded him the right to ask what my private views are or my views as a minister. When the matter is decided upon by the Cabinet I shall be glad to let him know what their views are. He has stated that I have made certain statements in the papers. I would like to know what the statements are.

Mr. LEMIEUX: It is reported in the newspapers.

Mr. HUGHES: That is a different matter. I stated that in South Africa Louis Botha requires each man who does not turn out and perform his annual drill to contribute the sum of $5 a year to the treasury of the South African colony, in order to maintain the defence of that colony and of the Empire, to keep the old flag flying, as he says, in any part of the world. A similar idea is carried out in Australia, in Switzerland, and in other parts of the world. That is the system adopted in countries where there is practically universal training. I have not said what my views are on the question.

Mr. CARVELL: My hon. friend says that he is compelled to spend all this money. While I believe we ought to have a small militia force in Canada, I see no reason why it should be any larger than it is to-day, if as large. The militia force has not increased to any great extent in the last ten years. The number of men trained is not very much greater. I admit there is an enormous increase in the number of horses, and probably some of these may be necessary, because, if you create a mounted corps you must of course provide it with horses. Horses are expensive, but a number of horses that have been paid for are absolutely useless. That is what I am grumbling at. There is a company in my own constituency called the No. 1 Company of Engineers, which used to be called the Brighton Engineers. Annually they take to camp twenty to twenty-five horses. They have nothing for these horses to do, and I have seen them standing up at the picket line for the whole ten days. These horses have to be fed and paid for. Last year I pointed out to the hon. minister that he was making a big mistake in taking all these corps to Petawawa. He was determined, however, that the Minister of Militia should be glorified, if ever a man was glorified.

Mr. HUGHES: Against my own wishes, I carried out the policy that my hon. friend himself inaugurated by supporting his own Minister of Militia, because every plan that was carried out at Petawawa last year was formed by my hon. friend the ex-Minister of Militia. I point-blank refused to carry it out this year.

Mr. CARVELL: My hon. friend may blame his predecessor in office if he wants to; but he cannot blame me, because I pointed out to him the difficulty of transporting horses a thousand miles when it was not necessary.

Mr. HUGHES: I am not blaming anybody.

Mr. CARVELL: I told my hon. friend he would have trouble if he transported these horses a thousand miles, and he has had trouble and nothing but trouble. I asked for a return some time ago and I got an order for it showing all the correspondence regarding claims for horses in the Kent field battery. I find here that about twenty per cent of the horses taken to Petawawa got sick. The department had to pay pretty large claims. The men were dissatisfied, and I am sorry to say that in some cases their claims have not been paid. I have here the claim of one of the drivers who had two horses, one of which was very sick and was laid up for three or four weeks. This driver can get no satisfaction whatever for the loss of his horse, although he has made claim after claim. All this is due to the unbusinesslike policy of my hon. friend in taking these horses a thousand miles when there was no necessity for it. It is such things that cause this enormous expense, without any returns from it. This year I am glad to see that he is taking all these corps to Sussex which is only a short distance. That is all right. The people of Canada are not demanding this expenditure half as much as the Minister of Militia is. I know something of the trouble that the officers are having in regard to recruiting. I do not believe there is a corps in Canada that is not violating the regulations in

order to fill the companies. Men under age and over age are being taken on. That shows the difficulty the officers are having in getting their corps filled up. When my hon. friend tries to tell us that the sentiment of the country is so great that he has got 70,000 men demanding the right to be trained, I say that this is what he has got. He has got about seventy officers who are demanding the right to form corps and to get these men to train, for their own glorification. It is not the men who want it; it is the fellows who want to be officers, and who want to create these corps. They go around and coax the young men and the old men to come into the corps. Then my hon. friend comes down to Parliament and says, See what we have done. If my hon. friend would ask the ordinary people, he would find that they do not want this militia expenditure. I know, in the atmosphere in which he is living, he hears nothing else, and he does not want to hear anything else, because it is music to his ears when these fellows come to him from all parts of the country and say to him. We want a corps here and a corps there.

Mr. HUGHES: Liberal members and Tory members.

Mr. CARVELL: I know who they are—just the class of men I have been describing. However, I have pointed out one of his blunders, and one way in which money is being squandered. Not very much—only $10,000 or $15,000.

Mr. HUGHES: Ten times that.

Mr. CARVELL: That just shows how easy it is to squander $100,000. I am not opposed to a reasonable militia force. I believe, probably it is necessary; I am opposed to this unwarranted squandering of public money.

Mr. BURNHAM: What does the hon. gentleman think the militia force is necessary for?

Mr. CARVELL: That is a very pertinent question. The only time within my lifetime that I have seen actual need for the militia force was in 1885, when we had trouble in the Northwest, and it was necessary to send men out there. And it is once in a while necessary to turn out a few men to support the civil authorities.

Mr. BURNHAM: To put down labour riots?

Mr. CARVELL: Not labour riots particularly, but any disturbance in which the civil power requires the support of the militia force. The militia has been used for that, and may be used for it again. But we have now a permanent force that will attend to that and we do not have to call out the militia for it. If there is anything to be added to this answer to my hon. friend, I do not know what it is. At the time of the South African war, we sent some men to South Africa. But we did not send only the Canadian militia; the militia formed the nucleus and supplied the machinery by which men volunteered.

Mr. MARCIL: We sent no organized corps.

Mr. CARVELL: No. But though I have seen but one occasion for the use of militia in my lifetime, I would not say to disband the militia. I say that every country ought to have a reasonable militia. But I object to this enormous increase of expenditure. When we get to $7,000,000, that ought to be the time to quit, but the Minister of Militia thinks it the time to begin, and if he is allowed to have his way, instead of $10,000,000, he will spend $20,000,000. He proposes to spend ten per cent of the total revenue, and as the revenue is expected to be $200,000,000 next year, that will mean $20,000,000.

Mr. HUGHES: I did not think it was so high. Fine!

Mr. CARVELL: That is the estimate of the Finance Minister, and I take him as an authority. The Minister of Militia will find opportunity to spend it—if it was $40,000,000, he would spend it, and much of it, no doubt, on just such useless affairs as in his transportation of horses to Petawawa. He will not repeat that expenditure, because he has had his lesson, but he will do something else next year that will be just as bad. He has to do it to spend the money. He will buy—

An hon. MEMBER: Automobiles.

Mr. CARVELL: Yes, no doubt he will buy more automobiles. But I do not wish to discuss the automobiles now; an item will come up on which that discussion will be more in order. But I think the Minister of Militia should tell this committee that he is going to quit this enormous expenditure of public money.

Mr. PROULX: There is some criticism in the press of the army of high officials that are drawing high salaries, yet without work to do. A Government paper speaks of $200,000 spent on 'Scotch and soda officers', meaning, I suppose, officers who spend their time at the club and have no work to do.

Mr. HUGHES: Let me say a word in reply to the hon. member for Carleton. In 1911, while a Government supported by my hon. friend was in power, the camp was assembled at Petawawa, exactly the same as last year.

Mr. CARVELL: The hon. gentleman knows that we took the men, not the horses.

Mr. HUGHES: In 1911, men and horses went to Petawawa. In 1912 my predecessor had laid out the plans to go to Petawawa, and to take the officers and men. I came into office—

Mr. CARVELL: Does the hon. minister mean to tell me that the Woodstock field battery took their horses to Petawawa?

Mr. HUGHES: They did or—

Mr. CARVELL: They did not.

Mr. HUGHES: I tell him, the Tenth did.

Mr. CARVELL: The Tenth may have done so, but they did not. Nor did they in 1911.

Mr. HUGHES: They change about. Some New Brunswick batteries took their horses last year, and some did not.

Mr. CARVELL: I do not want the hon. minister to state to me things that are not true.

Mr. HUGHES: I am not stating things that are not true. What I said was that the 10th brigade and the 11th brigade—six batteries—

Mr. CARVELL: That is not New Brunswick.

Mr. HUGHES: There was the Moncton battery, and that is in New Brunswick, as the hon. member should know.

Mr. CARVELL: That does not mean the 3rd brigade.

Mr. HUGHES: They came from New Brunswick. They did not bring their horses, but horses were hired for them here. But others did bring horses. The Woodstock battery did bring horses last year; I presume they did not the year before. But that camp was laid out and carried out, as I stated, last session on lines not approved by me. If the hon. member will look at 'Hansard' he will see that I pointed out that this camp was going to be carried out against my judgment, but because the plans had been laid down by the officers of the Department and by my predecessor, I would carry out their plans for that year, but it would not occur again; and it has not occurred again.

Mr. McLEAN (Sunbury & Queens): I think the people of Canada are in favor of maintaining an adequate militia force. Also I hold that we are not expending enough money on our militia. I see by the estimates that we are spending for the drill of militia only $1,730,000. The active militia of Canada are underpaid.

Mr. CARVELL: I agree with that.

Mr. McLEAN: Take the militia men obliged to bring horses to camp for $1 a day, when they can get $2 a day for every one of their horses. Remember, too, the class of men we bring to camp, and paid only half of what they could earn by staying at home. The people of Canada seem to have the opinion that an annual camp is a picnic. Let any gentleman come to camp, and he will see the sheer hard work these men have to undertake. From five o'clock in the morning until six o'clock at night they are working hard. What I object to—and I am speaking now only of the active militia—is: First, the men are underpaid; second, that the horses they supply are underpaid; third, that too small a number of men are drilled; and, fourth, they are not drilled for a sufficently long time. Take, for example, the tactical programme, look at the programme they have marked out for us. I want to object strongly to the new tactical work that has been marked out for the militia of Canada to go through unless preliminary instruction is provided for the regiment before going to camp. Without that it is absolutely impossible to take these men into camp and ask them to perform the work set out in this scheme. We have only twelve days' drill. There is one day to go in, one day to go out, one day for Sunday; that is three days; there are nine days left. Then, we have squad drill, one day. Squad drill, as you know, is the groundwork. In the regular army, a recruit is required to be instructed in squad drill for at least three months. The next day is for company drill. Then they have a day in battalion drill. In a city corps they will be working night after night for weeks and months before they are able to properly perform battalion drill. Then there is one day for brigade drill. Then allow for wet days and what have we left? Two more days. Then there comes the field day, the tactical day. The tactical day is supposed to be a miniature fight. The red body is sent away down some place, and the blue some place else, and then they march a great number of miles and are supposed to come together—and, according to the rules, the battle has to end at twelve o'clock because they have to have dinner. What I want to impress on the members is that in the first place there is not enough money spent on the active militia, in the actual training, and there is not sufficient time spent on the annual training. Any man who has had any experience in the active militia knows that, with the material that we have in Canada, our men can learn more in one week than men in other places can learn in a month or even a greater time. If our militia service had instructors there would be a great improvement in the

conditions. That is the great want of our militia. The present minister and his predecessor are not responsible for this. Who are responsible? I do not know, but I know, as the commander of a regiment for a number of years, and as the commander of a brigade for a number of years, that it is impossible to get a sufficient number of efficient instructors during a camp. Therefore I say that the first thing we want is a large increase in the number of instructors. Our men are keen to learn, our officers are keen to learn, but we have not the instructors. We want a corps of instructors whose services will be available throughout the year. The hon. member for Carleton (Mr. Carvell) is an old militia officer, I have seen him in camp for a great number of years; he has been a most efficient officer, he knows the requirements of the militia as well as I do. The present Minister of Militia is an old militia officer. I believe that the present minister's heart and soul are in the militia. I believe that he will do his utmost to increase the efficiency of the militia; but we do want a radical change in some respects. We know that before the Hon. Sir Frederick Borden, the late Minister of Militia, became minister, the militia of Canada was sadly neglected. Under his efficient control and management the militia of Canada advanced at a marvellous rate—

Mr. HUGHES: Hear, hear.

Mr. McLEAN:—as regards efficiency, esprit de corps and everything that makes up a militia force.

Mr. BURNHAM: I understand the hon. member for Carleton (Mr. Carvell) to take a view of the military affairs of Canada which is incompatible with the proper consideration of that subject, at any rate in my opinion. As I understand him, he is in favour of a permanent force. He thinks that anything in the way of civil war or labour riots, industrial conflicts, whatever it may be, might be put down by a permanent corps. He believes that it may be supposed to be able to put down such troubles as those if they arise. For my part, I am altogether against that. I do not believe in that sort of thing at all. A permanent force, so far as I can understand military affairs, which perhaps is not very far—but in this I think I am voicing to a certain extent the views of some of the people of Canada—a permanent force is not needed in Canada; what is needed is some such body as the militia which affords a system of training for the young men, not necessarily to fore each other, and go at each other or to attack people inside or outside of Canada; its greatest usefulness is as a system of discipline. I understand that the Minister of Militia has some such view in regard to militia affairs and that that is why he is developing so rapidly the cadet system; it is to introduce a spirit of discipline and esprit de corps into the youth of Canada. I would therefore take away the two and one-half or three million dollars provided for the permanent corps in the estimates, which would reduce the estimates by so much, and add one-half of that amount to the development of the militia corps. That would have the effect of perhaps bringing down the estimates to a certain extent and of developing the young man of Canada in the way that it seems to me they ought to be developed. I cannot express myself too strongly against the theory that we should provide a permanent force in Canada for the suppression of our own people.

Mr. CURRIE: What is the hon. gentleman going to do? We promised to Great Britain to man the fortresses a few years ago, and how is he going to do that if he takes away the permanent corps?

Mr. BURNHAM: I would reconstruct that agreement, if necessary.

Mr. WHITE (Renfrew): My hon. friend from Carleton (Mr. Carvell) referred to the Petawawa camp, and to the fact that last year the Department of Militia and Defence spent a considerable amount of money in transporting horses from New Brunswick to that camp. Probably my hon. friend has never had the pleasure of visiting Petawawa camp.

Mr. CARVELL: I was there once, and why on earth the Militia Department bought the place, or should send men there every year, is something I cannot understand. It is nothing but a great sand plain, and would kill any horse and almost any man who goes there.

Mr. WHITE (Renfrew): My hon. friend is the only man who has visited Petawawa camp who speaks of it in that way.

Mr. CARVELL: I never saw such an ugly place in my life.

Mr. WHITE: If my hon. friend will do me the honour to take a trip up there with me when the House prorogues, I shall be glad to show him around, and probably he will form a better impression.

Mr. CARVELL: You cannot change those sand banks.

Mr. WHITE: However, that is not the purpose for which I rose. I wanted to ask my hon. friend to be good enough to look up the Auditor General's Report for the last three years, and he will find that during the time his friends were in office, a certain hardware firm in the town of Pembroke,

naturally of Liberal persuasion, supplied the Petawawa camp with a great many articles. I would like to refer to a few of the articles which that firm supplied to the camp, and I would ask my hon. friend and the House if they think that these articles could not be purchased cheaper from the different firms who deal in such articles.

Mr. MACLEAN (Halifax): What has that to do with the item we are discussing?

Mr. WHITE: It has as much to do with it as horses have. I find in the Auditor General's Report that the following articles were purchased from Dewar & Ryan, hardware merchants, Pembroke: 15 cases of toilet paper, 850 wooden chairs, 11.31 tons of ice, 5,000 bricks, 120 yards of cotton, 1,038 yards of cotton, 120 yards of flannelette, 9 pairs of rubber boots, at $4.14 per pair; 1,000 feet of lumber at $42; 758 feet of lumber at $28 and 400 feet of lumber at $38.

Mr. CARVELL: Is my hon. friend not aware that in all military camps they go to one firm and ask them to supply the necessary articles for the camp?

Mr. WHITE: That is not the policy which the present Minister of Militia is adopting. This same firm of Dewar & Ryan, hardware merchants of Pembroke, also supplied one Concord buggy and one set of harness, 680 feet 4-inch agricultural tile, 2 sides of leather, and 21,000 shingles. If I had time I could enumerate several other articles.

Mr. MACLEAN (Halifax): What about it?

Mr. WHITE: Naturally Dewar & Ryan had to get their profit, and where was the other man to get a profit?

Mr. MACLEAN: Perhaps Dewar and Ryan did not get any profit at all.

Mr. WHITE: My hon. friend knows better than that.

Mr. NESBITT: It would be quite possible for Dewar and Ryan to purchase these articles, and to supply them as cheaply as the other firms.

Mr. WHITE: Perhaps my hon. friend knows all about it. If he would look at the Auditor General's report he might find the prices which those people charged, and I venture to say that the present Minister of Militia is purchasing the supplies for Petawawa camp at rock bottom prices. I could turn up the Auditor General's report and show that certain firms which supplied the Petawawa camp got all kinds of profit.

Mr. LEMIEUX: Where are the supplies purchased now?

Mr. WHITE: From all over the country. On the 20th of March last an inquiry was sent to Messrs. Dunlop & Co., of Pembroke, with regard to supplies for Petawawa camp. They aggregate about $1,000, and I would like to read to my hon. friend from Rouville (Mr. Lemieux) what Dunlop & Co. supplied at that time. They supplied seventy pounds of strictly half and half solder and only five half pint bottles of solderall, amounting to something over $18.

Mr. MACLEAN (Halifax): What did it cost the year before?

Mr. WHITE: I have not got the figures.

Mr. MACLEAN: Then what is the good of that comparison?

Mr. NESBITT: I could buy that half and half solder for forty cents a pound.

Mr. WHITE: Is that so?

Mr. MACLEAN: What are the politics of this firm, Dunlop & Co.?

Mr. WHITE: I want to tell my hon. friends opposite that the present Minister of Militia is carrying on his department in a businesslike manner.

Mr. NESBITT: If that solder is an illustration, I doubt it.

Mr. CARVELL: Some years ago I was an officer in the militia, and I can tell my hon. friend how these things are done. The Government make a contract, or at least they used to do so, with one firm, or with one man to supply the articles required for the camp. The man usually ran a store in the New Brunswick camps, and I think I can tell my hon. friend who will run that store this year at Sussex.

Mr. CURRIE: The same man?

Mr. CARVELL: No, I do not think so. The job was always put up to tender, but my hon. friend will see to it this year that some good Conservative runs the store. The man who ran the store furnished all the articles required for the camp. That is the reason that the man is able to sell these different varieties of articles and that is exactly what is done at Pembroke or Petawawa. The only question is whether the articles were supplied at a reasonable price or not. I do not know and I do not care very much. I am willing to admit that the Militia Department was run just about as extravagantly when my friends were in power as it is now. About the same class of officials were running it.

Mr. WHITE (Renfrew): But the policy is different.

Mr. CARVELL: The policy is different? The only difference is that they have transformed it into a straight Tory policy.

Mr. WHITE: Not at all. As far as Petawawa is concerned, no Tory need apply when the late Administration was in power.

Mr. LEMIEUX: I expected to have some explanation from the minister with regard to the remarks made by my hon. friend from Queens and Sunbury (Mr. McLean). He is an active member of the militia, one of those who was in command of the Canadians who went to England at the time of the coronation, and he states that the annual camp is a farce, and that the money spent is squandered. Does not my hon. friend think that the time has come for a sweeping reform? I admit that my hon. friend is a good officer, and we have to expect some reforms from him. He has been told by a fellow-officer that the organization is a farce from beginning to end, and yet he sits there silent and does not have any explanation to offer to the committee. I would like to know before we vote $10,000,000 if any reforms are going to take place and if he is going to see that our young men are properly drilled by the necessary number of instructors. There are no instructors at these camps or, if there are, they are perfectly useless, according to the statement made by my hon. friend from Sunbury and Queens. What is the minister going to do about it?

Mr. HUGHES: I am delighted to see that my hon. friend from Rouville is so energetic and so greatly interested in the welfare of the militia. The hon. member for Sunbury and Queens never said there was no organization of the militia, and therefore I do not need to answer what my hon. friend did not say. My hon. friend spoke of the instructors, and we will come to the matter of instructors in good time. We have trained upwards of 8,000 instructors in this country, and I purpose initiating a policy of training a great many more officers, but I do not want to enunciate that policy until I am ready to carry it out.

Mr. LEMIEUX: Where are they?

Mr. HUGHES: From the Atlantic to the Pacific.

Mr. LEMIEUX: I want them by provinces.

Mr. HUGHES: I do not have to give them by provinces because I have not got them. I could give the cadet instructors by provinces but I do not propose to do so until the item comes up. I do not propose to trespass upon another item. The pay of the men has been doubled in the last ten years, and the pay for horses has been increased 25 per cent this year.

Mr. OLIVER: What is it now?

Mr. HUGHES: $1.25 a day for all classes and $1.50 for heavy gun horses. The men are being very well looked after as well as the horses, and I agree with the hon. member for Sunbury and Queens that until there is compulsory training, which seems a long way off, you cannot expect men to turn out and give their time and money to the upkeep of the militia force without getting some fair recompense for it. I admit that the men are not getting as much pay as they are worth, but they are being paid as well as most militiamen the world over.

Mr. OLIVER: This is a most important item of the estimates, it is a large item and it brings up a very important question. We have had in this House during the last three or four months a lengthy discussion with regard to Empire defence. We were instructed by our friends that Canada was not able to undertake her proper part in Empire defence because she did not have the men and she did not have the spirit to take that part; that is to say, the defence of the Empire by sea. Therefore, we were required to vote a sum of money to be expended in providing battleships which should be manned by British sailors under the direction and control of the British Admirality. The discussion we have had to-night would almost indicate that, so far as the land forces are concerned, we are far from perfection and, by the same process of reasoning that we have heard during the past four or five months, instead of further carrying on this militia force at an expense of $10,000,000 because that force must be for the defence of the Empire—it is not for the defence of Canada, because Canada has not needed defence for a matter of thirty years—we should hand that money over to the British War Office. I want to ask the minister if, on that process of reasoning to which the House was subjected during so many months it would not be the part of wisdom, of patriotism and particularly of loyalty to the Empire, if, instead of carrying on this system of drill which my hon. friend from Sunbury and Queens says is not efficient, instead of maintaining the camp at Petawawa, which my hon. friend here says is not useful for the purpose, instead of bringing out men to drill, as I understand some hon. gentleman to say they only go from time to time and not as a regular matter of enlistment, it would not be in line with the policy that the Government, of which the minister is a member, and his leader and his party, have insisted upon so strongly for the past five months, having regard to all these facts, to take the $10,000,000 and hand it over to the British War Office for expenditure by that office in defence of the Empire.

Mr. LEMIEUX: And bring back General Hutton.

Mr. HUGHES: Carried.

Mr. OLIVER: No, I would like to have the answer of my hon. friend.

Mr. HUGHES: I did not catch the question. Will the hon. gentleman repeat the question?

Mr. OLIVER: I am asking the minister, in view of the policy which he has supported in regard to the defence of the Empire, in view of the facts that have been brought out in the debate, does he not think that—

Mr. HUGHES: What are the facts to which the hon. gentleman has referred?

Mr. OLIVER: As he has heard. Is he not required, in carrying out principles to which he and his Government are pledged, to change the tenor of this vote and hand this $10,000,000 over to the British War Office for the defence of the Empire?

Mr. HUGHES: If the hon. gentleman would be good enough to point out the facts to which he refers, I would be delighted to answer his question, but I cannot assume the question on his premises until I know what they are.

Mr. OLIVER: If the Minister of Militia is not able to give this Dominion a more efficient and effective military service, is it not for him to say to the British War Office: Here is $10,000,000; you know how to spend it better than I do; spend it for the defence of the Empire.

Mr. HUGHES: I have heard no criticism against the militia to-night, from any gentleman who is in a position to know anything about the militia. My hon. friend from Queens and Sunbury (Mr. McLean) has upheld the militia, and has pointed out that we should spend more money, to which my hon. friend from Carleton (Mr. Carvell) objected. The hon. member from Queens-Sunbury says further that we should provide for a longer annual training but to that I object because the men of this country cannot leave their business for more than the present number of days to devote to annual training. I stand here to say that Canada has a militia to-day which is second to no militia in the world. I have seen the Swiss militia and they cannot compare with the Canadian militia; I have seen the French regiments and I can pick out fifty per cent of the militia regiments of Canada which are just as good as the best of the French regiments; our militia regiments are just as good as the best of the German regiments and as good as the British regiments except about twenty per cent of them.

Mr. LEMIEUX: Did my hon. friend see the German regiments?

Mr. HUGHES: Yes.

Mr. LEMIEUX: Last year?

Mr. HUGHES: I was not there last year, I was there the year before, and I may say that I was almost induced from half a dozen high sources to go to Germany last year but I had no time as I was attending the British and French manoeuvres.

Mr. LEMIEUX: What about your Vancouver speech?

Mr. HUGHES: The Canadian militia to-day stands second to no militia in the wide, wide world.

Mr. OLIVER: Did the minister state in this House that the Canadian militia are efficient?

Mr. HUGHES: I did, a large percentage of them.

Mr. OLIVER: Am I to understand they are serving willingly and at pay which does not compensate them for their lost time?

Mr. HUGHES: Yes.

Mr. OLIVER: They are enthusiastic and capable?

Mr. HUGHES: Yes.

Mr. OLIVER: I do not wish to misunderstand what the minister said; did the Minister of Militia say they were enthusiastic and capable?

Mr. HUGHES: Fire ahead, I did.

Mr. OLIVER: They are enthusiastic, capable, efficient, and there are 45,000 of them?

Mr. HUGHES: More than that; 73,000.

Mr. OLIVER: We have 73,000 men in Canada whom the Minister of Militia says are efficient?

Mr. HUGHES: Nearly all of them.

Mr. OLIVER: And are enthusiastic and are willing to make sacrifices for their country, and are willing to do military service at loss and cost to themselves, and yet the Minister of Militia is a member of a Government and a member of a party which during five months in this House has placed a libel upon the people of Canada; has persisted in it; has insulted the manhood of Canada by the declaration that Canadians would not do by sea what they do by land. I say that Canada resents that insult; the people of Canada fling that insult in the face of the Prime Minister and his Government and his party.

Mr. CARVELL: We are anxious on this side of the House to assist the minister in getting through his estimates, but let it be understood that he must civilly answer a fair question. We have demon-

strated during the last six months that we can stay here and continue to ask him questions if necessary. Now let us start out with a fair understanding. The minister says he has trained 8,000 instructors last year.

Mr. HUGHES: I said 8,000 cadet and militia instructors were trained in Canada up to the end of last year.

Mr. CARVELL: Well, that would mean ever since Canada was civilized and we had a militia, but many of them are hors de combat now. One of the great difficulties in the militia of Canada is the lack of efficient instructors. Does the minister mean they have trained 8,000 men in the last year, or how many have they trained? What number of instructors are there at present? And what provision are they making for instructing each individual company or regiment.

Mr. HUGHES: The number of instructors we passed last year, including cadet instructors, was: Nova Scotia, 593; New Brunswick, 620; Prince Edward Island, 194; British Columbia, 272; Ontario, 193; Alberta, 389; Manitoba, 346; Saskatchewan, 117; Quebec, 189.

Mr. CARVELL: We are not talking about cadets just now. How many thoroughly competent instructors has the minister to send around the different military camps and corps this year?

Mr. HUGHES: We have already about one hundred and twenty competent instructors for the militia regiments, and there are others attached to the regiments themselves. The permanent corps is being instructed so that a large number of men will become competent instructors in a few years. In former times men of the permanent force were not called upon to be instructors at all, and were never given the opportunity of drilling a squad. Instructions have been given out for some time that each man shall have the opportunity regularly of standing in front of a squad and drilling them. In a short time we hope to find out who have the quality of being instructors and who have not. We are pursuing that policy in the hope of developing the whole force as far as possible, so that within a year they will be pretty well qualified to be instructors. These instructors are sent from corps to corps during the winter and to the camps in the summer. In answer to my hon. friend from Queens and Sunbury (Mr. McLean), I may say that in place of having the permanent corps of Canada to act as fatigue men and markers in the butts, these men are to be attached to the various forces as models and, those capable, as instructors.

Mr. McLEAN (Queens and Sunbury): As a member of the active militia, and as having been present at camp for a number of years, I wish to complain of the want of instructors. The Minister of Militia states that a full corps of instructors will be provided in the future. I agree with the hon. minister in that policy. In the past a large amount of money was spent on the permanent corps, and the men of that corps were not trained as instructors. It would require at least one instructor per company, although there should be more.

Another objection is this. It always seemed to me that we should have in Canada a permanent corps of instructors, composed of officers and non-commissioned officers. A non-commissioned officer, in order to be an efficient instructor, requires ability and training. He ought to be paid a salary in accordance with the work he performs. We want more officer-instructors. The Minister of Militia will agree with me that the officers of a corps are occupying a very doubtful position when a sergeant comes out and drills the corps. I think you should have officer-instructors, at least one per regiment, one per battery of artillery, and so on with the different branches of the service.

Mr. HUGHES: We have practically developed already a system of training officers, and you may include in that instructors. At the present time, in order to take a commission, one must pass the junior, intermediate and senior examinations for the British army. The papers have to be examined in Great Britain. The consequence is that very few officers have the opportunity of qualifying. The militia officers cannot write on these examinations as they are shut out. We have therefore developed a system, after a good deal of study, of examinations in and for the Canadian Militia, so that any private, sergeant or officer may have the opportunity of writing, when he feels qualified to pass the examination. At the present time there is no such opportunity for a Canadian volunteer. In this way we hope to have a large number of young men, especially in connection with our university corps and the various cadet corps throughout the country, thoroughly qualified in all that pertains to the instruction of any corps that we might wish to deal with in our annual camp. There is no intention that a young man, who passes an examination entitling him to command a regiment, shall command one. It merely gives him his certificate of knowledge. He might stand in the ranks, as other men have done with similar

certificates, as a private or a subordinate officer and work his way up gradually. We would have, however, at the disposal of the country in time of need a large body of men thoroughly qualified as instructors. In the course of a year or two, I hope there will be young men in every village, town and city of the Dominion who will take no second place to any instructor, whether he be of the permanent service in the Dominion of Canada or elsewhere.

Mr. ROBB: Is there any discrimination in the policy of the Department as between city officers and country officers?

Mr. HUGHES: No, I know the case my hon. friend refers to. I looked into the matter. My hon. friend refers to the case of an officer appointed for command over another officer. These promotions come from the commanding officer in the various localities. Unless for very special reasons and unless our attention is drawn to the matter, we accept the recommendation of the district or brigade officer. We take it for granted that they do their duty. If an officer is specially reported against as not being able to manage his men, and the other man reported over him, we do not know the conditions and the thing goes through. I know the case the hon. gentleman refers to, though I did not know it until he first drew my attention to it. Otherwise, I would have made inquiries. The officer was promoted over another, because that other was not considered competent to command the squadron.

Mr. ROBB: The officer in question is too good a soldier to have the matter brought up in Parliament and ventilated. A great injustice was done to that officer, and it is not a matter of yesterday, but has apparently been going on for years with other officers. It has been a great discouragement to officers in that regiment. I do not know to what extent that kind of thing prevails through Canada. While I am on my feet, and in order that my hon. friend from Carleton may not be alone in the statement that we are going on too fast with militia expenditure, I desire to add a word. To-morrow morning, when the people read the statement of the minister that the policy of his department is to spend ten per cent of the Dominion revenue on militia—

Mr. HUGHES: The minister has not said it. What the minister said was that that was the policy laid down at Confederation by agreement with the Imperial authorities.

Mr. ROBB: And the minister is approaching it very rapidly. Take the position as we have it, and not holding the minister down to that statement. The expenditure now has reached ten or eleven millions of dollars. It will possibly run up, within ten years, to an average of $15,000,000. Is that extreme? I think not. Now, the Department of Agriculture has done a good deal of advertising, and has sounded trumpets before it to announce that it is going to spend $10,000,000 in ten years for agriculture. Their expenditure will be quite insignificant compared with that of the Militia, which will be $150,000,000 in ten years. I think that the members on both sides, and the members of the Cabinet, should say to the Minister of Militia right now that this must be stopped, that it is not the policy of the people of Canada to spend $150,000,000 on militia in ten years.

Mr. HUGHES: The hon. gentleman does not seem to be posted. He forgets that agriculture does not belong to the Dominion, per se; it belongs to the provinces, and is so treated by the provinces. In the states of the American union the militia is under control of the state, and the building of drill halls is under the same control. The matter is very largely under the control of the officers of the militia. Suppose that, let us say, in Rochester, New York, a drill hall is required, the officer in charge simply notifies the municipality that it must furnish a drill hall of a certain size and build, the people have to pay for it. And the militia are paid out of the state vote, just as in the Swiss cantons to a very large extent. Therefore, these items do not appear in federal expenses in those countries. But in Canada, the cost of militia building, the upkeep of the militia come out of the Dominion treasury. The vote for agriculture does not.

Mr. H. BOULAY (Rimouski): Mr. Chairman, I have not very well understood the remarks made a few minutes ago by the hon. member for Sunbury and Queens (Mr. McLean), but I do not think I am mistaken in saying that he has approved of the expenditure asked for in behalf of the Canadian militia, and even then he does not find it sufficient. Whatever the hon. member may think about it, I believe that if in the last election he had used the same language when addressing his electors, he would not occupy the seat he now occupies in this House, and that if he undertakes to repeat those words at the next election, his electors shall think otherwise than he does and shall make him aware of it.

As to the hon. member for Carleton, I share his views. The military expenditure is not at all in proportion with the amount we spend for agriculture. Having read the list of the main estimates which amount, for the Militia Department, to $10,479,065, and of the supplementary estimates brought

down the other day and which run up to $438,240, I find the total expenditure to be $10,917,305. To my mind, this item is extravagant and should not be voted by this House before a substantial deduction has been made.

When I was a candidate at the election of 1908 and of 1911, I reproached my opponent with not having protested against the military estimates being run up to six or seven million dollars. Instead of six millions we have to face, to-day, an expenditure of nearly eleven million dollars for military purposes only. This is something extraordinary and I think the hon. Minister of Militia himself would be surprised to witness how unwelcome is the increase which he asks us to vote, if he took the trouble of consulting the hon. members, even those sitting on this side of the House.

The financial conditions of the country, prosperous though they be, do not allow us to dispense with the rules of prudence. Moreover, we are not in South America or in Europe, where the nations are always exposed to war. We have but one neighbour, and we cannot be sheltered against his attacks by means of an expenditure which is extravagant, if not useless. I think the hon. minister of Militia should reconsider his figures before asking us to follow him in the direction of an extraordinary increase as regards the military estimates.

I know also that the people of our country are opposed to such policy which will have no other result than to bring us considerable harm even from our friends.

I wish to enter my protest against any military estimate which we may dispense with. We have no rebellion to fear. We are far from the time when we might dread the blows of those fools and rascals of 1837 and 1838—to use the words attributed to the hon. minister—whose attention I would call to the fact that there were such fools and rascals in Lower and Upper Canada as well, of different race and tongue, but fighting for the same principle of a responsible government, for a government of the people by its mandatories.

Those fools and those rascals were men of spirit and men of honour, whose doings have gone down to posterity, and the memory of those martyrs of liberty is deep-rooted yet in the hearts of their offspring, a few of whom are in this House and do not like the memory of those heroes to be tainted with impunity. We do not want military men in our country as much as we want farmers. There are always too many people who try to live at the worker's expense.

Let us encourage the farmer and the manufacturer; we shall never spend too much for this purpose. If foodstuffs are scarce and dear to-day in our country it is because the consumers exceed the producers in number, and we should help the latter before all.

Those are the few remarks I had to make on this subject and, really, I cannot approve of the extraordinary expenditure which is asked for in the estimates and which means an increase of nearly three million dollars as compared with that of last year.

Mr. HUGHES: My imperfect knowledge of the beautiful French language has prevented me from following in detail the remarks of the hon. gentleman. I shall see his words to-morrow in 'Hansard', and, I hope, will have an opportunity to answer him.

Mr. OLIVER: In regard to this item for drill expenses, if my hon. friend is going to insist on keeping control of the militia and military expenditure instead of handing it over to the Imperial authorities for better management in their hands, of course he will have to listen to such advice as is offered to him from time to time. I do not speak as a military man, but as a citizen interested in the well being and well doing of the militia force of Canada. There have been placed before the House to-night by those in close touch with military matters statements that would indicate that conditions are not all that would be desirable. There are difficulties of recruiting for the camps. There are difficulties amongst the officers of regiments here and there. Let me suggest that the militia organization depends to some extent upon social conditions, and as social conditions have changed in this country that system which was adequate, sufficient and satisfactory twenty or thirty years ago is not so to-day when conditions all over the country are considered. I speak first of the case of officers. Officers are required to undertake large expense which they undertake for their own pleasure and for the good of the country as prominent, patriotic citizens. Amongst these expenditures they must provide their uniforms. I do not know what would be considered proper to happen to a man who would suggest that that which has always been in military matters should cease to be; some terrible thing might happen; but I am going to risk it, and I would say that in my humble judgment when an ordinary citizen of Canada, with a good share of patriotism and so circumstanced that he is able to give attention, time and energy to the work of being an officer of a company or battalion of volunteers, when he gives the proper time and attention to his own training and to looking after the force of which he is an officer, he has done all that can be reasonably required of him by the country.

Mr. HUGHES: Hear, hear.

Mr. OLIVER: To ask him to pay for expensive uniforms is simply an imposition and takes the matter out of the realm of patriotism and efficiency and transfers it into the realm of financial ability or social aspiration. That I do not think is good for the force and it is not in accord with the present condition or spirit of the country. I am quite aware that as matters were in Canada thirty, forty or fifty years ago that was a perfectly right and proper idea, probably the best idea on which the system could be based, but I desire to press upon the attention of the minister that the condition of Canada has changed so that that system of dealing with the officers of the militia is not suitable, does not bring the best results, and, so far as western Canada is concerned, is to a great extent impracticable. I know we have volunteer forces in the West and probably they will size up very well with those in other parts of Canada, but if so it is because of even greater sacrifices made under more difficult circumstances by the men who are taking the responsibility of acting as officers in those forces. I do not know what would happen to the minister if he should suggest such a thing as that the country should buy and pay for the uniforms of the officers. He has a reputation of doing as he likes, and I only hope he will like to do what I suggest. I have no personal feeling in the matter as I have never been a military officer.

Mr. HUGHES: You would make a gallant colonel.

Mr. OLIVER: And I have very little hope of ever being one; but I would like to see matters run on a basis of fair play, and I would like to see a maximum of efficiency and a minimum of expense. I have no doubt there would be a very serious outcry against such a departure, not from the taxpayers, although there might be some objection from them; but I have no doubt that a great many men now associated with military matters who are there in perpetuation of the ideas that formerly prevailed, would object to any such proposition. It would introduce a new element into the management of militia affairs; but I urge upon the minister that, the conditions having changed, the old system is no longer suitable and that the change of conditions should be met even by such a conservative institution as the Militia Department of Canada.

What is true in regard to the officers is also true in regard to the men. I am glad to know that the pay of the men has been increased. Judged by military standards generally it is liberal pay, but at the same time it is not liberal pay when judged according to the standard of earnings by men whom it is desirable to get into these militia camps and to have identified themselves with volunteer affairs. We want to get good men into the volunteer force. We want to get the man who has employment, not the man who has not employment. While a dollar a day and rations may be a reasonable amount to the man who has not employment, it is not reasonable pay to the man who has employment and it is the man who has employment who is the valuable man in a militia camp. While it would be a very radical departure—and I hesitate to make the suggestion, if they were paid just double to start with—it would not be more than fair, and I thoroughly believe that if the pay were doubled we would be able to get the class of men to enter the militia force and to take an interest in it who do not do so now. It is not because of the actual cash value, but because they would feel that their willingness to serve their country was being reasonably recognized by the country. At the present time I am satisfied that no man who is in valuable employment can leave that employment and take the risks, which attach to leaving it, who will go to a military camp and serve for a dollar a day and consider that the country is giving him fair and reasonable remuneration for the sacrifice he is making. I am given to understand that it is difficult to fill the regiments for the annual drill, and that sometimes it is a question of drumming up men who happen not to be in employment at the time in order to fill the regiments at the camp. That is not satisfactory. Instead of being a saving of money, to my mind, it is very largely throwing it away, because you are not getting the men who, having had training this year, will attend the camp next year, and thus have the advantage of the previous training. This country is different from what it used to be, and, different from other countries. We will have to revise our ideas in regard to the volunteer militia if we are going to get the sacrifice and service that we want, and that we were able to get thirty or forty years ago. Our young men have just as much of the spirit of patriotism as the men in those days had, but the conditions are different, and the changed conditions have not been met by a change of conditions in the militia organization.

The low pay which is given to the men works back on the officers. They must make sacrifices or expenditures in order to keep up the interest of the men. That is an unjust tax upon the officers. It is a principle that is contrary to the spirit of this country, and there should be in substantial and tangible form recognition by the country at large of the sacrifices that are being made for the country by the men who are engaged in the militia force. That would be an inspiration to the force, and would make it an object of ambition instead of

having it looked upon coolly. We hold too much to the old traditions in regard to militia matters, and are not adapting our militia arrangements to the new conditions.

It may be said that the suggestions I have made would increase the militia expenditure so enormously that they are not to be considered. In my judgment, it would be better to cut the force in half, to have the men efficient, enthusiastic, satisfied and ambitious in their calling, than to have the number we have at present with a rather cool and careless spirit. I know the suggestions I have made are very radical, and I quite recognize the courage that would be necessary on the part of the minister to accept any of them, but as a rank outsider, as one who has no interest to serve in connection with the militia, but the desire, as an ordinary citizen, to see it efficient to the last degree, creditable to the country, and satisfactory to the men who are in it, I make the suggestions.

Mr. WILSON (Laval): Can the minister favour us with some information as to the location of the proposed military school or armoury in Montreal? I understand that he had some interviews with the city council of Montreal as to the location of the drill ground or camp. Can he tell us what conclusion he has arrived at?

Mr. HUGHES: The hon. member for Edmonton (Mr. Oliver) has pleaded that he has had no military training. He has certainly the proper military spirit, and if he had just a little bit of training, he would have made an excellent soldier. It is not too late yet, and I would like to see him at the head of one of the squadrons in the Northwest in the near future. I would like to see him in the saddle leading his men into camp. He has referred to the matter of uniforms. I agree with him, and I think everyone will agree, that an officer on becoming qualified should be given his drill uniform, at any rate. I do not think there is any reason why an officer should be called upon to put his hand in his pocket and buy the uniform which is necessary for his drill in connection with serving his country in camp, in the cities in evenings on parade. I think that should be furnished him. The matter is now before a committee of officers to devise the best means of carrying out that suggestion. My hon. friend has spoken about higher pay for the men. What he has said is logically correct, but I do not think that five per cent of the volunteers in Canada go into it for the money. In the city corps they pool the money, they never get it. The same thing holds good with respect to many of the rural corps. In my own old regiment we nearly always paid out more than was paid in. I find it is a question of training. If you give the men proper training they will not mind so much what the pay is. It is that spirit that keeps up the regiment. I was in Hamilton not long since, and there were 91 gentlemen sitting at a table. These 91 gentlemen had been officers in the service, and I would challenge any one in that city to pick out 91 other men who could equal them. It does not hold good to say that the militia force is made up of the offscourings of the country.

Mr. OLIVER: I hope my hon. friend did not understand me as saying that.

Mr. HUGHES: No. Of course, there are men in the regiments who should not be there, but the militiamen of this country will stand second to no other class of men that you can pick out in Canada or anywhere else. As far as the question of my hon. friend from Laval is concerned, I would say that the property known as the Logan farm was handed over to the Dominion Government by the Imperial authorities, and in case it was disposed of the proceeds were to go to the Militia Department. In 1908 44 acres, plus, were handed over in fee simple to Montreal for nothing; 31 acres, plus, were handed over to the city of Montreal for ninety-nine years at the nominal rental of one dollar per year, and 3.86 acres were retained by the Militia Department only out of the whole area whereon to erect an ordnance building, or any other building, for the purpose of the Militia Department. A little strip in a square, about 3 acres, or a little less, was being unloaded on the city of Montreal by gentlemen who were interested in the sale of it. I was informed both by the Mayor and an hon. member for that city, a member of the city council, and of this House, that these gentlemen would hand that over for $750,000 to the city of Montreal, provided I, as Minister of Militia, or the Dominion Government, would hand over the balance of the militia property, consisting of 3.86 acres, under the guarantee that we would never build upon it, so that there would be a complete square. I came to the conclusion that the city of Montreal had been fairly well treated by the Militia Department. Taking that valuation of $750,000 for this little corner, the 44 acres are worth from $12,000,000 to $15,000,000, the 31 acres about $9,000,000, and the 3.86 acres $1,000,000. I had no authority, and I did not see that the Government had any authority, to hand over free to any person property which was entrusted to them for militia purposes. It should be used for the development and upkeep of the militia of the country. I declined to hand that 3.86 acres over to the city of Montreal, and, while it is absolutely unsuitable for an ordnance stores building, it would be most admirably suit-

ed for a nice drill hall for one of the new regiments. The 85th, a French regiment, is growing up in that part of the city. It will likely become a city regiment soon, and it is quite possible the department may see its way clear to erecting a drill hall on that site and thus save possibly three quarters of a million which would have to be spent in buying a site for a drill hall. I might add that St. Helen's island, an historic property, was also handed over to the city of Montreal for $200,000. These properties, it has been estimated are to-day worth $47,000,000 that the Militia Department might have had if they had not been handed over as I have indicated.

Mr. WILSON (Laval): I do not think the minister has answered my question. I want to know whether the minister has come to any decision with regard to the building of a military school.

Mr. HUGHES: A military school is going to be built at Dorval.

Mr. WILSON: If there is one built at Dorval there will not be one built in the city?

Mr. HUGHES: No, there will be a drill hall.

Mr. WILSON: Where is the property situated in Dorval?

Mr. HUGHES: It is the old race course.

Mr. McLEAN (Sunbury and Queens): I have listened with a great deal of pleasure to what the minister has said with regard to assistance to be given to the officers in respect to their uniforms. I was also very much impressed with the remarks of the hon. member for Edmonton (Mr. Oliver). I see that he has the interest of the militia at heart and that he appreciates its requirements. The point that appeals to me is that the men and officers should receive more assistance. It has been correctly stated by the minister that the officers of the city corps give their work free and voluntarily, they receive no pay, or their pay goes into the fund. That is the case also with the officers of the country corps. They also put in all their pay. Then, in addition to that, let us consider what the officer gives. First, he is required to prepare himself to pass a difficult examination. An officer, to be any good, must be a man of affairs. He has to be a man of position in the district or town in which he lives. He is a man whose time is valuable. This man is required to prepare by private study before he goes to the school of instruction. He has to remain at the school of instruction for at least one month and he should be there three months in order to qualify to pass his examination. He has to devote a great deal of time to recruiting. He has to devote also a great deal of time to preparing his men before they go into camp so that they shall be efficient. He has to go night after night to different places in his parish or county or, if in the city, to the drill shed in order to prepare his men for their work. He gets no pay and all this extra expense comes out of his own pocket. Where is his reward? The Government require that he should have a proper uniform. What do the regulations require with regard to the uniform? The class of men you have as officers are the backbone of the militia and they have some pride in their personal appearance. Placed over them are officers from the regulars in England who are well dressed. They come out here provided with natty, neat uniforms properly fitted. The officers of the Canadian militia also want to follow the example set by the officers of the regulars and to appear in bright, natty and well-fitting uniforms. The uniforms are the same as the uniform of the regulars in England.

The officer of a city corps requires to furnish himself with a tunic, a mess jacket, vest and trousers, overalls, riding breeches, a proper head-dress, a khaki uniform, and other things which cost him at the lowest calculation £21 in England. It is a great hardship to make him pay duty on that uniform. For example, swords are not made in Canada, and if you go to a private dealer and buy a sword you find the blade branded 'Made in Germany,' and yet we are not allowed to buy our swords in England and bring them in free of duty. I know Major Carvell and I had our uniforms made in England. A military uniform in order to fit has to be made by an expert and we have no experts in Canada who make a business of making that class of uniforms. Any officer who has pride in himself or in his corps gets his uniform made in England. Why should we be compelled to pay duty on these uniforms when they cannot be made here. The minister says he proposes to furnish uniforms to the officers. Well, if he is going to give to the officers the same kind of uniform as was furnished in days past to some of our men, then we will be awful looking frights. Why, you would not get an officer to wear such uniforms.

An hon. MEMBER: The uniform will be for active service.

Mr. McLEAN: Yes, but we are not on active service all the time. You have to appeal to the vanity of the men and the vanity of the officers, and that vanity is a laudable ambition to make a creditable display. What makes a corps efficient? It is in the vanity or the ambition of the officers and men to make that corps better

than any other corps. As we all know, the backbone of the militia, outside of the officers, are the non-commissioned officers, and my idea about pay is: the ordinary man in the militia gets enough pay; some of them are not worth the pay they receive and a great many of them ought never be brought into camp. On the other hand, a great many of the men are efficient, and will make splendid soldiers. We have started under the late Minister of Militia with efficiency pay, when a man reaches a certain qualification. In order to have good non-commissioned officers, I would give him, when he has passed an examination showing his efficiency to command and thoroughly instruct a squad, not only a bonus for qualifying and spending the time required for study for that examination, but after he passes the examination and shows himself efficient as an instructor, I would in addition to the bonus, give him increased pay. For men who are not efficient the pay is wasted on them. But to the man who can pass an examination and qualify as a rifle shot, I would give more pay. To the non-commissioned officer who could qualify as a squad instructor, I would pay a decent, respectable wage. I appeal to the Minister of Militia, if he wants to gain the gratitude of the officers of the Canadian militia, to abolish the duty on officers' uniforms.

Mr. CARVELL: I am sorry I cannot agree with my hon. friend from Sunbury and Queens (Mr. McLean) in everything he has stated, although he is a thorough soldier and a good officer and knows what he is talking about. There is no doubt that very many of the men taken to camp are useless and the money spent on them is squandered, but I am afraid my hon. friend is not taking the right way to remedy that. Possibly I have too low an idea of the object of the militia to rise to the standard the Minister of Militia sets before him, but I have always tried to look upon the militia as a business proposition. The only justification for spending any money on the militia is that some portion of our population should always have some grounding in the rudiments of military training, so that we may have men in Canada, not necessarily in the active militia, who in case of trouble would be something like the reserves in Europe, and who could be brought into line within a reasonable time. That was illustrated in the South African War. The minister, who was there, will I think agree with me that the men who had some previous military training got into the idea of their duties much quicker than the men who had not. The next idea I have is that you should teach the men to shoot, because if a man cannot handle a rifle he is no good in the militia. You ought to have in the militia, not the offscourings of the earth, but the very best class of men in Canada, and you cannot get that class without paying them. I am assuming that you can get a better class of men in the cities for a small amount of money than you can get in the country districts because the city men go to the drill hall in the evening, they pool their money, they take some amusement out of it, and they do not have to give up their ordinary avocations of life as has the man in the rural districts when he goes to camp and leaves the work on his farm. The industrious man who has work to do is the only man worth training. Then, in my judgment, the minister is spending too much money on fluff and feathers and not enough on the real backbone of the organization. According to the departmental report, the expenditure for the annual drill in 1911 was $1,159,000 of which only $750,000 went to pay and allowances for the officers and men. That is, hardly two-thirds of the total outlay goes to the actual payment of the officers and men. It is true there was some slight increase last year. I understand the minister now pays the ordinary man a dollar a day. Before that he got fifty cents a day and his efficiency pay, which brought it up to about 90 cents. I think it would have been very much better to have increased the pay of the man and not the horse. My experience is that I never had any difficulty in getting horses. I could have recruited horses for half a dozen batteries every year at a dollar a day without any trouble. In the country regiments there is no trouble whatever in getting horses, the trouble is to get men. Many officers in Canada make the horses bring the men; that is, no man can get a horse on unless he brings a man with it. If you double the pay of the men, you will only add at the outside three-quarters of a million dollars, which is a mere bagatelle to my hon. friend. He should pay the men $2 a day, if necessary, and get the very best men he can. These men do not stay in the militia very long as a rule. They bind themselves for three years; but the rule is not enforced. On an average they do not get more than three or four years training, and the training which they do get is very rudimentary indeed. If you increase the pay and get the best men, you will be giving them some start along militia training; and, if the time should ever come when their services are required, they would be ready to be of some use to the state.

Mr. LEMIEUX: I wish to support what my hon. friend the member for Queens and Sunbury (Mr. McLean) said about the

uniforms. I think no customs duties should be levied upon the uniforms of our officers and soldiers. The same thing might be said about the minister's uniforms. A Minister has to wear first-class and second-class uniforms and has to pay duty on them.

It is unfair that a minister of the Crown should pay duty on his uniforms. The officers in our militia should not be called upon to pay duty on their uniforms. The question has come up here before and I do not know what excuse has been given.

I would ask my hon. friend the Minister of Customs (Mr. Reid) to remove the duty and save this expense to the officers who give their time and their money for the sake of the militia and for the defence of the country.

Mr. REID (Minister of Customs): It is the Minister of Finance (Mr. White) who makes the tariff; I only administer it.

Mr. LEMIEUX: Yes, but surely the hon. gentleman has some influence over the Minister of Finance, who is only a newcomer, who is only a convert of the last minute to the great Conservative party. My hon. friend ought to tell him that it is in the spirit of the Conservative party to treat the officers fairly.

Mr. REID: I agree with you.

Mr. LEMIEUX: My hon. friend from Laval (Mr. Wilson) has raised a very interesting question in regard to the city of Montreal. I agree entirely with the hon. Minister of Militia that the city of Montreal has been royally treated by the Government of Canada. The Logan farm, or the Lafontaine farm as it is known to-day in the east, and St. Helen's Island were practically given over to the city of Montreal. I hope that the city authorities of Montreal will understand that the Government should have their say in the matter of the proposed alienation of such properties. At all events, no land speculation should be allowed with regard to that very valuable strip of land. It is the property of the Government and it should be enjoyed by the people of Montreal. It is a splendid park in the very heart of the city. The Minister of Militia should utilize that park for drills, parades and military exercises. I do not think, however that he should erect buildings on that property. There is already one building there, the Normal School, and for many years I have heard some people connected with the municipality of Montreal state that the time might come when this would be removed. If an armoury is erected, it should be a building that will appeal to the artistic sense of the people.

During the session I had the pleasure of receiving the report of my hon. friend the Minister of Militia in regard to his trip to England and France to which he referred a moment ago. He followed the manœuvres in England and was allowed to follow the manœuvres in France. Will he tell me how many officers and men accompanied him in England and France, and what is the cost, in total, of that expeditionary force?

Mr. HUGHES: Colonel Hodgins, Colonel Landry, Colonel Maunsell, Colonel Morrison and Major Roberston in Engand, five I think. In France, Colonel Landry, and Major Robertson. As to the total cost, I have not the figures here, but I think it is only $4,000.

Mr. LEMIEUX: For all?

Mr. HUGHES: I think so.

Mr. WHITE (Victoria, Alta.): I was surprised to hear the hon. member for Sunbury and Queens state that all the militia officers had to take a course of instruction. I would like to know if that is a general provision. I know it is not the case in the country from which I come. Many hold positions in the western country who never had any military training and never went to a school of instruction. I am aware it is not so all over Canada, but I would like to know from the minister if qualification is necessary for an applicant for a commission in the militia.

Mr. HUGHES: Every officer has to qualify. Of course, he may be appointed provisionally, but he is supposed to qualify within a year. If the hon. gentleman will look through the militia list, he will find that the great majority of the corps in the West have officers who are qualified. Some of the mounted corps in the West have every officer qualified. Some of the squadrons in the North have officers who have not had opportunity to attend schools. They are supposed to qualify within a year of appointment, or the time may be extended if necessary.

Mr. White (Victoria, Alta.) : The mounted infantry established some years ago—the Alberta Mounted Rifles—have no qualified officers in the three companies of the corps. Take the corp at Fort Saskatchewan, they also have some officers without qualification.

Mr. HUGHES: If the hon. gentleman will look at the militia list, he will find that the 15th of Calgary has every officer qualified, except some of the second lieutenants. The corps to which he refers, I believe, the 19th Dragoons. It has many qualified officers. The second lieutenants who are recently appointed have not qualified, but they will do so.

Mr. WHITE (Victoria, Alta.) : Before whom do they qualify, before a board?

Mr. HUGHES: Yes, they have to go to a school of instruction, or to the board. We will mail to my hon. friend a statement of how to qualify.

Mr. WHITE (Victoria, Alta.): Listening to the addresses of the hon. member for Edmonton and others, I noted the questions as to why we were not able to get the best men. One reason, I think, is this point I have referred to—that the officers are not qualified. With the short time allowed for drill and with unqualified officers, the young man who might volunteer is led to think he could not be taught even ordinary drill. So, they cannot be expected to take much interest in the matter. There is another reason. I quite agree with the minister that it is not for the money, and yet there must be some inducement for the kind of man the minister desires to obtain, these young farmers and those who bring their own horses if possible, and who would be there year after year and would become proficient in three years. I have made many inquiries among the young men as to why they did not enlist, and generally their answer was that there was no inducement. One cause is that there is no rifle range in the country. If they had an opportunity of using a range and learning to shoot there would be some inducement and many more would volunteer. It seems to me that it is not enough merely to go to Calgary for a few days in the year. Many of these young men have told me that they have never fired a rifle, and yet they are drawing money as having trained in rifle practice. I know as a matter of fact that they get no rifle practice at their headquarters, and if they get any at all it must be at brigade camp in Calgary. I should think the money spent to acquire ranges would be well spent. A few years ago, the major in command of the company at Fort Saskatchewan took the trouble to come to Ottawa to induce the department to purchase a range that had many natural advantages—a natural cut bank on the river of seventy-five feet, a place which had advantages over almost any other that could be chosen. The department did not take the matter up at the time. But I think if the minister would spend some money in securing ranges it would not be a difficult thing to get young men to volunteer. And I believe, as has been said, that the inducement would be greater than double pay.

Mr. HUGHES: We are encouraging the use of rifle ranges, but it takes time and money. We are establishing miniature ranges in many places, but I will not take up time with that. I agree with a great deal of what the hon. gentleman has said.

Mr. WHITE (Victoria, Alta.): A few years ago rifle clubs were formed, as I understand it, under the department. Not only militiamen, but civilians joined. But afterwards that was done away with. I think the movement was a good one, and that it was unfortunate that it was stopped. It would teach many men to shoot.

Mr. HUGHES: They are still open to be formed.

Mr. WHITE: But there are no ranges. I think we had about seventy members in Fort Saskatchewan, but when the rifle range was taken away—it was in connection with that that the major came to Ottawa—the club did not succeed.

Mr. HUGHES: We vote ranges every year in different parts of the country, but it takes a lot of time and money.

82 cadets corps, $325,000.

Mr. OLIVER: Would the minister give some account of the constitution and purpose of these cadet corps?

Mr. HUGHES: These young men train without any pay as boys. The formation of these corps is based on the principle that when the mind is young and the body is young is the time to mould those minds and bodies. We aim to establish a cadet corps on a good basis in the hope that these young men will learn to drill when they are young and thus naturally take to militia work, just as they would take to any other training before becoming set in their ways. Members may see the cadet corps in almost any portion of Canada. I reviewed four thousand from the French colleges in Montreal a week ago and nearly four thousand in Toronto last Saturday.

Mr. GRAHAM: They are in connection with schools, are they not?

Mr. HUGHES: Largely in connection with schools as yet, but they are also in connection with the regiments. Nearly every company is now getting its cadet corps as a feeder, so to speak. They are splendidly drilled fellows. I noticed two or three corps, one from St. Catharines, and I venture to say that half of the young men in those corps could pass their examinations for officers' certificates. I was amazed at their proficiency. It is marvellous the way the young men are taking part in this work. Anyone at the Toronto exhibition last year who saw the mounted cadet corps from the West will admit that they were the chief attraction of the fair, and nothing could exceed the manner in which they handled their horses. They get one dollar a year towards uniforms besides their transportation and board while in camp. There are about 35,000 of them, 15,000 in the province of Quebec; 6,000 in and

around Montreal alone. At the Mount St. Louis institution they had 600 on parade the other day, a splendid battalion of as fine looking boys as you could find in Canada. The movement is spreading and in that way I hope that in the course of a few years, these young men will work into the militia force of the country; and while I do not care to say what I intend to do I have plans made whereby the whole force, in the course of a few years, may be considerably modified and changed. It is found that this training has a splendid tendency to keep them right. People all over the country of all classes are taking hold of it. They see the benefit of it. It is controlled play. That is one reason why I want the drill halls all over the country; it gives the boys a chance to get in and drill instead of being on the streets. It is controlled play instead of uncontrolled play. We train them also in the same way as the scouts are trained, in camp. Many gentlemen hesitated about allowing their sons to go into these corps last year. We trained 8,000. One head of a collegiate institute went with his son and he is now one of the most enthusiastic advocates of this system in Canada. It is found that the whole surroundings are favourable and the tendency is to build up the manhood of the boys.

Mr. OLIVER: What is the money for?

Mr. HUGHES: There are cadet organizers in each division all over Canada. They go around to the various localities in the country and organize the boys into squadrons and start them drilling. There are transport and travelling and subsistence of these officers, $11,000. Then there are nineteen instructors of the permanent force, $1,900. They get a temporary payment of $100 each. Then there is subsistence, $10,000. We are taking school teachers into camp for training in connection with the cadets. This year it is estimated that one thousand school teachers are taking the course, at a cost of $75,000. Besides that there is the transport of 30,000 cadets, and things like that.

Mr. OLIVER: Are arms furnished to them?

Mr. HUGHES: We have not furnished arms except the regular rifles in some cases for shooting. We are now getting a cheap cadet rifle, not an inferior rifle, and now we give a few of those for shooting purposes. We do not pretend to arm them all with rifles, that would cost too much money.

Mr. ROBB: How much of the Strathcona fund is spent on that account?

Mr. HUGHES: The Strathcona fund is not applied to this account, but to the physical training in connection with the schools of the provinces.

Mr. GRAHAM: I am a peaceful man myself, but still I have had some experience in my own family, but I am prepared to testify that the training the boys get in these cadet corps is a mighty good thing for the boys, even if they should never have to defend their homes. I am speaking from experience. My son who went through the cadet corps became a captain in his regiment before he died.

Mr. HUGHES: A fine boy, too.

Mr. GRAHAM: He took his examination in Toronto. I never begrudged the money it cost because it developed him physically to start with. He was not what you would call a robust looking boy at first, but after the training in the cadet corps, he developed into a very strong man. I am in favour of that training if there never were any war like attitude to it at all on account of the improvement it makes in many ways. As to the regiment life in the armoury, I think it is a very good thing for the young men even when they get into that. I speak from experience from the Brockville regiment. The members of that regiment spend a great many of their evenings at the armoury, they have their indoor baseball and such games organized among themselves and make it a source of entertainment to themselves and to others; they are improving themselves, and while they are there we know where they are. At the same time they are being developed physically.

A word about the efficiency of some of the boys in these corps. An inspecting officer came to Brockville at one time and we had a cadet corps under a young man name Murray. The inspecting officer told me that there was only one captain in the regiment who was superior to this boy in the handling of his company, and an outsider watching would doubt that. I watched this young boy putting his company through their manœuvres, and I thought he was quite as efficient as any officer of the regiment. The inspecting officer told me that if he had to award a prize there was only one commanding officer in the whole regiment whom he would think superior to this young man. I am not opposed to anything that trains our young men, to make better men of them. I do not mean to say that I am a militarist—I believe there is reason in these things—but I want to say a word in favour of the training of the boys as cadets outside of the militia altogether. It helps them physically, morally and in every other way so long as it is properly done.

Mr. OLIVER: What is the age of the cadets?

Mr. HUGHES: From twelve to eighteen, when they can enter the militia.

Clothing, $700,000.

Mr. McKENZIE: I understood the minister to say that there were only two Highland regiments in the province of Nova Scotia, the 78th and the 94th.

Mr. HUGHES: I think there is only one with the Highland uniform, the 78th. Has the 94th the Highland uniform?

Mr. McKENZIE: No, but they are very anxious to get it, and they would like the minister to help them. They are a much older regiment than the 78th. I think it is the oldest Highland regiment in the province of Nova Scotia.

Mr. HUGHES: Inasmuch as my hon. friend bears a Highland name, he might visit the department and talk the matter over with another Highlander, Quartermaster General McDonald. They might come to an agreement.

Mr. OLIVER: What is the position of the department in regard to uniforms? I notice they are of very great variety.

Mr. HUGHES: It is usually left to each corps to decide. The Moosejaw regiment want the rifle uniform, and you cannot coax some other regiments to have it. Cavalry regiments want the scarlet. The Regina regiment want the rifle uniform, while Saskatoon regiment insist on the scarlet, as does also the Prince Albert regiment. We do not interfere in the matter specially.

Mr. OLIVER: Is it not now accepted by military authorities the world over that khaki or a similar colour is the better colour?

Mr. HUGHES: That is for drill purposes. All the city corps are getting the khaki uniform now, but they usually have other uniforms for state occasions.

Mr. OLIVER: If this force is actually for fighting purposes, and if the proper uniform to fight in is grey or a dun colour, does the department not provide all with that uniform, whether in city or country?

Mr. HUGHES: If the country regiments want it, we give it, instead of the scarlet or any other colour. The country regiments going into camp get overalls, but most of them prefer to have a scarlet or rifle uniform in addition to the drill uniform.

Mr. OLIVER: I think if this force is for a certain ultimate purpose, the uniform should not be a matter of choice, it should be a matter of policy of the Government. The regiments should be fitted with arms and uniforms that have been found by the latest experience to be the most efficient and desirable.

Mr. OLIVER.

Contingencies, $44,000.

Mr. GRAHAM: Might I make a suggestion. I think we have discussed pretty well nearly all the items, but I understand that some hon. gentlemen want to make some further remarks. Suppose we put all these items through, but reserve item 90, and hon. gentlemen who wants to discuss these matters further can do so on this item.

Mr. HUGHES: I am agreeable to anything. I want to thank the House for the very fair and open discussion we have had. I am more than pleased with the interest that is being taken by members representing the people in the perfection of the Militia Department. Let me say, as most hon. gentlemen who have taken part in the discussion know, that not only in this House, but personally, I am always pleased to receive any suggestion for the upbuilding of the force. Whatever others may do, I regard this as an absolutely non-political department, and I want hon. gentlemen on both sides of the House to feel that I am open to suggestions. My hon. friend mentioned that an officer had written to him. A man does not lose his rights by becoming a member of the militia force, and he is at perfect liberty to write to his member of Parliament, or to the Minister of Militia, and tell him what he thinks of him.

Mr. CARVELL: I would like the minister to pay my man for his horse, then.

Progress reported.

RESIGNATION OF MEMBER.

Mr. SPEAKER: I have the honour to inform the House that I have received from James J. Donnelly, Esquire, his resignation as member for the electoral district of South Bruce, in the province of Ontario. I have in consequence issued my warrant to the Clerk of the Crown in Chancery to make out a new writ of election for the said electoral district.

On motion of Mr. Rogers, the House adjourned at 12.15 a.m. Wednesday.

HOUSE OF COMMONS.

WEDNESDAY, May 28, 1913.

The SPEAKER took the Chair at eleven o'clock.

TORONTO TERMINALS.

Hon. FRANK COCHRANE (Minister of Railways and Canals) moved for leave to introduce Bill No. 237, respecting the Canadian Pacific Railway Company, the Grand Trunk Railway Company of Canada, and the Toronto Harbour Commissioners.

Mr. GRAHAM: Explain.

Mr. COCHRANE: The first order of the Railway Commission was for a four-track viaduct, but it was considered that this would not be sufficient to carry the traffic in Toronto. They reconsidered their order, and are to make an order for six tracks, but moving out to the water's edge. This Bill is authority to the different parties who are interested, including the city of Toronto, to expropriate between the track and the water. The Harbour Commissioners in Toronto are in favour of this, in order to facilitate the development of the harbour.

Motion agreed to, and Bill read the first time.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

BAIE ST. PAUL WHARF.

*Mr. LEMIEUX:

1. Have any repairs been made lately by the Government at the Baie St. Paul wharf? If so, what is the nature of said repairs?
2. What amount has been expended thereon?
3. Is it the intention of the Government to build a new wharf at Baie St. Paul?

Mr. ROGERS:

1. (a) Yes. (b) Urgent repairs to slip, mooring posts and floor. Construction of temporary shed.
2. Approximately $150.
3. Not at present.

MONTCALM PUBLIC BUILDING.

*Mr. LAFORTUNE:

1. Is the Government aware that a site has been purchased and the plans prepared for a public building at St. Jacques de L'Achigan, county of Montcalm?
2. Does the Government intend to proceed with the construction of said building this year?

Mr. ROGERS:

1. Yes; a site was purchased in March, 1909.
2. Not this year.

CARLETON REVETMENT WALL.

1. Has any application been received by the Department of Public Works for a grant for the revetment or protection wall at Carleton, Quebec? If so, from whom, and what action has been taken, if any? If not, is it contemplated to take any action?
2. If an application was received, what was the amount asked for?

Mr. ROGERS:

1. (a) Yes. (2) From the mayor of Carleton, who forwards a petition. (c) No action taken. (d) Not at present.
2. Estimated cost is $2,500.

MIGUASHA WHARF.

Mr. MARCIL:

1. Has the Government wharf at Miguasha, Quebec, been transferred from the Department of Public Works to the Department of Marine and Fisheries? If so, when was this done, and at whose request?
2. Has any protest been received? If so, from whom and was any action taken and what action?
3. Are tolls now being exacted from the public using this wharf?
4. Is it true that the ferry boat doing the service between Dalhousie and Miguasha has refused to pay the toll and is landing its passengers in small boats?
5. If the wharf has been transferred, has a wharfinger been appointed, what is his name and residence and what is his emolument?

Mr. HAZEN:

1. Yes. February 14, 1913.
2. Yes. D. Champoux. He was advised that tolls should be collected in accordance with the Act.
3. Yes.
4. The Department has no knowledge of this; the wharfinger was advised that vessels calling at the wharf would only be obliged to pay once per day and not more than twice per week.
5. Yes. Antoine Savoie of Shoolbred. Remuneration 50 per cent of the wharfage collections.

SHAG HARBOUR BUOYS.

Mr. LAW:

1. Who has the contract for the Shag Harbour, N.S., buoy service, and what remuneration does he receive for same?
2. Were tenders asked for same? If so, how many tenders were received?
3. Who were the tenderers and what is the amount of each tender?
4. What amount was paid for said service in 1909, 1910, 1911 and 1912?

Mr. HAZEN:

1. Mr. David E. Watkins, of Atwoods Brook, Shelburne county, $100 per annum.
2. Yes; two tenders were received, the lower tender being accepted.
3. Mr. David E. Watkins, of Atwoods Brook, $100 per annum; Mr. James E. Smith, of Lower Shag harbour, $125 per annum.
4. 1909, $75; 1910, $75; 1911, $75; 1912, $75.

BONAVENTURE STORM SIGNAL STATION.

Mr. MARCIL:

1. Is the Department of Marine and Fisheries aware if as late as May 24 instant, the storm signal station at Bonaventure, Quebec, was ready for operation?
2. If the station was not ready, has the department received or asked for an explanation?

Mr. HAZEN:

1. The acting director of the Meteorological Service advised the department on the 19th instant that the station was opened on April 21 this season.
2. Answered by No. 1.

CARLETON WHARFINGER.

Mr. MARCIL:

1. Have any charges been made against Bernard Leclair, as wharfinger and port warden at Carleton, Quebec? If so, by whom and what is their nature?
2. Has an investigation been held? If so, by whom, and what action has been taken, if any?

Mr. HAZEN:

1. Charges of political partisanship have been made against Mr. Leclair who holds the positions of wharfinger and harbour master at Carleton, by Mr. J. A. Mousseau.
2. The matter has been referred to Commissioner Flynn for investigation. His report has not yet been received.

CARLETON LIGHTHOUSE KEEPER.

Mr. MARCIL:

1. Have any charges been made against Francis Cullen, keeper of the light on Carleton wharf, Quebec? If so, by whom, and what is their nature?
2. Has an investigation been made? If so, by whom, and what action has been taken, if any?

Mr. HAZEN:

1. (a) Yes. (b) Mr. N. Boudreau, Mr. J. Cauchon, Mr. J. A. Mousseau. (c) Political partisanship.
2. Mr. W. A. E. Flynn has been requested to hold an investigation, but his report has not been received.

UNOPPOSED AND UNDISCUSSED MOTION.

For a copy of the specifications and tenders for materials to be used in connection with the proposed dry-dock at Lauzon, Quebec.—Mr. Lemieux.

SATURDAY SITTINGS.

Hon. ROBERT ROGERS (Minister of Public Works) moved:

That this House shall meet on Saturday the 31st instant, and on all Saturdays thereafter until the end of the session; the hours of sitting and the order of precedence of business shall be the same as on Fridays.

Sir WILFRID LAURIER: I assume that the Government have no more business to bring down.

Mr. ROGERS: There is notice given to-day of some railway legislation. Outside of that I do not know of anything of special importance.

Sir WILFRID LAURIER: Is it intended to go on with the whole programme on the Order Paper? There are two Bills to be introduced yet, one to amend the Public Archives Act and the other respecting Pelagic Sealing. Then there are several Bills of the Postmaster General. Is it intended to go on with these?

Mr. ROGERS: I think there are one or two that we do not propose to go on with. We shall be glad to give my right hon. friend all the information to-morrow.

Motion agreed to.

TRANSLATION OF RETURNS.

Mr. MARCIL: Before the Orders of the Day are called, I wish to ask the Minister of Marine and Fisheries a question in regard to a return I asked for some time ago. I would like to bring up for his consideration a fact that may be interesting. This return is in regard to a French constituency. The correspondence is all in French; but the documents have all been translated into English, and a great deal of trouble has been taken to do so. If I send the documents down to the parties interested, I shall have to translate them back into French, and then cannot be sure whether the translation will agree with the original or not. I think it might be advisable in future when returns are asked for, that the documents should be brought down in the original language. My hon. friend can see the position we are in in this particular case.

Mr. HAZEN: It is the first time my attention has been drawn to a matter of this sort. My attention was not called to the preparation of this return. If it be any convenience to my hon. friend I shall be glad to give instructions at once to have the documents that are written in French brought down, so that my hon. friend will have them in the original language. In making translations, sometime the original meaning may be altered or changed.

FRENCH DEBATES—DAILY DISTRIBUTION.

Mr. H. BOULAY (Rimouski): Mr. Speaker, before the Orders of the Day are called, I would like to bring up for your consideration the fact that the French edition of the 'Hansard' of Thursday last, the 22nd instant, has not yet been distributed. I would like to know who is responsible for the delay. The same thing has happened before, during this session. According to the Rules, the French edition of the Debates should be distributed within 48 hours. I would like to know how is it that we have received nothing since the 21st? I ask the question for my own information.

Mr. SPEAKER: At present I cannot give the hon. member any information regarding the matter. My understanding was that they should be given out as he intimates. I do not know why that has not been done. I shall inquire, however, and have the matter remedied in future.

TREATMENT OF RUSSIAN IMMIGRANTS.

Hon. T. W. CROTHERS (acting Minister of the Interior): Yesterday my hon. friend from Maisonneuve (Mr. Verville) asked a question concerning some complaints made respecting the treatment received by certain Russians passing through Moosejaw and other points on the Canadian Pacific railway. The Prime Minister partially answered the question yesterday, and promised that I would refer to it to-day. Early in April. we received direct from Moosejaw a complaint touching this matter. Later we received a complaint from the Russian Consul General at Montreal. We also received a complaint from the Trades and Labour Council of Moosejaw. We then had the matter investigated by the Commissioner of Immigration at Winnipeg, who reports on April 12, as follows:

Press reports regarding Russian labourers' incident at Boharm, Sask., entirely inaccurate and grossly misleading. For information of Russian Consul General at Montreal beg to say that on April 2, special train containing four hundred Russian labourers left Moosejaw for western points on Canadian Pacific railway destined railroad construction. Fellow countrymen at Moosejaw had incited Russian labourers to break contract, desert employment and find work independently. In order to prevent this desertion, cars locked at Moosejaw, train passing Boharm at speed of twenty miles an hour when seventeen labourers succeeded opening doors, jumped from fast moving train and endeavoured to escape. Guard stopped train; ordered Russians to return; fired revolver into air to intimidate them. No person struck by bullets; three persons slightly injured by leaping from moving train. Statement regarding food and other improper action against Russians entirely unfounded. The men were not locked in cars except when passing through terminals and divisional points, and no attempt was made to attack them and no injury sustained except already above indicated.

We communicated the contents of that report to the Imperial Russian Consul General at Montreal, and received the following letter from him:

I have the honour to acknowledge the receipt of your communication of the 16th of this month, in answer to my telegram of the 9th, addressed to the Honourable the Minister of the Interior, in connection with the shooting that occurred under peculiar circumstances, when a party of Russian subjects left Moosejaw for Boharm, Sask., on the 2nd of April of this year, by special train.

Please accept my sincere thanks for your kind reply, the details of which have been duly appreciated by me.

There being no doubt, however, that the shooting took place, I beg leave to ask whether such a course is allowed under the given circumstances and is authorized by law, as a coercive measure.

The matter of the conduct of the Canadian Pacific Railway Company in connection with this incident is receiving further consideration. That is all I desire to say at present concerning the matter.

Mr. OLIVER: While the statement of the minister that the action of the Canadian Pacific Railway Company is receiving further consideration at the hands of the department may be satisfactory, I would like it to be considered that that assertion on the part of the minister does not close the matter. It is desirable that at a later date the minister shall make a further statement as to the result of his dealings with the Canadian Pacific Railway Company in regard to this matter. The Russian consul has made a suggestion, which, I think, should appeal to the mind of everybody, that the action cannot be condoned.

Mr. SPEAKER: I think it is not permissible to discuss the matter at this stage.

SUPPLY.

House in Committee of Supply.

Public Works—Salaries, including K. G. Spangenberg, at $1,800, $493,487.50.

Mr. GRAHAM: I see that the deputy minister's salary is put down here at $5,000. I have noticed in the estimates that the salaries of some of the deputy ministers have been considerably increased, some of them exceeding the amount provided for those officers in the Civil Service Act. I do not object to the payment of proper salaries to deputy ministers; but, when the salary of the deputy of one department is increased, it may be difficult to convince the deputy ministers of other departments that they are not equally entitled to larger salaries. The deputy ministers of Railways and of Public Works have to perform very heavy tasks and assume great responsibilities. The Deputy Minister of Railways has for years been chairman of the Government Railways Managing Board, and has assumed many other worries and cares in connection with the Intercolonial railway, but his salary remains at $5,000. I thought it well to call the attention of my hon. friend to the fact that he will get into trouble unless he divides the officials of the department into classes, assigning a specific salary to each class, and, perhaps, giving a greater salary to those officials whose duties are the most onerous. I think that is done by the British Government, and as long as the deputy ministers of the departments are on a common level so far as salaries are concerned, I think my hon. friend will experience some difficulty. I think the deputy ministers, particularly in the very busy departments, are not paid sufficient salaries, and I would prefer that my remarks should be accepted as having been made from that standpoint than from

the standpoint of criticism of any increases.

Mr. BELAND : What about the members?

Mr. ROGERS : I appreciate very much what the hon. member has said in respect to the salaries of deputies; but, as my hon. friend well knows, it is a very difficult matter to deal with. I quite agree that there are certain deputy ministers to-day whose salaries are not nearly sufficient for the amount of work they have to do. There were special circumstances in the case of the Deputy Minister of Justice, whose services, owing to his long and high standing in the legal profession, it was impossible for us to retain unless his salary was increased, and the position would have been very difficult to fill. At the same time, the question of the salaries of certain other deputies has had consideration in the way of suggested increases; but, in view of the complicated nature of the Civil Service Act, if I may say so, it was difficult, during a busy session, to arrive at any conclusion. This is a matter that will be further considered; in fact, I think before long it will be necessary to reconsider the whole Civil Service Act. I am sorry that my hon. friend did not go a little further when he had in his mind, I know, to suggest that the salaries of other people in this House should be increased as well as the salaries of deputy ministers. However, I think that is a matter that will be considered later on.

Mr. GERMAN: So far as the deputy Minister of Justice is concerned, I am rather inclined to think that, from the standpoint of his ability and the work that he is doing in the department and for the country generally, his salary has not been sufficiently increased. His position does not at all resemble that of other deputy ministers. The deputy Minister of Justice acts as counsel for the Crown in, I think, all cases going before the Judicial Committee of the Privy Council. He is capable of filling that position, as capable perhaps as any man you could get at the English Bar. He has relieved this country from the payment of enormous counsel fees to eminent counsel in England by reason of his capability to take the cases before the Judicial Committee of the Privy Council in London. I submit that the position of Deputy Minister of Justice is not at all similar to that of other deputy ministers, and that he should be in a class apart. If we are to have as Deputy Minister of Justice a man who is capable of filling the position and taking the briefs for the Government, as the present deputy does, then he should be paid absolutely in a class apart from the deputy ministers of other departments. I have nothing to say in regard to what a deputy minister should receive. I do not think that they should all be paid similar salaries, because the official duties of some are far more responsible than those of others. I think there should be a vast distinction. However, I wish to record my suggestion that the Deputy Minister of Justice is getting not more than he should receive, but less.

Mr. BELAND : The only objection I have to the inequality of salary of the deputy ministers is that the deputy Minister of the Naval Service is being paid $6,000 while the Deputy Minister of Public Works receives only $5,000. The Deputy Minister of Public Works has certainly more important duties than the deputy Minister of the Naval Service. What existed of the Naval Service before this date is rapidly sinking into oblivion, and if it keeps on, very soon the Deputy Minister of the Naval Service will have nothing to do, whilst the Deputy Minister of Public Works is filling a very important position, perhaps the most important of all the positions as executive heads of departments. The minister will realize himself that his department is a most important one.

Mr. ROGERS : Of course.

Mr. BELAND: The minister has soared up from the Department of the Interior to the Department of Public Works, and if it were not more important he would have remained in his old place. I cannot see why his deputy should be paid only $5,000 when the Deputy Minister of the Naval Service is paid $6,000 for doing practically nothing.

Mr. ROGERS: That is only another instance of the many inequalities and anomalies in the Civil Service Act which we found when we took it over, and which I think we must find some way of remedying in the near future.

Mr. MURPHY: There is another inequality shown in the supplementary estimates. It is proposed to raise the salary of the assistant deputy minister of another department to the same figure as the Deputy Minister of Public Works. In the supplementaries there is an item to increase the salary of the assistant deputy minister and secretary of the Department of Justice to $5,000. That, I suppose, will be explained by the Minister of Justice when we come to it, but I draw the attention of the Minister of Public Works to this item. He has told the committee that there are inequalities which need to be adjusted, and that item is one of the most glaring of these inequalities. In connection with the remark that it would be difficult to retain the services of the Deputy Minister of Justice unless his salary were increased, as to which I express no opinion at the moment, I would point out that a few years ago,

when a similar state of things occurred with reference to the Deputy Minister of Railways and Canals, the Government allowed the gentleman then occupying that position to resign from the seervice rather than grant him an increase in salary.

Mr. PROULX: I think that is not a good argument to make, that the deputy minister will not stay in office unless his salary is increased; I think it is a kind of hold-up of the minister. If the present deputy minister does not want to stay in office I think the minister will be able to find many other men who could occupy the position. By increasing the salary of the Deputy Minister of Justice by $3,000 we are going to create discontent among the other deputy ministers. They will feel that they are underpaid, and there will be disorganization of the whole service. My hon. friend from Welland (Mr. German) says that the deputy minister takes briefs before the Privy Council. I know he has done so in the past, but I understand that in the most important cases the department has engaged the services of eminent counsel. The reference to the Supreme Court in the marriage case was in the hands of eminent counsel from Toronto and Montreal, and when the case was argued before the Privy Council those counsel went there. The case was not in the hands of the Deputy Minister of Justice. The department pays every year large sums of money in legal fees for the employment of counsel to plead either in the Supreme Court or before the Privy Council, and I think there is no necessity of increasing the salary of the deputy minister by $3,000.

Mr. MARCIL: I may be allowed to say a word in this respect. I know that we cannot discuss the question of salaries generally at the present moment; but, starting from the head of this House—I occupied that honourable position for a short time—I want to point out the anomaly that the Speaker is paid $4,000 and is supposed to entertain people from the whole Dominion. The Clerk of the House is paid $5,000. The Clerk is not sufficiently paid; so far as the Speaker is concerned, I leave the House to judge. We have in the Minister of Justice one of the most gifted men in his profession, but he will receive $3,000 less than his deputy. What impression will this create in the public mind? What about the members of Parliament who spend five, six or seven months of the year in Ottawa attending to public business? I came the other day from western Canada in company with one of the highest officials in the service of the Dominion, who had been attending to public business in Washington. He expressed the opinion that a member of the House of Commons of Canada, if he was fit for the position, was the equal of a member of Congress in the United States. The members of the Administration know that members of Congress in the United States are paid much more than members of the House of Commons in Canada. He expressed the opinion that $5,000 would not be too much to pay a competent member of the House of Commons to remain here for six or seven months of the year and work for his constituency and for the country. I am speaking rather freely, because I have been here for fourteen years, and I have seen the House change complexion two or three times. It has come to this, that only the rich man or the very poor man can afford to come here. It is impossible for the active business man, or the active professional man to come here and spend six or seven months of the year. The rich man can afford to come as a luxury, or as an honour; but the poor man, if he retains the confidence of the electors, is in fifteen or twenty years practically out on the street. There have been men occupying seats in the House of Commons, who to-day would be in the poor house but for the fact that they are paid, in one way or another, from the public treasury. I think the Administration should look seriously into this question and begin at the top. If a member of the Cabinet, with the responsibilities that rest upon him, is worth anything to the people he should receive a larger salary than that which is paid to him at the present time. The present salary is ridiculous. There is any number of third-class officials in some of the large firms in Montreal who receive a larger salary than that paid to ministers of the Crown in Canada. I should be glad to see the Minister of Public Works and his colleagues take up this question, face it, and solve it satisfactorily, beginning with the members of the Cabinet, senators, members of the House of Commons, going down through the Civil Service, and giving proper payment to those who give proper service.

Mr. VERVILLE: I want to say a word on this question as to the increase of salary. The Minister of Public Works has said that it would not be possible to increase the salary of the Deputy Minister of Public Works on account of the Civil Service Act. It seems to me that that should have been looked into before, because I claim that the Public Works Department is the most important department of the Government, and if anyone should get an increase of salary it is the Deputy Minister of Public Works. I was never against an increase of salary. It has been my ambition, since I was able to work, to increase my salary. Of course there will be some members who believe they are not earning more than they are getting, in the way of an indemnity, at the present time. I claim I am earning more,

and it seems to me that the Government should take into consideration the question of increasing the indemnity to some extent, so as to make it reasonable, and so that our position would be looked upon as a reasonable one. There are many men who can well afford to come here, men with large businesses of their own, or men who are favoured with fortune but I am not in that position at all. Probably I am in a better position to discuss this question than some members, for this reason: the year before I came here the indemnity was increased from $1,500 to $2,500, and during the first session I was in the House a Bill was introduced for the repeal of that increase. I did not vote in favour of the increase at that time, not being in the House, but I spoke against the Bill for the reduction. I stated then, as I state now, that I do not know of any man with common sense who would be against an increase of the indemnity, or salary. I call it a salary, because it is a salary, however small it may be. Having heard rumours around the corridors, I was expecting that an increase would be agreed upon this session. It might be said that an increase would not be popular throughout the country. I for one am willing to defend it in any part of the country where I have a chance to do so. We are worth more money than we are getting to-day, or we are worth nothing at all. We spend six or seven months of the year legislating in the interests of the people, and safeguarding the interests of the country, and I believe that the sessions cannot be any shorter than six months in the future. The country is growing all the time, and the development of the country forces on legislation from year to year in increasing volume. With the very best will on the part of the members to expedite business, I do not see how it is possible in the future, having regard to the growth of the country, to have shorter sessions than the one we have had this year. In these circumstances, I do not see how any members on either side of the House can say they are willing to come here, and spend six or seven months for the salary they are receiving to-day. It seems to me that the Minister of Public Works should do something this session, and I hope the rumours I have heard around the corridors will materialize before the session is finished.

Mr. PROULX: I regret to say that the tendency is to increase the salaries of the better paid officials, of the higher officials, while the Government will employ a messenger in a department at $500 a year. How can you expect a man to support a family on a salary of $500 a year? The officer who gets $5,000 a year is considered worthy of an increase of salary, and one who gets $7,000 a year wants it increased to $10,000 a year.

Mr. EDWARDS: A man should not have any family if he has only $500 a year.

Mr. PROULX: I do not agree with the hon. member for Frontenac. Every man should have the privilege of getting married. Why should you penalize a man because he has not the education to occupy a higher position?

Mr. BELAND: Do you mean to say that if a man is not married he is penalized?

Mr. PROULX: I think the tendency is to increase the higher salaries and not to consider the officials who are not well paid. They may not be underpaid for the work they do, but still they have to live, and they have to support a family, and they should be paid enough to enable them to do so. There should be greater equalization in the salaries of the service. So far as the members' sessional indemnity is concerned, it has always been considered an indemnity, and not a salary. If it were a salary I would be of opinion that it should be increased, but as it is an indemnity, so far as I am concerned I shall be against any increase.

Mr. ROGERS: I would like to say, that in my opinion my hon. friend the member for Prescott (Mr. Proulx) hit the bull's eye in so far as the Civil Service is concerned, at all events, in pointing out that it is impossible to employ any member of the Civil Service at a greater salary than $500 when he first takes up ordinary departmental work. You cannot possibly get a desirable employee at any such salary as $500, or if you do, and he starts to work in one of these departments, he is only there a few months when his qualifications are discovered by some company or individual in the town, or at some other place in the country, and he is taken away from the Government service. As time goes on the Civil Service finds that it is not in possession of the class of workers that it should have. The net result is that we get the very worst class of employees under the Civil Service Act that it is possible for us to find; and this, in my opinion, is the principal condition which should be remedied by any change that is made in that Act. It is unfair to expect that you can get good service for any such salary as $500, and the service would probably be better off without a person who would be willing to stay in it at that salary. That is one of the things that, I think, should be remedied. With respect to what has been said by the hon. member for Maisonneuve (Mr. Verville) and the hon. member for Bonaventure (Mr. Marcil) with refer-

ence to salary increases, this brings up a very wide and a very general question which is not directly connected with my department, and I am unable to make any statement to-day with respect to what may happen or what may be in store for the future. However, I may say that hon. gentlemen opposite who have spoken will at least notice that they apparently represent public opinion in this Chamber and, of course, popular opinion always wins out in time. They have alluded to the matter, and we will have to leave it to the future to see what popular opinion may have in store for the members of the Chamber and with reference to the salaries which have been referred to by my hon. friend.

Mr. R. LANCTOT (Laprairie-Napierville): Mr. Chairman, I did not intend to take part in this debate concerning the increase of salaries; but as some hon. members to the left have taken this opportunity to ask for an increase of parliamentary indemnity, I must say, first, that as far as I am concerned I who, at the last election, preached for economy and for a plebiscite on any new expenditure, I would like the members from the province of Quebec, especially, to say if they are in favour of an indemnity of $4,000 to $5,000 per session. Should such an increase be granted, it would mean an additional expenditure of $817,500 to pay the members of the Lower and of the Upper House, which sum represents a capital of $20,000,000 at 4 per cent interest.

I think that, with this sum of 20 millions, splendid results could be achieved for the welfare of the country, which would be much more expedient than to increase the salaries without consulting the people. I may say that, for my part, I shall be against those increases of salaries as long as the people have not been consulted.

Mr. MURPHY: Would the minister explain the increase in the number of employees in his department from 311 last year to 336 this year?

Mr. ROGERS: The principal increase is in the architect's department. Heretofore it has been the practice of the Public Works Department to let out the planning of public buildings in different parts of Canada. We are now endeavouring to have a sufficient number of architects and draughtsmen to carry on the work here. The architects have studied out the plans upon which public buildings best meet the public service, and we can draw the plans better, cheaper and more efficiently in the department than we can have them prepared by letting them out.

Mr. H. BOULAY (Rimouski): Mr. Chairman, I have heard the remarks which the hon. member for Laprairie-Napierville (Mr. Lanctôt) has just made. I must tell him that, for my part, I have already stated what I think about this subject of parliamentary indemnity.

When we were discussing the question of granting an increase of salary to the Chairman of the Railway Commission a week or two ago, I declared that those salaries were not in proportion with those paid to the members of this House; that it was ridiculous to pay us $2,500 a year when we have to remain at Ottawa six or seven months in the year, looking after the business of the country, and then taking the balance of the year to attend to public business in our respective counties. Moreover, I spoke to several members from the province of Quebec about this, and I must say that those whom I have spoken to are all in favour of increasing the indemnity.

I have heard the remarks made by the hon. member for Bonaventure (Mr. Marcil), and I must say that they bear the stamp of common sense.

Really, this increase of salaries in behalf of the deputy ministers cannot be justified. The intention is to give them a higher salary than the ministers themselves are getting; this seems to me extraordinary. After all, it is the ministers who are responsible for the administration of the country's business, they are called upon to meet the requirements of the position, and I say that the salary of a minister, at $7,000 a year, is not proportionate at all, if a deputy minister's own salary is raised to $10,000. It is proposed to raise the salary of the Deputy Minister of Justice to $10,000 a year because of his legal experience and of his being obliged to go to England and plead the Government's cases.

Mr. PROULX: Those expenses are paid outside of his salary.

Mr. BOULAY: I would admit that increase if he paid his travelling expenses and if he got no salary here while he was absent; but I think his salary runs just the same.

Mr. MARCIL: His travelling expenses are paid outside of his halary.

Mr. BOULAY: If those travelling expenses are paid outside of his salary, I think that is a little too much; we should be more cautious.

I know an employee who works here for the country at the rate of $3 a day and who does the work of a man whose salary is $2,000 a year. That employee does the work just as well as the other and never theless he only get $3 a day.

I wonder if the increase of salaries can warrant a better service. It is always easier

to reduce the salary of a man than to raise it. It seems to me, therefore, that we should stop and think before increasing the salaries.

As I have said a couple of weeks ago, when the question of increasing the salary of the Chairman of the Railway Commission was under consideration, we, members of this House, do not get more than $2,500, and we are here for six or seven months in the year, as the hon. member for Maisonneuve (Mr. Verville) has remarked. Moreover, when we are back at home we keep busy for the rest of the year, working in the interest of our counties as much as we do here during the session. Therefore, it is for all the year that this indemnity is given.

As to the public servants in general, —our every day's experience is there to back my statement—we seldom find them at their office more than four hours a day. Besides that, they get one month or two months' vacation every year, and their salaries run just the same. As for the members of this House, they get no holidays.

I am against this idea of increasing the salaries, especially those of high-graded employees. As for the employees of an inferior rank, many of them are not sufficiently paid as compared with the others, and, moreover, they are the ones who do the hardest work. Therefore I believe that we should not vote that increase of salary which it is the intention to grant to certain public employees.

Eastern departmental block, Ottawa—addition, $220,000.

Mr. ROGERS: This includes a revote of $100,000 to make provision in accordance with the estimates of the chief architect for building the extension to the eastern block.

Mr. MURPHY: Is that for an addition to the present addition?

Mr. ROGERS: No, it is just completing the present addition.

Mr. LEMIEUX: In the new Government buildings which are in contemplation, and which are much needed, I would suggest that the minister should make provision for a convocation hall for the Royal Society of Canada. The Royal Society was founded by the Marquis of Lorne, now the Duke of Argyle, when Governor-General. It annually holds its meetings in the city of Ottawa, and the society includes the most distinguished litterateurs and scientists in the country. They meet sometimes at the Carnegie Library and sometimes in the Normal School, and I understand they have been given a little space in the Royal Victoria Museum for their library. The annual report of the society is published by order of Parliament, and the society gets a grant. I am not speaking for the society, but as a citizen, and I would ask the minister to consider in the plans for the new building the providing of accommodation for the meetings of the Royal Society, and a suitable place where they could have their library and keep their archives.

Mr. E. PAQUET (L'Islet): Mr. Chairman, I approve of the words which have just fallen from the lips of my hon. friend from Rouville (Mr. Lemieux).

We receive, at the present time, the most distinguished men of science and of letters in Canada. These men are making sacrifices for the honour of Canada. I would feel most happy if the desire expressed by my friend from Rouville could be yielded to.

Mr. ROGERS: At present we are cramped for space, so that it is impossible for us to be very generous to a request made by the Royal Society or any other body. I understand the Royal Society have not asked for any space of this kind. They did ask and were granted space for their library in the Museum building, and of course when requests of that kind are made we shall always be glad, even in our cramped condition, or when the new public buildings are completed, to facilitate as far as we can the meetings of the Royal Society in Ottawa.

Mr. NESBITT: Is there provision for modern ventilation in the new buildings which will be erected? In any of the Government buildings that I have been in, in Ottawa—I have not been in many—there is no system of ventilation except opening the windows. If these new buildings are properly ventilated we might go over and sit in them occasionally, so as to regain our lost health.

Mr. ROGERS: We are endeavouring to provide in the new buildings the very best possible system of ventilation. We are taking care that the plans shall be the best that it is possible for us to obtain. We have asked the Canadian Society of Architects to name one of their number, and they have already suggested their president, Mr. Russell. We have asked the English Institute of Architects to be good enough to name for us a representative, and they have already done so. The Government will select a third, and these three gentlemen will have full charge of the plans, which are open to competition of architects in all parts of the British Empire.

Mr. MURPHY: Will these three gentlemen select the plans?

Mr. ROGERS: When we get the plans from the competitors, these three gentlemen will select the best ones.

Mr. WILSON (Laval): What is the estimated cost of that building?

Mr. ROGERS: There are several buildings.

Mr. NESBITT: You are speaking now of the new buildings, not of this building here?

Mr. ROGERS: Yes. We cannot give an estimate until the plans are selected. The cost will be five or six million dollars, perhaps more.

Mr. MARCIL: Is any provision made for enlarging the library?

Mr. ROGERS: No, there is nothing in the estimates for that this year.

Mr. MARCIL: The librarians have been asking for more room for the last ten or fifteen years. Every year the Library Committee makes the report that books have to be stored in the cellar, and that those which cannot be stored have to be destroyed. They are cramped in every way, and some provision will have to be made very soon, either by the construction of a new library or an enlargement of the present one. I understand the objection to that is that the ground is rather small.

Mr. ROGERS: I find we have an item in the estimates for an enlargement or what we call a wing to the Senate, and it will provide accommodation for a good part of the library.

Mr. VERVILLE: In regard to these new buildings, I would like to ask under what conditions the labourers will have to work. Will the contract be let on an eight-hour day system?

Mr. ROGERS: We have not got to the point of considering that question yet—this is the first I have heard of it. It will be fully considered when we come to let the contract.

Mr. NESBITT: My hon. friend did not say anything about the ventilation of the eastern departmental block.

Mr. ROGERS: I thought my hon. friend was referring to the proposed new buildings. In regard to the building which has just been erected, we have made a special effort to obtain good ventilation, and we believe the system is working fairly well.

Mr. WILSON (Laval): If it is satisfactory, I assume the hon. Minister of Public Works will apply it to this House.

Mr. ROGERS: Yes. We have made an effort this session to get good ventilation in this Chamber, and I would like to know from hon. members whether or not there has been any improvement.

Some hon. MEMBERS: Yes.

Mr. ROGERS: The system was not very expensive, but we thought we would try it and see if it would be of some assistance. I would like to know, because we had this change made on condition that if it was not satisfactory we would not have to pay for it. We are now at the point whether it is worth settling for or not.

Mr. WILSON: I have no objection to offer. The smell of the ozone was rather strong at first.

Mr. ROGERS: That was the first day or two, before the machine was put into proper working order. I think it has been found fairly satisfactory to hon. members.

Mr. PROULX: My hon. friend the Minister of Public Works does not often deserve congratulation, but I think he deserves some congratulation for this improvement in the ventilation of this chamber.

Mr. VERVILLE: I see that the hon. minister proposes to get architects and others conversant with the subject of ventilation to establish the best system of ventilation possible. I have met some of the very best architects who thought that they had discovered the very best system, but the practical man, who has done the work himself, sometimes can give very valuable information. I would suggest to the Minister of Public Works that he should consult some sound, practical men on this subject.

Mr. ROGERS: As far as this Chamber is concerned, if any hon. member can suggest any means by which we can improve the ventilation, I feel it would be our duty to carry out his suggestions. As Minister of Public Works, I am prepared to try almost anything by which we can improve the condition of the air in this Chamber. If my hon. friend from Maisonneuve (Mr. Verville) will suggest a practical man who will supply the remedy, that apparently the architects and those conversant with matters of ventilation have been unable to supply so far, we shall be glad to avail ourselves of his services.

Mr. JAMESON: I would like to suggest that this carpet, while it is a pretty one, should be removed and be replaced by linoleum. I do not think it is sanitary or healthy in a Chamber where there is so much speaking going on and members are moving around constantly. Dust is rising all the time, and it is impossible to have a sanitary condition of affairs so long as we have a carpet on the floor. I would suggest to the hon. minister that he take the necessary steps during the summer to have this condition remedied.

Mr. WILSON (Laval): What about the noise?

Mr. OLIVER: I made a suggestion some years ago, which has never been accepted either by the late Minister of Public Works or by the present one, that is, that the windows be opened. I would like to make the suggestion now in this form, that the windows be opened whenever the House rises at night and remain open until the House sits again.

Mr. ROGERS: The windows are opened at night now. When I first had them opened a little earlier in the session, as they are on that side of the House, I was accused by certain hon. gentlemen of trying to injure their health, and I promptly had them closed.

Mr. GRAHAM: Can my hon. friend give us any information as to where the new departmental buildings proposed to be built in Ottawa are to be located?

Mr. ROGERS: The plans have been on exhibition in the Railway Committee room for some weeks.

Sir WILFRID LAURIER: Have these plans been accepted?

Mr. ROGERS: Yes, and they have been published in the papers as well.

Sir WILFRID LAURIER: I think the location is a good one, and, as far as I can see, the plans are quite satisfactory. What is the size of the building now being put up between Mackenzie avenue and Sussex street?

Mr. ROGERS: 80 feet wide and 320 feet long. It occupies the full width of the block.

Sir WILFRID LAURIER: Is the space which is left vacant to be added to Major's Hill park?

Mr. ROGERS: That is the idea. There was at first some objection to our building in that locality at all, but, after giving the matter careful consideration, we thought that the erection of such a nice building as we propose to build there, and the sodding and caring for the ground not occupied would tend to beautify the place.

Mr. PROULX: Are the Supreme and Exchequer Courts to be located in the new building on Mackenzie avenue?

Mr. ROGERS: No, they will be in the new departmental buildings on Wellington street.

Sir WILFRID LAURIER: May I make a suggestion to my hon. friend? These grounds on Sussex street were at first taken by the late government with the intention of putting up certain buildings, and it was then suggested to us that, instead of being put there they should be built upon the site selected by my hon. friend. and that we should add the grounds on Sussex street to Major's Hill park. I would not have been sorry if this plan had been carried out; but perhaps the erection of such a building as is contemplated may do very well on such a street. I would suggest that it would be well for my hon. friend at the earliest moment to remove the Printing Bureau from where it is now and add the ground thus left vacant to Major's Hill park, or to Nepean Point park. The Printing Bureau was built as a temporary structure; it is not at all beautiful, and I think it would be better located elsewhere. Some time ago I asked my hon. friend whether it was intended that Major's Hill park should be used only by pedestrians or whether vehicles would be allowed upon it. The hon. gentleman told me that he would look into the matter. I do not know whether or not he has had time to do so, but I see some objection to having this park open to vehicular traffic. I think Mackenzie avenue might be improved by joining it to the roadway running from Nepean Point towards Rideau Hall. At the present time the avenue is blocked up with materials being used by the contractors at work on the Sussex street buildings, and I think that these materials should be removed, and Mackenzie avenue made such as it should be.

Mr. ROGERS: In view of the fact that the construction of this new building is going on, it may be difficult during the present summer to put Mackenzie avenue in proper shape. It is, however, our intention to put Mackenzie avenue in good condition and make it, instead of Sussex street, the regular driveway to Rideau Hall. Had it not been for the necessity of providing an entrance for teams with heavy wagon loads of goods we would have erected the customs warehouse on the new ground that we have just purchased; but it has not been considered advisable to have such a building on this new land. I will take a note of what my hon. friend has said with regard to the Printing Bureau. It is certainly an eyesore; but while we are busy at something else we cannot attend to that. I agree with my hon. friend, however, in his suggestion that it should be removed. In respect to the park, we do not propose to allow vehicles to enter the park at all.

Mr. NESBITT: When the buildings along Wellington street are completed, is it the intention of the Government to withdraw from the offices which are rented in various parts of the city?

Mr. ROGERS: That is the purpose for which the buildings are to be constructed.

Mr. MURPHY: In connection with the suggestion which my hon. friend has just approved, namely, the removal of the Printing Bureau to a more desirable site,

might I remind my hon. friend that in the last estimates submitted to Parliament by the late government there was an item of $100,000 for the initial expenses in connection with the purchase of a new site. The site the then Government had in view was one I mentioned to my hon. friend the present Minister of the Interior, last session. It consists of two blocks bounded by Sussex and Dalhousie streets on the north and south, Botelier street on the east and Bingham Square on the west. It is known as the old St. Lawrence and Ottawa railway yard, and I do not think a more desirable site for the Printing Bureau could be obtained in or about Ottawa. I would suggest further that if the land purchased for the new buildings to be erected to the west of the present Parliament grounds terminates at its westerly boundary at what is known as the Perley property, my hon. friend should take into consideration the advisability of purchasing the narrow strip of land on the north side of Wellington street extending from the boundary of the Perley property to what is known as Pooley's bridge. There are only a few houses on that strip of land; they are old and in a dilapidated condition, and the property will never be valuable for anything execpt as an addition to the land already purchased by the Government. If this land is not purchased, the present buildings or others of a temporary character that may be put there will be an eyesore and will detract very much from the appearance of the grounds and buildings when these are completed.

Mr. ROGERS: If the hon. gentleman will notice the ground plans as they are in the Railway Department, he will see that there is a piece of ground at the corner known as the Perley home which does not appear to be in use so far as the present programme as laid out is concerned. Would not that, in addition to the strip mentioned by my hon. friend, be a good site for the Printing Bureau?

Mr. MURPHY: As a manufacturing establishment the Printing Bureau would in many ways be objectionable if erected close to the new office buildings.

Ottawa Parliament Buildings—addition, $100,000.

Mr. ROGERS: This is for the new wing to be added to the Senate.

Mr. LEMIEUX: Has the minister a plan which will show the proposed addition? We were fortunate enough, when adding the wing at the west of this building, not to impair the whole structure. This is such a beautiful structure, so original and so great, that before adding to it or making any alterations to it, I would think twice. I have full confidence in the architects of the Public Works Department; still, I think it would be a good thing if the plans for the new addition were exhibited somewhere. Remember there is only one great piece of architecture in this country, the parliament buildings at Ottawa, and we should do our best to preserve their beauty.

Mr. STANFIELD: Would it not make the building more uniform if an addition similar to the new west wing were added at the east of the Senate?

Mr. ROGERS: The proposed extension is to be similar to the one at the west side of the building, and in that way the whole pile will be uniform.

Sir WILFRID LAURIER: I think it is a good plan to follow. The new addition will be simply a replica of the addition at this end, and will therefore make the building more symmetrical than it is at present.

Mr. OLIVER: Is it the intention to make the addition to the east wing three full stories high, as has been done in the case of the addition to the west wing?

Mr. ROGERS: Yes, it will be entirely the same.

Mr. OLIVER: I will take a terrible risk by saying to the minister and to the House that the outside appearance of this building was detracted from rather than improved by making the west wing three stories instead of following the exact roof lines of the original building.

Mr. ROGERS: Probably my hon. friend is right; but I fancy that we would further detract from the appearance of the building if we made the addition now proposed only two stories high.

Ottawa new departmental building, and site therefor, $2,000,000.

Mr. GRAHAM: The hon. member for North Oxford asked if the various branches and departments which are scattered throughout the city would all find their offices in this new building. The minister said they would. Would the minister say how much is being paid in rentals in Ottawa for these various offices?

Mr. ROGERS: In round figures, about $229,000.

Mr. CARVELL: When the new buildings as proposed are completed, will the Government be able to house all their different departments, so as to pay no further rentals?

Mr. ROGERS: Yes, the space will be sufficient to take care of all the departments that are now in rented offices.

Mr. MURPHY: Sometimes, when buildings are being erected for the Government, it is found that after the plan has been followed and the building completed, the departments which are to occupy the building desire to have changes made in it, and changes are made here and there, with the result that new work is torn down and no little expense incurred. That is not a reproach to the minister or to his department but it is a criticism of the method pursued. Certain architects make a specialty of interior designing in connection with large commercial buildings, that is, laying out the floor space so as to give the very greatest amount of accommodation. I would suggest that the services of such architects be invoked.

Mr. ROGERS: That matter was considered, and it is now in the hands of officers of the department with a view to working it out in such form as will be suitable to the different departments.

Mr. MURPHY: Is the customs building the only one that will occupy the new site on Sussex street?

Mr. ROGERS: We may be able to place one other department there.

Mr. LEMIEUX: Some years ago, when it was decided to erect new public buildings, I suggested to the then Minister of Public Works and to the chief architect the name of a young Canadian who has studied in Paris, and achieved success there. I refer to Mr. Marchand, who is the leading architect in the city of Montreal, I dare say in Canada. He has been selected by one or two American universities to give courses of lectures, and in Montreal he has left his signature on at least two monumental buildings in which my hon. friend the minister when he visits Montreal might find inspiration. The late Minister of Public Works and the architect of the department agreed to give Mr. Marchand the architectural supervision of these new buildings, and, in view of that, he abstained from taking part in the competition. I have no brief for Mr. Marchand. I do not know what happened to the arrangement which was then entered into by the department and the chief architect. I simply say that Mr. Marchand is a credit to our country. He has testimonials from the highest authorities in Europe, and he might well be in a position to give his views to the department in the matter which now occupies the attention of the committee. I am sure that everybody who is familiar with his work will admit that Mr. Marchand is certainly the leading authority on architecture in this country, and the fact that he has been selected by American universities to give lectures, once or twice a year, is the best evidence that his services are worthy of the attention of the minister.

Mr. ROGERS: We all appreciate the ability of Mr. Marchand as an architect. We have him now employed looking after the main post office in the city of Montreal. He is also one of those whose names we are now considering with the view of asking them to be the judges of the plans. It is difficult to find prominent and outstanding individuals in the architectural profession to undertake the duties of judge, as it would deprive them, or their firms, of the opportunity of competing. That is the difficulty, and if we cannot find outstanding architects in Canada who will accept the position of judge, by reason of the fact that they want to compete, it may be necessary to make our selection from the prominent architects in the United States. However, before doing that, the position will be offered to a few of the more prominent architects in Canada, with the view of obtaining suitable men to act.

Mr. MURPHY: What has been paid for the site of the new buildings, between the parliamentary grounds and the Perley Home?

Mr. ROGERS: The estimated cost is something over $2,000,000. We have paid out $800,000.

Mr. MURPHY: Have the prices in all cases been agreed upon?

Mr. ROGERS: There are a few cases in dispute, not very many.

Mr. NESBITT: How far does the site extend to the west?

Mr. ROGERS: It goes as far as the Perley Home.

Mr. NESBITT: Does it take that in?

Mr. ROGERS: Yes.

Mr. GRAHAM: Is there any new development in connection with the suggestion that Ottawa should become a federal district like Washington? That would get rid of a lot of the difficulties in the way of opening streets that we have been discussing to-day.

Mr. ROGERS: There has been no development that I have heard of. I am afraid we have been too long in starting. It is a very big question, and, with all that we have had on hand, it has been impossible to give it the consideration which it deserves. It would involve an enormous expenditure, and a great deal of difficulty. However, it is a suggestion to which a great many people are favourable, and one that is engaging the attention of the Government. It meets with a great deal of favour and I might say with some opposition as well.

Mr. LEMIEUX: I can assure my hon. friend that the Government will have to come to this some day, and it is just as well to begin to think about it seriously now. Ottawa will be a federal district some day, mark my words. This is the centre of our national government. We shall erect more and more public buildings all over the city, and entanglements between the municipality and the Government as regards taxation will certainly arise. We are practically committed to the beautifying of the city of Ottawa. The appropriation which was voted some years ago extends only for a certain period of years; but my hon. friend knows that we may just as well regard the commission and its work as permanent. Ottawa should be as Washington is, under the control of the Dominion Government. It should be a federal district, and we might just as well face the difficulty, if there be any difficulty, now. Public opinion is prepared for it. Some years ago I heard some objections. It was said that other cities and other provinces would object to it. But the national spirit of this country has not slackened; on the contrary, there is a growing national spirit in Canada, and everybody realizes that Ottawa, being the centre of our national government, should be under the immediate control of the Government. The arrangement has worked admirably in Washington, and I do not see why it should not work well in Ottawa.

Mr. ROGERS: Ottawa should have been made a federal district at the time of Confederation. The number of difficulties increase year by year. I am not prepared to say what will happen in regard to this matter, but it will receive consideration, and it requires a great deal of it.

Mr. GRAHAM: The reason I put the question was that a gentleman from Boston who called to see me the other day seemed to have been loaded up with a lot of information about this matter. In fact, he seemed to think it was in definite shape, and was about to be inaugurated practically. I just wanted an official statement.

Toronto — for new Dominion buildings, $750,000.

Mr. ROGERS: This item has in view the erection of a suitable post office for the city of Toronto. We are expropriating property adjoining the present post office. We have not yet got down to the work of preparing the plans, but we are expropriating the ground around the old post office.

Mr. GRAHAM: By expropriation proceedings?

Mr. ROGERS: By expropriation proceedings, and the item is for the purchase of the site.

Mr. LEMIEUX: What will you do with the present building?

Mr. ROGERS: We will take it down.

Mr. NESBITT: Are you going to build in the same position?

Mr. ROGERS: Yes, on the same site.

Mr. NESBITT: How far to the east?

Mr. KEMP: It will be built to the west of the present building fronting on Adelaide, Lombard and Victoria streets.

Mr. NESBITT: Where is Lombard street —on the north?

Mr. KEMP: Lombard street is on the north. The present post office runs through to Lombard street now. Whether the new building will go east of the present post office is not quite decided. There may be a little piece of land taken to the east of the post office, but we are not yet quite sure of that.

Mr. MURPHY: You will expropriate the land out to Victoria street?

Mr. KEMP: Yes.

Mr. PROULX: What will the Government do with the present building?

Mr. ROGERS: Take it down.

Mr. PROULX: Why, it is a good building?

Mr. KEMP: That building is over fifty years old.

Mr. GRAHAM: As I understand it, Adelaide street is on the south, Victoria on the west, and Lombard on the north?

Mr. KEMP: That is right.

Mr. GRAHAM: And what you propose to expropriate is between the present property and Victoria street?

Mr. KEMP: On the west, and possibly something on the east. We are not quite sure of that yet.

At one o'clock, House resumed and then took recess.

House resumed at three o'clock, and again went into Committee of Supply. (Mr. Bennett, East Simcoe, in the Chair.)

National Transcontinental railway, $19,000,000.

Mr. GRAHAM: It would be a good idea if the minister would put on 'Hansard' the information with respect to the present position of the National Tranconstinental railway, so that the members may at a glance see what the position is. In discussing the subject it would be convenient to know the location of each district, and where the spots are that are not completed, and where they are completed.

Mr. COCHRANE: District A, length, 256 miles, commences at Moncton and runs to the boundary between New Brunswick and Quebec. On this district the grade is totally completed, the tracklaying is completed, the telegraph lines are completed, 98 per cent. of the bridges are completed; the other two per cent of the bridges only require painting, so that the line is practically completed.

District B, length 562 miles. 15 miles of the western end of this district has recently been transferred to District C-D from the New Brunswick and Quebec boundary. Fifteen miles are cut off District C and put on B. The grading is completed for 509 miles, or about 90 per cent, and the tracklaying is completed for 500 miles of the main line and 74 miles of sidings in that district; the telegraph lines have been completed for 357 miles, and the bridges, as on District A, are completed except some painting.

District C-D, length 412 miles, from a point about 204 miles east of Cochrane. The grading is completed for 395 miles. It is between Districts C and B that the only piece of track is not laid from Winnipeg to Moncton, and that applies to about sixty miles. On District C-D the tracklaying is 391 miles of main line and 82 miles of siding; 240 miles of telegraph lines are completed, and the bridges on C are 42 per cent finished, and on D 98 per cent.

District E, length 195 miles, from 204 miles west of Cochrane to 399 miles west of Cochrane, or 125 miles east of Superior Junction. The grading on this division is completed for 158 miles; the track laid on 195 miles of main lines and 17 miles of sidings and yards; telegraph lines completed for 11 miles; bridges 25 per cent completed.

District F, length 376 miles, from 399 miles west of Cochrane, or 125 miles east of Superior Junction, to Water street in Winnipeg. On this section the grading is completed for 376 miles, or 100 per cent. The track is laid for 382 miles of main line, including double track Transcona to Winnipeg, and 132 miles of sidings and yards; telegraph lines 304 miles completed, and bridges 93 per cent completed.

Mr. GRAHAM: Would the minister add to that a statement of the amount of money expended to date, and the estimated amount that will be required to finish the road?

Mr. COCHRANE: The amount expended up to the 31st December, 1912, was $127,219,863, and the amount I find here estimated for the completion, and which was made up very hurriedly, is $34,087,937.

Mr. GRAHAM: When is it expected the line will be completed?

Mr. COCHRANE: We hope that by the end of 1913 the track will all be laid, and the line will be completed to Cochrane this year, anyway, and some time next year to Quebec. That will practically finish the road, and we hope to have the ferry at Quebec going by that time. The contract between Quebec and the New Brunswick boundary will be finished in September next.

Mr. GRAHAM: What is the situation as to the entrance into Winnipeg from the east? There was an attempted arrangement with the Canadian Northern, by which the Grand Trunk Pacific operated east, using the Canadian Northern entrance. There was some difficulty as to an entrance from the east into the city of Winnipeg. If I remember correctly, the first location was along the line of the Canadian Northern, but after that the present chief engineer recommended that it be changed to a separate entrance. That matter came up for discussion, and when it came before the Department of Railways, the contention of the chief engineer that there should be an independent entry over a high viaduct was upheld. One of the members of the commission rather favoured the first decision, but the majority, with the chief engineer, favoured the independent entrance.

Mr. COCHRANE: That has been carried out.

Mr. GRAHAM: It was said to destroy some property of another railway company.

Mr. COCHRANE: Yes. A settlement has not yet been made in reference to what damage has been done to the Canadian Northern railway. The matter is in the Exchequer Court, but the trial has not taken place yet. The Grand Trunk Pacific railway runs in on the Canadian Northern railway for six miles and the National Transcontinental railway runs in on the east end. I hoped to have those agreements in the House for ratification by Parliament, but I have not got them together yet. I am afraid I shall not be able to get them in this session. I think the agreements in regard to the approaches to the terminals should be made for the same length of time, namely 99 years, as the agreement for the terminals made by my hon. friend. The agreements were drawn up at first for 99 years.

Mr. LEMIEUX: Has the hon. minister had an opportunity of considering the question of giving the city of Montreal direct access to the National Transcontinental railway? Although no distinct promise was made by the late Government to the great commercial metropolis, it was understood by the people that some day, not

too distant, Montreal would be connected with the National Transcontinental. There was no parochial feeling in Montreal more than in Toronto when the project was evolved, and the country in and around Montreal stood for the construction of the Transcontinental. Of course, one cannot eliminate the city of Montreal from direct contact with the Transcontinental. I know that private concerns have obtained at different times charters from the federal Government with the object in view of reaching the Transcontinental from Montreal. The Joliette and Lake Manuan Railway Company was incorporated some years ago, and it appeared at that time that the syndicate which had fathered the scheme was working in conjunction with the Canadian Northern railway. The Canadian Northern railway has now reached Rawdon, one of the parishes in the county represented by my good friend from Montcalm (Mr. Lafortune). Will the Canadian Northern railway proceed any further? It has been stated from time to time that some day the road will be extended as far as the Transcontinental. On the other hand, I am informed that the James Bay railway project will, possibly this session or in the near future, obtain from the Government some aid in order to give Montreal direct communication with the Transcontinental. I do not know personally what the Government intends to do, but I am simply voicing the feelings of the people of the district of Montreal. In this I am sure I am supported by my hon. friend from St. Antoine (Mr. Ames): that the commercial metropolis of this Dominion should have, as soon as possible, now that the line is about to be completed, direct access to the whole northern region. This goes without saying. Has my hon. friend a policy on this subject? Has he come to a decision one way or the other? Many people in the district of Montreal would like to know if it can be expected that the Government will assist the enterprise.

Mr. COCHRANE: I thoroughly agree with the hon. member for Rouville (Mr. Lemieux) that there must be a connection between Montreal and the National Transcontinental. That question has occupied the attention of the Government for the last two years. The House will remember that last year we voted a subsidy of $6,400 a mile for 500 miles from Montreal to James bay. The company have not been able to finance on that and have been asking the Government for further assistance. I expect to know by Friday what decision we shall come to. It would shorten the distance from Montreal to Winnipeg by about one hundred and fifty miles by shipping over the Transcontinental line. If we take the Grand Trunk railway or the Canadian Pacific railway to North Bay and T.N.O. then go over to Cochrane, the distance would be about six hundred miles, whereas the distance direct from Montreal to Belle river would only be about three hundred miles. Of course you would have to add the distance from Belle river to Cochrane in order to get the saving.

Mr. AMES: As this matter is under consideration by the Government at the present time, I want to put in the strongest plea I possibly can for having that road built by the Government as part of the National Transcontinental railway. That road should have access to the two principal ports of the St. Lawrence, Quebec and Montreal. There should be a line from Bell river to Montreal as to Quebec. When the line came down into New Brunswick, it was arranged that both Halifax and St. John should be regarded as the terminal ports for the freight of the National Transcontinental. I do not think the people of Montreal will be satisfied if the line that connects them with the Transcontinental is a privately owned line. Under any system of subsidies that may be given to a private company, it will mean that there will be built an inferior line to the line which the Government itself is building from Lake Superior Junction to Quebec. We want to feel that Montreal is on a part of the main line of the National Transcontinental and not on a privately owned branch. If, at any time it should be necessary to make alterations in conditions for operating the railway, we should like to feel that the line that connects Montreal with the Transcontinental is under exactly the same conditions as the line between Quebec and Lake Superior Junction, so that it will not be necessary for us to deal with some private company using what is really an essential part of the main system. I sincerely hope that the Government, while they have this matter under consideration, while they have their staff of engineers and the commission and while the plant is in large measure on the spot, will adopt the idea that the line which is to connect Montreal with the Transcontinental is as much a part of the Government built system as any other portion of it, and that it should be carried to completion at the same time as the rest of the road. As it is, the road is to be completed within one or two years and no connection whatever has been as yet provided with Montreal. It seems monstrously absurd that a national transcontinental road, into which $160,000,000 are going is to have no direct connection with the greatest port on the Atlantic coast, namely Montreal. We should have direct connection with the West by this line so that our Montreal freight can go West, and so that freight which is

sent from the West can be brought direct to the port of Montreal when it is profitable to route it that way. To have this great national enterprise completed without considering Montreal would, I think, be a fatal error, and I want to put in the strongest possible plea for the construction by the Government of that branch three hundred miles in length from Bell river to Montreal, on the same plans and specifications and operated under the same conditions as the main line.

Sir WILFRID LAURIER: Did I understand my hon. friend the Minister of Railways to say that the section of the line from Winnipeg to the Pacific coast shall be completed in 1914?

Mr. COCHRANE: I think they expect to have it finished next year.

Sir WILFRID LAURIER: And the line from Winnipeg to Cochrane?

Mr. COCHRANE: That we expect to finish fully this fall.

Sir WILFRID LAURIER: And the section from Cochrane to Quebec?

Mr. COCHRANE: We shall have it running, but not complete; there will be some ballasting and things of that kind to be done.

Sir WILFRID LAURIER: It will be completed next year?

Mr. COCHRANE: It will be finished next year, with the exception of the bridge. We expect to have the ferry there next autumn.

Mr. GRAHAM: The matter of the change of grades on the Government portion of this line has been discussed somewhat, and I think I might as well take this opportunity of laying before the committee the information I have received from Government returns and other sources, and the deductions I have drawn therefrom. It might be well to remember that there are two methods of constructing a railway. One is the method of building a comparatively cheap line and at once putting it into operation, so that the earnings from the traffic on that line may be used in a measure for the completion and perfection of the railroad. The other method is to construct a railway that is a completed railway when the last rail is laid and the last spike driven, so that the day the railway is finished it is capable of carrying its full complement of traffic. The former method—and I call it the older method—has been the one followed in Canada for years, until the construction of the Grand Trunk Pacific was undertaken by the Government and by the company. The Canadian Pacific railway company have expended more money since the railway was first opened to traffic in the changing of grades and general improvements than they did in the original cost of construction. This applies nearly to the same extent to the Grand Trunk railway, which during the past few years, in order to meet modern conditions has spent very many millions of dollars in straightening curves, building more permanent structures and reducing grades, because the cheapness of transportation depends on the size of the load the locomotive can haul, and the capacity of the locomotive in this regard depends on the nature of the railway over which it runs. Hence the companies have been vieing with each other all over America during the past few years in reducing their grades and making other improvements so that they can haul a larger load of freight and make faster time, thus more successfully entering the field of competition and at the same time reducing the cost of transportation. The method adopted in the construction of the Grand Trunk Pacific railway was the more modern method of having at the time of completion a practically perfect road. This ought to be borne in mind in discussing this matter, as it has a bearing upon the question whether what was good enough for the ordinary line being constructed under the old method is good enough for the Grand Trunk Pacific railway, which from its inception has been constructed according to the more modern method. In 1903, an arrangement was entered into for the construction of this line. I am not going into the details, as they are familiar to the older members of the House and to the people of the country, but I may say that the line was divided into two parts: Winnipeg to the Pacific ocean, to be constructed by the Grand Trunk Pacific Railway Company under terms arranged with the Government, and Winnipeg to Moncton, N.B., to be constructed by the Government and to be leased to the company for operation. The lease was to be free for the first seven years, until the business had been established, and after that the Grand Trunk Railway Company were to pay the Government 3 per cent interest on the cost of construction. It will therefore be seen that the interests of the Grand Trunk Pacific in having the work done by joint supervision was very apparent. Every dollar added to the cost of that project increased the amount of carrying charges the company would have to pay, and they were very particular, and rightly so, in having an agreement made by which they would have joint supervision over the construction, and by which the specifications and the quality and progress of the work had to be approved not only by the government engineers but also by the engineers of the

Grand Trunk Pacific Railway Company. Clause 7 of the agreement as found in the Statutes of 1903, chapter 71, says:

In order to insure, for the protection of the company as lessees of the Eastern division of the said railway, the economical construction thereof in such a manner that it can be operated to the best advantage, it is hereby agreed that the specifications for the construction of the eastern division shall be submitted to, and approved of by, the company before the commencement of the work, and that the said work shall be done according to the said specifications and shall be subject to the joint supervision, inspection and acceptance of the chief engineer appointed by the Government, and the chief engineer of the company, and, in the event of differences as to the specifications, or in case the said engineers shall differ as to the work, the questions in dispute shall be determined by the said engineers and a third arbitrator, to be chosen in the manner provided in paragraph four of this agreement.

What I desire particularly to call to the attention of the committee is that portion of the clause which provided for joint inspection and acceptance by the engineers of the Grand Trunk Pacific Railway Company. The matter of the Grand Trunk Pacific was discussed extensively in the elections of 1904, although the project was only in its infancy at that time. If a Government ever received a mandate from the people to proceed with a work, the Laurier Administration received a mandate from the people of Canada in the elections of 1904. What was the decision as to the standard of this road? I find in a letter written by the then chief engineer, Mr. Lumsden, dated December 24, 1904, a recommendation to the commission as to what the standard of the road should be and I shall place that letter before the committee:

Ottawa, Dec. 24, 1904.

Mr. F. B. Wade, Chairman,
National Transcontinental Railway Commission, Ottawa, Ont.

Sir,—I would suggest that in the instructions sent to engineers, the maximum grade allowed should be 0.4 per hundred (=21.12 feet per mile), eastbound, and to 0.5 per hundred (=26.40 feet per mile), westbound, and sharpest curves 4°.

That was in 1904. The then chief engineer, after looking over the situation, concluded that grades should be found four-tenths of one per cent against eastbound traffic or twenty-one feet to the mile that is the heaviest traffic, then against westbound traffic it was to be five-tenths of one per cent or about twenty-six feet to the mile. That was practically a level road both ways. Later it was decided that the grade against eastbound traffic should remain at four-tenths of one per cent, but that the grade against westbound traffic might be raised to six-tenths of one per cent, or about thirty-one feet at some places to the mile. That would mean a practically level road against the heavy traffic and a slight gradient against what was thought would be the lighter traffic westbound. That was the standard to which this road was to be constructed. I find in the instructions issued to the engineering staff by the chief engineer in 1907, these instructions:

The maximum grade rising eastwardly on a tangent will be 0.40% = 21.1 feet per mile; rising westerly the maximum grade will be 0.60% = 31.68 feet per mile. The maximum grade is to be used sparingly and only for the purpose of avoiding heavy work. The best grade to be had in the country must be secured in every case. On curves the rate of grade will be reduced in accordance with the rules for curve compensation.

I want to call the attention of the committee to these very strong instructions given to the engineers by the chief engineer, that they were only to use the maximum grades sparingly; if they could get a better grade than four-tenths against eastbound and six-tenths against westbound traffic they were to secure it. But under no condition were they to exceed the maximum which is, as I have stated. These words are printed in black type to make them impressive:

The best grade to be had in the country must be secured in every case.

Section 29 of these instructions reads as follows:

Every effort will be required for a level track at stations and for two thousand feet on each side, particularly at terminal points, water stations &c. Under no circumstances will a water tank or station be placed in a sag.

I quote that because the word 'sag' is used in some correspondence which I may have occasion to read, as if it were something new introduced and consequently an explanation is given; but the use of sag was admitted by the chief engineer in the first place; he limited the sag and said that in no case where there is a sag must the grade out of it, if against east bound, be more than four tenths or against west bound more than six tenths.

Why were the late Government justified in building a road of this kind? I say they had the greatest justification, that was the direct order of the people of the Dominion of Canada. In the year 1908, this question of the Grand Trunk Pacific was practically the entire issue before the people of Canada. Hon. gentlemen will not, I am sure, ask me to give evidence that the attack made by the then Opposition was nearly all on the construction of the Transcontinental railroad work as to cost. I have in my hand a copy of an American newspaper, the Boston News Bureau, which was used

very extensively at that time by friends of the hon. gentlemen opposite to criticise the construction of the Grand Trunk Pacific or Transcontinental railway. It is said that the articles that appeared in this paper were prepared for distribution in pamphlet form but went wrong in delivery and consequently they were sent over to this American paper. I know from personal knowledge that this paper was distributed throughout portions of Canada in very large quantities. I have seen bundles upon bundles of them lying upon platforms in certain places waiting for distribution. I shall not read the criticisms in this paper as they are familiar to hon. gentlemen, but they were of the severest kind. What was the answer of the then Government to these criticisms in the election of 1908? The answer entirely was this and only this: This road will cost money but it will be worth it to the people of the Dominion of Canada. Why? Because it will be of a higher standard than any road ever attempted on the continent of America for that distance, it will have a grade of four-tenths of one per cent from Prince Rupert to Quebec except in one instance in the Rockies where there will be a pusher grade of twenty-one miles which, by the way has been increased one mile and it now a pusher grade of twenty-two miles, but with that exception this line against eastbound from Prince Rupert to Quebec was to have no greater grade than four-tenths of one per cent and against westbound no greater than six-tenths of one per cent. The consequence of the building of a road of this kind was described. It was pointed out that a line of this standard would be able to haul, some experts placed it at three times, some at four, some as high as seven times, what could be hauled on the ordinary lines, where the grade ran from one per cent to two and a half per cent. The people of Canada with that as practically the sole issue, the whole issue before them, said to the Government: We instruct you to proceed with the completion of that line according to the standard laid down, which I have described to the committee before, because we expect to get benefit sufficient to more than over balance the extra cost. Let me give a little evidence as to the benefit of a line of this kind. I have in my hand an address delivered by Elliott Cooper, president of the Institute of Civil Engineers, on the 5th of November, 1912, if I remember correctly in London. He dealt with the Transcontinental railway of Canada, and pointed out the benefits that would accrue from the construction of a line of this standard. He also made comparisons with other roads of ordinary construction. I trust the committee will bear with me while I read this, as it is the evidence of as high an authority, perhaps, as could be found in the world. After reciting some details as to the inauguration of the world he proceeds:

The agreement with the Dominion Government stipulated, among many other provisions, that the State should construct the 1,805 miles from Moncton to Winnipeg, and lease it to the company—now called the Grand Trunk Pacific—to work, while the remaining 1,753 miles were to be built by the latter, under substantial financial help from the Government. Part of the agreement comprised the construction of a branch 190 miles long to Fort William, on lake Superior, so that the alternative of water carriage for the outlet of the products of the prairies might be afforded. The provincial state of Ontario subsidized this branch with land and money, and as it has been completed, as well as the main line from the junction to the Rocky mountains, a substantial instalment of the object for which the Transcontinental line was projected has been attained. The unfinished portions of the railway are well advanced, except the short, but important, gap delayed by the failure of the Quebec bridge as originally designed. Besides this world-famous structure, there are several notable bridges complete or in progress, on this line, such as the Pembina river, the Macleod river, the Clover bar, the Battle river, the South Saskatchewan river and the Wolf creek bridges, most of them of steel, both as regards piers and superstructures. There are also the great shops six miles east of Winnipeg, in which there are seventeen acres of floor space, with 300 acres for sidings. A railway town to accommodate a population of 5,000 is projected here, to be called Transcona. A subsidiary organization called the Grand Trunk Pacific Branch Lines Company was incorporated in 1906, to construct the branch lines, about forty in number.

I will now turn to what he says bearing more particularly on the point:

One of the prominent features of this great railway is its location in view of the gradients which have been obtained, suitable to the nature of its expected traffic. In nearly all new countries this is a most important matter, and the future financial success of its railways depends largely on the skill of the locating engineers; this is becoming more and more important as the neglect of it in the earlier lines becomes manifest with the growth of traffic. The prevalence of high wages for skilled labour, and the comparative unimportance of frequent train service, points in this case to the enormous economic advantage of concentrating the loading into as few trains as possible. Hence the employment of powerful locomotives and easy ruling gradients. So much has this consideration weighed with the engineers of this modern Transcontinental railway that to gain an easy gradient an additional nineteen miles near Quebec and seventeen miles in New Brunswick have been added to the original location, which otherwise would have been the more obviously advantageous route. Heavy works, circuitous alignment, and spiral tunnels were undertaken also in the Rocky mountain section with the same object. But in these new countries, mere reduction in deal-

ing with the gradient is not the only care. The trend of heavy raw material loading is almost invariably towards the seaboard, while the back loading is comparatively light. The ratio between the average paying and dead load in either direction has to be constantly in the mind of the engineer, and large outlay in surveying alternative routes in these cases may be abundantly justified. In this long line, however, the various interests to be served are somewhat different owing to the several main outlets and intermediate cities, and, with some insignificant exceptions, the ruling gradients against the east and west-bound traffic have been fixed at 1 in 250 and 1 in 170, respectively, for the eastern section, and 1 in 250 and 1 in 203 for the western one, and these have been secured even through the mountains. The new lines can hardly be said, at all events at present, to compete with the other transcontinental lines across North America, as the distances between them are so great; but its advantage over them in grading is enormous, for in crossing the 'Rockies,' one summit of only 3,712 feet above sea-level has to be set against two summits of the Canadian Pacific of 5,300 and 4,308 feet, and three of the Union Pacific of 8,247, 7,107, and 5,631 feet, while the maximum gradients of the Grand Trunk Pacific are about five times as easy as on these more southerly railways. On the Grand Trunk Pacific the standard freight train of 2,000 tons can be hauled from Winnipeg to Prince Rupert by one locomotive without help, the hauling power of the engine thus being four times as much as the Great Northern, Northern Pacific or Union Pacific, five times more than Santa Fé and seven times more than the Canadian Pacific.

Then he goes on to discuss the æsthetic side of some of the surroundings. What I desired to point out was that the leading engineers in the world were attracted by the undertaking of Canada to build a road of the highest standard, and this gentleman, who is an authority, tells us exactly what it will mean. Lest the committee might misunderstand, the comparisons which this gentleman makes have reference to standards from Winnipeg to Prince Rupert, and are with other lines running through the Rocky mountains.

Mr. COCHRANE: The Canadian Northern railway will be even a little better.

Mr. GRAHAM: He makes comparisons to show the superiority of the standard of the Grand Trunk Pacific. It has been said in the correspondence, written, I think, by Mr. Leonard, that there should be no criticism of the changes of grade such as are being made on the Transcontinental because already, east of Quebec, there are two grades approaching approximately one per cent, perhaps a little more.

Mr. COCHRANE: A trifle over one per cent.

Mr. GRAHAM: In reply to that letter, I desire to point out that no person in Canada ever represented that there was the standard grade from Quebec east. On account of the very great difficulties of construction, there are two pusher grades, one of them in the province of Quebec, and the other in New Brunswick, just as there is a pusher grade in the Rocky mountains for twenty-two miles. The announcement was made to the people of Canada that from Winnipeg to Quebec this high standard should be maintained, and that so far as all the traffic after the opening of the St. Lawrence navigation was concerned, it would have the benefit of the high standard, and that the traffic to St. John and Halifax would be carried by pusher grades at the points referred to. It was also intended to make provision for that. I desire also to call the attention of the committee to some remarks, to which I referred last year, concerning the standard of this road. I wish to read what the present Chairman of the Transcontinental Commission himself said about the benefits of this road, just after he was appointed to his present position. This is to be found in a speech which Major Leonard made at a dinner given to him at Brantford, on which occasion he spoke in a very eulogistic manner of the Trancontinental. As reported in the Courier, among other things he said:

> What the cost will be to complete the road to Moncton is hard to say, but it is now nearly all under construction, all but 400 or 500 miles between Cochrane and Winnipeg. The Quebec bridge which, when finished, will be the largest bridge in the world, will take 48,000 tons of steel and will take five or six years to build. Going east our line runs at about a 4-10 grade, and an engine will haul 1,600 tons, whereas on other roads, where a 1 per cent grade exists, 800 is all that can be hauled.

Major Leonard stated that, between one per cent and four-tenths of one per cent, there would be a difference in haulage capacity of one hundred per cent; or, in other words, the same locomotive could haul 1,600 tons up a four-tenths per cent grade or nearly double the haul of eight hundred tons if the grade were one per cent. A little later Major Leonard made this statement:

> The National Transcontinental railway is a national asset, not a burden to the people of Canada.

Now, I am going to refer to another authority to substantiate the position that this high standard of road would have been a great benefit to the people of Canada and that it would have been worth all that it cost. I would refer the committee to an extract from a paper read by Mr. McPherson, who, I believe, is now assistant to the commissioner. He was then, I think, assistant chief engineer, was he not?

Mr. COCHRANE: I am not sure, but he held some position anyway.

Mr. GRAHAM: He was on the staff anyway and he has been appointed Major Leonard's assistant. On June 28, 1909, Mr. McPherson read a paper before the British Association for the Advancement of Science and among other things he said this:

These reports were carefully gone over by the chief and assistant chief engineer, necessary changes suggested, and instructions issued accordingly.

These are the instructions which I have read:

Whenever the head of a party completed what he considered the best possible first location, the engineer in charge was changed and another man given a chance to improve the line by making his best attempt at a revised location. The original head of a party, or a third man, was given a chance to still further revise for a final location. In this way, it was found that a healthy rivalry was established and good results obtained.

Again:

The maximum grades decided upon are, so far as the writer is aware, the easiest on any transcontinental line in America, being on tangents, of 0.4 per cent 21.1 feet per mile adverse to the major or eastbound traffic, and 0.6 per cent 31.68 feet per mile against the comparatively minor westbound traffic. These maximum grades are used sparingly and only for the purpose of avoiding heavy work. On curves, the grades are reduced 0.04 feet per degree in the index of the curve, so that on the maximum curve of 60 the maximum eastbound grade would be 0.4 minimum 6 x 0.04-016 per cent or 8.44 feet per mile.

I will read a quotation from his paper about the distance. This is accepted by every person, but I want to call attention to his argument as to the benefit of this four-tenth per cent grade as against east bound traffic and this six-tenth per cent grade as against westbound traffic.

The distance on the Transcontinental railway will be 1,351 miles—

That is, from Winnipeg to Quebec.

—and, as the maximum eastbound grade is 21.12 feet per mile, compensated for curvature, the heaviest locomotive built to date, a 'Mallet Articulated Compound,' fully described in the Railway Age Gazette of April 30, 1909, is capable of hauling on this grade a gross load behind the tender of 4,290 tons.

Assuming the tare 33½ per cent of gross load, the net paying load would be 2,860 tons, equal to 95,333 bushels of wheat, in one train. If we assume the earnings of such trains to be $4.40 per train mile, or exactly double the earnings of the Canadian Pacific railway freight train miles for 1908, we find the cost per bushel over the 1,351 miles between Winnipeg and Quebec to be 4.25 cents. The lowest rate that the writer is aware of having been in force from Fort William to Montreal, via the lake, canal and St. Lawrence river, a distance of 1,216 miles, was 4 cents per bushel in 1908. This 4 cents per bushel for 1,216 miles, would be equivalent to 4.44 cents for 1,351 miles, so that, at $4.40 per train mile, the engines above referred to could haul grain on the Transcontinental eastbound from Winnipeg to Quebec for 0.19 cents per bushel cheaper than the cheapest existing water route could haul it the same distance and 10.86 per bushel cheaper than the present combined rail and water rates between the two points in question.

I merely read these two quotations to impress upon the committee the benefit that the best authorities obtainable said would accrue to the people of Canada from adhering to this standard and these two authorities are the present chairman of the Transcontinental Railway Commission and his assistant. One of them made this statement at the time he was appointed and the other in 1909 when he was reading a paper before a very important body on his responsibility as an engineer. There can be no question that the maintaining of these standards would have been of immense benefit to the people of Canada. If not, the expenditure of all this extra amount of money would to a large extent have been wasted and Canada might as well have built an ordinary, cheap road, the average road, instead of a high standard road.

Let me turn to the question: have the grades been changed? When it was first suggested that the grades on the Transcontinental railway were being changed, certain items appeared in the newspapers contradicting that statement. Later, a correction was made which did not deny that the grades were being altered, but it was asserted that the alterations being made would not in any way interfere with the hauling capacity of a locomotive on that road, or in other words, that momentum grades were being introduced that would assist, instead of being a deterrent, in the hauling capacity of a locomotive on the Grand Trunk Pacific. I cannot possibly see how the introduction of a momentum grade, admitting for the moment it is a successful momentum grade, can be better than a level line as this was intended to be and as the people of Canada were told it would be. Bear in mind that it is asserted by operating men that a load that can be started on the level by a locomotive can, after a certain acceleration has been attained climb at least a four-tenths grade so that, practically speaking, a four-tenths grade is the level if no station, or siding, or water tank is put in what we call the hollow.

Who first suggested the change of grade or the deviation from the original instructions? I am not prepared to say but I rather think that the suggestion would come from the commission appointed by

my hon. friend and of which Mr. Gutelius was chairman. I know from some of the witnesses who have been before the commission that they urged them very strongly for evidence to substantiate or affirm the theory of the introduction of momentum grades, as that was really no part of the commission's work, or no great part of it, and would not likely have been entered into had they not been endeavouring to uphold the change from four-tenths to, in some cases, as high as seven-tenths of one per cent against eastbound traffic. Another reason why it would probably emanate from that source is—and it is no discredit to Mr. Gutelius to say it—that Mr. Gutelius came from the Canadian Pacific railway, and even the Minister of Finance would carry away from his business some ideas that were instilled into him in that business. Everybody does.

When Mr. Gutelius came from the Canadian Pacific railway to investigate the National Transcontinental railway, it was the most natural thing in the world that he should say: Why are you building this at such a high standard ? Why not introduce momentum grades, as we did on the Canadian Pacific railway ? But, there is this difference: the Canadian Pacific railway introduced momentum grades to get over grades which were already in existence, and which had been in existence since the Canadian Pacific railway was constructed; and perhaps for the Canadian Pacific railway that was the better thing to do. Some engineers take that view of it, but the leading authorities are all against momentum grades in a newly-constructed road. Here was the Transcontinental railway being newly constructed with instructions for standard grades as laid down at four-tenths and six-tenths, and to introduce momentum grades on this new line was an altogether different thing from introducing momentum grades on a line that has been in operation for years, and where they were trying to overcome existing grades in the cheapest possible way.

As an authority against the introduction of momentum grades on the new line, I mention the Maintenance of Way Association of the Continent of America, which comprises the men who have to deal with the construction and maintenance of railways on this continent, and who meet annually to discuss these problems. I had the honour of addressing them some years ago, and I am free to state I received much information on these points from listening to their discussion. Some years ago this association appointed a committee to investigate the question of momentum grades, and that committee reported against the introduction of momentum or velocity grades on any new line whatever. One of the reasons was this: That in the first place you do not know what conditions will arise on these lines; you do not know where your stations may have to be placed; you build several stations, and the density of traffic may change so that your stations may possibly have to be moved right in the hollow between two of these velocity grades. Another reason was, that in constructing a line in the first place you cannot tell the results of atmospheric and other conditions on the operation of that line; and hence they were absolutely against the introduction of these grades in the construction of any new line. But, in the reduction of grades on an old line, where all these elements had been settled, where operation has been going on for years,where all the climatic and other conditions were known, it was held they would be safe in introducing momentum grades where necessary. Therefore, I say, the authorities are against the introduction of momentum grades on a new line anywhere, and from what I have read they would prefer an actual grade than have a momentum on a new line, because it might have to be overcome at a great expense a few years later.

Of course, not having seen the report of the investigating commission, I am not in a position to discuss the matter as fully as I could were that report before me.

The first question is: have the grades been changed and have temporary structures been substituted for permanent ones? The next question is: Do these changes affect the standard of the road? I cannot assert positively that temporary structures have been substituted for permanent ones, and that what were originally intended to be temporary structures have been made permanent. But the correspondence would lead to the belief that there are several wooden structures now remaining which it was intended should be steel and concrete. There is a letter somewhere in the correspondence which says that a good deal of money could be saved by leaving the wooden structures instead of erecting steel and concrete, and the reason given is that a good deal of money has been expended in endeavouring to get a foundation for the concrete, that the attempt has failed, and that consequently the wooden structure should be left there.

Mr. COCHRANE: There has been no change.

Mr. GRAHAM: I think my hon. friend will find that statement in a letter in the correspondence.

Mr. COCHRANE: Who is the letter from?

Mr. GRAHAM: I cannot find it for the moment. As I remember the letter, it states that at a certain point a wooden structure had been allowed to remain where a concrete and steel structure had been intended.

Mr. COCHRANE: There is not any change from what there was before the change of Government and the change in the commission. There were temporary structures put in to hurry on the work, but they are being taken out as fast as possible and the former policy is being continued. I say that to save my hon. friend trouble.

Mr. GRAHAM: The minister says no changes have been made in these structures and I am not prepared to state otherwise, but I know that the president of the Grand Trunk Pacific had such a report made to him by his own engineers who were on the work with the engineers of the Government. I read a letter dated July 18, 1912, and signed by Mr. Chamberlin:

July 18, 1912.

Major R. W. Leonard,
Chairman,
Transcontinental Railway Commission,
Ottawa, Ont.

Dear Sir,—I learn from our engineers that the standard of work on that portion of the Transcontinental railway between Lake Superior Junction and Cochrane, which was at the outset adopted and has so far been complied with, is being departed from, and that instead of four-tenths grades and permanent structures, you have authorized grades up to one per cent and the erection of temporary wooden structures. In regard to this I would call attention to clause 7 of the agreement of the 29th July, 1903, which provides that the work of construction of the eastern division shall be done according to the specifications approved by the company and shall be subject to the joint supervision, inspection and acceptance of our chief engineer, and the chief engineer of the commission. I beg to say if this work is done in accordance with what I understand to be your recent instructions, it will not be in compliance with the agreement nor satisfactory to this company, and cannot be accepted.

One would infer from that, that unless the engineers of the Grand Trunk Pacific, who had joint supervision, were all wrong, there had been some changes from permanent to temporary structures, as Mr. Chamberlin says. I shall now read the reply of Mr. Leonard to this letter:

Ottawa, July, 1912.

E. J. Chamberlin, Esq.,
President,
Grand Trunk Pacific Railway Company.

Dear Sir,—I beg to acknowledge the receipt of your letter of the 18th instant regarding changes of grade, &c., on the National Transcontinental railway.

I find on going over the profiles, that there are many places where a large expenditure may be saved and the line actually improved for operating purposes, and the time of completion considerably shortened, without in the least affecting the hauling capacity of locomotives, by making certain modifications, and I have given instruction to make such modifications accordingly. I am quite satisfied that the interests of the Grand Trunk Pacific and the Government are identical in this matter, and I noted on my recent trip west that the modification referred to are in accord with the practice of the Grand Trunk Pacific Railway Company on the portions of the National Transcontinental railway built by that company, namely, from Winnipeg west, and from Fort William to Lake Superior Junction.

In regard to wooden trestles, I may say that your engineers must be aware that it is absolutely necessary to put in wooden structures in some cases where the foundations are such that heavier structures or solid embankments cannot be constructed at present. There are points along that line where much money has been uselessly expended in futile attempts to make solid embankments, only finally, to have to put in wooden structures, and I notice that the construction of such wooden trestles has been the practice of the Grand Trunk Pacific Railway Company on the portions of the National Transcontinental railway above mentioned.

I have carefully perused clause 7 of the agreement of the 29th July, 1903, and I fail to notice in this, or in any other agreement or Act relating to the construction of the eastern division of the National Transcontinental railway, any provision relating to the gradients to which the line shall be built or the nature of the structures, but it may be of satisfaction to you to have your chief engineer or assistant chief engineer discuss with our chief engineer any proposed changes, and report to you in regard to the same.

It is not necessary for me to state that this commission welcomes any criticism or assistance from your able staff of engineers on any or all matters affecting the economical construction and operation of the road.

Yours very truly,
(Sgd.) R. W. Leonard,
Chairman, National Transcontinental Railway Commission.

Although he does not make it quite clear, he points out that attempts have been made to put in steel structures on concrete, and that they have been abandoned for the time being for wooden structures. This is the reply of Mr. Chamberlin:

Montreal, July 23, 1912.

Major R. W. Leonard,
Chairman, National Transcontinental Railway Commission,
Ottawa, Ont.

Dear Sir,—I have yours of the 19th instant regarding changes in grade on the National Transcontinental railway, and note the reasons you offer for the modifications contemplated. Aside altogether from this company's strict rights, to which I called attention in my letter of the 18th instant to you, I would ask you to furnish me with profiles showing the changes proposed so that I may consider

their effect. You will, I think, agree that it would be in the interests of both the commissioners and this company that no work in connection with any changes of grade should be proceeded with until our approval has been given, and I would ask you to issue instructions to this effect. On receipt of the profiles, I will let you have my views with as little delay as possible.

Yours truly,
(Sgd.) E. J. Chamberlin,
President,
Grand Trunk Pacific Railway Company.

It possibly would not be fair to read only part of this correspondence. I think it would be better if I read it all. (Reading):

Ottawa, August 2, 1912.

E. J. Chamberlin,
President, Grand Trunk Pacific Railway Company,
Montreal.

Dear Sir,—I beg to asknowledge receipt of your letter of the 23rd ultimo, expressing your apprehensions regarding the modifications referred to in my letter of the 19th ultimo.

I note you refer to your company's 'strict rights,' to which you also referred in yours of the 18th, for which reference I can find no authority in the various Acts and agreements relating to the construction of the eastern division.

You have apparently been misinformed in regard to the reported changes in grade, as no change whatever in any of the ruling grades has been contemplated, but merely such trifles as slight local sags in the grades across soft swamps, which will not in any way effect the hauling capacity of locomotives, and which, if found desirable to lift out in the future for any unforeseen reason, can be effected more cheaply than at present contract prices, and will make a more solid roadbed than is being made under similar circumstances today by using the peat for embankments.

I suggested in my letter of the 19th ultimo that your chief engineer or assistant chief engineer discuss with our chief engineer any proposed changes, and report to you in regard to same, because, you will see from the above, these are simply details too trifling to occupy either your attention or mine, and the suggestion in my letter of the 19th ultimo should be quite sufficient for your purposes, perhaps it would be still simpler and quite as efficient for you to get your information through your district engineers, after consultation with the district engineers of the commission, in the usual way.

Yours very truly,
(Sgd.) R. W. Leonard,
Chairman, National Transcontinental Railway Commission.

I hardly admit that Mr. Leonard was right in that letter. I am not arguing as to the rights or absence of such rights of the Grand Trunk Pacific, because I think they are clearly stated in the agreement. I think the chairman of the commission was somewhat in error in advising the head of the Grand Trunk Pacific that he ought to go somewhere else for his information. He says that he might get his information from the district engineer. One of the main contentions that the head of the Grand Trunk Pacific was making was that the agreement was not being lived up to, in that the approval of the Grand Trunk Pacific officials and engineers was not being obtained to the changes made. The larger question, which Mr. Chamberlin raised in this correspondence, and which may be troublesome in the future, was the fact that changes were being made in violation of the agreement of 1903, by which all these matters were to be submitted to joint approval. The question should have been taken up then by the heads, and not an attempt made to send it to the engineers, because the Government, or its commissioner, Major Leonard, and Mr. Chamberlin were the only parties who could settle that dispute at that time.

I find here a letter from the chief commissioner to the hon. minister. There is no letter to which it is a reply, and I presume it is the result of some discussion or interview between the commissioner and the hon. minister. (Reading):

Ottawa, Nov. 21, 1912.

Hon. F. Cochrane, P.C.,
Minister of Railways and Canals,
Ottawa,

Dear Mr. Cochrane,—In reference to the charges made in the newspapers that the gradients on the Transcontinental have been injuriously altered, I beg to point out, that the only change in gradients made by the commission since September 30, 1911, was to allow a few sags to remain, where there have been subsidences and across soft muskegs, which would be inadvisable, from an engineering point of view, to fill at present, to be operated temporarily or permanently as velocity grades. The presence of such sags in the railway does not injuriously affect the economical operation of the road. The same trains, carrying the same loads making the same time, with the same expense and the same degree of safety and comfort, can be handled over a road in which such sags or velocity grades exist as on a road of the same ruling gradient in which there are no such sags or velocity grades.

By introducing these sags, all of which are well within velocity grade limitation, the commissioners will:

1. Save a large amount of money in the construction of the railway.
2. Expedite the completion of the road.

The next clause is in all the correspondence, and it is very significant, as it is meant to protect, and does protect, the chairman of the commission, the chief engineer and his staff, from what is the inevitable fact, that, in the future, if this road is to be brought back to its former standard, these sags will have to be filled.

That point stands out clearly in Mr. Leonard's letters, and you will find it stated now on the responsibility of the engineer. They practically admit that a portion of these sags which they have left —to put it mildly—may have to be filled in the future. They rightly protect themselves from what I say is inevitable, that, if this road is to be brought to the standard which the people ordered it, these sags will have to be filled in such a way as to make a grade of four-tenths of one per cent against eastbound traffic and six-tenths of one per cent against westbound traffic. Let me now read further:

3. Should it become advisable for any unforeseen reason in the future to eliminate these sags, it can be done at one-half the cost that the present contract prices call for.

4. In one case it has been found necessary to raise the grade in a cutting, the material in which is so soft and wet that it is impracticable to construct a line on the original grades, and in this instance the grade has been kept well within the limits of velocity grade practice; and the gradient can be reduced at any time, if it should ever be found desirable, by filling in the lower portion with suitable material.

Mr. AMES: Mr. Leonard's intimation is, as I understand it, that if hereafter it be found that the grade is more than a momentum grade, the line can be improved by filling up the sunken parts.

Mr. GRAHAM: Even the most astute lawyer would not interpret it in that way. I will read it again:

Should it become advisable for any unforeseen reason in the future to eliminate these sags, it can be done at one-half the cost.

That means: If you ever want to get rid of these sags, you will be able to fill them up cheaper than you can now. Then he goes on:

5. The consensus of opinion of the following engineers, who have been in the employ of the commission for years, in their sworn testimony before the commission investigating the construction of the Transcontinental railway, is that velocity grades are not only unobjectionable, but might have been introduced permanently into the railway, and would have greatly reduced the cost of the road: Gordon Grant, C. O. Foss, A. E. Doucet, A. G. McFarlane, G. L. Mattice, J. W. Porter, A. N. Molesworth, H. L. Bucke.

I find that the gradients on which the original Quebec bridge was partially built were 1 per cent on either side, and the new bridge will necessarily be built to the same grades. I also find that the gradient approaching the Quebec bridge from the east side, including the Chaudière bridge, was of 1 per cent, which cannot be altered.

In New Brunswick I find in the middle of a division a grade thirteen miles long of 1·10 per cent against eastbound traffic, and in Quebec in the middle of another division eleven miles of 1·10 per cent grade against westbound traffic, each of which will limit the hauling capacity of locomotives over these divisions to the same extent as if the whole division had been located on these grades.

I am sending herewith, for your information, five blue print profiles, showing all the changes in gradients which have been effected since September, 1911.

Trusting this will be satisfactory, I remain,

Yours very truly,

(Sgd.) R. W. Leonard,

Chairman, National Transcontinental Railway Commission.

Then he adds, as a postscript:

Mr. Grant's evidence is not yet in type, but from conversation I have had with him, which is confirmed by Mr. Staunton, I know his views to be as above stated.

So I think we have good grounds for coming to the conclusion that the commission had something to do with this.

Mr. COCHRANE: They were giving evidence on oath; I presume they would say what they thought was right.

Mr. GRAHAM: What I say is that Mr. Leonard, himself, connects Mr. Staunton with the matter. Mr. Staunton is a member of the commission, and I am of the opinion that the suggestion as to the change of grades came first from the chairman of the commission, because evidence was being obtained to uphold the contention that these grades might be changed without disadvantage to the road. I have the proof in my hand from Mr. Leonard himself.

Mr. COCHRANE: Inference.

Mr. GRAHAM: It is not inference; it is plainly stated. I have read this correspondence, and it places two or three things very prominently before the country. First, these changes were made without the approval of the Grand Trunk Pacific Railway Company; second, the Grand Trunk Pacific engineers reported to their president that changes were being made in structures and in grades without their approval. If that be the case, the president of the Grand Trunk Pacific Railway Company is on record as saying that the company will not accept the road. Let me read again the last paragraph of Mr. Chamberlin's letter:

I beg to say that if this work is done in accordance with what I understand to be your recent instructions, it will not be in compliance with the agreement, nor satisfactory to this company, and cannot be accepted.

The Grand Trunk Pacific Railway Company, therefore, place themselves on record as saying that, if the work were done in accordance with certain recent instructions, they would not be bound to take over this portion of the road, for the reason that the agreement of 1903 had been violated by the commission in their pro-

ceeding to make changes without the concurrence of the Grand Trunk Pacific Railway Company and their engineering staff. I desire to give to the House a few of the changes that have been made. It might be suggested that my ignorance of these matters would remove me from the realm of reliability, but I have submitted everything to engineers whose ability as construction or operating men cannot be questioned.

Mr. COCHRANE: It would certainly be much more interesting, and enable us to receive the information with additional confidence, if we were made acquainted with the name of the engineer referred to by my hon. friend.

Mr. GRAHAM: I am making the statement on my own responsibility, backed up by an authority which would be recognized by my hon. friend. I have submitted the profiles of the line given to me by the Government; the changes, everything, to men who are very prominent in this country and whose opinions could not be questioned by any man in this House, and my notes have been checked up by them, and are correct. I will take district C, contract 13, mile 83. Near mile 83, station 1,331, plus 50, to station 1,340, a distance of 850 feet, there is an 0.8 grade, against eastbound traffic, an increase of 100 per cent over the standard grade. Following this there is a level of 2,800 feet, then 600 feet of one per cent grade against westbound traffic, an increase over standard grade of 66 per cent. Then, there is a stretch of 1,450 feet of 0.6 grade against westbound traffic, followed by 550 feet of 0.4 against eastbound traffic.

Mr. COCHRANE: This is the Grand Trunk Pacific's own contract.

Mr. GRAHAM: That does not make a bit of difference to me. This Government is there to see that the contractors do their work properly. I would not protect the Grand Trunk Pacific and this Government surely would not. This is the people's road, it is not the Grand Trunk Pacific's road, and if they have not built this part of the line up to the standard they must have built it in this way, by the consent of the government engineers as they are responsible. The instruction of the chief engineer was that the maximum should be used only where it was absolutely necessary, and it should not be exceeded in any case.

Near mile 86, from station 1,466 to 1,490, there is a level of 2,400 feet. Then there is 2,600 feet of one per cent followed by 5,200 feet of 0.6 grade against westbound. This alteration, I am informed, becomes the ruling grade. In the correspondence I have read it has been pointed out that in no place has a ruling grade been made over the standard grade. I do not want to pretend that any hon. gentleman does not understand what may appear technical but, lest they may not, I shall explain that a ruling grade is a grade in any division higher than the other grades; having to be overcome by any loaded train, it becomes the ruling grade. In other words, a load that cannot be hauled over that grade might as well not be hauled over any other part of the division unless it be a pusher grade and the load that can be hauled over that is the load that is placed on the train at the beginning of the division. In railway practice it will be found that in order to maintain a rate of fifteen miles per hour at this grade of one per cent it will be necessary for the train to be running, when it strikes the foot of the grade, at a rate of about thirty-two miles per hour. In this particular case it must be borne in mind that even under these conditions, which must be normal, the train will have a speed of only fifteen miles per hour when it strikes the stretch of 5,600 feet of six-tenths per cent grade. It starts climbing the six-tenths per cent grade at fifteen miles per hour and in order to maintain the fifteen miles it must have reached a speed of thirty-two miles an hour. As to the remaining climb, it must have steam, water and power sufficient to maintain speed. Under such conditions the train might work its way up this grade, but one need not be an engineer to understand that all the conditions must be perfect. Hon. gentlemen living in this northern climate will agree that, for such grades to be successful as velocity grades, every condition must be normal; steam must be up; everything must be working properly; there must be no trouble with the fire; the brakes must be in condition should anything happen; the road must be clear and the weather must be such that all these conditions can prevail. Up along this line these conditions will never prevail except in the summer. I have discussed this with men who have been operating railway trains for a good many years and they are all of the opinion, so far as I can find out, that these grades as introduced, if they are to remain, will materially affect the value of the road as a hauling project for the people's products. And why? In Canada, particularly in that portion of it, what do we find in those sags? They lend themselves to the accumulation of snow drifts after every storm, and storms are quite regular in northern Canada in winter. The thermometer drops almost beyond reach in some of these places and what will be found if an attempt is made to draw those heavy trains over these sags and increased grades? Some cold morning a draw-bar

will break on the climb on one of these grades and back will go a portion of the train into the hollow. If the locomotive is able, under the conditions, to haul the balance of the train, it will have to take it to the top of the grade, one, two, three, four, five or six miles to a siding, place the front portion of the train on the siding and go back down and get the other piece, haul it up the grade and make up the train again; that is if nothing serious happens. But when a section of a train runs wild down one of these grades so much damage may be done that the whole saving effected by this change in gradients may be wiped out in one accident on one winter morning.

At mile 86, what was originally designed as a four-tenths per cent has been raised to a six-tenths per cent grade. At mile 90, station 1,545 to 1,660, there is another rise in grade, 1,500 feet of .56 against eastbound traffic instead of four-tenths, as per original instructions, and at station 1,694 there is 600 feet of .53 grade against eastbound traffic instead of four-tenths.

At mile 93, there is 2,000 feet where a slight sag has been introduced without any apparent reason except for the purpose of introducing it.

At mile 95, station 2,160 to 2,172, there is 1,200 foot level, then 2,000 feet of one per cent grade instead of six-tenths against westbound traffic, originally contemplated, followed by a slight grade against eastbound traffic.

The same argument applied to 86, will, I believe, apply to this grade, and I leave it to the staff themselves, if they look over the profiles carefully, if they will not find in at least two places a grade where there is no attempt at a velocity or compensating grade, if it is not a straight run from the level at the grade. I am not prepared to say at what mile it is.

At mile 101, station 2,226 to 2,233, there is 700 feet of level, then 1,300 feet of .84 grade against westbound traffic instead of six-tenths, which merges into 3,300 feet of six-tenths. On the 700 foot level, a full train will be expected to get up sufficient speed, not only to climb 1,300 feet of .84 grade, but added to this without any easement of grade at all, a stretch of 3,300 feet of 6/10. Again, before the 6/10 grade begins there is a continuation of .84 grade for 1,300 feet, so that the original intention that the train would only have to climb the 6/10 grade is altogether obviated, and the reasoning that there will be a great reduction of speed will apply to this grade as well as to the other.

Then, on contract 14, at mile 65, there is 1,400 feet of 4/10 against westbound traffic and then a stretch of 2,200 feet rise of from 6/10 to .73, running into a long stretch of 6/10. The same argument as to the necessary speed of a train when striking the 7/10 grade in order to assist it up that 2,200 feet, and also the additional distance of the 6/10, is applicable.

At mile 175, from station 1,784 to 1,817, there is 2,700 feet of .45 against the eastbound traffic instead of 4/10. Then follows 1,000 feet of level and immediately 1,300 feet of .65 against westbound traffic, an increase here in the grades both ways.

At mile 177, station 1,875 to 1,889 there is 1,400 feet of 3/10 against eastbound traffic, followed by 1,000 feet of 8/10 against westbound traffic, another distinct increase in the grade.

At station 1,928 to 1,936, there is 800 feet where the 4/10 grade against eastbound traffic has been raised to .76, an increase of practically 100 per cent, followed by 1,600 feet of 6/10 grade against westbound. At mile 179 there is a siding. Some slight changes have been made at this point, but they are trifling.

At mile 180, station 2,024 to 2,039, there is a stretch of 1,500 feet where the grade has been raised from 4/10 to ·48 against eastbound traffic. At mile 181, station 2,104 to 2,115, the 6/10 grade against westbound traffic has been raised a trifle to ·63. At mile 182, station 2,154 to 2,169, after 1,400 feet of level track, it is immediately raised to ·75, which runs for 1,800 feet against westbound traffic. Possibly that would not be a momentum grade. There is no momentum, as I gather from the profiles, to compensate for the rise in the grade from 6/10 to ·75. At mile 183, there have been several slight changes from the original, introducing what the engineers call 'sags.' At mile 184, from station 2,261 to 2,265, after 400 feet of level there are 1,000 feet raised from 6/10 to 8/10 against westbound traffic. At mile 185, following 1,300 feet of ·31 against westbound traffic, 800 feet were raised to 8/10. At mile 187, station 2,385 to 2,401, a grade of 4/10 against eastbound traffic was raised to ·42 for 1,600 feet. At mile 188, station 2,471 to 2,475, there is something over 500 feet of level, followed by 1,475 feet, and the grade was raised from 6/10 to 8/10 against westbound traffic. At miles 190 and 191, station 2,594 to 2,616, there is 2,200 feet of 4/10 raised to $\frac{5}{10}$ against eastbound traffic. At mile 193, station 2,720 to 2,741, there is 2,100 feet of 4/10 raised to ·62 against eastbound traffic, and at station 2,751 there is 1,000 feet of 6/10 raised to 8/10 against westbound traffic. At mile 194, station 2,760 to 2,770, the grade has been raised against eastbound traffic to 6/10. At mile 196, station 2,884 to 2,900, after 1,600 feet of practically level track comes 1,500 feet where the grade has been raised from 6/10 to 8/10 against westbound traffic. At mile 197 and 199, sags again have been introduced, as stated before, apparently to save a few

loads of fill, without having any regard to the appearance of the road. At mile 200, station 3,090 to 3,110, after 2,000 feet of 4/10 grade against westbound traffic, the grade suddenly rises to 8/10 against westbound traffic for 2,000 feet. At mile 202, station 3,225 to 3,240, there is 1,500 feet where the grade of 4/10 against eastbound traffic has been raised to ·51.

Now I come to district 'C,' contract 14. At mile 115, station 2,996 to 3,000, there is 400 feet of a level and 3,000 feet of 6/10 against westbound traffic, and 1,300 feet of .49 against westbound traffic. At mile 125 station 3,476 to 3,495, there is another change, making 6/10 grade, which, while being only the standard grade in the agreement, still is an increase over what was intended originally, and a violation of the chief engineer's instructions. At mile 141 station 4,360 to 4,370, there is 1,000 feet of 7/10 grade against westbound traffic, an increase over the standard. Then from 4,370 to 4,390 there is 2,000 feet of 6/10 grade, followed by 1,150 feet where it drops to 4/10, which is increased again from station 4,405 to 4,417 for 1,200 feet to 6/10. This shows that the train will not only have to climb the increase of 1/10 of 1 per cent over the standard, for the 1,000 feet, but it must keep up this momentum for 2,000 feet on a 6/10 grade. In fact, for 5,350 feet it is here continually climbing. At mile 157, station 5,194 to 5,206, there is 1,200 feet of practically level stretch, then 2,100 feet of 4/10 against eastbound traffic, and 1,600 feet of a grade of a little over 5/10 against eastbound traffic, this being another increase in grade. At mile 167, the 4/10 grade is changed into 1,200 feet of 5/10 and 1,200 feet of 3/10, both against eastbound traffic. At mile 181, there is another change from 6/10 to nearly 8/10 against westbound traffic. At mile 189, there is 3,000 feet raised from 4/10 to 5/10 against eastbound traffic. At mile 191, station 1,121 to 1,137, there is 1,600 feet of level, but at station 1,145 there is 800 feet of 1 per cent grade against eastbound traffic which must depend for its safe and successful operation in momentum or a reduced train load proportionately.

I do not say that I have gone over all the changes in grade in these districts, but I have gone over quite a number of them. Upon this question of momentum grades, I admit that there is a considerable difference of opinion amongst engineers, but I want to make this assertion, that if my hon. friend will go among the operating men, not the construction engineers, but among the trainmen, the drivers, the firemen, those men who operate the roads in our Canadian climate, and ask them whether the changes I have indicated will in any way increase their work, or whether, on these grades, they will be able to haul as big a load as they would have been over the other grades and at the same expenditure, he will find that they will tell him that practically the changes made are all wrong. I have discussed this with some of the engineers and it has taken me back to the introduction of the theory of momentum grades. I have made a note in reference to the time at which these momentum grades were first introduced. They were introduced some thirty years ago, I think, by the late Mr. A. M. Wellington, who worked out the theory. His theory of momentum grades, much like the toboggan slide theory, is that when you go down one hill at the bottom of which is a level piece of road, you gain a sufficient acceleration of speed to help you up the grade beyond the level and it is believed that by the introduction of momentum or velocity grades a train will be able to get up an incline very much more easily than if it approached it from the level. I have been told by a number of practical trainmen, the men who sit in the caboose, the men who put the coal in the fires, the men who handle the engines, that the introduction of even the slightest increase of grade does make a difference and when I have called their attention to the original instructions providing for a four-tenths per cent grade and a six-tenths per cent grade——

Mr. COCHRANE: Is it six-tenths or five-tenths? You said it was five-tenths.

Mr. GRAHAM: I said that five-tenths had been first suggested, that in 1907 it was changed to six-tenths. When it was pointed out to them that the original instructions were for a four-tenths and a six-tenths per cent grade they told me that it would make a vast difference in the operation of the road in our Canadian climate. These momentum grades were introduced, as I have said, some thirty years ago, but they have not been approved by leading authorities in the construction of new lines. It must be borne in mind that no line of the standard of the Transcontinental railway was ever attempted in original construction on this continent before; consequently, to introduce anything that may be adopted on an inferior line is a retrograde step that will not meet the wishes of the people of Canada. They approved of the higher standard for the reasons given by the men whom my hon. friend now depends upon for advice and if the benefits to be derived from this high standard of road are to be lost by the introduction of momentum grades, or grades where there is no momentum, it is altogether wrong. My hon. friend will say that he did it with the idea of hastening construction in order to get grain through to Cochrane this season. I think he will find that quite a number of

these changes are east of Cochrane altogether and therefore that would not at all be an answer to the question as to why these grades were changed.

Now, as to the amount of money saved, I asked my hon. friend some time ago how much had been saved by the change. He told me what the amount was and it was not very large. I have pointed out that one accident in trying to overcome one of these grades might involve the loss of a greater amount than he would save in the sag at that point. I refer only to the property loss. When we come to the other feature and mention the lives of the public who travel I will not undertake to say what the risk may be. Operating men will tell him, and I refer him to them, that the introduction of a foot of increased grade will not only increase the expense of operation but the wear and tear on the roadbed as well as on the rolling stock will be greater.

Now, I want to refer for a moment to the question of bridges. If it be true that wooden bridges are being allowed to take the places of concrete and steel bridges, it is not a mistake, it is a crime.

Mr. COCHRANE: I have already denied that.

Mr. GRAHAM: My hon. friend will deny it again, I suppose, and I am accepting his denial, of course. But I am pointing out that he will have to convince the engineers of the Grand Trunk Pacific that his statement is correct and I cannot find anything in the correspondence which will convince them. Mr. Leonard says that he, as well as the former commission, did sanction the introduction of wooden structures in place of steel and concrete on account of the great difficulties and cost of finding a suitable foundation for concrete pillars. If there be one wooden structure on that line where a steel or concrete structure should be placed it is a crime to leave it there. In the construction of the eastern division of the Transcontinental railway the contractors have suffered the loss of many wooden bridges through fire and I need not explain what might be the result in case of fire some dark night along the Transcontinental railway with a fast international train going at full speed. These accidents will occur, they have occured before now and the Government should not permit any mistake but should build the road in the very best manner not only for speed but in order to ensure the safe conduct of people travelling over that line. If an accident happens on that line on account of faulty construction the Grand Trunk Pacific will not be held responsible, but it will come back and reflect upon the Government that allowed this faulty construction to take place. My hon. friend ought to see that this road is built in such a way as to conform to the understanding with the Grand Trunk Pacific Railway Company. If anything is being done to which they will not agree, or which their engineers will not approve, and if anything is required to be done in order to ensure the safety of the project, it is in the interests of the Government, the commissioners, the engineers and the people of Canada that the step be now taken to secure that approval and not allow the Grand Trunk Pacific Railway Company to be in the position that they may come to us at some time when this road is ready to be taken over and say: We will not take it over, because you have violated the agreement which we made with you for the operation of the road. This is a question of paramount importance to the people of Canada.

Mr. COCHRANE: I do not think my hon. friend (Mr. Graham) will get any expert engineer, or anyone else who has had any railway experience, to say that velocity grades are any more dangerous to life or property than grades of four-tenths or six-tenths of one per cent. His whole argument was based on the difference of opinion as to the practicability of velocity grades as compared with grades of four-tenths and six-tenths per cent. I propose to cite some au horities to the committee and when I present an authority I will give the name of the person whose statement I quote, because I do not think it is fair, even to myself, to cite an authority without giving the name of the individual referred to. Like the hon. gentleman I have to form my opinions on questions of this character from the information, the experience and the advice of engineers, and if the opinions to which he has referred us are those of men of standing, as he says they are, and which statement I accept, I am going to direct his attention and that of the committee to the experience of engineers of quite as high standing, I am sure, and upon whose information and advice I have to a large extent based my own opinion. My hon. friend will admit that Mr. Bowden, chief engineer of the department, is a good authority, and I may state that in discussing this point with him on the approval of a route map, he said that modern and up-to-date engineers now recommended velocity grades. My hon. friend quoted Mr. Cooper, who is a man of high standing as an engineer; but he has made his reputation more on bridges than on railways.

Mr. GRAHAM: Has not Mr. Bowden done the same?

Mr. COCHRANE: Perhaps he has. Well, there is Mr. Tye, who as a railway engineer is not surpassed on this continent.

He went over the same profiles as did my hon. friend, and let me read this letter from him:

Ottawa, November 26, 1912.

Hon. Frank Cochrane,
Minister of Railways and Canals,
Ottawa.

Dear Sir,—As requested, I have examined the profiles of the changes recently made in grade on contracts Nos. 13, 14 and 15, districts 'C' and 'D,' east and west of Cochrane.

These changes in grade will not decrease the haulage capacity of the locomotives, will not increase the running time of either freight or passenger trains, and will not increase the operating or maintenance expenses; on the contrary, they will, by decreasing the cost of construction, reduce the interest charges.

The total cost of transportation is the sum of the operating expenses and the interest charges. A railway to handle a given traffic is the most effective commercially, or can handle the traffic at the least cost when the sum of these two items is the least. Any changes of alignment, or grades, which reduce the fixed charges without increasing the operating or maintenance expenses, are therefore, an improvement in the effective standard of the road.

These changes will reduce the interest charges without increasing the operating or maintenance expenses, or decreasing the haulage capacity or speed of the locomotive, and are therefore an improvement in the effective standard of the road.

I consider the commissioner and engineers of the Transcontinental would have failed in their duty had they not made these changes.

Respectfully yours,
(Sgd.) W. F. Tye.

I want to read also a letter which I asked the Chief Engineer of the Transcontinental Railway Commission for on this subject, and I may say that there was no pressure whatever put upon him in expressing his opinion. This is the letter:

December 3, 1912.

Hon. Frank Cochrane, P.C.,
Minister of Railways and Canals,
Ottawa.

Dear Mr. Cochrane,—

In accordance with your verbal request for an expression of my opinion as to the use of velocity grades on this, or any other line, and with special regard to the recent use of velocity grades on district 'C.'

I may say, that, disregarding ordinary sags in long fills, or fills over soft ground, that it has been considered inadvisable to bring up to profile grade at present and pay contractors' prices for this unnecessary work; there is, as you will see, only two cases that virtual grades have been adopted, and the saving effected by the slight change amounts to $27,797.

They are both well within velocity limits and will not affect the hauling capacity of a locomotive to the extent of a single pound.

The introduction of virtual grades in railway construction for the purpose of economy in first cost and subsequent economy in operation by reason of reduced interest charges, cannot be considered other than a good business proposition.

In so far as this concerns the Transcontinental railway, I always was, and am still of opinion that virtual grades should have been used whenever it was practical and economical to do so, and that a very large amount of money could have been saved by their use, as the standard of grade adopted, together with the general topography of the country traversed by this line, effect a combination in favour of a virtual grade that an engineer will rarely or ever meet with.

I may also add that, in so far as I am personally concerned in this matter, while I was employed on this line, as a locating engineer, I used in my location virtual grades whenever it was practical, economical, and common sense to do so.

I leave you to judge of my surprise when orders came from Ottawa that these grades would not be allowed, and that the profiles so made must be changed. This was accordingly done, which greatly increased the cost of construction, without in any way, benefitting the line as regards operation.

Had these grades been adopted, where conditions warranted, if they did, the sags so introduced could have been removed wholly or in part by the operating company, at one-half the cost of contractors' prices, and the same applies to the permanent structures that would have been, in such cases, left out until more economical conditions obtained for their construction.

Yours truly,
(Sgd.) Gordon Grant,
Chief Engineer.

I could give further authority, but I think these two letters answer the argument of my hon. friend thoroughly. If we have not increased the cost of hauling wheat from the West, or of eastbound freight, by having these velocity grades, and if we are saving a large sum of money on account of which there will be less interest to pay on the investment, we are making it easier and cheaper to carry on this work, and it will not be necessary to charge such high freight rates as otherwise to pay the interest on the cost of construction. The road east of Cochrane, to which my hon. friend referred, is the contract of the Grand Trunk Pacific Company and there has been no protest from them. They first let that contract to an American firm, who failed; then they took it back and let it to another concern, and their engineer has not protested to me or to the commission in reference to the grades or anything else on that line.

The policy has not been changed with reference to the structures. The old commission put in temporary structures, as it was quite proper to do, and the policy is carried out in that respect. But as to these particular places mentioned, where there is great difficulty in getting a good foundation for a permanent structure, it was practical common sense to have a velocity

grade, until after the settling, which takes place in all new structures. The commission and the engineer have not only carried out to the letter what is required, but they have saved a considerable sum of money to the people of Canada.

Mr. CARVELL: We have had a very voluminous and explicit apology from the Minister of Railways for this wonderful change in the standard of the Transcontinental railway. I am not an engineer, I am speaking as a layman; I have not gone to engineers, as has my hon. friend from South Renfrew (Mr. Graham), and discussed the matter with them. I know the minister may say that, not having taken this precaution, I should not deal with the question; but, speaking as a layman, I fail to understand how you can operate a road with hills in it as economically as you can a level road.

Mr. COCHRANE: I gave you my authorities.

Mr. CARVELL: I am giving you my opinion as a layman now, and I will come to the authorities later. It is most remarkable that the Minister of Railways has not brought the evidence of the men who have to run the engines. I would like to hear the opinion of a locomotive engineer on a thing like this.

Mr. COCHRANE: I never heard of a locomotive engineer undertaking to build a railroad.

Mr. CARVELL: The man who runs a locomotive will know more about what the engine will do under certain circumstances than the man who designs it.

Mr. COCHRANE: No.

Mr. CARVELL: He does. It is like a man who runs an automobile. He knows what it means to climb hills better than the man who built the automobile. On a point like that, I would give ten times as much for the opinion of the man who runs an automobile as for the opinion of the man who builds it; and it is just the same with the men who are operating railroads. I have driven an automobile, and I know what it means to climb hills; and I presume that the same principle that applies to an automobile applies to a railway train. When a man tells me you can make a run for a hill and climb it just as easily as you can run on the level, I do not believe him.

Mr. COCHRANE: We are not discussing climbing hills; we are discussing velocity grades.

Mr. CARVELL: I think I know what I am talking about. I suppose the minister means that you run down one hill and get up enough speed to run up the next hill. Probably that is what he calls a velocity grade. If you have a level two or three or four thousand feet, and a hill of one or two thousand feet beyond that, it practically means that you have a velocity grade. You have simply the momentum of your train. The authorities will tell you that a train running a certain number of miles per hour, when it comes to the foot of a grade, will climb a certain number of feet. The same thing holds good of an automobile. It will not, however, always do it. It will do it if the automobile is in perfect running condition.

Mr. BURNHAM: Would the hon. gentleman be good enough to quote the co-efficient of friction?

Mr. CARVELL: That is beyond me. I will leave that to the hon. member for West Peterborough.

My hon. friend has quoted the chief engineer of the Transcontinental as one of the authorities on the subject, reading his letter to the committee. I can only say that if the chief engineer of the Transcontinental when he became chief engineer, entertained the views which he does now, it is most remarkable that he remained chief engineer for three years without putting these views in operation, because, according to the terms of the letter partially read, it would have meant some saving in the cost of the road. For the last three years that the late Government were in power, the only blame which was levelled at them was the excessive cost of this road. The fact that no attempt was made by the chief engineer to reduce the cost by putting in velocity grades rather detracts from the value of that evidence. I am sorry that my hon. friend has not given us the exact amount of saving which he will effect by reason of this change in grade.

Mr. COCHRANE: The road is not completed yet.

Mr. CARVELL: Even in that event the engineers would be in a position to give a very close estimate. $27,000 was given as one item. Surely there must be a great deal more saving than that.

Mr. COCHRANE: Yes.

Mr. CARVELL: It would be ridiculous to change this road from a practically level road to what is an experiment for the sake of saving $27,000, or $270,000, or even $2,700,000; because there is no doubt this is an experiment to a very great extent.

Mr. COCHRANE: Oh, no.

Mr. CARVELL: That is my hon. friend's opinion, but it is not mine. It is an experiment to change what is practically

a level road to a hilly road. My hon. friend is looking at the question from a theoretical and not a practical point of view. My hon. friend from South Renfrew (Mr. Graham) pointed out one thing which I venture to say my hon. friend (Mr. Cochrane) has not considered. He has not considered the great effect of one of these ruling grades. He will admit that, if he has created a condition of affairs under which an ordinary engine will not haul its full load, he has created a ruling grade which did not exist before.

Mr. COCHRANE: I quoted authorities, who said that it would not affect the haul one per cent. Of course, I am perfectly willing to allow my hon. friend to hold his own opinion on the matter.

Mr. CARVELL: I presume so. I am telling my hon. friend that, if he is creating a different set of conditions, he is creating a new ruling grade. He must know that, if he has an accident of any kind at one of these places, he is creating a new set of conditions.

Mr. AIKINS: What greater risk of accident is there on a virtually level grade than on a four-tenths or five-tenths grade?

Mr. CARVELL: There is liable to be an accident at any place and at any time in the operation of railways.

Mr. AIKINS: Exactly.

Mr. CARVELL: If your train is loaded to the full capacity of the engine, on a level or four-tenths grade, you can pick up your train at any point and haul it up the four-tenths grade. The principle of a four-tenths grade is that an engine can haul up that grade a load which it can start on the level. If you have a four-tenths grade, no matter where or when your accident happens, when your engine is repaired or whatever has been damaged has been replaced, you can pick up your load and go on with the same engine. Therefore you have created no new ruling grade. Supposing you put an eight-tenths or one per cent grade where it should have been four, and an accident happens. Accidents will happen on freight as well as passenger trains. The moment an accident happens, you are stalled, because your engine cannot pick up your train. The only thing you can do is to cut your train in two, take half of it up the hill to a siding, and come back for the other half, thus losing probably half a day. My hon. friend the Minister must admit that the modern principle of operating railroads is to load trains up to the capacity of the engines on the ruling grade of each division. If you have a grade in the centre of the division which reduces the hauling capacity of your engine by 500 tons, you should start out with a load less that 500 tons. That is the practice on practically every railroad in Canada. I had a practical illustration of that within the last three weeks. I was riding on a freight train, and asked the conductor what his tonnage was. When he told me, I said: 'You can haul a great deal more than that with your engine?' He had a 135 per cent engine, and had only a little less than 700 tons. He said: 'Yes, I can haul more than 700 tons, but I have the Oak Mountain grade to climb. this grade is practically in the middle of the division.' I said: 'Why do you not bring your full tonnage up to the grade?' He said: 'That does not pay; we have abandoned that practice, and to-day we only haul on this division what we can haul on the grade.'

Mr. AIKINS: Was that a virtual or a momentum grade, or just an ordinary climb of a hill?

Mr. CARVELL: That is an ordinary climb of a hill, which is not necessarily a momentum grade. The modern practice of operating railroads is to start out with loads that you can haul over your ruling grade. If you start out with more, you have created a new ruling grade, and will have trouble. You have not got, for all practical purposes, as good a road for traffic as if you had a four-tenths road. My hon. friends may argue that under ideal conditions they have got as good a road. Possibly you have, although if the statement made by the hon. member for South Renfrew (Mr. Graham) is correct, that in some cases you have not got a momentum grade—

Mr. COCHRANE: He was not sure of that statement.

Mr. CARVELL: I am assuming that it is true. If your momentum grades are such that theoretically your engine can pull the full load over them with all conditions perfect, the very moment you come to a set of conditions that are not perfect your whole hypothesis is gone.

You must have perfect conditions to work it out, and in a country like Canada you do not always have perfect conditions. The great amount of freight that is going over this road will go over it during the winter months. If you do not have perfect conditions, you will not have perfect results, and if you do not have perfect results you do not have as good a road as a four-tenths road, because a four-tenths road will give good results under any conditions, if the engine is working well. My hon. friend is looking at the matter from a theoretical standpoint, and has not explained it satisfactorily, unless it be because of the small amount he may be able to save. The hon. member for South Renfrew (Mr. Graham)

has said that it would appear from the correspondence that the Grand Trunk Pacific Railway Company might refuse to take over this road. So far as the people of eastern Canada are concerned, we are vitally interested in this matter.

Mr. COCHRANE: I am not the least bit afraid that they will not take it over. Due allowance has been made in every case for imperfect conditions.

Mr. CARVELL: Theoretically, of course.

Mr. COCHRANE: Practically.

Mr. CARVELL: I have my doubts in that regard; however, I give the minister credit for being sincere. I admit that he has fortified himself with engineering advice on the matter—theoretical advice; not the advice of men who operate the engine, and who can tell him exactly what the engine can do. It is a remarkable thing that my hon. friend should degrade the character of this road for the sake of the small amount of money he is saving. Why is he doing it? He did not do it on the advice of his chief engineer; the letter of his chief engineer proves that.

Mr. COCHRANE: Excuse me.

Mr. CARVELL: I make the statement that you did not do it on the advice of your chief engineer, because the letter of the chief engineer, written during the latter part of last year, admits it was on account of the conversation which the minister had with him that he wrote the letter.

Mr. COCHRANE: I asked him for the letter.

Mr. CARVELL: You asked him to change the grades.

Mr. COCHRANE: No, I did not.

Mr. CARVELL: It is evident that the minister changed the character of the road practically on the advice of his inspecting engineers.

Mr. COCHRANE: The chief engineer recommended the change. This letter I spoke of was not written until December, and the change in the grades was made before December.

Mr. CARVELL: The chief engineer has not said he was the man who recommended the changes. I would ask the hon. minister to ask the chief engineer, who is sitting before him, who first recommended the change in the grades.

Mr. COCHRANE: On February 21, 1913, the hon. member for South Renfrew asked the following questions, and the following replies were given:

Q. By whom were the changes in grades, bridges or trestles on the eastern division of the National Transcontinental railway suggested?
A. The chief engineer.
Q. Who recommended that these changes should be made?
A. The chief engineer.
Q. What is the estimated saving in cost by these changes?
A. $27,797 to date.
Q. Who prepared that estimate?
A. District engineer, H. M. Balkan.

Mr. CARVELL: The hon. gentleman has not answered my question. I have said, and I repeat it, that his chief engineer was not the first man who suggested the degradation of this road.

Mr. COCHRANE: The chief engineer said it was done jointly.

Mr. CARVELL: Who was the other part of the joint?

Mr. COCHRANE: Mr. Leonard.

Mr. CARVELL: I thought so. I knew Mr. Gordon Grant would not make this suggestion; he is too good an engineer. The man who built this road up to a proper standard was not the man to suggest voluntarily to the minister that he should degrade the character of this road. The minister says it was done by Mr. Leonard.

Mr. COCHRANE: No, I did not.

Mr. CARVELL: Well, it was done jointly with Mr. Leonard. Now we have a confession as to the whole matter, and it is just exactly as we thought. When Mr. Leonard was placed in charge of this road, either through instructions received or actuated by his own motives, he decided that he must change everything which the former commissioners had been doing. He must change the classification; he must change the manner of building the road; he must change the engineers. I do not believe Mr. Leonard was the first man who suggested it, either. I believe the thing came from his investigating engineers or his investigating commission, although we have not any positive proof of that. When a new order of things came about, the commissioner went to the chief engineer and suggested that the road had better be changed and cheapened by introducing these velocity grades. Unfortunately, perhaps, the chief engineer agreed with him, and the changes were made. I feel that it is a very serious matter as affecting this great transcontinental railway of Canada. I feel it is unfortunate that the minister has allowed his officials, for perhaps political reasons—I can see no other reason—to change the character of this road which was handed over to him when he attained office. Before this item passes I think the minister should inform the committee what will be the saving to this country when all these changes will have been effected. He

does not need to tell me he does not know; his chief engineer is sitting before him.

Mr. COCHRANE: He does not know either.

Mr. CARVELL: He ought to; my hon. friend surely cannot be serious. The chief engineer has in his possession a profile of the original cost of the road. Every bit of that road was under contract, and the chief engineer knows exactly how many hundred cubic yards of solid or loose rock or earth would have to be removed from those cuts. He knows how many thousand yards it will take to fill the fills. He has the profile, he can tell within one-half of one per cent what the cost will be. The chief engineer also has the amended profile and he knows within one-half of one per cent how many cubic yards will have to be removed and filled and he can tell the difference in the number of yards. The work has progressed far enough for that. He knows the kind of classification, if it is train-fill he knows the kind of borrow he will get and what the train-fill will cost him because the contracts are signed. Therefore, I tell the minister, in the presence of the chief engineer, that he can tell us within one-half of one per cent the difference in cost owing to the changes. I could understand that if the project were a new one, if it were a new road through a country of which little was known, that could not be done; but this is an old road, it has been surveyed for three or four years, there have been cross sections for that time and practically all the work has been completed, even that in which the changes have been made. He knows what the cross section shows on the original profile and on the new profile and he knows the cost of train-fill, of removing material, because he has the contracts for all of this work. I would like to have the minister tell us approximately what will be the saving in cost in constructing the road under the new conditions?

Mr. COCHRANE: I answered the hon. gentleman.

Mr. CARVELL: We will probably get some more information before the item goes through.

Mr. COCHRANE: All right, I cannot help it.

Mr. AMES: Those of us who remember the debate of ten years ago in this House will recollect that the original proposition of building a road from Winnipeg to Moncton was to cost $56,000,000. We know that through succeeding sessions that estimate was enlarged. We know that when the late Government went out of power it was estimated that the cost would be between $150,000,000 and $160,000,000 and the increased expense continued. The question has often been asked how it was that this enormous expenditure came about. Not altogether because they were undertaking to build a first class road such as was not to be found anywhere else on the continent of America, that is not the only reason; a good many dollars have been expended which I think could have been saved if the road had been built along the same economical lines that have been followed since it came under the one man commission. I had the opportunity last summer of going over the divisions under discussion, C. D and E, and also over division A, spending several weeks, going a few miles a day on a speeder so that I could see what was being done; and the question was constantly in mind as to why the road had cost so much. I was able to get some answers to that question. For example, I found, that the second contract west of Cochrane known as the O'Brien contract, had been originally let to Davis. Tenders were called for and the contract signed on the 20th of October, 1908. Then that section of the country was absolutely inaccessible, you could not get in there from east or west because there was no connecting line, you could only get in through the rivers, the head waters of which are crossed by the Canadian Pacific railway. But the Government signed a contract with Davis on the 20th of October, 1908, in which it was stipulated that that section must be completed by the 31st of December, 1910. Davis let eighteen months go by without making any attempt to do anything. Then he sublet the contract to O'Brien and it is currently reported that O'Brien gave to Davis ten per cent on the total contract. The total contract was for $6,000,000 or more so that the amount that Davis received was $600,000, for doing nothing except to hold the contract and get the time extended. That is one way in which money was lost on the construction. In the second place, a great deal was lost from sympathetic classification.

Mr. CARVELL: Where?

Mr. AMES: Sympathetic classification all the way from Moncton to lake Superior.

Mr. CARVELL: That is not so.

Mr. AMES: By sympathetic classification I mean loose rock called solid rock, and common excavation called loose rock.

Mr. CARVELL: It cannot be found.

Mr. AMES: And as I have myself with a pick been over many of the cuttings and have seen it myself I think I know whereof I speak. I say that throughout the building of the Transcontinental railway instructions came from headquarters to make the classification as sympathetic as possible towards the contractors. That is my reason

for stating that there is such classification. Another reason for the great cost was that they would not use trestles, that they deliberately went to work and put in permanent fillings where they should have put in temporary fillings until after the road had settled. Take for example what is known as Coal creek, in New Brunswick. There was a small creek where the enbankment was built of solid rock at a cost of $1.10¼ a yard, the total cost being $429,000.

Mr. CARVELL: The hon. member is all wrong in stating that amount per yard.

Mr. AMES: There is a section in New Brunswick where thirty-one miles cost $4,000,000, or $134,000 a mile. I do not think that any other group of engineers in America would ever have contemplated building a road diagonally across the deeply cut country between the Tobique river and Grand Falls. That is another case where the expenditure was greatly enlarged in consequence of the course pursued.

When the new commission came into office, naturally enough, they started at two things, first of all to find out why the cost had been so great and secondly, how it was possible, in the construction of the balance of the road, to save the people's money. It is in an attempt to reduce the cost and hasten the completion that these momentum grades of which we have been talking have been introduced.

Two kinds of grades have been referred to by the hon. member for Renfrew. He has spoken of embankments over low-lying places. It is occasionally necessary, when a road is being built, that a sort of temporary track be constructed, because the country needs to dry out, so to speak. That belt of country for one hundred and fifty miles east of Cochrane, most of which is on a level of only about ten feet above lake Abitibi, is all water soaked, covered with muskeg, a great deal of it covered with low black spruce; and in many places the frost gets into the ground and stays there almost all the year around. A great deal of the under stratum of clay is almost like a glacier, shifting and moving slowly all the time. There are places all along where you find that the embankment has slipped sideways, that the concrete masonry has gone off one hundred feet or so from the road. There is one place at Low Bush river where nine trestles have been built across in succession in the soft mud and they have all gone out and even now they are having the hardest possible work to work through that section. It would certainly seem to me that had a more temporary construction been first built through that section of the road so that there would have been an opportunity, after the trees had been removed and the sunshine could get in, for the land to dry out so that the soil would become more friable, it would have been possible to build embankments that would not sink as they do in many of these muskegs. You will find one place just about the boundary line of Quebec and Ontario, where as fast as they can put in the soil, the earth bulges on both sides and cracks. The only way in which they can lay the tracks is to build three parallel embankments. As often as they keep filling in the middle embankment, and you can put in many hundreds of tons, it sinks and the sides go up. To insist upon keeping up a spirit level grade would be to throw away hundreds of thousands of dollars, and there are a great many places like that in the north country where there must be subsidence grades. Until that country gets dried out and the muskeg is drained and the soil becomes hardened it will be practically useless to keep on increasing the weight of these embankments, because they simply press down in the middle and push out the sides. The time will come when these grades can be filled in, but they can be filled much better and cheaper when ordinary train hauled filling can be brought from a distance, and when the soil gets dry enough to hold the weight upon it.

The other changes mentioned in that country are through the introduction of momentum grades. It may be necessary at first to have some grades that are even greater than ordinary momentum grades, but what we mean by a momentum grade is a grade between two points, say two miles apart at the same level above the sea, where it is possible for a train to gain enough momentum going down hill to carry it up the hill at the other end of the grade. I contend that the momentum grade is an accepted principle of engineering used all over the continent. I have here, Willard Beahan's Field Practice of Railway Location, and on page 224 Mr. Beahan writes:

> We have seen that the grade to consider is the virtual profile grade. We have seen that without exceeding usual freight train speeds a train will pass down and up in a 25 feet sag with only the usual demand on the locomotives of 7 pounds per ton, i.e., such sags may be operated by the same motive power in the same time and at the same cost as so much straight level track.

That is an accepted principle of good engineering. The hon. member for Carleton, N.B., said that if the engineer, the man who runs the locomotive, would say that, he would accept it more readily.

Mr. CARVELL: I did not make any such statement as that.

Mr. AMES: Your statement was that the man who runs the locomotive is the better authority.

Mr. CARVELL: As to whether you should put in velocity grades or not.

Mr. AMES: There is a railway built over the Chilian Andes in a most difficult country, and an Englishman crossing over that railway not long ago rode on the locomotive and got into conversation with the engineer. He said to the engineer: 'Don't you ever shut her off or use your air?' The engineer replied: 'no, we can just about stay on the rails in the hollows.' 'Don't you need to take a run at any of these hills?' the engineer was again asked. 'No,' he replied, 'when she pulls out of a station and strikes her gait, the train pulls just the same way all the way to the next stop.' That is what a train can do over a momentum grade. Let us see what an ordinary momentum grade with a drop of twenty-five feet say in a couple of miles, amounts to. Take a ten-foot billiard table, do you mean to tell me that if there was a drop of a quarter of an inch in the middle of that table a billiard ball would not run down from one end and up the other just as easily as if it were a level table? A drop of twenty-five feet in a couple of miles would be no more than a quarter of an inch drop on a ten-foot billiard table, and a train going at a rate of ten miles an hour would go down a sag of twenty-five feet and come up again without exceeding the usual demand on the locomotive. Let us see what that means in the matter of saving. You can build an embankment fifteen feet across the top, and ten feet in height and that embankment will contain 300 cubic feet to a running foot which at fifty-four cents per cubic yard would cost $6 per lineal foot of track. Calculate that for two miles and you will find what it would cost to make the entire distance a ten-foot high embankment. You can build a line, we will say two miles long with a ten-foot embankment, for $63,360. If it was thirty feet high in the middle it would cost $221,760. In other words there would be by the introduction of a momentum grade a saving of $79,200 per mile. That shows what it is worth to take out some of those absolutely dead levels. I admit that a railway proposition looks very nice indeed if you can see straight ahead for five or ten miles, where there is an absolute spirit level grade all the way. But that is not good railroading, and it is not economical construction. Good railroading is to build a road as cheaply as possible, without interfering with the pulling power of the locomotive. It is perfectly superfluous to make that road absolutely level when you can still maintain the full hauling power of the road by occasionally inserting momentum grades. One of the best authorities in Canada, Mr. Tye, who is president of the Canadian Society of Civil Engineers, made the following statement in January last in his annual address to that society:

> Momentum grades are a great source of saving in cost without increasing the operating expenses. The use of momentum in overcoming short stretches steeper than the ordinary ruling grade is almost always justifiable. The exception is where the traffic is so congested that the possibility of a delay due to the failure of an occasional train to surmount the grade is more important than the undoubted saving in interest charges which they ensure. It will probably be many years before conditions prohibiting their use prevail on any portion of our Canadian railways.

The only exception he makes is that of a road where the traffic is so continuous that the contingency suggested by the hon. member for Carleton might arise, where a train could be stopped it causes delay to the traffic. The probabilities are that it will be many years before there will be so many trains on the Transcontinental that an occasional stoppage will block the traffic. One can see, therefore, what has actuated Commissioner Leonard. As a practical railroad builder, in taking over this road, he saw that money was being wasted for purely artistic purposes. In order that the road might look well money was being spent unnecessarily; and he undertook at once to make a road as it would have been built by any of the great operating companies on the continent of America, and it is to carry out that general principle and, as far as possible, to prevent excessive cost, that this policy has been adopted.

Mr. NESBITT: I would like to say a word in answer to the hon. member for St. Antoine. If, in place of worrying himself about carrying a pick up on a jigger and reading these theoretical statements, he will come down to the southern part of Ontario and count the cars that the Michigan Central draw as against the cars that are drawn by any other road in this country, he will get an object lesson that will be much better than carrying a pick up on that jigger in the north country.

Mr. AMES: I may say that the ruling grade of the National Transcontinental will be quite as good as that of the Michigan Central.

Mr. NESBITT: The Michigan Central are hauling twenty or thirty more cars per engine than any other road because the road is practically level.

Mr. WILCOX: I do not think the road is level; it runs through my farm.

Mr. NESBITT: It is more level than any road in Canada.

Mr. CARVELL: I was rather sorry that the hon. member for St. Antoine did not confine his very interesting remarks to the

engineering side of the question, but allowed himself to be dragged away to what he used to talk about a few years ago—the question of cost and classification. My hon. friend has made a very interesting statement regarding what he calls sympathetic classification. That requires some comment on my part, I want to make some comment, and, Mr. Chairman, if you will call it six o'clock I will reserve my remarks until after we resume. Perhaps the minister will be in a position, when we come back, to give us approximately what the change will be.

At six o'clock, House resumed, and then took recess.

After Recess.

House resumed at eight o'clock, and again went into Committee of Supply. (Mr. Deputy Speaker in the Chair.)

St. John, New Brunswick, harbour improvements, $1,100,000.

Mr. MACLEAN (Halifax): What works are these?

Mr. ROGERS: These improvements are under contract with Norton, Griffiths and Company.

Mr. MACLEAN: What is to be the total expenditure in Courtenay bay?

Mr. ROGERS: The contract is for seven and a half million dollars.

Mr. GRAHAM: All the improvements in connection with St. John harbour will cost more than that?

Mr. ROGERS: Yes; the Courtenay bay contract calls for seven and a half million dollars.

Mr. GRAHAM: What about the dry dock at St. John?

Mr. ROGERS: The dry-dock has not yet been begun; it is to be built under the Subsidy Act.

Mr. LEMIEUX: Are the terms of the contract the same as when the Liberals left office?

Mr. ROGERS: It is the same contract, but the contract price was very much reduced when we came in.

Mr. LEMIEUX: Reduced for the time being.

Mr. ROGERS: For all time to come.

Mr. GRAHAM: I think that would stand a lot of explanation.

Mr. LEMIEUX: Let us be frank about this; by how much was the contract reduced?

Mr. ROGERS: $250,000.

Mr. MACLEAN (Halifax): There was no contract made by the late Government.

Mr. LEMIEUX: There was a contract made but not executed.

Mr. HAZEN: No contract was entered into before the present Government came into power. When the present Government came to power they found tenders in and awarded the contract to Norton, Griffiths, who were the lowest, but the amount of their tender was reduced by $250,000 before the Government would accept it.

Mr. GRAHAM: Were not the conditions changed?

Mr. HAZEN: There was no change in the terms.

Mr. GRAHAM: Then the late Government was right in not accepting the tenders.

Mr. ROGERS: The late Government gave evidence of being ready to accept the tender, but we thought it was too high, and we hesitated about accepting it until finally they made an offer to do the work for $250,000 less, and it was accepted.

Mr. LEMIEUX: The fact is that the specifications were prepared by the department under Mr. Pugsley, and tenders were called for, and meanwhile the Government was defeated. Mr. Pugsley, then Minister of Public Works, thought it would not be wise to award such a large contract in view of the fact that there was to be a new Government. When the new Government came in it wisely gave the contract to the lowest tenderer, as Mr. Pugsley intended to do. It is the same work, but the first blessing was given it by Mr. Pugsley. I have no objection to it.

Quebec harbour—deep water wharf at Lévis, $14,000.

Mr. BELAND: This work was started under the late Administration.

Mr. ROGERS: Yes, $14,000 is required this year to complete it.

Mr. BELAND: What are the dimensions of this wharf?

Mr. ROGERS: Nine hundred and three feet long, forty feet wide, eighteen feet deep, and thirty-seven feet high.

Mr. BELAND: What is the amount of the original contract?

Mr. ROGERS: $283,054.

Mr. BELAND: Will this complete it?

Mr. ROGERS: I understand there will be a further amount of $18,000 required.

Mr. BELAND: Who was the contractor?

Mr. ROGERS: Horace Dussault, of Lévis.

Quebec harbour improvements, $1,000,000.

Mr. BELAND: These are the improvements referred to before in this House. Are these the works for which plans were laid on the table?

Mr. ROGERS: This is for the general work in connection with the harbour improvements of Quebec. The harbour commissioners are now going on with certain contracts, and we have not decided yet how much will be done by the Public Works Department and how much by the harbour commissioners. It is quite possible, if the harbour commissioners are to undertake all the work that is to be done there, this amount will not be required to be spent by the Department of Public Works.

Mr. LEMIEUX: The other day when my hon. friend the Minister of Marine and Fisheries introduced his Bill in regard to the Quebec Harbour Commissioners, a plan was submitted and examined by the members of the House. From what I gather now, this amount would or would not be applied on this work?

Mr. ROGERS: This amount would not be applied in any way to the work of the harbour commissioners at Quebec at all.

Mr. LEMIEUX: Will my hon. friend explain how this is to be applied and on what work? Is it on dredging, on piers or on what?

Mr. ROGERS: This amount of one million dollars is required to provide for improvements in the harbour of Quebec as asked for by the Quebec Harbour Commissioners. The proposed work consists in the construction of piers Nos. 2 and 3, composed of thirty-eight solid, close-faced, stone filled, timber cribs, each forty-six feet six inches wide at the base, twenty feet ten inches at the top and forty-five feet high, with concrete superstructure, and necessary dredging as shown on accompanying plan. The estimated cost is $4,778,230.

Mr. LEMIEUX: My hon. friend may stop there. Perhaps the hon. the Minister of Marine and Fisheries (Mr. Hazen) can tell us if that money is to be applied on the works, the plans of which we examined the other day.

Mr. HAZEN: No. What we showed the other day was the plan of the work being done by the harbour commissioners entirely outside of the Department of Public Works.

Mr. LEMIEUX: Then I fail to understand why the harbour commission comes under the Department of Public Works. The other day a plan was shown to us by the hon. Minister of Marine and Fisheries. I understood that some dredging was to be done, the embankment was to be widened and some money was to be applied for the purchase of a service boat and so on. This is entirely apart from that amount.

Mr. HAZEN: Yes. The Public Works Department has nothing whatever to do with the work of the harbour commissioners. They are under the control and jurisdiction of the Department of Marine and Fisheries.

Mr. ROGERS: My hon. friend will understand that we have already built a pier at Quebec, and it is necessary to build more.

Quebec harbour—River St. Charles—improvements to navigation, $500,000.

Mr. LEMIEUX: Will my hon. friend give us some explanation about this contract?

Mr. ROGERS: This amount of $500,000 is required to provide towards the construction of a concrete dam 1,600 feet long, of an average height of 20 feet, and two locks respectively 450 and 350 feet long by 65 feet wide at the entrance wall, each lock having 15 feet of water on the sill at low water. The estimated cost of these works is $2,500,000.

Mr. LEMIEUX: I understand there is a contract signed.

Mr. ROGERS: There is a contract signed with Quinlan & Robertson for $1,873,704.80.

Mr. BELAND: Is it the intention of the hon. minister to dredge the St. Charles river above the lock?

Mr. ROGERS: It will be necessary to do a certain amount of dredging, as we are going to place 20 feet instead of 15 feet above the lock.

Mr. LEMIEUX: Have you a list of the land owners or riparians?

Mr. ROGERS: No; we are expropriating that land. Several parties have been endeavouring to sell their land, and some of them are trying to establish the value of their land through the Exchequer Court, asking as high as a dollar a foot for it. We have made an offer of 20 cents a foot, and have gone the length of getting some of the land at 22½ cents a foot, which is a reasonable price for it.

Mr. LEMIEUX: Who is your valuator?

Mr. ROGERS: We have no valuator there.

Mr. LEMIEUX: The amount paid to the riparians will not exceed 22½ cents a foot?

Mr. ROGERS: No.

Mr. LEMIEUX: And if the amount is exhausted you will go before the Exchequer Court?

Mr. ROGERS: Yes.

Mr. LEMIEUX: I understand that the main sewers of Quebec are discharging into the St. Charles river, and if you are going to lock the river you will create a very disagreeable condition. Is there some arrangement between the city of Quebec and the department for the changing of the sewers?

Mr. ROGERS: The city of Quebec have already provided for this. They have passed a Bill appropriating the sum of $600,000 for the purpose of building a main sewer to discharge their sewage below the locks.

Mr. GRAHAM: Some years ago, the Grand Trunk Pacific officials, the commissioners of the Transcontinental railway, the then Minister of Public Works and the then Minister of Railways met in the city of Quebec to come to some arrangement as to harbour improvements and the entrance of the Transcontinental from the west along the waterfront as far as the Champlain market. The idea was that the Public Works Department and the commission would buy certain property, or one department would buy and resell to the other, and the Public Works Department undertook to build some wharfs on the property that was being purchased. I think the purchase was never completed, but the rails were laid nearly down to Champlain market, and I understand that the intention was to take this property and use it for harbour purposes.

Mr. ROGERS: The Public Works Department have not purchased any new property; any purchase made must have been made by the Railway Department.

Mr. MURPHY: In connection with the previous item, the hon. minister said that a contract had been entered into with Quinlan and Robertson. Would he be kind enough to say whether a contract had been let for the work covered by the previous item?

Mr. ROGERS: No, it cannot be done until the officers of the department and the harbour board make an arrangement with regard to the division of work in the harbour.

Mr. GRAHAM: As a matter of fact when these wharfs are all completed and everything is in shape, the board of harbour commissioners will take it over?

Mr. ROGERS: I would not be surprised.

Mr. GRAHAM: I think that there should be no divided jurisdiction so far as the working out of the harbour improvement is concerned.

Mr. ROGERS: It will be necessary for the officers of the department and the harbour board to get together and come to an arrangement by which there will be no divided jurisdiction.

Toronto harbour—improvements, $500,000.

Mr. GRAHAM: The harbour board of the city of Toronto has been given fairly extensive powers for the accumulation of property and the carrying out of their projects. I think a Bill was introduced in this House recently to allow the Canadian Pacific railway, the Grand Trunk railway and the harbour commissioners to unite in the expropriation of some land for the laying of additional tracks. Could the hon. minister tell me just what the harbour board is doing and has done?

Mr. ROGERS: The work of the harbour board in Toronto is based upon very ambitious plans; I understand that they expect to spend about $19,000,000. As far as this estimate is concerned, we have, preparatory to the general lay-out of the plan of the Toronto harbour commissioners, been doing certain works which consist of the following items: Renewal of concrete and superstructure 300 feet east of the pier, eastern channel, to connect with that done this year in the north end, $21,000; construction of wall extending 800 feet north from the bay end of the westerly channel and southward 1,000 feet to protect reclaimed land on either side of the channel, $143,500. The protection of the island shore to prevent erosion by the placing of large stones and the construction of groins if found necessary, $6,000. Total $184,000 including the dredging. The balance of the amount we assume as being necessary in view of the vast improvements that are to take place, of which the Government will have to bear a share, in connection with the work of the harbour commission.

Mr. GRAHAM: There was considerable expenditure on behalf of the Public Works Department for the protection of the island shore. I visited it once when dredging operations were going on at the eastern gap and certain land was being made in connection with the island. There were groins for the protection of the island. Have these worked out practically and has the island been protected as the department expected?

Mr. ROGERS: The work carried on has been fairly successful with the exception that a very heavy storm that we had recently injured some of it and it will be necessary to do a little more work on account of that storm; but generally speaking the work has been very satisfactory.

French river waterway improvement, $500,000.

Mr. GRAHAM: As I understand, this is the beginning of the western section of the Georgian bay canal. I do not know if my hon. friend from Laval finds any improvements provided for the Back river in connection with this work or if there are any on the Ottawa river. I suppose my hon. friend would be prepared to tell us not only what this is for but what his policy is in connection with the Georgian bay canal as a scheme. This work is very necessary, beginning at the end of the French river, and as I understand the improvement takes place down to lake Nipissing and North Bay. That will be useful so far as it goes. There are, of course, many people who favour the Welland canal who do not favour the Georgian bay canal and there are not a few who favour the Georgian Bay canal and do not favour the Welland. My opinion is that, in the interest of the trade of Canada, both ought to be constructed.

Mr. CURRIE: Not taking any chances as it were.

Mr. GRAHAM: That has always been my attitude. I am always willing to take a chance when necessary but when I do not have to I do not. I think that is safe philosophy in any walk of life. The Welland canal, of course, can be constructed in less time than the Georgian bay canal, and in the interest of maintaining the trade we have, and also caring for the increased traffic of the not too far distant future, I believe it necessary that the Welland canal should be proceeded with as rapidly as possible. Then, although believing in the Welland canal, having really started the survey in my department for the beginning of that work, I am still in favour of the Georgian Bay project. I take this opportunity of urging on my hon. friend that the time is now ripe, with a surplus of $55,000,000, and dear knows how much more next year, for him to take the country into his confidence and give us his policy on the Georgian Bay canal. It is nearly as big a project as the navy, but he might at least, in this respect, give us his permanent policy. The French river is only an emergency. Might I ask whether the improvement he is making on the French river and Nipissing now will be adequate to form part of the Georgian Bay canal scheme when he proceeds with it? Will it be wide enough and deep enough to be links in the whole scheme of the Georgian Bay canal?

Mr. BENNETT (East Simcoe): Before the Minister answers, I would like to make a few remarks on the question. Last year, by the unanimous consent of the House, the estimates went through with a rush, and consequently hon. gentlemen had no opportunity of making any remarks. There was then a vote of $200,000 for the Welland canal, and also a vote of $100,000 for the French river. It was quite evident that neither of those amounts would start the work at either point and, as a consequence, nothing was said, as far as I was concerned, in reference to them. Later, in the summer of 1912, it was announced in the press that it was the intention of the Government to place the Welland canal construction under contract. I happened to see the Prime Minister in Toronto, and in discussing the matter and giving him my opinion of it, he suggested that I should place my views in writing before the Department, because this question had always been a very vexed question on the shores of the Georgian Bay, and the feeling there was that neither work should be carried on until the whole matter had been thoroughly enquired into. I did submit a memorandum on paper in which I do not claim that I set forth any particularly original ideas, I simply placed before the Department the views of the Board of Trade of Montreal, protesting strongly against the deepening of the Welland canal, and I placed on view the opinion of other places as to the French river or Georgian Bay canal. Through the courtesy of the Prime Minister that memorandum was placed before his colleagues. Apparently the view that I took, and in this of course I did not express my own opinion but only opinions culled from very reputable sources throughout the country, apparently had no influence upon them, as is shown by the fact that $2,000,000 were placed in the estimates for the Welland, while only $500,000 is placed in the estimates for the French river enlargement, which will ultimately, I assume, become part of the Georgian Bay canal system. I do not propose at this late time of the session to make any extended remarks on this question. I believe now, as I have always believed, and as is the opinion of the best business men in the country, that with so many projects before the Government they should have hesitated before engaging on either of these enterprises, and that the whole matter should have been placed before a board of the most eminent engineers that money could employ in this country, whether American, Canadian or foreign. However, the Government have taken the matter up and I assume that the Welland canal deepening will now go on as well as the French river work. In the attitude which I took I was not prompted by any local view, the Canadian Pacific railway and the Grand Trunk railway have both invested millions on the

shores of the Georgian bay in establishing huge accommodation for elevators, and have made their railway tracks second to none on the continent. I would stake the opinion of the Canadian Pacific management and the Grand Trunk railway directors against the opinion of any man in this country, and I believe that their plan was the proper plan and the right plan and that neither of these enterprises should have been embarked upon until they had been thoroughly inquired into, especially in view of the fact that Montreal, through its business men and board of trade, more particularly the corn section of the board of trade, had protested against the Welland canal work. To-day the country has before it wonderful schemes, schemes that are going to involve millions of dollars. The Welland canal enlargement involves an expenditure of $50,000,000, and the Georgian Bay canal an expenditure of over $100,000,000. The Panama canal is almost completed. Capitalists and the Government are taking steps to attract the trade of the West to Vancouver, believing that a great part of the trade of Alberta will go down in that direction and via the Panama canal to Great Britain. On the other hand, we have this huge expenditure on the Hudson Bay railway. I am not going to comment upon that. The Government is committed to it, and it must go on. I simply say that so far as the Welland canal and the Georgian Bay canal are concerned, I enter my protest against either of these projects being embarked upon until the whole transportation question has been placed before one or more of the most eminent engineers in the world.

Mr. OLIVER: It is not very often that my hon. friend from Simcoe (Mr. Bennett) and I see eye to eye, but I think his suggestion that there should be full consideration of these great transportation projects before the country is finally committed to them is fair and reasonable. My impression is that so far as the transportation of western grain is concerned, the system whereby the largest vessels on the lakes are used, or can be used, to the fullest advantage, by making a short haul from Fort William to Midland, with railway transportation from there to Montreal, is the ideal way of getting the crop forward.

Mr. BENNETT: And with the Canadian Pacific railway at Port McNichol adjoining.

Mr. OLIVER: I mean the Georgian bay ports which have direct railway communication with Montreal. My impression is that because of the necessity of making as many trips as possible in the short period intervening between the western harvest and the close of navigation, a short route has all the advantages over the long route. Once the grain reaches the Georgian bay port, then it can be transported by two competing lines of railroad, and possibly three, to Montreal so quickly, that while the theoretical cost may be somewhat larger by this route, we shall say the Midland route, in actual practice, I believe it will be found more beneficial than either the Welland canal route or the Georgian Bay canal route. I am only putting that before the committee as my opinion, and I believe there are good grounds for it. I do not wish to set it up against a well considered opinion that has better evidence behind it. I want the best there is, and I suppose the country is willing to pay for it. It is fair and reasonable to do as my hon. friend suggests, that before the country is absolutely committed to these two great projects, there should be an investigation of their merits, a definite decision should be reached, as to what the results are likely to be. This country has a large revenue. We are doing very well, but no country, and no body of people, have money to throw away. We have money to spend on the building of the Georgian Bay canal if that is the best thing to be done, and money to build the Welland canal if that is the best thing to be done, but we have not money to spend on either of these projects unless it is shown that when completed, it is going to be beneficial to the country, and will produce results in proportion to the money expended on them.

Mr. WHITE (North Renfrew): When the late Government of which my hon. friend was a member was in power, they expended some $700,000 upon a report upon the Georgian Bay canal. From what my hon. friend now says, that money was evidently wasted.

Mr. OLIVER: My hon. friend has not followed the argument which I tried to place before the House. I am not contending against the Georgian Bay canal proposal, or the Welland canal proposal. I am contending that the Government should have very full information as to the probable results of the expenditure. What the late Government did was—

Mr. WHITE: Was it not with the view of obtaining information?

Mr. OLIVER: Precisely. What the late Government did was entirely in line with the suggestion I have made. I have certainly no apology to offer for that money being spent. It was a right and proper expenditure in order that the country would know approximately what it would cost to build the canal. But what I am saying now is that it is not enough to know what the project will cost. What we want to know, before the country is com-

mitted to the expenditure, is what beneficial results there will be.

Mr. WILSON (Laval): The best speeches I ever heard in this House, under the old regime, apart from ministers, on the advantages that would be derived from the construction of the Georgian Bay canal, were from my very good friend from North Renfrew (Mr. White). I have seen a play written by Labiche, entitled, 'Une Paire de Lunettes,' which means a pair of spectacles. Probably my hon. friend has changed his spectacles.

Mr. WHITE (North Renfrew): Might I ask my hon. friend why he did not use his voice when the hon. member for Wright (Mr. Devlin) had a motion on the Order Paper a few months ago?

Mr. WILSON: I have my views on it, and I will come to the point in a few minutes. I agreed with the hon. member for Jacques Cartier (Mr. Monk). I was reproached with being too provincial or too parochial, because I asked that the money be spent in the first instance in surveying the Rivière des Prairies between L'Assomption and Jacques Cartier. I succeeded in getting a certain amount of money in the estimates, between $40,000 and $60,000.

Mr. WHITE (North Renfrew): We have $500,000 now.

Mr. WILSON: My hon. friend from East Simcoe wants a commission of experts. He wants the House and the country to be better informed on this question. We have spent, I am told, $750,000 to get information. I have read a report by four engineers, which is in six volumes if I remember correctly, and which includes plans and figures. There is a volume or two of literature—the best literature that I ever read in my life and I went all through it. The report is signed by Mr. Lafleur, Chief Engineer of the Department of Public Works, Mr. St. Laurent, Mr. Coutlée and Mr. Chapleau. If the hon. member for East Simcoe (Mr. Bennett) is not well informed as to the facts I would be tempted to ask him whether he has read that report or not. I read it all through. It is impossible for me to remember all the figures, but the hon. member for North Renfrew knows better about this than I do myself. However, this is not the question. I think we have had too much of the tu quoque argument from the other side of the House. When I was thirty years of age I could do things that I do not know that I am so well able to do since I have reached the age of forty. Age is supposed to be progressive, but if the late Government did not do anything that would be no reason why this new Government should not do the things that we were supposed to do. I invite the hon. member for East Simcoe to read this report and if he does I think he will have his hands full, although he will get a good deal of information from it. For the moment we are not considering the question of whether or not the Georgian Bay canal shall be constructed or whether it would be more advantageous to construct that canal than to deepen the Welland canal. I am not an expert with regard to questions of this kind. All I know is that transportation by water is cheaper than transportation by rail. I heard the hon. member for South York (Mr. Maclean) giving his views on freight rates the other night. I believe myself that railway freights are quite high. I am not an expert and I therefore would not presume to discuss this question in any authoritative way, but I suppose it is in the interest of the railway companies that the rates should be high and it may be that they are high because the railway companies are confronted with the problem of the high cost of living or the high cost of operating. I am not going to enter into that question. What are we considering now? It is not the construction of the Georgian Bay canal. As far as we are concerned on this side of the House we are not in charge of the Government and therefore we cannot do it.

Mr. WHITE (North Renfrew): You did not do it when you could.

Mr. WILSON: What is the use of my hon. friend reminding the House that we did not do it? It is a plain fact and whether we were right or wrong is not the question to be considered at this moment. But if my hon. friend will be sincere for a moment I will return the compliment by asking him: Why do you not do it now? We had $155,000,000 of revenue while you have pretty nearly $180,000,000. My hon. friend is anxious to send $35,000,000 over to John Bull, who is a money-lender himself; let him put up $35,000,000 to start the construction of the Georgian Bay canal. Were we wrong in not doing it then? Are you right in not doing it now?

Mr. WHITE: We are going to do it.

Mr. WILSON: If the minister will rise up and say that he will do it I will take my seat right away. Let us be sincere and let us do business in a business way. We had a lecture from a wealthy member from Toronto not very long ago on how to do business in this House. I have been told that the hon. Minister of Public Works is a master, not in winning affection, but in winning supporters in this House. I should like the hon. member for North Renfrew to be favoured with the same talent that his master possesses and let him try to convince his master that he should do what he desires. I will pledge him my word that he shall have my full support. We are

passing an item of half a million dollars to improve the French river. I do not know much about the French river and I do not like to talk about matters I know nothing about. What I do know about the French river I learned while campaigning once in Nipissing. I know it is in that district. This country is so large that it will take quite a large part of a man's life to study it from Halifax to Vancouver. Half a million for the improvement of French river! If the Minister of Public Works knew the Rivière des Prairies, commonly known as the Back river, starting at the Lake of Two Mountains and flowing away down to Les Isles de Boucherville at Bout de l'Ile, a distance of about thirty miles, he would understand how necessary it is that the work of improving that river already begun should be vigorously carried forward. We have already spent between $40,000 or $50,000 in dredging the river. The channel already dredged is about 100 feet wide and seven or eight feet deep. Dredge No. 6, with a tug, is on its way down to continue the work between the Island of Montreal and Ile Jesu. You must not forget that the population of the Island of Montreal and of the Ile Jesu is equal to about one-tenth of the population of the whole of the Dominion if we put it at 7,000,000. There are 700,000 souls in Montreal and the vicinity. What does that mean? That means that the traffic which we have in and around the city is equal practically to one-tenth of the traffic of the whole Dominion.

I am pleased that my hon. friend from Edmonton (Mr. Oliver) referred to the transportation of the crop from the West. It is a question, as far as I understand, of speed and cost. Everybody knows that there are not many bushels of wheat, oats and corn shipped from Canada that do not go through the port of Montreal. I know something about the transportation of grain and I had an opportunity of saying something to this House about it. We can ship grain through the port of Montreal only from May to the last days of November or the first days of December, depending on the condition of the weather. The rest of the shipment of grain goes by Boston, New York, Baltimore, Philadelphia, and Newport News. There was a time when the shipment of our grain was about to be transferred to the United States on account of some defects in the inspection system at Montreal. This difficulty was remedied by the Hon. Mr. Bernier when Minister of Inland Revenue, with the result that there is now no complaint about the inspection of grain at that port. Why not spend that half million dollars on Rivière des Prairies and the improvement of navigation around the island of Montreal? We have already started to work. What is the population upon the shores of French river?

What port are you going to reach? You will not reach any port on the French river. If it is to please his friend the Minister of Railways and Canals (Mr. Cochrane), who is representing that district, let the Minister of Public Works say so in order that the committee may be informed of the fact. If the late Government was wise enough, or thought it proper, to start the dredging of Rivière des Prairies in order to improve navigation, the present Government should continue the work because the Back river will be of great use if the Georgian Bay canal project is ever agreed upon and carried out by this Government, and I feel pretty safe in saying that it will be approved by the country at large. Not very long ago I had the honour of being invited by Mr. Poupore, the former member for Pontiac, to attend a delegation which waited on the Hon. Mr. Fielding to whom a petition was presented a mile and a half long containing 60,000 signatures, asking for the construction of the Georgian Bay canal. I approved of the project, as my hon. friend from North Renfrew (Mr. White) approved of it.

Mr. WHITE (North Renfrew): That petition should have been sufficient evidence for Mr. Fielding, then Minister of Finance, to have undertaken the work.

Mr. WILSON: Let us admit for the sake of argument that Mr. Fielding was entirely wrong in not commencing the work; yet the petition is still there in the archives of the Government, and they can have access to it and commence the work on it right away. I would like the Minister of Public Works to tell us is there a city of 700,000 souls on the shores of the French river; how many vessels are plying on that river; what is the width and depth of that river; and what is there to justify the expenditure of half a million dollars on a river qui n'a pas de débouche. I am glad to see there is an item of $25,000 in the estimates for work in the Rivière des Prairies or Back river, and whether the Georgian Bay canal is constructed or not, there should be a system of circumnavigation around the Island of Montreal, from which the people on both shores will benefit. When we were discussing the estimates for the St. Vincent de Paul penitentiary, I pointed out that there was a report of Mr. Douglas Stewart, inspector of penitentiaries, showing that 4,000 tons of coal were consumed in the penitentiary each year, and that its transportation by rail cost the Department of Justice a handsome sum of money. I point out now that if the improvements on the Back river were made, the coal could be taken by water and at least one dollar per ton saved in freight charges, which would be $4,000 a year, or four per cent on an expenditure of $100,000. If the Minister of Public

Works instead of spending half a million dollars on the French river, would improve the waterways around the city of Montreal, he would help the country at large; he would help the Department of Justice, and he would help the people of three or four counties.

Mr. ROGERS: I have listened with a great deal of attention to the hon. member for Laval (Mr. Wilson), and I can appreciate his interest in the development of the Rivière des Prairies in his own constituency. As evidence of my own interest in the development of that river, I may say that we have in the estimates a vote for that purpose. The hon. member suggests that the $500,000 for the improvement of the French river should be diverted to the improvement of the Rivière des Prairies.

Mr. WILSON (Laval): Let us cut it in two.

Mr. ROGERS: My hon. friend knows that the only request in connection with the Rivière des Prairies is, that a channel nine feet deep should be provided, and he will agree with me that a channel nine feet deep would be of very little service to the transportation of the products of western Canada to the city of Montreal. If the day comes, and when it will come, when we will have the Georgian Bay canal completed, then the canal will lead to the development of the Rivière des Prairies. I may say that my hon. friend from North Renfrew (Mr. White) has been a most persistent advocate of the construction of the Georgian Bay canal for many years. Personally, I have knowledge of his persistent efforts since I became Minister of Public Works, and I venture to say that no member of this House has taken more of my time than has the hon. gentleman in pressing on me the advantages of the Georgian Bay canal and the necessity for its early construction. The House can well understand that in view of the great difference of opinion which has arisen here, even during the few minutes we have discussed this question, and in view of the fact that I have only been in the Department of Public Works for a short while, I could not reasonably be expected to recommend to my colleagues and to Parliament a sufficient sum of money for the construction of this great national undertaking as I regard it to be. It is a project that has engaged the attention of former Governments, and of many good citizens in various parts of the Dominion, and it is of special interest to the people of western Canada. We naturally look with care and consideration to any line that will open up a way of transportation for the products of the prairie provinces; we are prepared to lend our sympathetic and hearty support to any work that will have for its purpose the opening up of additional routes for the transportation of our products. This project received consideration to the extent of an expenditure of something like $700,000 by the late Government for surveys, upon which to base a recommendation for the carrying out of this great national work. The hon. members for Edmonton (Mr. Oliver) and East Simcoe (Mr. Bennett) seem to have the idea that the most direct and speedy means of transportation would be via Midland and by rail to ocean navigation. Their arguments may be sound, but if this Government and this country are going to rest with confidence upon the fact that one outlet will be sufficient to carry the products of western Canada to the markets of the world, then I venture to think we will be showing a great deal too much confidence in the railway companies, that they will give such a low rate as would be expected by the growers of grain in the West. With the object of undertaking this great national work, this vast amount of money has been expended by former governments. I am not going to say that it has been expended unwisely. I believe it was a proper expenditure in order that we might be able to ascertain exactly what that great national undertaking would mean to this Dominion. It is to the credit of the Government that preceded us that they appointed a commission to investigate the possibilities and advantages of the transportation of the products of our people. I cannot do better perhaps than quote the language used in the appointment of that commission and providing the purposes for which the commission was appointed. This is the clause in the Order in Council appointing that commission on the 19th of May, 1903:

> The minister apprehends that in these circumstances it devolves upon the Dominion Government to consider and adopt the best possible means of promoting such measures as may enable Canada to control the transportation of its own products, and it is thought that the most efficient method of conducting such inquiry and obtaining the required information is by means of a commission of competent and experienced experts who may be appointed and authorized under the provisions of chapter 114 of the Revised Statutes of Canada.

My hon. friends at that time suggested Sir William Van Horne, John Bertram and Harold Kennedy. These gentlemen, however, were apparently unable to act. The Government of the day were able to secure the services of two men, who, I think were quite competent to fulfil the important trust that was offered in this connection,

namely: Mr. Ashdown, of the city of Winnipeg, and Mr. Reford, of the city of Montreal. These gentlemen made a very careful study of the question of transportation, and they undertook to deal with the question of the Georgian Bay canal. I think they dealt with it very clearly, plainly and wisely. I would like to read the finding of these gentlemen in respect of the Georgian Bay canal:

Your commission unhesitatingly affirm their belief in the desirability of a through waterway from the head of lake Superior to ocean navigation, to aid in the carriage of the grain and the regulation of rates of a standard not less than that above set forth, so that the largest vessels navigating the great lakes can continue their voyage to ocean navigation or as near thereto as possible. But in view of the fact that the Government has undertaken the survey of a proposed route by way of the French river to lake Nipissing, and thence by way of the Ottawa river to Montreal, and as the feasibility of this route from a commercial as well as an engineering point of view, and if feasible its cost, has not yet been ascertained, and further in view of the fact that the Government has also undertaken the survey of the Welland canal and its vicinity, looking to its possible enlargement and diversion, your commission do not see their way clear to any recommendation as to route, but would recommend that, in case the Ottawa river scheme, because of want of feasibility from a commercial or engineering point of view, or on account of its cost or for other reason be not adopted, then the Welland canal be enlarged and deepened to the standard of the Sault Ste. Marie canal, with a view of enabling vessels of the largest size to continue their voyage to Kingston or Prescott, thus bringing their cargo to within, say 180 miles or less of Montreal before discharging same.

Mr. WILSON (Laval): Is it the intention of my hon. friend to spend $500,000 for the improvement of navigation on the French river, or is that done with the view that possibly the Georgian Bay canal can be constructed by that route?

Mr. ROGERS: If my hon. friend had been following me closely in the words which I have just read from the report of this commission, he would find that the following words have been used:

But in view of the fact that the Government has undertaken the survey of a proposed route by way of the French river to lake Nipissing, and thence by way of the Ottawa river to Montreal, and as the feasibility of this route from a commercial as well as from an engineering point of view—

My hon. friend will understand from the wording of this report that they recommend the route via the French river, and it is one link in connection with the construction of the Georgian Bay canal?

Mr. WILSON: Is that the opinion of the hon. minister?

Mr. ROGERS.

Mr. ROGERS: That is my opinion, and that is why we are undertaking this expenditure of $500,000 in order to carry out the work in the French river portion or link of the Georgian Bay canal, because in that way we hope to develop navigation there that will undoubtedly be useful in many respects. In the first place, we shall be able to develop in connection with that work a water-power in that locality that will in itself be sufficient, in my judgment, to pay the interest upon the amount that will be expended in carrying on the opening up of the French river district.

Mr. NESBITT: Where does the hon. minister propose to sell his power?

Mr. ROGERS: My hon. friend surely understands that there is great development in North Bay, Sudbury and all those growing towns which will all want power. I am sure there will be a ready sale for any power that will be developed along the line of construction of the Georgian Bay canal.

Mr. NESBITT. I know something about the size of those towns and what power they would use. I do not see any possible prospect of paying interest on that investment by bringing power from the French river.

Mr. ROGERS: I do not think any power has been developed in any part of Canada that has not found a ready market. I am sure there is no part of the Dominion of Canada that has greater possibilities for rapid development than has that portion of territory to which we are referring. I entirely agree with the course followed by our predecessors in their expenditure in connection with providing a survey of the whole route, including the French river, to the city of Montreal. We have in the department and in the books to which my hon. friend has referred, as full and complete information as any engineers could supply to the people of this country. In so far as the engineering part of the great undertaking is concerned, I regard it as feasible.

The next question that the Government and those responsible must take into consideration is the very interesting suggestion which has been made in the recommendation of this commission which I have just read.

They pointed out to us that it is not only necessary for the Government to ascertain the cost of the work and the extent of its engineering difficulties, but to find out the commercial value of the undertaking. I think it proper that the Government of to-day should follow the recommendation of Mr. Ashdown and Mr. Reford, and, while ascertaining fro mour engineers what the work is likely to cost, and obtaining other information along that line, to make full

inquiry as to the commercial value of this undertaking to the people of the Dominion of Canada. If some hon. gentlemen are of the opinion that the construction of the Georgian bay canal would not be as speedy a means of transportation of the products of our country as would the midland route to Montreal and other ports, such a commission as I am suggesting would inquire into the matter. I find that there is a divided opinion even in eastern Canada in respect to the value of the Georgian Bay canal. I would not be expected, I am sure, by hon. members of this House, in the short period of time during which I have been in office, to recommend an expenditure for the undertaking of this great work in its entirety without the fullest and most complete investigation. As soon as it is possible to get a commission at work to investigate the commercial side of the question, the Government will be in a position to take its stand as to what is best in the interests of the people of Canada in so far as the construction of the Georgian Bay canal is concerned. In the meantime we propose to develop the French river section, and this will, I trust, if it is the recommendation of the commission selected to give the fullest consideration to the commercial aspect of this project, serve the purpose of forming an important part of that grant undertaking the Georgian Bay canal.

Mr. NESBITT: What is the minister going to do with this $500,000 vote?

Mr. ROGERS: It is to be used for the development of the French river section, in connection with the channel.

Mr. GRAHAM: How wide is the channel to be?

Mr. ROGERS: 300 feet wide and 22 feet deep.

Mr. PROULX: What is to be the total cost of this work in the French river district?

Mr. ROGERS: The estimated cost of the work in the French river section is about $15,000,000.

Mr. MURPHY: Is that what is proposed under this vote?

Mr. ROGERS: By the expenditure of this money we hope to make an opening which, with the development of water-power, will be sufficient to bring in a return to meet the expenditures we are making.

Mr. WILSON (Laval): Is there any plan, profile or information of any kind on the table of the House which could be examined by hon. gentlemen and enable them to understand what kind of work will be done under this vote? Does the hon. minister not think that we have enough natural water-power in this country without dredging a canal for the purpose of producing it?

It seems to me that the sum is quite extravagant. I will admit that proper navigation would be a great benefit to the people living along the shore of that river, but there are no large cities in that district. Is there any navigation in the French river? What is the average tonnage of the boats plying there, if there are any?

Mr. CURRIE: The hon. gentleman is no doubt aware that the reports and books to which he has referred contain certain maps and drawings and complete data relative to the work to be performed at Montreal and in the French river district, yet he finds fault with the minister because he has not placed any information before us. Complete reports were in the hands of hon. gentlemen of this House during the last Parliament, and full information as to the size of the canal and other paritculars were given in these six volumes. Some members from Montreal are very anxious that this Georgian Bay canal should be built. Whilst we are arguing in this House as to whether we shall have the Welland canal or the Georgian Bay canal, the Government of the State of New York are enlarging the Erie canal. It will be completed within two or three years; it will take all the business now going to Montreal through the Welland canal, and it will take years to build the Georgian Bay canal and bring that business back. To my mind that is a very short-sighted policy. I commend the minister's idea of a transportation commission which will take into consideration the commercial aspect of this whole matter.

I commend the minister in his idea of a transportation commission that will take into consideration the commercial aspect of all of these things. Everybody knows that the profit earned by the steamers in the lakes traffic is earned on up trip. There is not a dollar made in bringing grain down, practically only the expenses are made; there is no money in the hauling of grain, it is hauled at a loss in order that the ships may have the return package freight cargo. Where does that package freight cargo arise? A certain portion of it in Montreal, possibly ten per cent, but the balance is picked up at other ports on the great lakes going up. There is where the business of the country arises, there is where the large tonnage into the West comes from and every person who has a factory along the line of the great waterway is interested in maintaining and enlarging it so as to get cheaper rates to the West. If that is not done, the European manufacturer, with every advantage of cheap labour, can ship into the West at a

lower price than the people of Ontario. We are confronted with that problem now and it is a serious one. The Government should consider the enlargement of all waterways, they should consider the advisability not of building the Georgian bay canal, but the building of a canal that will take the largest ocean steamers to the head of lake Superior. That is the only possible sensible policy for any government to take. For that reason not only must the Sault canal be deepened—and that is being considered by the United States—to thirty or thirty-five feet, but the new Welland canal must be deepened to the same extent. The Minister of Canals, at a meeting in Ottawa recently stated that it would have a depth of thirty or thirty-two feet. But the deepening and enlarging of the St. Lawrence canal must also be considered. Competent engineers say that with a series of five or six dams in the St. Lawrence from Prescott east, a thirty-five-foot waterway may be obtained clear through from the ocean to Niagara. That is a problem that this country must meet and we must grasp it in order to compete with the new canals in the United States. If we do not, all our work is for nothing.

Mr. CARVELL: What will be the depth of the new Erie canal when completed?

Mr. CURRIE: I think the new canal will be about twelve feet, that is for thousand-ton barges. The present canal there is about six feet deep. Some gentleman said that water transportation is the cheapest. The water transportation on the old Erie canal was outdistanced by the railways ten years ago. We must look upon the problem as broad minded Canadians, and by appointing a commission of big men we can make up our minds what we are going to do. There is no use building small canals that will be forgotten in a few years. Take the Newmarket canal; that was an engineering possibility, the same as the Georgian Bay canal is an engineering possibility. But next comes the question of water and then of tonnage. Before any great undertaking of that kind, of a national character, is started the Government and the people of the country should be satisfied that it is going to be a commercial possibility and success. The late transportation commission preferred to dwell upon all these works, first as commercial possibilities, not as an engineering possibility. Almost anything is an engineering possibility in these days. The Panama canal is now an accomplished fact. Hon. gentlemen opposite when they were making a treaty a few years ago with the United States, permitted Ambassador Bryce to bring in upon this country one of those beautiful treaties from which Canada derives no benefit, and there was not a word said by the late Government in protest. That treaty gave the Americans the free and equal use of the Georgian Bay canal or of any canal that we might build in perpetuity. At the same time why was not the question considered of our being granted in return the free use of the Erie and Panama canals? There is no return to us at all, we do not need any canals that they have on the great lakes, the only works that they could claim anything for was possibly the Livingstone channel and when the survey was made that was found to be one half in Canada. Those questions might have to be considered from the aspect of the benefit of the whole country. Every day we are losing tonnage to the United States. The country that has and controls the channels of transportation is the predominant country of the age. That has been the fact in history. First the Phœnicians, then the Greeks, then the Romans, then the Portuguese, then the Spanish and later the British have controlled the transportation of the world—and the greatest current of trade in the world to-day is the current that passes the Detroit river. The American and Canadian tonnage passing that point is about six or seven times the total tonnage of Great Britain or any other country. Our problem as Canadians ought to be to divert that current of trade through our own country so that we shall have the benefit of it and I can assure you that you will not divert that current with any twenty-two foot canals. you must have a canal that will meet the situation with ocean vessels and depths. The problem is too large a one for anybody to take a small, local view upon and I ask hon. gentlemen opposite, as well as hon. gentlemen on this side of the House, to forget politics and to assist and commend the department in their efforts to appoint a great big commission on which there shall be members of this House, business men and navigators as well as engineers to decide which scheme and which plan is the best for our commerce and in the interest of the whole country, not for to-day or to-morrow but for the future, some twenty to fifty years hence. Then when we build we will build something that will establish a line of transport that will place the transportation, the trade of the northern half of this continent at the feet of this country. That is the policy I feel like supporting and I think every Canadian will support a policy of this kind. Let us drop all this endless discussion about building this canal or that canal. Let us do something quickly. If we do not build soon we will lose all the trade and then we will never recover our lost position.

Mr. CARVELL: I want to draw the attention of the minister and of the House to a phase of this subject which seems to have been entirely forgotten by hon. mem-

bers from Ontario and the West who are discussing this question, and that is the eastern portion of Canada. In my opinion the eastern portion of Canada is as much interested in the development of one of the great waterways as the West, or more. It is true that the hon. member for Edmonton (Mr. Oliver) treats this question purely from the standpoint of the transportation of grain. From that standpoint, there is, no doubt, a great deal in what he says; and if you have the short water haul from Fort William to the Georgian bay or Midland, the boats can make a greater number of trips during the limited season from the time the crop is ready to move till the close of navigation. But he forgets that there is another side of it and it is the return cargo. In my opinion the hon. member for Simcoe (Mr. Currie) has really approached this question from the proper standpoint. That hon. member, however, might go very much farther than Montreal or Ontario in connection with the initiation of this package freight." The amount of traffic that would originate east of Montreal would be probably ten times or one hundred times greater than the package freight he has spoken about. At the present time the producers of coal in the maritime provinces are only able economically to land that coal in Montreal. Even with a duty of fifty per cent a ton in their favour they cannot put it up the St. Lawrence river, and the result is that practically all the coal consumed in Ontario is from the United States. If we had water transportation, if we could load a vessel at Sydney or any maritime port and bring it right up, I do not care whether it is through the Georgian bay or the Welland and St. Lawrence system, we could get our coal into the province of Ontario, and instead of buying coal from the United States, the people of Ontario would buy all their coal from the maritime provinces.

At least we will be in a position to compete for the trade. Take the case of our great steel works at Sydney. It is true that with the duty that is now on steel rails, they are able to land their rails in western Canada in competition with the United States, but somebody is paying an enormous amount of freight to get them there. If either of these canals were established, the rails would be practically as cheap at the head of lake Superior as in Montreal, because the extra amount of transportation cost would not be very great. Take many other lines of manufacture. I know manufacturers in eastern Canada who are manufacturing stoves and different classes of hardware, and who are selling them in Vancouver. We cannot sell them to any great extent in the prairie provinces because transportation is against us, but we can send them round Cape Horn to Vancouver, and do good business, and when the Panama canal is opened we will be able to do better business. But if we had our own water route open, the business of eastern Canada would be doubled, trebled, and I believe quadrupled.

As to the question of which route would be the better, I think the minister has made a very reasonable proposition. I understood him to say that he was going to appoint a commission, or at least to take some steps to see which would be the better route commercially. I agree with that. I do not think he is very serious in the expenditure of this half million dollars. If I could form any opinion from the answers which he gave under the clever cross-examination of my hon. friend from Laval (Mr. Wilson), I think it was intended as a sop to my hon. friend from North Renfrew (Mr. White), because that hon. gentleman has been very persistent in asking that something be done. But I do not think that he is devoting that money along the line of carrying out the Georgian Bay project. He wants to do something on the French river, and incidentally to develop some water powers. I do not think the Minister of Public Works has actually made up his mind that the work he is going to do on French river is really a commencement of the Georgian Bay canal. As to the question of whether it should be the Georgian Bay canal or the St. Lawrence route, I agree with the hon. member for East Simcoe (Mr. Bennett) that it ought to be one or the other. I do not think there is much justification for the two projects, but the one to be undertaken ought to be so big and broad that it will control the traffic of the northern half of the North American continent. My hon. friend from East Simcoe need not be afraid of any treaties which give the Americans access to our canals. The more American traffic we get into our canals and ports the better for the people of this country. I would like to see every bit of traffic which comes from Chicago diverted to Canadian channels. It would make business at our ports, in our shipping, and for our transportation companies. I am not in a position to offer an opinion as to which is the better route. There was a time when I was very much impressed with the possibilities of the Georgian Bay canal, but looking at the question from the point of view of the man in the street, I think the route which ought to be developed is the Welland canal and the St. Lawrence route. I admit that there is not much use in developing the Welland canal unless we deepen and develop the St. Lawrence as well. I believe there is enough water power to be

developed from Prescott to Montreal to pay the interest on the whole proposition.

Mr. WHITE (North Renfrew): Will that power not be international?

Mr. CARVELL: Not very much of it. The power at the Long Sault would be international, but from that point down it is all Canadian. However, that does not make any difference to me. I am a free trader to some extent, though not altogether, and I would just as lief sell power as sell wheat. If we have water-power that we do not want to use ourselves and the American people want it, and are willing to pay for it, I do not see why we should not sell it, so long as we keep control.

Mr. CURRIE: Suppose you get $10,000,000 or $15,000,000 a year for it?

Mr. CARVELL: Of course, I would have all proper precautions. Our own people must have the first chance at it. Outside of transportation there is nothing so valuable to any nation as cheap power, and if you can give the manufacturing industries power at $10 or $12 per horse-power, you will do more to build up manufacturing than all the tariffs you can throw about it. The St. Lawrence route has a great advantage over the other in that it develops an enormous amount of power right in territory where there are millions of people to-day, and where industries are established, and will be established one hundredfold in the years to come. You will get great water-powers on the Georgian Bay route, but it has not as yet any great centres of population. But that is a matter which it would be the duty of the commission to investigate and report upon. I hope the minister will go on with one or other of these routes, and that he will make it so big and broad and deep that it will not only carry our own business eastward, but the great bulk of American business as well, and that it will give us a chance in the maritime provinces to send our products westward. It will help us and help the people of Ontario, and what helps the people of Ontario and of the maritime provinces must help the people of Canada as a whole.

Mr. NESBITT: I endeavoured to get an answer from the minister as to what he intended to do with this $500,000. He said he wanted to develop the French river. He said that the canal would be 300 feet wide, and 23 feet deep. How far could he go with $500,000 under these conditions? I do not believe he could go further than the length of one of these desks. He intends either to develop power, or to start the Georgian Bay canal, and I would like to know which. If he intends to develop power, and he has a market for power in that country, which I doubt, I have no objection. He knows it will require some development on French river to run a boat.

Mr. BENNETT (East Simcoe): Does my hon. friend not know that the French river in many places is nearly half a mile wide and forty or fifty feet deep?

Mr. NESBITT: But there are spots where it is not very deep. They have even to build slides in places to run down the logs. I have no objection personally to my hon. friend developing power on the French river, but if he is spending this money with the object of making a canal out of French river, then I am absolutely opposed to it. They talk about it costing $100,000,000. It will cost $200,000,000 or $250,000,000 to build any canal by way of the French river to Montreal. If there is to be a canal, I am very strongly in favour of the Welland canal route. I quite agree with my hon. friend from East Simcoe that the question should be thoroughly investigated, but I understand that the late Government did thoroughly investigate the question of the Welland canal, that they spent a certain amount of money in borings and in investigation. I also understood that the present Government did the same thing last year, so that we ought to be in a pretty good position to know what the cost is likely to be, and whether it is a feasible proposition commercially.

Mr. WHITE (North Renfrew): Does my hon. friend think that the report which was submitted in connection with the Georgian Bay canal route, and which has been referred to by the hon. member for Laval is not correct? My hon. friend says that it will cost $200,000,000 or $250,000,000. The report of the commission is to the effect that it will cost $100,000,000 in round figures. Evidently my hon. friend does not think that the report is correct.

Mr. NESBITT: I think that they have underestimated the cost by fifty per cent.

Mr. WHITE: Has my hon. friend ever been over the route?

Mr. NESBITT: Yes, most of it.

Mr. WHITE: What part?

Mr. NESBITT: Nearly all.

Mr. WHITE: Was he ever at Pembroke?

Mr. NESBITT: Yes, I have been at Pembroke. You have to go there in daylight to find the town. I absolutely agree with the minister when he says that this question should be thoroughly investigated by the most capable men that he can get and not men appointed from a political standpoint. I do not mean to say that he cannot get just as capable men who are Conservatives as any other kind, but political considerations ought not to have any weight in the appointment of such a commission of

investigation. They should be a commission of the most capable engineers and, as the hon. member for North Simcoe says, business men, because it is the business aspect of the question that is going to be looked into. I believe that the undertaking from the engineering aspect, is possible but not probable. But it should be inquired into from a commercial standpoint because it is from that point of view that we have to look at all these public questions. I was sorry I was not here the other night when the Hudson Bay item went through, because I would like to say that I am amongst those who do not believe in the Hudson Bay railway at all.

An hon. MEMBER: You are too late.

Mr. NESBITT: I know it is too late, and I know that we on this side of the House are just as much committed to the project as hon. gentlemen on the other side. I think both parties are absolutely wrong in giving their approval to this undertaking. Referring again to the Georgian Bay canal, I hope that my hon. friend the Minister of Public Works will appoint a commission which is capable of advising him with regard to this question before he goes into the undertaking. I think that to spend this money on the French river route with the object of favouring somebody politically is a great mistake, and a cruelty to the people of the country unless it can be carried out from a commercial standpoint, as I do not believe it can. As to the Welland canal, I think it can be successfully carried out from the commercial point of view, and I think it ought to be.

Mr. WHITE (North Renfrew): I have an extract here from Washington which I think it would be well to place on 'Hansard.' It is as follows:

Washington, D.C., May 5.—Legislative action on the resolution to enter into negotiations with the Dominion of Canada or Great Britain regarding a better waterway through the Great Lakes is promised to-night, following a conference between Senator Stone, of Mississipi, and Senator Townsend, of Michigan. This resolution will undoubtedly be favourably reported from the Foreign Relations Committee, of which Senator Stone is chairman.

Senator Townsend's idea is to open up the passageways between the Great Lakes, and to improve the harbours to such an extent that ocean going vessels will be able to dock at Duluth, Minnesota, and all other lake ports.

From Duluth to Liverpool would be the trans-Atlantic route under the Townsend idea. He believes that unless the United States takes the initiative in this matter the Canadian Government will dig a canal from the Georgian bay to the Ottawa river and provide practically the same accommodations for trans-Atlantic steamers with the advantage to the Dominion of controlling the artificial waterway entirely.

Evidently our friends to the south of us are afraid that we may do so.

Mr. NESBITT: Well, he has got a lot of thinks coming to him.

Mr. WHITE:

Senator Townsend's scheme includes the widening and deepening of the Welland canal and the improvement of waterways from Montreal to Lawrenceburg. The wording of his resolution is short and simple, and reads:

'Resolved, that the President be requested to enter upon negotiations with Great Britain or the Dominion of Canada with a view to an international agreement for the concurrent or co-operative improvement of navigation in waterways used, or which can be used, as common for the commerce of Canada and the United States.

This was introduced at one time as a proposed amendment to the Reciprocity Act. It was introduced again as it now stands, but the Committee on Foreign Relations took no action upon it. It is again before Congress with the promise from Senator Stone that it will be acted upon and a favourable report from the committee is a little more than possible.

If our friends to the south are so anxious for the deepening of the Welland canal, they ought to provide half of the cost.

Mr. GRAHAM: To come back to the item, I suppose that probably when we come to the item of the Minister of Railways and Canals of $2,000,000 for the Welland canal we will have the discussion—

Mr. ROGERS: Over again.

Mr. GRAHAM: There will be an opportunity for discussion. As to the item for the French river, if we vote this we are committed to an expenditure of $15,000,000.

Mr. ROGERS: Not necessarily.

Mr. NESBITT: That is what I understood.

Mr. GRAHAM: My hon. friend says 'Not necessarily.' What can we do with $500,000 if this is not the beginning of a work which will cost $15,000,000 in all to obtain a deeper navigation of the French river and through Lake Nipissing to North bay? If we spend that $500,000 what do we get?

Mr. ROGERS: We may use some of it in the construction of a dam where Lake Nipissing empties into the French river, and thereby save a great deal of dredging. We have already done some work there and we may require more if we do nothing else.

Mr. GRAHAM: It is quite important that the committee should understand what we are doing with the vote of $500,000. If we are committed to $15,000,000, then the Georgian Bay canal is started.

Mr. ROGERS: You would not expect us to undertake to commit ourselves to the whole project without having the report of a commercial commission, as suggested by the commission which recommended the work, and I think it is very sound judgment on their part, I entirely approve of it and I propose to appoint this commission at once and have a report on the commercial value of the undertaking.

Mr. GRAHAM: We want a plain statement of what we are doing. The Government is not announcing a policy of constructing the Georgian Bay canal by this vote?

Mr. ROGERS: Not yet.

Mr. GRAHAM: It is asking for $500,000 to start work that will cost, when completed as far as North Bay, $15,000,000 and, if we are committed to an expenditure of $15,000,000, then the Georgian Bay canal is started and will be completed, because the Government would scarcely ask for $15,000,000, which would probably be $20,000,000 or $25,000,000 before that particular work would be completed to North Bay, without the larger project in view. Then I think we can take it for granted that this $500,000 is merely for a preliminary skirmish on the French river for the building of a dam and incidentally the developing of some water power. Do we understand that the country is not committed to an expenditure of $15,000,000 for the opening up of a channel to North Bay, and the construction of docks and so on and that the Government is not announcing a policy of construction, or beginning the construction, of the Georgian Bay canal and will not do so until such time as it appoints a commission to investigate the question from the commercial standpoint and until it gets its report?

Mr. ROGERS: That is about right.

Mr. CURRIE: No matter what happens to the Georgian Bay canal or the Welland canal, the French river portion of the canal would give an outlet for the products of the clay belt of New Ontario, in which in the future millions of bushels of all kinds of grain will be grown. In any event, the money expended here will not be lost.

Mr. PARDEE: Does the hon. gentleman mean to say the wheat would be brought from the clay belt to North Bay and then shipped by water down the Welland canal?

Mr. CURRIE: The mining operations in that northern country will require large quantities of coal, and that coal will be brought to North Bay from Lake Erie. I am looking at this from a commercial and not a political standpoint. When the coal vessels unload at North Bay, they must get return cargo, and what more natural than that return cargo should be wheat.

Mr. NESBITT: If I want to go to the Chateau Laurier, do you think it would be a good thing for me to go around by the Union station?

Mr. CURRIE: It is not the same thing at all.

Mr. MURPHY: Last year when Mr. Monk was Minister of Public Works, we endeavoured to obtain some information as to the policy of the Government with reference to the Georgian Bay canal, and we failed. One evening last session Mr. Monk was not in the House and the estimates were taken charge of by the hon. Postmaster General, who, I am bound to say, contrary to his usual practice, gave somewhat evasive replies to the questions put him. The best I could get out of him was that there was an amount somewhere in the estimates which would be expended during the then coming year, in obtaining information about the Georgian Bay canal project. I will ask the Minister of Public Works to-night to enlighten us with regard to that statement made by one of his colleagues last session. As I understand the declaration of policy made by the hon. gentleman (Mr. Rogers) to-night, on behalf of the Government, the Welland canal project is to be proceeded with and the Georgian Bay canal project is not, although the French river improvement is to be undertaken. We have a natural curiosity to know how this $500,000 is to be expended, and I know the minister sufficiently well to believe that he would not ask us to vote $500,000 without giving us details as to the manner in which it is to be expended. We cannot be expected to take a leap in the dark when a very much larger sum than $500,000 is apparently ultimately involved. I understood the hon. gentleman to say that this project, if carried to completion, would involve the expenditure of about $15,000,000, and that by voting this item we were committing ourselves to the carrying out of the scheme in its entirety. I now ask the minister to enlighten the committee as to that and also as to the expenditure of the money, which we were informed by one of his colleagues last year had been voted for the purpose of getting information regarding the construction of the Georgian Bay canal.

Mr. ROGERS: I have no doubt that had my predecessor remained in office he probably would have carried out what had been promised on his behalf by the Postmaster General, and he would be prepared to-night to give the information the hon. gentleman

(Mr. Murphy) has referred to. Since I took charge of the department, I am free to confess I have not had time to give this matter the consideration its importance deserves. We ask for this $500,000 in order that we may be in a position to get full and complete information, so far as the French river is concerned, during the coming year. I understand that with this vote a considerable amount of valuable work can be done, which would save a large amount of money in connection with the dredging of lake Nipissing, and that it would develop a certain amount of water-power, which will be, in itself, very valuable. While there may be some indefiiteness about that, I can assure my hon. friends that the money will be expended in the public interest and care taken that value is received for every dollar of it. I believe it will be expended in such a way as will prove satisfactory to the members of this House and to the people of the country.

Mr. MURPHY: While we may be willing to accept the statement of the Minister of Public Works that this money will be expended in the public interest, yet we are entitled to information as to how it is to be expended. Is it going to be expended on the construction of a dam, as the minister would seem to suggest? The impression the minister leaves on me tonight is that he has not decided on anything as yet, and that if the money is voted he will have it there to do with it whatever may come handy later on. We should not be asked to vote money under such circumstances.

Mr. ROGERS: The chief engineer says this amount will be required in connection with the carrying on of the project.

Mr. PARDEE: Was not all that information obtained under the late Government?

Mr. ROGERS: The chief engineer says the information was obtained, but only in a very general way, and not in a way that would be sufficient to warrant the undertaking of definite and specific works.

Mr. PARDEE: How much money has been expended altogether in obtaining information about this Georgian Bay canal?

Mr. ROGERS: Something like $700,000 for the whole four hundred and forty miles.

Mr. WILSON (Laval): The Georgian Bay canal has been surveyed inch after inch and foot after foot, and the minister must know what are the conditions of that river. We are entitled to have detailed information.

Mr. ROGERS: This money is to be expended to get the detailed information which the hon. gentleman wishes to have. We have the general information in the report of the engineer, to which my hon. friend has referred, but we have not the detailed information necessary when we come to make plans and specifications for a project which will require the expenditure of a great deal of money. Before any minister would recommend to this House the expenditure of such a large sum of money, he will have to be in possession of the detailed information which we can secure by this expenditure.

Mr. GRAHAM: Would this be some explanation? The Minister of Railways represents that constituency and is committed to placing in the estimates $2,000,000 for the Welland canal. Therefore something must be done to appease the wrath of his own electors who are expecting the Georgian Bay canal to start right away.

Mr. ROGERS: I never heard anything about that.

Mr. GRAHAM: This $500,000 is to get information, plans and specifications and general improvements, but for what? If it were part of the Georgian bay canal scheme and the policy were so announced, I would understand why this money is required. The Minister of Public Works says: No; if we ever build the Georgian Bay canal, this will be for the work on it, but we are not going to commit ourselves to it until we make further investigations. Therefore this money cannot be for working plans and specifications for the development of that great scheme. The Minister of Public Works must be going to do some thing practical on the French River; otherwise this money must be to please the Minister of Railways. If the money is to do any work on the Georgian Bay canal, the minister ought to be able to tell us what he is going to do with it.

Mr. ROGERS: That will all depend on the report of the commission which will be appointed very shortly. If they report favourably on the undertaking, it would be a mistake to lose a year, and we should have sufficient money in the estimates to enable us to get complete plans and details, in order that we may present at the next session of Parliament a proper report as to the undertaking.

Mr. GRAHAM: My hon. friend says that he is not going to go on with the expenditure of this money until he gets the report of this commission, but he does not want to lose a year. He will get their report and act on it before he lays it before Parliament. Is that what the vote is for?

Mr. ROGERS: We will have the work extended, because we believe that the work

on the French river section itself will be of great value to the locality and to the country as a whole. We want plans and reports on that work.

Mr. PROULX: $100,000 was voted last session. Was any of it expended?

Mr. ROGERS: Nothing was expended.

Mr. PARDEE: The hon. minister says that all he proposes to do is to take this $500,000 in order to get the commission to work, and that when he receives their report, he will act on it. I do not think the minister, in all seriousness, will tell the House, after the reports that have been made for the past few years on the Georgian Bay canal scheme, and after an expenditure of three quarters of a million in order to get these reports, that the section of the French river up to North Bay is not as well known by the reports already received as anything possibly could be. It does not require $500,000 more to get further reports in order that the work may be gone on with. I am not in favour of the Georgian Bay canal scheme, because I do not believe that at the present time, with boats of a maximum length of about 700 feet, you will ever get the carrying trade to go through the Georgian Bay canal. If so, you are better off with the deepening of the Welland canal, and the people of Canada will be saved the amount of money which would be spent on the Georgian Bay canal. The prospective expenditure is $100,000,000. If you consider what has been expended in this and other countries on works of similar enormous proportions, you will find that not a hundred million will be expended on the Georgian Bay canal, but about $300,000,000 before it is completed. One reason given why the Georgian Bay canal should be constructed is that between Duluth and Port Arthur it will save two days coming and two days going. I think the report brought down last year made that statement. I do not believe that is so, for this reason. Even if the Georgian Bay canal is constructed, with the number of locks that will have to be made on it, and with the maximum length of boats of 700 feet, you will find that boats of that capacity will take the route of the Welland canal rather than the Georgian Bay canal. If boats are to go through the Georgian Bay canal, they will have to be smaller, and consequently the expense for carrying grain will be greater. After the Georgian Bay canal is constructed, you will find that boats will still go through the Welland canal; and that the Georgian Bay canal, except that through its construction certain water powers will be developed in that country, will be of absolutely no use. I believe, with the reports we have to-day, that we have all the information necessary, and that this expenditure of $500,000 is practically money thrown away. If it is to cost $500,000 to know whether or not the Georgian Bay canal is feasible from the mouth of the French river up to North Bay, heaven only knows what the Georgian Bay canal will cost from the French river to Montreal.

Mr. WHITE (North Renfrew): There seems to be a considerable difference of opinion on the other side of the House with regard to the Georgian Bay canal project. The hon. member for Edmonton (Mr. Oliver), the hon. member for North Oxford (Mr. Nesbitt) and the hon. member for West Lambton (Mr. Pardee) have contended that, notwithstanding the fact that the late Government expended some $700,000 on surveys, these surveys were practically useless.

Mr. PARDEE: I do not propose to have that interpretation put upon my words. I said that the expenditure of $700,000, with the reports and papers that were brought down, had given us all the information necessary to enable us to make up our minds with regard to the construction of this canal.

Mr. WHITE: The report which these engineers brought down was to the effect that this project would cost in the neighbourhood of $100,000,000.

Mr. PARDEE: Which I do not believe.

Mr. WHITE: Then the money was uselessly expended, so far as hon. gentlemen opposite are concerned. I am sorry the hon. member for South Renfrew is not in the House, because I wanted to ask him whether he is in favour of the Georgian Bay canal or the deepening of the Welland canal, and which project he thinks the Government of this country should undertake at the present time.

Mr. ROGERS: I think the hon. member for West Lambton supplied a good reason why this item should be passed to-night. He has pointed out that we have already spent $700,000 on surveys; that we have in the department, the reports regarding those surveys, and that he does not believe a word of what the engineers say in regard to the matter.

Mr. PARDEE: I did not say that.

Mr. ROGERS: When a commission is appointed to inquire into the commercial aspect of this matter, and when they read the assertion of my hon. friend to the effect that he does not believe the report of the engineers appointed by the Government which he supported, it will be a great question for the commission to decide as between my hon. friend and the engineers. They might be able to recom-

mend the construction of the canal as a commercial undertaking if it were to cost $100,000,000, and might refuse to recommend it if it were to cost $300,000,000. I think, therefore, that we are justified in having plans and specifications made with regard to any particular section to which we are giving consideration. The chief engineer informs me that, while we have had the survey to which my hon. friend refers, we have not, in the department, that specific information as to detail work that would enable us to be definite as to the actual cost.

Mr. PARDEE: The minister, then, will acknowledge that this $500,000 is for the appointment of a commission to report on the section between the mouth of French river and North Bay.

Mr. ROGERS: This whole amount does not necessarily go to them.

Mr. MURPHY: The use to which this money is to be put seems to change each time my hon. friend deals with it. I would suggest the wording of the item should be changed so that it will specify that it is for the purpose of collecting information.

Quebec harbour—dry-dock at Lauzon, $1,000,000.

Mr. LEMIEUX: Has a site been secured for this dry-dock, and at what cost? Have tenders been called for?

Mr. ROGERS: We have expropriated an inexpensive site.

Mr. LEMIEUX: Who are the engineers?

Mr. ROGERS: Mr. Swan, Mr. Wilson and Mr. Lafleur.

Mr. LEMIEUX: What was the price paid for the site?

Mr. ROGERS: We are expropriating it, and have not yet arrived at a price. The property is thirty-two acres in extent.

Mr. LEMIEUX: How much per foot do you expect to pay for it?

Mr. ROGERS: About five cents; the total value would be over $200,000.

Mr. LEMIEUX: When my hon. friend comes back with his estimates to-morrow, I would like him to give me the names of the owners of the site, and the amounts which are to be paid to each of them. What is the total estimated cost of the dry-dock?

Mr. ROGERS: We have plans prepared and are calling for tenders, and it would not be possible to say now what the cost will be.

Mr. MURPHY: What will be the size of the dock?

Mr. ROGERS: 1,150 feet long by 125 feet wide.

Mr. MURPHY: What is the location, above or below Levis?

Mr. ROGERS: At Levis, right close to the old dock.

Mr. MARCIL: What is to become of the old dock?

Mr. ROGERS: The chief engineer thinks that there will be work for both.

Mr. MARCIL: Is this to be as large as the dock at Montreal, and does it resemble the one there?

Mr. ROGERS: The Montreal dock is a floating dock; the dock at Quebec is a graving dock, and will accommodate the largest ship afloat.

Mr. TOBIN: Thirty-two acres at five cents a square foot would come to $70,000.

Mr. ROGERS: At five cents a foot it would be $70,000.

Mr. LEMIEUX: I understand that $70,000 will be the price paid for the site?

Mr. ROGERS: The engineer says that is the estimated value. The land is being expropriated, and we expect to be able to secure it at that price.

Mr. LEMIEUX: I raise no objection to the construction of the dock, but as to the price my hon. friend may rest assured that five cents a foot in Lauzon is a good rate, and if the parties will not accept that figure, if the minister resorts to expropriation I am inclined to think the Government will win.

Mr. ROGERS: We will go to the Exchequer Court, we are not going to decide it.

Mr. OLIVER: When is it expected the dock will be finished?

Mr. ROGERS: About two years after the letting of the contract. We will probably let the contract within the next two months.

Mr. OLIVER: How does that dock compare with other docks?

Mr. ROGERS: It is one of the largest in the world.

Red river, St. Andrews lock and dam, construction of approach, $70,000.

Mr. OLIVER: This has been a hardy recurring annual for many years. What particular work is this estimate for?

Mr. ROGERS: The work on the St. Andrew's lock is certainly one that we are all proud of up there. This is necessary in connection with the construction of approaches to complete the work; this is for approaches to the bridge over the dam.

Mr. OLIVER: The construction of the lock and dam at St. Andrews has created

dead waters for a number of miles up and down the river in front of the city of Winnipeg, which has had a certain injurious effect in regard to sanitation. Is there any proposal whereby that situation can be relieved in any way?

Mr. ROGERS: I understand there has been some difficulty in that connection, but I have not heard of it as being very serious up to date. I understand that matter will be looked into by a committee appointed by this House. The raising of the water has done a great deal of good in other respects.

Mr. MURPHY: Perhaps the hon. member for Selkirk could give some information?

Mr. BRADBURY: This is, of course, a big question, but, as far as the dam is concerned, there is no means of relieving the situation; the remedy is for Winnipeg to stop putting raw sewage into the water. That is the only remedy, and I think the people of Winnipeg realize that fact. The building of the dock has created a large body of dead water, but it has also accomplished a great work, and has made possible navigation from the head of lake Winnipeg to the city of Winnipeg. The approaches to the bridge are necessary. It will be remembered that the bridge was placed across the dam in such a way that it was of no use without approaches. This is to implement the work of the late Government. The work is practically completed now. It is practically a revote.

Mr. OLIVER: The committee to which my hon. friend refers is not charged with any responsibility in regard to this situation of the city of Winnipeg particularly. It would be well for the Public Works Department to take cognizance of the conditions as they are, and to see what relief can be provided, because I am strongly impressed with the view that the conditions there are apt to be very serious. I would suggest that something might be done to relieve the situation by giving notice that at certain times the water would be allowed to run off.

Mr. BRADBURY: Every fall the sluice gates are raised and the water is lowered some twenty feet, and a great deal of the sewage is run off.

Mr. OLIVER: Everybody who lives in that part of the country knows that the condition of health is dangerous towards the fall. A serious condition of affairs has been created by that time, the damage has been done.

Mr. BRADBURY: I do not think that anything done, so far as the lock or dam is concerned, would relieve the situation to any great extent. The real and only cure would be to stop the putting of sewage into the Red river.

Vancouver harbour improvements, $500,000

Mr. ROGERS: This is in connection with the wharf started some time ago and just completed.

Mr. OLIVER: Will this expenditure be made by the harbour commission or by the Government?

Mr. ROGERS: It will be made by us.

Mr. OLIVER: Will this complete the construction of the wharf?

Mr. ROGERS: We think it will.

Mr. OLIVER: What will be the total cost?

Mr. ROGERS: About a million dollars.

Mr. OLIVER: Where is the wharf located?

Mr. ROGERS: Near the sugar refinery.

Victoria harbour improvements, $500,000.

Mr. ROGERS: This is for the breakwater.

Mr. OLIVER: Is this vote expected to finish the work?

Mr. ROGERS: No.

Mr. OLIVER: Is the work beginning or ending?

Mr. ROGERS: Beginning.

Mr. OLIVER: What will the total expenditure be at Victoria?

Mr. ROGERS: About $2,000,000. The harbours out there are just developing.

Nova Scotia public buildings—Amherst public building, $10,000.

Mr. ROGERS: This is part of the cost of a new building that we propose erecting as a post office at Amherst.

Mr. MACLEAN (Halifax): What is wrong with the present building?

Mr. RHODES: Last year an item of $5,000 I think was placed in the estimates for the purpose of building an addition to the present public building. It was found that that sum was inadequate, and in the earlier portion of this session the amount was changed to $10,000 in the main estimates. An architect of the department was sent to Amherst with the view of finding out the improvements that were required, and he made an estimate to build an addition to the post office which would accommodate the post office and customs business, and which would cost $30,000 or $40,000. With the rapid development of the town, that expenditure would be only sufficient to meet requirements for a very few years,

and it was felt that it would be wiser in the public interest to apply this money at once to the construction of a new post office building, and to retain the present public building for the purposes of the customs house. Some idea of the growth of the town may be gleaned from the fact that the customs revenue alone last year was upwards of $150,000, and at the present rate of growth this year it will be well past $200,000.

Mr. MACLEAN (Halifax): Would it not have been better to build a new customs building?

Mr. RHODES: Owing to the location and nature of construction of the present building, it is felt that it can be remodelled for the purposes of the customs house at very little expense, but a new post office is required from the additional fact that a city delivery has been established which requires accommodation not to be found in the old building.

Mr. BRODER: What is the population?

Mr. RHODES: 11,000 and at the present rate of growth there will be 20,000 by 1920.

Mr. LAW: I would like to express my regret on behalf of the people of Yarmouth that there is nothing in the main or supplementary estimates for improvements on the Yarmouth public building. I called the attention of the minister some time ago to the matter. I have no doubt if he knew the circumstances he would have had something in the estimates this year. The post office facilities in Yarmouth are entirely inadequate. There are times when the post office will not hold the number of people who come there to get their mail. When it is stormy these people stand outside of the building and wait until others go in, get their mail and come out again. The late Government bought a property directly south of the present building and intended to enlarge the present building and give increased postal facilities and also to enlarge the custom house in the upper stories. They paid $10,000 for that property, it was well bought, it is centrally located next to the present building. It is absolutely necessary that the post office facilities shall be increased at the earliest possible moment. I sincerely trust that the minister will see his way clear to do something to meet the situation at Yarmouth. Perhaps some part of this vote of $20,000, No. 139, for Dominion public buildings, renewals, improvements, &c., could be used to give this increased accommodation.

Mr. ROGERS: I will take note of what my hon. friend says. I think he will understand how difficult it is to find sufficient funds to cover the whole of the Dominion. There are many applications for post offices in many places that it has been impossible to meet this year, but I can assure my hon. friend that I will take note of what he says and we shall be glad to do what we can in the matter.

Mr. McKENZIE: Does this $10,000 include the site of the post office at Amherst?

Mr. ROGERS: It will include the purchase of a site. We have a further sum in the supplementary estimates to cover the cost of the building.

Mr. McKENZIE: Is the site already purchased?

Mr. ROGERS: No.

Mr. McKENZIE: Has it been decided where the building is going to be placed?

Mr. ROGERS: The location has not been decided.

Mr. McKENZIE: Therefore, you do not know whether this $10,000 will be sufficient for the building or not?

Mr. ROGERS: It will not be.

Mr. RHODES: It will not purchase the site.

Dartmouth—new public building, $25,000.

Mr. MACLEAN (Halifax): Has the site been purchased yet?

Mr. ROGERS: Not yet. I suppose you need the building there?

Mr. MACLEAN: Yes.

Mr. ROGERS: I see that there are 5,000 or 6,000 people.

Mr. MACLEAN: Yes.

Halifax Citadel—new quarters for single men and recreation establishment, $15,000.

Mr. GRAHAM: I see that these poor single men were neglected last year. This vote seems to have been in last year, but there was no money spent. What were the members for Halifax doing last year to allow these single men to be out of recreation and quarters when they had the money?

Mr. ROGERS: I am afraid that the hon. junior member for Halifax has been asleep at the switch.

Mr. MACLEAN (Halifax): Is this going to be expended this year?

Mr. ROGERS: I think so.

Halifax—postal station at north end, $30,000.

Mr. MACLEAN (Halifax): Has the site been purchased?

Mr. ROGERS: Not yet.

Mr. MACLEAN: Any negotiations for it?

Mr. ROGERS: Not that I have heard of.

Mr. MACLEAN: Is it the intention of the minister to purchase a site this year?

Mr. ROGERS: Yes, we will send a purchasing agent down as soon as this vote is passed to get a site.

Mr. MACLEAN: What is the cost of the building?

Mr. ROGERS: We really have not the plans out, but it will probably run $50,000 or $60,000.

Halifax quarantine station—new buildings and improvements, $30,000.

Mr. MACLEAN (Halifax): It has been frequently said by very competent persons that the location of the present quarantine station buildings at Halifax is not a proper one. They are difficult of access much to the disadvantage of the work of the quarantine officers. I would think that before the minister undertakes to expend this money he should have a further consultation with the department agent, who administers quarantine matters, and settle first whether the present quarantine ground is a proper place at which to erect this new building.

Mr. ROGERS: Do you mean on Lawlor's Island?

Mr. MACLEAN: Yes.

Mr. ROGERS: Do you think a more desirable location could be obtained?

Mr. MACLEAN: I think it is possible and the officers administering quarantine matters in Halifax think so.

Mr. ROGERS: We will be entirely guided by their recommendation.

Mr. MACLEAN: What is this building to be used for?

Mr. ROGERS: For medical superintendent, lavatory, assistant, captain, engineer, and so on.

Mr. MACLEAN: Is it the intention to have the medical officer live there?

Mr. ROGERS: That has been asked for by the department agent.

Mr. MACLEAN: I do not believe that the idea is a good one. However, the minister is not responsible for that.

Inverness post office—improvements, $3,000.

Mr. CHISHOLM (Inverness): What is this item for?

Mr. ROGERS: This vote of $3,000 is to be applied to the construction of a concrete retaining wall at the rear boundary of the Inverness post office grounds and also in laying concrete sidewalks and sewer to Railway and Second street. The tender received for the sidewalks amounted to $1,000 and the estimated cost of the sewer is $3,000. The total cost of the improvements is $4,190.

Mr. CHISHOLM: Some of this work has been done?

Mr. ROGERS: Yes, about $1,000 worth of it.

Mr. CHISHOLM: The sidewalks have been constructed?

Mr. ROGERS: Yes.

Mr. CHISHOLM: Has the minister any knowledge as to whether the work is satisfactory?

Mr. ROGERS: We have had no complaint in the department.

Mr. CHISHOLM: Is there any particular reason why the item of $3,000 in the estimates of 1912 for a public building at Port Hawkesbury was dropped?

Mr. ROGERS: I did not know it had been dropped.

Mr. CHISHOLM: There was an appropriation of $3,000 to purchase the site of a public building at Port Hawkesbury and the site was selected, but I understand the Government has given up the idea of building there.

Mr. ROGERS: This is the first I have heard of it; I will have the information obtained from the department.

Mr. CHISHOLM: I am surprised at that statement, because I brought it to the attention of the Minister of Public Works last session, and I made inquiry in the department some time ago with regard to it and I fully expected the item would be revoted this year. I would like to be able to explain to the people of Port Hawkesbury and the surrounding district why this very important appropriation has been dropped from the estimates; I cannot understand it.

Mr. ROGERS: I will make inquiry.

Kentville public building—improvements, &c., for tower clock, $3,000.

Mr. McKENZIE: This item for the clock reminds me very strikingly of three small appropriations that were in the estimates of 1911-12 for clocks for three towns in my own county, namely: North Sydney, Sydney Mines, and Baddeck, and which appropriations have been dropped from the estimates. I was told that these clocks were provided as part of the policy of the Department of Public Works. The minister can ascertain from his officials that there are few public buildings in Nova Scotia without clocks, and possibly the same rule prevails throughout the Dominion. Will the minister tell me why these votes were dropped? These are three im-

portant and growing towns where tower clocks would be of service to the working people and the citizens generally.

Mr. ROGERS: This is the first notice I have heard of this. I approve of the idea of placing clocks on new buildings in growing towns, and I think it is a very proper expenditure. I will get the information for my hon. friend. I do not know what reason there can be for these votes having been dropped.

Fredericton—new public buildings, $60,000.

Mr. CARVELL: What will the Fredericton public building cost?

Mr. ROGERS: Something over $100,000.

Mr. CARVELL: I wish the member for the constituency were here to explain the necessity for this new building. True, the present public building in Fredericton is twenty or twenty-five years old, but I think it is sufficiently large to satisfy the demands of the city, which has a population of between eight and nine thousand people and has not grown within a number of years. It is a fine little city, but I cannot understand why it is necessary to spend $100,000 to give a public building to a city of that size, especially when there is a fine public building there now. What reason can the minister advance?

Mr. ROGERS: As my hon. friend well knows, Fredericton is the capital of the province.

Mr. CARVELL: Yes, it has been for a long time.

Mr. ROGERS: We bore in mind that it being the capital of a province we might adopt a somewhat pretentious plan for a public building.

Mr. CARVELL: That may be a good sentimental reason, but it does not appeal to a man who looks at these things from a business standpoint. I live sixty miles from Fredericton, but as I have been attending to my business here I have not been able to visit the city for the last six months; might I ask what are you going to do with the old building?

Mr. ROGERS: It is used for customs at present.

Mr. CARVELL: Yes and inland revenue and post office too. I have never heard any complaint about there not being room enough in the building. I am not going to oppose the vote, but I want to tell this committee that they have all the accommodations they require in Fredericton now and what on earth do they want a building costing $100,000 besides, I cannot understand; unless of course it is a purely sentimental idea. The minister tells us that because Fredericton is the capital of a province it should have something better than the rest of the country, but I do not feel like subscribing to that proposition. The minister might as well go to Charlottetown and say that because it is the capital of a province it should have a fine public building costing $100,000, although it does not need it. Is the present building to be demolished or what are you going to do with it? There is plenty of space there; what does the Government intend to do?

Mr. ROGERS: The report that we have from the customs officials is that we have constant, almost hourly, complaints in regard to the present location of the customs house. It takes forty-two steps up a steep stairway to reach it, and such an arrangement is scarcely up-to-date in a city like Fredericton. Mails are made up in this office for over two hundred and thirty offices outside. There is no room for sorting racks of sufficient size to handle all the bags, and the greatest inconvenience is caused in the sorting of mails for want of room.

Mr. CARVELL: If the mails are made up, they are made up in large quantities and sorted on the train. There are not two hundred and thirty offices within reasonable distance of Fredericton. I should think there are nearer twenty-three than two hundred and thirty.

Hartland public building, $2,000.

Mr. CARVELL: What is the object of this expenditure?

Mr. ROGERS: This expenditure is to make provision for certain estimates submitted by the contractor, furniture, sidewalk and fencing, and so on.

Mr. CARVELL: Will that complete the building?

Mr. ROGERS: Yes.

Mr. CARVELL: I wish my hon. friend the minister could see the way in which they have installed the clock. The building is a very nice little one costing about $20,000. We tried to be as economical as we could in the original plans, and the work was carried out strictly according to the specification. I think it is one of the few public buildings in Canada in which there were no extras. A clock tower was provided, and the building was hardly completed at the time of the change of Government. My hon. friend went on, as he should have done, and supplied the clock. The building is of brick, with a combination of metal and slate roof. They put a wooden button on the top which is used in some way, I think, to provide for the operation of the bell of the clock, but it is the most unsightly object I have ever seen placed on the top of a building.

Mr. ROGERS: I will come down and see it.

St. John drill hall, $100,000.

Mr. CARVELL: What is the estimated cost of this drill hall when completed?

Mr. ROGERS: It will be about $300,000.

St. John, new post office, $130,000.

Mr. CARVELL: Is this for an entirely new buiding or an addition to the present one? What is the cost?

Mr. ROGERS: An entirely new building. The estimated cost is about $400,000.

Mr. CARVELL: The present building is of considerable value and the site is very valuable. Does the minister intend to dispose of it or to use it in the public service?

Mr. ROGERS: We intend to use the building for housing certain officials for whom we have rented space elsewhere in St. John.

Dominion public buildings—renewals, improvements, repairs, &c., $20,000.

Mr. ROGERS: This is for the maintenance of all public buildings in the maritime provinces.

Mr. McKENZIE: For the last five or six years we have been trying to get the public building at North Sydney properly heated. An antiquated furnace was put in over twenty years ago when the building was erected. We have a cold climate in Nova Scotia, and the people who work in the post office and the custom house suffer from cold, because the furnace is not sufficient to heat the building. The inspector was in our city last year; he went over the heating system of the building, and promised that he would give us a new furnace. We did not get it for last winter, and I wrote to the hon. minister this year, so that an effort would be made to put in a proper heating apparatus for the coming winter. I am not trying to get patronage for a Tory firm who are building boilers in North Sydney, but I would like to see them get the chance to put one of their furnaces in this building. They build first class furnaces; they send them all over Canada from the Atlantic to the Pacific, and I think they should be given an opportunity of putting a furnace in the public building in our town.

Mr. ROGERS: I have asked the deputy minister to take a note of what my hon. friend has said, with a view to meeting his request, if possible, in regard to the matter.

Mr. MARCIL: Before the public buildings of Quebec are entered upon, I would like to direct the attention of the minister to the fact that some years ago the Minister of Public Works expressed in this House the opinion that it was desirable that there should be a public building in every constituency in the land. That policy has been very closely followed since, and in some constituencies there are more than one public building. In pursuance of that policy, in 1911, some $5,000 was put in the estimates and voted by the House for a public building in New Carlisle, the shire town of Bonaventure county, to cost $15,000. There was no public building in the constituency, and this was a compliment to the shire town of the constituency as well. The people were astonished last year to find that the item had been dropped from the estimates, and the same thing has happened this year. Some amends were made for that by giving $5,000 towards a public building at Gaspé, the adjoining constituency, but the people of Bonaventure think they are entitled to a public building, and while not objecting to the county of Gaspé being furnished with a public building, would like to know why they have been deprived of theirs. New Carlisle is one of the prettiest places on the Baie des Chaleurs. There is a beautiful site in front of the court house. New Carlisle has a postal revenue of from $1,500 to $1,600 this year; it has a population of 1,000, and there is every argument in favour of its having a public building. I pleaded the case in 1911, and was successful, but the item has been dropped from the estimates, and I think that a great injustice has been done to the people of that constituency.

Mr. ROGERS: I am much disappointed to learn what has been said by the hon. member for Bonaventure, but I am afraid that he has been somewhat negligent himself. I am sure that, if he had presented his claims to me before the estimates were brought down, I would have been only too pleased to have given them consideration. I shall take note of his claim, however, and hope to be able to meet his wishes next year.

Mr. MARCIL: That may be a good excuse, but in revising the estimates of 1911, these items were struck out deliberately—and the same thing has occurred with regard to a dozen other places—and new items substituted in their stead. I hope the hon. minister will see to it, when the next opportunity arises, that the constituency will be given at least one public building. We have a post office and inland revenue service there, and I think it would be but in the interests of the public that New Carlisle should have a public building.

Mr. LAFORTUNE: Mr. Chairman, when Mr. Dugas, now one of the judges of our courts, was a member for the county of Montcalm, he succeeded, after repeated efforts to obtain a post office for the parish of St. Jacques de l'Achigan. That parish is very important in all respects.

In 1909, when I was elected as representative of that county, I repeated what Mr. Dugas had said and a sum of $15,000 was put in the estimates for the construction of a post office in that parish. It was my misfortune to be elected as a Liberal, and I see now that the amount has vanished from the estimates. I have repeatedly asked the former Minister of Public Works (Mr. Monk) to put that sum back in the estimates, but he has always turned a deaf ear, saying: 'We shall see later on; we will consider the matter;' and he is still considering it. Meanwhile the post office is not being built.

St. Jacques is an old parish with a large agricultural population. A bank has been established there; a huge convent, a model school and various industries are to be seen in that place. There is a large tobacco factory; and it was for that reason that a post office had been granted to the parish.

Since the new administration came into power, the amount put in the estimates in favour of St. Jacques has been taken off, and the former Minister of Public Works gave it to his own county after taking it away from the county of Montcalm. And this is called 'British fair play.' Woe begone fair play, I think. It seems to me that the new administration was bound in honour to carry out the decisions taken by the former administration. I would like to know by virtue of what principle they have acted.

The land had been bought, and the work of building was about to begin when the Nationalist leader, Mr. Monk, decided to commit this injustice towards the ratepayers of St. Jacques, by cutting off this vote of $15,000.

I can understand the Government taking revenge by beheading employees who meddle in politics, but a post office is never guilty of such a crime. Why, then, should that amount be struck off the estimates? Now, when I ask that the amount be put back in the estimates, the answer is: 'We shall see to it,' but nothing is done. The buying of a site shows that it was the intention to build that post office, the construction of which has been put off till this day, and is still being put off.

I ask the hon. Minister of Public Works what the Government intend to do? When a former administration have decided upon a certain thing, I say that the new Government which succeeds them have no right to ignore their decision and to take the amount to give it somewhere else. The engagement should be carried out, whether the members are Conservatives or Liberals. The Government should keep the pledge taken by the former administration and do justice to the electors I have the honour to represent here.

The 35 millions you have voted for the navy you will not have the opportunity to spend. Give them for post offices as necessary as that of St. Jacques, and thus give justice to those electors who claim their share of protection and the share of sunlight to which they are entitled. Give a little of that public money to the fine county of Montcalm.

Mr. LEMIEUX: I wish to give my hearty support to what has been expressed by the hon. member for Bonaventure, and the hon. member for Montcalm. The county of Bonaventure is one of the largest in the province of Quebec, it ranks second in area and it has not been very much endowed with the good things of this world. Its population is poor but it pays its share of taxation, and it seems to me that the Government should have at least implemented not only the promise, but the item which had been in the estimates under the preceding Administration. The county of Bonaventure, as my hon. friend knows, is settled by the old United Empire Loyalists and by the Acadians, and it has been worthily represented in this House by my hon. friend from Bonaventure (Mr. Marcil). It seems to me that it is rank injustice to deprive that county of what it had expected from the Government. As regards Montcalm, it is probably the most prosperous farming county in the province of Quebec. One parish, St. Jacques, is certainly the richest parish in the province. In that parish the farmers have succeeded in establishing the tobacco industry on a large scale. Splendid farms can be seen throughout that parish and throughout the constituency. When this amount was put in the estimates I think I was a party to it; the site was selected and paid for, plans prepared and I think the old building demolished. Is it not strange that the amount has been removed from the estimates just as my hon. friend came into the Department of Public Works? I could understand perhaps the late Minister of Public Works, Mr. Monk, wiping out the item. He has been very prominent in the political battles of our province and probably has received some hard knocks from the hon. member from Montcalm (Mr. Lafortune), and my hon. friend from Bonaventure (Mr. Marcil), but my hon. friend the Minister of Public Works has not been so prominent in our province and surely he would not have taken it upon himself to deprive those two constituencies of their due on account of any personal attacks that might have been made by the two members. I would ask him to be fair and just towards these two constituencies. We all know that our friend is the power behind the throne, that he has all authority and that by a wave of his hand he could reinstate the two items in the estimates. I can assure him he will

win favour by it and the people will be very grateful. It is a rank injustice to deprive the two counties of their buildings.

Mr. ROGERS: I think it is hardly fair to picture it in the language which my hon. friends have used, especially my hon. friend from Montcalm. The items to which reference has been made were taken out of the estimates before I had anything to do with the Public Works Department, and I am sure that if my hon. friends from Montcalm and Bonaventure were so interested as they appear to be, they might at least have drawn my attention to it during the last four or five months, and I can say to my hon. friend from Bonaventure that there is no man on the other side of the House who, if he asked for anything, would get it more readily at my hands than he, and I can only promise him and my hon. friend from Montcalm that they can depend upon it at all times that they will get fair consideration in every way in the matter of public buildings or anything else so far as the administration of the public works is concerned.

Mr. MARCIL: I must do my hon. friend the minister the justice to say that the item about New Carlisle was struck out of the estimates last session before he became Minister of Public Works, but it is never too late to mend and I hope he will reinstate the item.

Mr. TOBIN: Has a contract for the public building at Weedon, in the county of Wolfe been let, and if so, who are the contractors?

Mr. ROGERS: No, the contract has not yet been given.

Mr. TOBIN: I see in the supplementaries $10,000 for a public building at D'Israeli. Is it the intention of the minister to erect a public building there?

Mr. ROGERS: My deputy informs me that no land has been purchased yet, but I find it impossible to keep all the items in my head. When we reach the item in the supplementaries I will be glad to supply the information.

Gaspé, public building, $6,000.

Mr. MARCIL: What is the estimated cost of the building there?

Mr. ROGERS: About $18,000.

Mr. LEMIEUX: Have you secured a site there, and if so, from whom was it bought and at what cost?

Mr. ROGERS: A site has been purchased from the Reverend Father Gauthier for $500.

Jeune Lorette—public building, $10,000

Mr. LEMIEUX: If two buildings have been erased from the estimates in the counties represented by my hon. friend, the Postmaster General has taken the amount for two buildings in his own riding. I do not begrudge him, but as he helps himself so liberally he should do the right thing by the Liberal ridings.

Mr. McKENZIE: Can the minister give any idea of how much money he has in his estimates for armouries pertaining to the Militia Department generally, including the supplementary estimates?

Mr. ROGERS: We have not that totalled up, but I shall get it for the House and will bring it down when we take up the supplementary estimates.

Mr. LEMIEUX: Has a site been purchased at Louiseville?

Mr. ROGERS: Yes.

Mr. LEMIEUX: From whom?

Mr. ROGERS: William Laurent.

Mr. LEMIEUX: At what price?

Mr. ROGERS: $2,700.

Mr. McKENZIE: I may say that I had in mind the supplementary estimates as well as the main estimates.

Mr. ROGERS: We will have the information when we reach the supplementaries, and can make one job of it.

Maisonneuve—postal station 'M,' Montreal, $30,000.

Mr. LEMIEUX: I suppose plans are ready for this and the tenders have been called for.

Mr. ROGERS: The plans are being prepared.

Mr. LEMIEUX: I suppose a site has been secured.

Mr. ROGERS: It is a matter of negotiation with the municipality. The Government got a portion of the site, and the municipality wants a certain change, and the matter is now being considered.

Mr. LEMIEUX: I would urge upon the minister to meet the request of the municipality. Maisonneuve is a very progressive town. It has increased wonderfully during the last ten years, and is becoming one of the large industrial centres of Canada. The mayor and aldermen of the municipality have certain views regarding the site of the post office. The late Administration selected a site not too far from the city hall, but conditions are shifting so rapidly in that district that what was central yesterday is no longer so. I would ask the department to meet as far as possible the views of the municipal authorities.

Mr. ROGERS: They presented their plans the other day.

Mr. LEMIEUX: You are negotiating just now?

Mr. ROGERS: Yes.

Matane, public building, $15,000.

Mr. PROULX: What is the population of Matane?

Mr. ROGERS: Something over 2,000.

Mr. MARCIL: What is the cost of the building?

Mr. ROGERS: $15,000.

Montreal—eastern postal station 'C,' $50,000.

Mr. MARTIN (St. Mary's): Does the minister intend to put a clock on that building?

Mr. ROGERS: A clock is being provided.

Mr. LEMIEUX: The late Administration undertook to give the eastern section of Montreal a post office which is situated in the St. Mary's division. Five or six years ago an inspection was made by the postal authorities, in conjunction with the Public Works Department officers, and a selection was made in the constituency represented by my hon. friend. The building is a credit to the Government, to the city of Montreal, and also to my hon. friend, because he had a lot of trouble in obtaining it from the late Administration. I now wish to put in a word for the St. James' division. As the minister knows, the city of Montreal is increasing by leaps and bounds. It will soon have a population of 700,000. There is a post office at Maisonneuve, one at Hochelaga, which is one of the wards of the city, and one at St. Mary's. These are all for the east, and cover a very large area. Then there is the thickly settled St. James division, which is the wealthiest section of Montreal east. The population has been increasing considerably there, and out of the old ward of St. James have been carved several municipal divisions of the city of Montreal. Influential people belonging to both political parties have been petitioning the Government to obtain a postal station. While the postal station was being erected in St. Mary's we decided to have a postal station on Amherst St. It was fully equipped, from a postal point of view, but when the new office in St. Mary's was opened, orders came from Ottawa to close the Amherst St. postal station. There has been such a hue and cry about it that the Post Office Department has been compelled to reopen that postal station, but it is not sufficient for the needs of the district. You will have to build in St. James division a postal station such as you have built in St. Mary's. The people of St. James will not go to St. Mary's because it is too far away, and they have to go as far as the central post office in Montreal, which is also quite a distance away, or past Bleury st. On St. Catherine st. west of Peel st. you have three or four postal stations, and you are contemplating the erection of new ones. I think it is only fair that the largest and wealthiest division in the eastern part of the city of Montreal should be provided with a postal station. To-day the idea is not so much to get large post offices in large cities. There is a central office, but in order to distribute the work more economically and more rapidly, the prevailing principle in post office matters is to erect stations in the suburbs. I would ask my hon. friend to attend to this, and to give the people of Montreal east what they deserve to have. The municipal council of Montreal, the citizens, irrespective of party politics, and the postal authorities of Montreal are all in favour of this. We made a great mistake some years ago in providing only for the alteration of the general post office in Montreal. My hon. friend will remember that we had a building on St. James street, next to the Bank of Montreal, and we decided to purchase the Gazette building. We thought at that time that it would be adequate for the needs of the city for many years to come. The highest postal authority in Montreal is Mr. Gaboury, the new superintendent, and he states that already the central office, with these additions, is too small and that it is being congested through the invasion of other public departments in Montreal. I see that, for instance, the marine agency in Montreal has been removed from the Boyer block in Commissioners street to the central post office. The marine agency of Montreal is quite an institution, and as the trade of the port of Montreal increases, it will take more space each year and it will congest more and more the post office. The policy in every large city, not only on this continent, but in Europe, is to distribute postal work among different sub-stations. I hope that my hon. friend will see that St. James division, which is the wealthiest and most important in the eastern section of Montre l, is provided with a postal station.

Mr. LAPOINTE (St. James, Montreal): I fully concur in the remarks which the hon. member for Rouville (Mr. Lemieux) has just made. He has clearly put the situation before the House. St. James Division is a more or less commercial division, St. Catherine street, which is the main commercial street, running through the entire length of the division. An available mail service is a necessity for the division. For some time we have had a temporary mail service on

Amherst street. The hon. Postmaster General has thought fit to close that temporary office. On a question I put to him in this House, he answered that he would immediately re-open that office, adding that he would only re-open it temporarily because he had under consideration the establishment of a general post office for the St. James Division.

I must say furthermore that there is quite a distance between the post office on Plessis street, near St. Catherine street, and the post office on West St. Catherine street, near the University.

The Government will understand— especially the Postmaster General who knows Montreal perfectly well—and will see the necessity of building in the centre of the city, near St. Denis street—which is the division line between St. James and St. Lawrence Divisions—a post office to accommodate that division.

To corroborate what I have just said, allow me to quote what was said by Mr. L. G. Gaboury, post office inspector, in an interview reported in La Patrie, April 25, 1913. He made statements which seem to be very reassuring:

> We now have, said he, five offices where the complete service is carried on the same as it is in the main office on St. James street. These offices are: postal station B, west St. Catherine street; station C, Amherst street, which will soon be replaced by the office on Plessis street, now being built; station D, Centre street, and station E at the Mile End Of the service in the eastern part, compared with the western part, he went on to say, I would rather not say anything, but I will let you know that I have transmitted to the department a report, the complaints which have appeared within the last few days in several of the Montreal newspapers.
>
> As to the rumour according to which the Government intends to close station B, when the new building at the corner of Bishop street, shall be completed, Mr. Gaboury denies it altogether. On the contrary, the Government will enlarge that station to meet the desires of the traders in that part of the city, who have forwarded to the department numerous and pressing requests. In fact, said Mr. Gaboury, station B is rendering invaluable services and contributing highly to the general efficiency of the postal organization. Thus, in only one day no less than 3,000 persons coming to the different wickets have been counted. Nothing could show the esefulness of that office better than the crowd which is constantly cocing to it. It would be most unfair to expect these clients, the majority of whom are business men, should be compelled to go to the St. James street office, which besides, is hardly sufficient to accommodate the central part of the city.

I must say that for some time past a somewhat violent dispute has arisen in the press about this post office. But leaving aside that violent language, all are agreed on the necessity of having a new post office within the limits I have just indicated. So true is this that Mr. Gadboury continues to tell us so while making a comparison of the post offices, which rumour had it, were intended to be closed. He says that for the eastern part, the need is greater at the present moment, and requires a post office larger than the one the closing of which had been spoken of.

From the opinion expressed by Mr. Gaboury while comparing the need of station B, it is easy to surmise what he thinks —without saying too much about it, except to his superior officers—about the mail service in the eastern part of Montreal. He is convinced that a new postal station is absolutely required in that district.

I have nothing more to add except to thank the Postmaster General for having immediately, at my request, re-opened the post office on Amherst street, and if I understand his words, such as reported in the 'Hansard,' the re-opening of that office has only been made temporarily until something permanent is done.

I believe the Government might immediately take into consideration the necessity of building a new post office in the district of which I have spoken.

Mr. ROGERS: I will say in reply to my hon. friend from Montreal, St. James, that the matters to which he refers will receive very careful consideration. But I am not aware that the hon. member for St. James has made any representations to the department in connection with the office he suggests. If he will look at the estimates he will see that we are providing for six or seven new postal stations in Montreal and if he wants another provided at the particular point in which he is interested, I fancy he will not have long to wait because I quite agree with what my hon. friend from Rouville (Mr. Lemieux) stated that it is necessary in a city like this to provide as many postal stations as possible for the convenience of the people.

Mr. LEMIEUX: Will my hon. friend allow me to correct a wrong impression that he has given the committee by stating that my hon. friend from Montreal, St. James, (Mr. Lapointe) has not made any representations to the Department of Public Works. When a demand for a post office is made it has to be made to the Postmaster General and the Postmaster General must consult with the Minister of Public Works.

Mr. ROGERS: I would be glad to take the matter up with the Post Office Department.

Montreal general post office, $125,000.

Mr. LEMIEUX: Will this soon be completed?

Mr. ROGERS: We expect it will be completed within the next sixty days.

Mr. LEMIEUX: I am very glad the minister has appointed Mr. Marchand the architect to supervise that work, because as my hon. friend from Chambly-Verchères knows, Mr. Marchand is certainly the leading architect in Montreal.

Mr. RAINVILLE: He is a very good man.

Mr. LEMIEUX: I believe that in the very near future the minister will have to find another site for a central post office in Montreal. Already the business is congested there.

Montreal—new inland revenue building, $120,000.

Mr. LEMIEUX: I hope the minister will not demolish the old inland revenue building, because it is one of the historic landmarks of Montreal.

Mr. ROGERS: We have not considered it yet.

Mr. LEMIEUX: It is located on Place Royale where the first religious ceremony was celebrated by the French when they discovered Montreal. The building itself is historic, and it would be a great shame to demolish it.

Montreal—new barracks, $100,000.

Mr. LEMIEUX: Personally I would be pleased to see military parades and drills on Lafontaine Park, but if you erect a barracks there you would restrict that beautiful park. I hope it is not the intention to do so.

Mr. MARTIN (St. Mary's, Montreal): I wish to know from the hon. minister, if the site on which these barracks will be built has been chosen?

St. Gabriel de Brandon—public building, $10,000.

Mr. LEMIEUX: Has a site been purchased; from whom and at what cost?

Mr. ROGERS: We have paid for the site $2,000 from J. H. Michaud.

St. Laurent—public building, $25,000.

Mr. LAFORTUNE: From whom was this site purchased and at what price?

Mr. ROGERS: This is all a revote. I do not happen to have the information as to whom it is purchased from.

Mr. LAFORTUNE: Will the minister give that later on?

Mr. ROGERS: I shall be glad to do so.

Mr. LAFORTUNE: Were tenders asked for?

Mr. ROGERS: Yes, three.

Mr. LAFORTUNE: Was the lowest accepted or the highest?

Mr. ROGERS: The lowest, $24,950.

Mr. LAFORTUNE: What will be the cost of the building?

Mr. ROGERS: About $35,000.

Ste. Thérèse—public building, $20,000.

Mr. LEMIEUX: Was the site purchased?

Mr. NANTEL: The site was purchased by yourself.

Mr. LEMIEUX: Is it the same site?

Mr. NANTEL: No.

Mr. LEMIEUX: Was the old site put aside and a new one purchased?

Mr. NANTEL: It is near the church.

Mr. LEMIEUX: What became of the first site?

Mr. NANTEL: It has been sold.

Mr. LEMIEUX: At what price, and what are you paying for the new site near the church for the election?

Mr. ROGERS: We sold certain portions of the site for $3,000 and $3,600. The site purchased cost $5,000.

St. Sauveur de Quebec—post office, $40,000.

Mr. LEMIEUX: What are the receipts of this post office?

Mr. ROGERS: $4,390.

Three Rivers—new public building, $70,000.

Mr. BELAND: Have contracts been let for this?

Mr. ROGERS: Not yet.

Mr. BELAND. Have tenders been called for?

Mr. ROGERS: They were called for but the contract was not awarded. There was some mistake in the plans which we are having rectified. Tenders will be called for again in a few days.

Mr. BELAND: When was that mistake discovered?

Mr. ROGERS: When the department lets plans out to a local architect who has no knowledge of the construction of public buildings, they find a great deal of difficulty. That is why, as I explained this morning, we are endeavouring to have as many of the plans made here, because we believe that officers of the department who have a knowledge of public buildings can make more suitable plans. This is one of the particular instances, the building at Three Rivers. The plans were made by a local architect, and were drawn out on a very expensive scale.

Mr. BELAND: I was in Three Rivers about three weeks ago, and the impression

prevails there that the lowest tender was refused because it was offered by a political opponent of the hon. minister.

Mr. ROGERS: They are mistaken down there.

Mr. BELAND: I do not believe they are.

Progress reported.

THE POSTMASTER GENERAL.

Mr. LEMIEUX: I would like to direct the attention of the hon. gentleman who leads the House to the fact that there are two or three important Bills standing in the name of the Postmaster General. I have not seen the Postmaster General in his seat for several days; I was informed that he had resigned, but perhaps my hon. friend can inform me as to that, and whether it is the intention of the Government to proceed with the Parcel Post Bill, the Wireless Telegraph Bill and the Letter Carriers' Salaries Bill.

Mr. ROGERS: The Postmaster General has been indisposed for a day or two, but I understand that he will be in his seat to-morrow. I was speaking to him about these very matters, as the right hon. leader of the Opposition had inquired as to what Bills would be taken up during the ballance of the session, and the Postmaster General will probably be able to give his answer to-morrow. I will supply my hon. friend with the required information as soon as the Postmaster General is in his seat.

On motion of Mr. Rogers, House adjourned at 12.30 a.m. Thursday.

HOUSE OF COMMONS.

THURSDAY, May 29, 1913.

The SPEAKER took the Chair at eleven o'clock.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

BRIDGE OVER OTTAWA RIVER.

*Mr. BOYER:

Has the Government received official communication from the Government authorities of Quebec through one or more of its ministers that the Government would be disposed to construct a bridge over the Ottawa river between the shores of Vaudreuil and Ile Perrot in the event of the federal Government undertaking to construct another bridge between the shores of Ile Perrot and Ste. Anne de Bellevue?

Mr. ROGERS: No official communication has been received from the Government authorities at Quebec.

EMPLOYMENT OF JACOB K. SMITH.

Mr. THOMSON (Qu'Appelle):

1. Has Jacob K. Smith been in the employ of the Dominion Lands Office at Swift Current?
2. When was he first employed?
3. Is he still in the employment of the Government?
4. Is the Government aware that the said Jacob K. Smith was, shortly before being employed by the Government, said to have been convicted of forgery and sentenced to a term of imprisonment in the Regina jail?

Mr. CROTHERS:

1. Yes.
2. September 26, 1912.
3. Yes.
4. No.

MOOSEJAW IMMIGRATION BUILDING.

Mr. DOUGLAS:

1. When was the present immigration building at Moosejaw erected?
2. How many immigrants can be accommodated in the said building?
3. Has the said building ever been insufficient to accommodate the number of immigrants desiring entrance?
4. What is the number of immigrants accommodated during the calendar year 1911?

Mr. CROTHERS:

1. In 1909.
2. From seventy-five to eighty persons at one time.
3. The department has never received a complaint to that effect, and is not aware that the accommodation has ever been found insufficient.
4. 615 persons.

TROIS PISTOLES BREAKWATER.

Mr. GAUVREAU:

1. How many persons worked for the Department of Public Works on the work at the wharf or the breakwater at Trois Pistoles during the summer of 1912?
2. Who were they, and what amount did each of them receive?
3. How many days did each work?
4. Who were the suppliers of timber and iron, and for what amount by each?

Mr. ROGERS:

1, 2 and 3:

Breakwater Repairs.

	June. 11 to 30.	July.	Aug.
Foreman, $2.50 per day:			
Julien Rioux..	$42.50	$67.50	$52.50
Carpenter, $2 per day:			
John Dumas	10.50		
Carpenters, $1.75 per day:			
Francis Pelletier. ..	27.13	43.31	5.25
Alphonse Beaubien ..	21.00	44.19	4.82
Magloire Rioux... ..	17.50	43.31	4.13
			22.75
Joseph Rousel..	.....	31.50	

Labourers, $1.50 per day:			
Joseph Dionne	23.25	38.62	28.50
Edmond Levesque	24.75	37.50	29.62
J. B. Larocque	23.25	36.75	22.88
Louis Rioux	24.75	38.25	30.00
Solomon Dion	21.00	30.75	
Noël Rioux	19.50	36.75	28.88
Ls. Paul Raymond	12.00	38.62	6.00
Joseph Rioux	9.00	38.25	26.63
Albert Dumas	23.25	39.00	31.13
Jules Charest	7.50	.....	
A. Proulx	1.50	.....	
C. Eugène Jean	16.50	16.50	
Pierre Paradis	24.75	36.37	30.38
Ferdinand Paul	.....	34.50	4.50
Thomas Rioux	.....	20.63	25.13
Charles Levesque	.....	.....	5.63
Joseph Lepage	.....	.....	16.50
Carters, $2 per day:			
Alphonse Charest	30.00	51.50	7.00
Joseph Berubé	31.00	50.00	37.00
Joseph Rioux	30.00	50.50	37.00
Thomas D'Amour	12.00	49.00	5.50
Julien Rioux	.....	7.00	9.50
Jean Leblanc	.....	38.50	7.00
Joseph Bélanger	.....	.....	28.00
Ls. Joseph Belzil	.....	.....	24.50
Rent of canoe, 17 d. at 25c:			
Julien Rioux	4.25	.....	
	$456.88	$918.80	$530.73

4:

J. B. Deschenes	$ 888.71
Willie Leclerc	1,189.97

1, 2 and 3:

Landing Pier.

Caretaker, at $2 per day:	
Jos. Masse	$267 50
Chief carpenter, $2.25 per day:	
August Lavoie	236 25
Carpenters, at $2 per day:	
Louis Beaubien	189 50
Achille Bélanger	193 50
Majorique Levesque	157 50
Jean Damour	155 50
Gonzague Renouf	95 00
Jos. Rioux (fils de J.B.)	153 50
Angée Proulx	151 50
John Dumas	181 50
Wilfrid Renouf	5 00
Lazare Roy	92 00
Michel Parent	22 00
Carpenters, at $1.75 per day:	
Louis Belzil	128 62
Alfred Bélanger	42 00
Pierre Desjardins	49 87
Labourers, at $1.50 per day:	
Ernest Boucher	140 62
Labourer, at $125 per day:	
Charles Boucher	107 17
Labourers, at $1.50 per day:	
Alfred Rioux	132 37
Alphonse Rioux	100 87
Jonas Rioux	109 87
Théophile Paradis	118 87
Michael Dumas	142 87
Joseph Dumas	130 12
Charles Leveque	49 50
Jos. Rioux (fils Ludger)	16 50
Adam St. Laurent	109 87
Magloire Carrier	63 75
Frs. Dumais	1 50
Derilla Rousseau	94 87
Anselme Rioux	139 12
Joseph Pelletier	46 50
Joseph Lepage	39 00
Chas. Rioux (night watch) at $1.75	180 25
Carters, at $3 per day:	
Joseph Leveque	296 25
Ls. Jos. Belzil	77 25
Carters, at $2.00 per day:	
Xavier Levecque	172 50
Ernest Coté	109 50
Théophile Coté	77 50
Frs. Damour	50 00
Ernest Boucher	120 50
Joseph Bélanger	98 00
Frs. Dumais	44 00
Jean Leblanc	18 00
George Belisle	95 50
Théodore Damour	44 00
Ferdinand Rioux	58 50
Thomas Damour	5 00
Joseph Berubé	34 00
Joseph Rioux	14 00
Total	$5,158 86

J. B. Deschesnes, hardware	$ 50 59
Aug. C. Lavoie, hardware	22 30
Willie Leclare, hardware and lumber	242 82
L. P. Renouf, hardware	5 54
Joseph Rioux, hardware	38 36
L. P. Rioux, lumber	1 56
Mrs. Johnny Rousseau, hardware	13 54
	$374 71

VICTORIA POST OFFICE.

Mr. SINCLAIR:

1. Does the Government still own the old post office building in Victoria, B.C.?
2. If the building is rented, what are the names of the lessees, the rental payable by each, and the dates of expiration of each tenancy?
3. Who is the local officer in charge of said property?
4. Are any of the tenements now vacant?
5. As leases expire and vacancies occur, will they will be thrown open to public tender?
6. Is it the intention of the Government to dispose of the said property.

Mr. ROGERS:

1. Yes.
2. Rented to:

	Per month.
Richard Hall	$ 3
W. H. Price	100
McKillop & O'Brien	150
P. R. Pomfret	8
G. H. Larrigan	40
Fullbrooks-Sayer Co.	120
C. H. Bowes	135
Unitarian church	30
P. J. Pearson	10

Monthly tenants.

3. William Henderson.
4, 5 and 6. No.

LA BANQUE INTERNATIONALE.

*Mr. LEMIEUX:

1. Has a certificate been issued by the Treasury Board authorizing the transfer of the assets and liabilities of La Banque Internationale du Canada to the Home Bank?

2. What are the terms of the said transfer?

3. Will the Minister of Finance lay on the table of the House all documents bearing on this question before the end of the session?

Mr. WHITE: The information called for by this question should, I think, be the subject of a motion for a return, but I desire to assist my hon. friend in the matter. I have given instructions to the department to have copies made of the documents called for, so that they may be laid on the table, as suggested by the question, at the end of the session.

Question stands as a notice of motion for a return.

Mr. LEMIEUX:

1. Is it the intention of the Government to investigate the causes of the closing up of La Banque Internationale du Canada?

2. Have any representations been made to the Government by the French shareholders of said bank?

Mr. WHITE:

1. No.

2. No. I assume that my hon. friend refers to representations by the French shareholders with respect to the closing up of La Banque Internationale du Canada. We have had no communication from the French shareholders with respect to that. Some time ago, I had a private communication from a representative of the French shareholders with respect to the making of the second call.

STAMP VENDING LETTER BOX.

Mr. LEMIEUX:

Buy Stamps and Mail Letters in same Machine—
Innovation adopted by Post Office Department is the last word in Mail Box Invention.

A contract has just been entered into between the Post Office Department and the Dominion of Canada Postage Stamp Vending Company, Limited, of Toronto, which promises to be a great convenience and importance to the people of Canada.

Under the terms of this contract the company agrees, without any cost to the department, to erect pillar boxes of handsome design, to be placed on street corners and public places. This pillar box has a stamp vending compartment and a receptacle for the mailing of letters. In other words, one may, right on the street, but a stamp and mail a letter without having to look around for a letter box.

Everything is provided for at the one spot. This box is the latest thing, and evidently the last word in stamp vending machines. The pillars are of circular design, handsome in appearance and stand about eight feet high. An arrangement is provided for on the crown of the pillar prominently displaying the names of the streets. These will be illuminated at night and should prove a most useful ornament to the streets of any well organized city.

The company intends to immediately start operations and to instal these pillar boxes throughout the entire country.

2. What are the exact terms of the above contract?

Mr. ROGERS: Stand.

Mr. LEMIEUX: If I may be permitted, I desire to explain the object I have in putting this question. My object is to call the attention of the Government to the impropriety there would be in erecting postage stamp vending boxes bearing any advertisement. The name and arms of His Majesty the King appear on these boxes. And I believe it would show lack of consideration to allow any private firm to advertise on these boxes. I do not object to stamp vending boxes; I think they are of some benefit to the public; but no private concern should be allowed to advertise on these boxes, on which the name and crest of the King appear.

Mr. SPEAKER: The hon. member is out of order in discussing or commenting upon the question.

INTERCOLONIAL RAILWAY—PASSENGER AND FREIGHT REVENUES.

Mr. BOULAY:

1. What was the revenue of the Intercolonial railway from passengers for the year ending March 31, 1913?

2. What was the revenue of the Intercolonial railway from freight for the same fiscal year?

Mr. ROGERS:

1. From passengers, $3,438,447.32.

2. From freight, $8,028,760.13.

BONAVENTURE RIVER BUOYS.

Mr. MARCIL:

1. Has the Department of Marine and Fisheries ordered the placing of buoys in the channel of the Bonaventure river, Quebec?

2. If so, how many have been placed, by whom, and under what conditions?

Mr. HAZEN:

1. Yes, there are contracts to this effect.

2. But few of the buoys have yet been placed in position, the contractors having to await the arrival of new mooring chains before placing the remainder. The contractors are: Polycarpe Babin, who maintains eight spar buoys in Bonaventure river and at entrance to harbour; Bonaventure Babin, who maintains two steel conical buoys in Bonaventure river; and Edouard Poirier who maintains a steel conical buoy stationed off Bonaventure church. The amounts of the contracts per annum are: $50, $30, and $35 respectively.

DISMISSAL.

Mr. MICHAUD:

1. For what cause was Ephiphane Nadeau,

immigration agent at St. Leonard, N.B., dismissed?

2. Who demanded his dismissal?

3. Who recommended the appointment of Fred A. Roy, as immigration agent, to fill the position left vacant by the said Epiphane Nadeau?

Mr. CROTHERS:

1. Active partisanship.
2. No person.
3. The minister.

JUDGES ACT AMENDMENT.

Hon. C. J. DOHERTY (Minister of Justice) moved that the House go into Committee to-morrow to consider the following proposed resolution:

That it is expedient to amend the Judges Act, chapter 138 of the Revised Statutes, 1906, and to provide as follows:

(a) That the judge to whom is assigned the district of Beauharnois and whose residence is fixed in Montreal may, conditionally upon the discharge of judicial duties in Montreal when not required in his district, be paid a salary of $7,000 per annum;

(b) For an additional justice of the court of Appeal of British Columbia at a salary of $7,000 per annum;

(c) For an additional puisne judge of the Supreme Court of British Columbia at a salary of $6,000 per annum;

(d) For an additional district court judge of the province of Ontario, at a salary of $3,000 per annum;

(e) For an additional judge of the county courts of the province of Manitoba, at a salary of $3,000 per annum;

(f) For an additional junior judge of the county courts of the province of British Columbia, at a salary of $3,000 per annum;

(g) For four additional judges of the district courts of the province of Saskatchewan, each at a salary of $3,000 per annum;

(h) That, except where they are entitled to larger salaries, judges and junior judges of county courts and of district courts shall be paid a salary of $3,000 each per annum, from the date of their appointment;

(i) For an additional judge of the circuit court of the district of Montreal, at a salary of $3,000 per annum;

(j) That whenever a judge is entitled to the travelling allowance of six dollars per day for attending in court or chambers under the provisions of section 18 of the said Act, he shall be entitled to a further sum of four dollars for each day he has so attended, if such attendance has been in any place which is a city;

(k) That to every judge of a county court who, having attained the age of 75 years, is compulsorily retired, and to any judge who, having continued in office for a period of 30 years or upwards, is compulsorily retired or resigns his office an annuity may be granted equal to the salary of the office held by him at the time of his retirement or resignation;

(l) That the provisions respecting annuities under section 24 and 25 of the said Act shall apply and extend to the judges of the circuit court of the district of Montreal.

He said: If I may be permitted—I find that it will be necessary to make provision, in addition to the items mentioned, for an additional Chief Justice of the Supreme Court of New Brunswick an amount of $7,000. I should wish, if the House would consent, that the matter should be discussed in the absence of notice in that regard, and that this addition be made to the resolution. It will avoid the necessity of giving a separate notice and introducing a separate resolution.

Mr. SPEAKER: Separate notice will have to be given with regard to the consent of the Governor General.

Mr. DOHERTY: So far as the consent of His Excellency the Administrator is concerned, I have mentioned the matter to him, and he has given his consent.

Motion agreed to.

THE POSTMASTER GENERAL AND PARCEL POST.

Mr. LEMIEUX: The rumour is still persistent that the Postmaster General (Mr. Pelletier) has resigned from the Government. But, whether he has resigned or not, I desire to ask the leader of the House when he expects to announce the official date of the funeral of the Parcel Post Bill?

Mr. ROGERS: The statement in regard to the resignation of the Postmaster General is perfect nonsense. The hon. gentleman has been ill for a couple of days, but he will be in his place at three o'clock, ready to go on with his estimates, and he will then supply all the information my hon. friend wants with respect to the Parcel Post Bill.

SUPPLY.

House in Committee of Supply. (Mr. Deputy Speaker in the Chair.)

National Transcontinental Railway—construction, $19,000,000.

Mr. CARVELL: When this item was under discussion yesterday, the engineering aspect of the matter was discussed by the hon. member for South Renfrew (Mr. Graham), the minister and myself, and possibly the item would have been passed without very much further discussion had not the hon. member for St. Antoine (Mr. Ames) seen fit to interject into the discussion his old speeches of three or four years ago when he was finding fault with the classification. Every member of this House who was here from 1906 to 1911 will remember all the old stock arguments about improper and dishonest classifications taking place on the Transcontinental. The hon. member for St. Antoine yesterday said that there had been sympathetic

classifications, which I understood him to define as being classifications made over and above what they should be in order to help out the contractor. I would prefer that the hon. gentleman should use a term which everybody can understand, and not one which conveys the meaning in covered language. If an engineer classifies a cut differently from what it ought to be, it is not a sympathetic, but a dishonest classification; therefore, my hon. friend makes the charge that dishonest classification is the cause of the cost of this road exceeding the amount which he said was estimated in the beginning. It is true that at one time the late Minister of Finance did say in his judgment, or in the judgment of the engineers, this work was going to cost about $56,000,000, and it will now cost, according to the statements given by the minister yesterday, $162,000,000. But no one knows better than the hon. member for St. Antoine that that statement was made before the work was commenced, before a sod had been turned or a cubic yard of material was removed. It was clearly an estimate, based not upon an investigation of the country, but purely on the general principle contained in the assertion: You can build a road through Canada for so many thousand dollars a mile, therefore this road is going to cost so many millions. When the engineers were put on the work, they found greater difficulties than had been expected, it but was not the difficulties encountered that resulted in the increased cost of the road; it was the fact that the Government determined to build such a road as had never been built in Canada before, such a road as had never been built in America before and probably was not to be equalled by a road of so great a length in any place in the world.

My hon. friend said he had gone with his pick and shovel down to New Brunswick, just as he had gone to the West with his little kodak, taking pictures and then going around with his magic lantern endeavouring to make the people of Canada believe that there was something crooked in connection with the Department of the Interior in the management of public lands. Even that did not land him in the Government. and now he goes around with his pick and shovel to see if he can do something with the Transcontinental. It is just the interposition of such persons as my hon. friend the member for St. Antoine with his little pick that is causing all the trouble in the Transcontinental to-day. He says he dug into the side of a cut, and was satisfied that it was not classified properly. It is just because the minister's inspecting engineers are doing the very same thing the hon. member for St. Antoine did that he is not getting from them the reports he ought to get. My hon. friend himself is engineer enough, without consulting anybody else, to know that if he goes to a cut after it has been exposed to the action of the weather for three or four years, he cannot tell by the use of a little pick what the nature of the cut actually was when it was first made. It is not difficult for any man to classify a solid ledge cut, rock from top to bottom, but I do not think my hon. friend the member for St. Antoine can tell by going into an ordinary cut with a pick whether in its natural state it could have been ploughed with a team of six horses. There may be a few inches on the surface which, having been exposed to the elements during a period of four years, can be turned with a pick and ploughed with a taem of six horses, but that is not saying that that was the case when the cut was made, and it is not saying that the cut should have been classified as 50 per cent loose rock or 30 per cent loose rock. The best engineer my hon. friend can send does not possess the knowledge of the man who was there when the work was done.

The hon. minister started out to find a great big steal in connection with this matter. I have no doubt that many of his friends believe that there has been a steal, as we do not disguise the fact that the cost of this road has been a great deal more than first estimated. My hon. friend sent out one engineer after another. I have not an accurate knowledge of anything west of Quebec, but I can tell my hon. friend that at least half a dozen different sets of engineers have gone over that road from Moncton west for two or three hundred miles. When one set of engineers could not find anything to report that was against the management of the road, they sent another set, and they sent engineer after engineer to see if they could not disclose a steal, but they were unable to do so. When they could not find anything wrong, in order to justify their existence they had to commence cheese-paring. They would go into a cut and say: Well, if this was classified as 50 per cent loose rock, we will cut it down to 45 per cent. This they did without any reason and without any investigation, simply to justify their existence. The hon. member for St. Antoine yesterday tried to make us believe that the Government was saving millions of dollars by means of their inspecting engineers—engineers who have not even the good taste to work under the proper officials; engineers who were simply acting as pimps; men who are going around

without the knowledge of their superiors and reporting direct to the commissioner or to the minister; men who are simply hunting for mares' nests, and cannot find them. Let me tell you the result of what they have done in district A. According to the statement given to the House by the minister, the grading of district A has cost $8,319,000, clearing, $158,000, grubbing, $98,000, ballast and ballasting, $508,000. After investigating the matter for a year and a half, after sending set after set of engineers over this work to find something, my hon. friend was able to cut off about $17,000 from contract No. 1. I have not the exact figures, but I am approximately correct. On contract No. 2 they could not take off anything. On contracts 3 and 4, which were under the same management, they have taken off about $25,000. There is more than that in dispute, there is some question about extras, but, so far as the inspecting engineers are concerned, they have been able to cut off somewhere about $25,000. Contract No. 5 is the one referred to particularly by the hon. member for St. Antoine Division (Mr. Ames) as costing so much money, thirty-two miles costing $120,000 a mile. On that contract 5, they have not taken off more than $15,000 to $18,000 out of a three or four million dollar contract. They tried to and could not do it.

To show the minister that this is not a question of engineering, I will state what they have done on contract No. 5; that is the one that has been settled, and in that way I have been able to find out something about it. They started to cut off $30,000 or $35,000 and the company simply told them that they would not stand for it, because they were wrong, as no engineering judgment could say that they were entitled to make that reduction. They brought the manager of the company up here, and took him before the Star Chamber tribunal and examined him, put him on his oath, and brought all the engineers they could get from the province of New Brunswick, and put them under oath under this Star Chamber process. They could not justify anything that they had done, and the manager of the company simply told them he would fight them. Then they said: Let us settle this; we have taken off $25,000 from your classification, we will give back to you one-fourth of that if you will settle. There was a difference of about $8,000 or $10,000 over a concrete part of the work, and they gave back all that was claimed on the concrete except a mere bagatelle. There was a fight over another portion of the work which they had no right to take away, and they said: We will give that back to you; and they have given back to him everything except $15,000 or $16,000. If my hon. friend's inspecting engineers were right, they should have stayed right, if they were justified in reporting that $35,000 should be taken from the contract they should have kept that amount back. Either they were right or they were wrong and now they are neither one nor the other, because they said they should take off $35,000 and they have it down to $16,000.

Mr. COCHRANE: According to your own statement there is a saving of $18,000. I do not know anything about the case.

Mr. CARVELL: $18,000 saved? $18,000 stolen from the pockets of the contractors. If my hon. friend would take off everything coming to a contractor, he would say it was saved. Does my hon. friend want to save money in that way? Is that his ambition? I hope my hon. friend will not make use of a word like that again.

Mr. COCHRANE: I think this is quite uncalled for, because the report is not in, and, as the hon. member for South Renfrew said yesterday, we cannot discuss it without the report.

Mr. CARVELL: I am taking the responsibility of telling my hon. friend what will be in that report, and if I am wrong my hon. friend can tell the public that the hon. member for Carleton does not know what he is talking about; but the hon. member for Carleton will take the responsibility of standing by any fact he has given the minister to-day. I have given my hon. friend the result of this great steal they have found by investigating this work in New Brunswick.

On contract 6 they have taken off nothing so far. But my hon. friend does not tell the House that under the original contract there was provision that all this work must be investigated and must be inspected by Grand Trunk Pacific engineers, and during all the progress of this work the Grand Trunk Pacific inspecting engineers were on the work. No estimate could be paid or was paid until it was first agreed to and ratified by the Grand Trunk Pacific engineer, and when a dispute arose, as my hon. friend knows, the law provides for an arbitration board consisting of the chief engineer of the Transcontinental, the chief engineer of the Grand Trunk Pacific, and a third man to be appointed by the Chief Justice of Canada, in this case, Mr. Collingwood Schreiber. That arbitration board went over contract A, they went over every foot of the ground, they travelled from the Quebec boundary to Moncton and inspected cut after cut, and they took into consideration all the objections, some hundreds of them, that were made by the Grand Trunk Pacific engineer. The result of it all was that about $17,000

were taken off a certain cut in contract No. 6 near Edmunston, and that is the only change that was made in the classification of that work by the arbitration board authorized by statute to investigate it, and that was all decided before my hon. friend came into office. As a result of the decision of the board of arbitration appointed under the law, the contractors paid many of the sub-contractors and the result has been that much of the money so taken off the contractors had been paid to the sub-contractors because the payment was authorized by the board of arbitrators created by statute. In that case the sub-contractor does not lose but the contractor does. I appeal to the minister, who, I think, would like to do what is right, if he feels that this is a business proposition—if he feels that spending $45,000, as he admits, in inspecting engineers in order to take off the trifling amounts I have mentioned, and take them off in the manner I have described, is a big manly position for the Department of Railways and Canals to take.

Mr. COCHRANE: Neither the contractors, nor the sub-contractors, nor anyone else has appealed to me. I have had nothing to do with it; it has been settled with the commission.

Mr. CARVELL: My hon. friend need not try to get away from responsibilities in that way.

Mr. COCHRANE: It is all right; if they think they are not being treated right, and do not think it worth while to bring it to my notice, I do not see what I have to do with it.

Mr. CARVELL: My hon. friend is the official head of the department. My answer is, why do you have men in your employ so unfair that the contractors have to come to you?

Mr. COCHRANE: I do not think we have.

Mr. CARVELL: The ordinary public thinks that the minister appoints officials over those important matters who are reasonable officials. They do not suppose that the contractors are driven to the minister. Of course, if the minister lays down the principle that in every case a contractor is dissatisfied he has a right to appeal to the minister, the minister's time will be well filled up.

Mr. COCHRANE: Under the Act the chief engineer finally approves of the estimates, and we have not made any changes at all.

Mr. CARVELL: The one-man commission will not take the advice of the chief engineer on matters just like that.

Mr. COCHRANE: I would like to know when it was refused.

Mr. CARVELL: I will give a case. It was on contract No. 5 in District A. I have not the particulars before me, but in the schedule there was a price given for a timber-lined tunnel and a concrete-lined tunnel. There was a tunnel on Contract 5, six or seven hundred feet long at a certain price, and a question arose whether it was a timber-lined tunnel or a concrete-lined tunnel. It made a difference to the contractor. The sub-contractor claimed that it was one, and the engineer claimed that it was the other. It made a difference of $4,000 or $5,000 to the sub-contractor. There is a clause in the specification and contract which provides that all questions of engineering shall be decided by the chief engineer, whose decision is final, with no appeal. There is also a clause which provides that any dispute on matters of law, instead of going to the ordinary courts, shall go to the Exchequer Court of Canada. This became a question of law as to the proper interpretation of that schedule in that contract. It is not a question for the chief engineer to decide, or rather his decision is not final. The sub-contractor will not settle. The chief engineer wanted to leave the matter open so that if the sub-contractor brought an action against the contractor and succeeded, the contractor could bring an action against the Government in the Exchequer Court. But the one man commission would not allow that to be done, and the result was that the contractor who had contract 5 was compelled to settle with the department and take his chance of an action for $5,000 or $6,000 being brought against him by the sub-contractor. If the sub-contractor succeeds, as a matter of law, he has no recourse against the commission. That is an illustration of how the commissioner will not take the advice of his chief engineer. If my hon. friend wants more illustrations I can give them to him. He does not know what is going on in this one man commission, and I would advise him to investigate. I am pointing out some of the iniquities in the way in which this commission is being run. My hon. friend says we are saving $18,000 by reason of turning out the late commissioners and putting in a new set of officials. I think I am interesting my hon. friend.

Mr. COCHRANE: I do not think so.

Mr. CARVELL: My hon. friend acts as if I were; at any rate, I hope I am. The chief engineer's representations are not taken except when they suit my hon. friend's officials. If they do not suit them, they send a third or fourth rate engineer to the place, and he reports over the chief engineer's head and the thing is done. That is the thing we are complaining of, and what is true in district A is true in many other districts. Take district C where he

has had a quarrel with his district engineer. I think the man has been dismissed.

Mr. COCHRANE: Who is he.

Mr. CARVELL: Mr. Balkam, one of the finest engineers that was ever on the Transcontinental, a man who is at the very top of his profession, and who is an ornament to the engineering profession of Canada. I do not know the details, but my hon. friend can find them out by inquiring of his commissioner. The substance of it is that they had to do something to cut down the classification, and they could not do so under the old interpretation, by the plough test and therefore his friend, Mr. Gutelius, went out there and established an entirely new test. He went into a clay cut which was wet and hard and soggy when it was taken out, and which had been classified to a certain extent as loose rock with the balance as common excavation. If he had adopted the plough test before the cut was taken out, and before the land was drained out, and had become different from what it was originally, it would have stood the test which the engineers applied, and would have been classified as sixty-eight per cent or seventy per cent of loose rock. Mr. Gutelius went there, went on some of the banks which had been drained out for two or three years, and which had become very different from what they were formerly, and instead of applying the plough test, applied a different test. That test was whether he could drive a crowbar through it with a sixteen pound sledge-hammer. If he could drive the crowbar through it, it was not loose rock, and if he could not it was loose rock. There is no provision in the contract for any such test as that, and yet, because he found he could drive the crowbar into the bank which had been drained for two years, he ordered the engineers to change the classification to an extent which meant some $40,000 or $50,000 to the contractor. They were ordered to return that work classified at sixty-five per cent of loose rock. Mr. Balkam would not do so, and Mr. Balkam was fired. Mr. Balkam, who signed the estimate put up to him, did so under protest, and because he sent in a report like that he was removed from office. Now my hon. friend is trying to get another district engineer who will sign that estimate.

Mr. COCHRANE: My hon. friend is talking about what he does not know, he is absolutely wrong. The commissioner acted on the advice and recommendation of the chief engineer.

Mr. CARVELL: My hon. friend will have an opportunity to explain. I am glad I am giving him something to explain.

Mr. COCHRANE: I do not have to explain.

Mr. CARVELL: If not, then do not bother trying to explain; just sit still. I want to tell my hon. friend that he cannot get an engineer on the work who will sign that estimate for him. He will have to import an entirely new set of engineers. Whether he has succeeded in doing so, I do not know. I desire to read to him a document which is in his possession:

Cochrane, Ont.

H. M. Balkam, Esq.,
District Engineer C.D.,
Cochrane, Ont.

Dear Sir,—We, the undersigned engineers of district C.D., who have been in charge of the work during its execution, and who, on the ground during its progress, classified the materials conscientiously and to the best of our judgment; which classification has from time to time been adjusted or approved by the Transcontinental railway inspecting engineers and by the district engineer representing the Grand Trunk Pacific railway, and on which classification the general contractors have been advised that they might, and have paid, their subcontractors or stationmen, now learn that our classification is to be changed.

We, therefore, ask that you will enter a protest against any change being made in our classification years after the completion of the work, and wish to state that we will sustain you in such protest.

Yours truly,
(Sgd.) G. L. Mattice, A. B. Sprenger.

These were divisional engineers:
It is also signed by:

F. H. Hara, C. J. Swift, H. J. Heygate, S. V. Coleman, E. F. Pullen, P. A. Laing, V. E. A. Bélanger, R. F. Smallian, T. E. Rousseau, W. J. Bishop, J. S. Helles, M. Courtright, J. P. Howe, R. L. Weaver, resident engineers.

H. M. Pardee, R. R. Holland, H. G. O'Leary, W. D. Robertson, Geo. A. Butler, A. Sunstrum, division engineers.

Every engineer on the division, from the district engineer down to the resident engineer has signed this document. They protest against their classification being interfered with. They were honest men, and gave this classification, as their honest judgment dictated, during the progress of the work, when they were in a position to see what should be done. Three years after the work was done some of my hon. friend's officials come long and say, you will change your classification and sign a certificate to that effect. But like honest men they refused to sign such a certificate, and there is no man in Canada who would have had respect for them if they had signed it. Does my hon. friend expect that honest men would do a thing like that? He will have some trouble in getting an engineer to go there and sign his estimates changing the classification of those men who are on the work. I have mentioned very hurriedly

some of the things which my hon. friend has been doing, and some of the grounds on which my hon. friend from St. Antoine charges that there was a sympathetic classification all along this work and that it was responsible for the increased price.

Now I come to district 'F.' Any hon. member who was here in 1907-1908 will remember the great outcry over the Hodgins enquiry, and will know something about the charges which were made against the late commission in regard to district 'F.' We were told that graft was rampant, that the engineers were classifying common excavation as solid rock, and that there was the greatest steal going on that had ever been known in Canada by reason of this classification. Major Hodgins was here for three or four weeks, and undertook to show that there was illegal classification going on in Quebec. We all remember the collapse of the thing. When matters had been brought to the attention of Major Hodgins that he had not known before, he had to admit that: I am all wrong, the Quebec classification is all right; I have been misinformed, and therefore I withdraw my statements. Hon. gentlemen who were here at that time know all about this. Then we had that arbitration board going through district 'F,' but the difficulty that the arbitration board had to decide was not one of classification. The admitted that the classification was all right, but that the difficulty was as to the overbreak. I am not positive as to the figures, but I can give them practically correctly. The arbitrators recommended the taking away of about half a million dollars from a contractor on district 'F' on account, very largely, of overbreak. I am told—I may be wrong, and if so I would like the minister to correct me—that this overbreak has since been changed to about $100,000.

All this talk that we have had in Canada for the last five or six years about graft being rampant on the Transcontinental railway has been boiled down to the fact that our contractors used too great a quantity of explosives in their work, and that they took out a little more rock than could honestly be considered as overbreak; that is the taking out of rock and the making of the cut wider than it should have been made, or the taking out of more material than should have been taken out, and the result was that the contractors were not allowed their pay for all the material actually taken out. A reasonable amount is usually allowed for overbreak, 10, 15 or 20 per cent, and the only thing that the commission could find in district 'F' was that the engineers had allowed about $100,000 for overbreak that they ought not to have allowed in a work involving some millions of dollars for grading alone. These are the things for which the minister has been appointing engineer after engineer to go all over this country, these are the things for which a staff of engineers has been going all over the country, and they have failed to find anything wrong, but in order to justify their existence they have taken a little off one contract here and a little off another contract there, or practically enough to pay the cost of the engineers and the commissions.

If my hon. friend the minister is gratified that he has accomplished something that will redound to the credit of the Conservative party, he is welcome to it. But in my opinion my hon. friend is not gratified at his performance. I give my hon. friend this much credit, that I do not believe that he ever intended that such a performance should have been carried out by those engineers who have been carrying it out. I think he has too much horse sense, too much honesty, for that, and I believe there is no man in Canada who is as sick or as disheartened over the whole thing as the minister is, and I further believe that if he had his way he would fire the whole bunch and put back in their positions the men who ran the business for five years honestly and efficiently. I do not believe the Minister of Railways really wanted these things to happen, but party exigencies demanded that a 'big time' must be made over the Transcontinental railway. Every man who sat behind his leader, when they were in opposition, cried 'wolf, wolf' every time the Transcontinental railway was mentioned for five years. They said that it meant that there was a big steal going on and every man believed that there was an election fund being taken out of it, every man believed that there was a crooked transaction going on in Canada and I will admit that, these views having been expressed, they were compelled to do something. I wonder if the minister is satisfied with the results, I wonder if he would not like to have back the old men in whom he must have confidence because it has been proved that the work was honestly and efficiently managed by men who knew what they were doing, who could not be bribed, and who would not swerve from the straight and narrow path.

In so far as the degrading of this road in districts 'C' and 'D' are concerned, I think my hon. friend the Minister of Railways and Canals feels exactly the same about it as he must feel about the success of his investigating engineers in New Brunswick and in district 'F'. He must feel that they are doing something which is not redounding to the benefit of the road, that they are doing that largely only to save a few thousand dollars which means

that they are taking away from that road the distinction of being the one great road on the continent of America which has been built up to the very top of modern standards. I hope even at this late date that my hon. friend will see his way clear to abandon these unnecessary tactics and go back to the real, genuine plan, of building the road upon the lines which he found laid down when he came into office. Before this discussion was closed yesterday afternoon I asked my hon. friend if he would give us a statement of the saving that will be effected by means of the change in these grades. He was good enough to tell me privately, after the House rose, that he could not give it offhand, and I accepted his statement. But his engineers have had a night to think it over and I would like to have approximately what the saving in cost would be by reason of these changes—I do not mean to a word or a dollar, but I do think that the minister or his engineers might be able to give me a very close approximate estimate of what the cost will be.

Mr. COCHRANE: I do not propose to go into the question which has been discussed by my hon. friend from Carleton (Mr. Carvell). The report, unfortunately, has not been sent in yet, and I take the same ground as that taken by my hon. friend (Mr. Graham) yesterday, that it is not proper to discuss that report before it is brought in.

Mr. CARVELL: I am not discussing the report; I am giving the facts to the committee.

Mr. COCHRANE: I know that, but when the report comes in will be the proper time to go into all these questions. The report will either justify or condemn what my hon. friend has been saying. With reference to the information he asked for yesterday as to the saving effected by the adoption of the balanced grade, the engineer says that he has men working on it, and I shall be very glad to hand it to the hon. gentleman when it is furnished to me.

Mr. CARVELL: Will I have the assurance of the minister that I can have that before parliament prorogues?

Mr. COCHRANE: Yes.

Sir WILFRID LAURIER: The answer which has been given by my hon. friend the Minister of Railways and Canals to the legitimate inquiry of my hon. friend from Carleton (Mr. Carvell), that he will get this information as to what will be the effect of the change of grades in decreasing the cost of the road, is certainly the most astounding that Parliament could receive. When we heard last summer that the new Administration intended to change the character of that road as originally designed, there was in the country a good deal of surprise and anxiety. This road was intended to be unique in that throughout its entire length from ocean to ocean it was to have grades of four-tenths of one per cent. It was a new venture, and I think it was a wise venture. But, whether wise or unwise—I still maintain wise—the construction of the road had been carried on with that high standard in view. These grades had been applied from Moncton to Quebec, from lake Superior Junction to Winnipeg, and from Winnipeg to the Pacific ocean. That was to be the uniform character of the road. But we learned last summer all of a sudden that on the section between lake Superior Junction and Quebec there was to be a change in the character of the road, and that the grades which had been specified, approved by both parties to the agreement, the Government and the Grand Trunk Pacific Company, and maintained up to that time, were to be changed to what are now called momentum grades. The reason for the change given at that time was that it was for the sake of economy. It was said that the road was very expensive; and it is an expensive road. The matter was brought to the attention of my hon. friend when Parliament opened in November last, six months ago, and he has had since then to prepare his answer. Therefore we had reason to expect, when he came to ask for money to carry on these works, that we would be told what was to be the character of the changes and the reason for them. We have not yet had a word of information as to the nature of the changes, where they are to be, and what their cost is to be. The only information we have on the matter is what the ex-Minister of Railways (Mr. Graham) has been able to give us. Are we to understand, as has been stated, that, although these changes have been made for the sake of economy, the Government have gone into them without getting an estimate of the cost? What is the result? To-day we have no figures at all. The changes were decided on more than twelve months ago. The work went on all through last summer, and the Government tell us to-day, without any hesitation, that they have no information to give; that they are making the changes blindly without information, and without looking to the consequences of their action. This is the result of want of information on the part of the hon. minister in charge. He tells us to-day that he does not know what economy he intends to practice. The only information we received from him yesterday was that there was a divided opinion as to the result of these changes, some engineers contending that momentum grades are better, in so far as the operation of the railway is concerned, than level roads. I am not an engineer nor a railway man; but

anybody with common sense will understand that this statement will not hold water. Men can have different opinions on the subject, but nobody can persuade a man of common sense that momentum grades are better than level grades. The same thing is true as regards highways. By substituting momentum grades for level grades you degrade the road; it is less efficient. A still worse feature of the matter is that you have gone blindly into the change, and the correspondence which has been laid before the House makes the matter ten times worse. The contract provides that all specifications are to be made jointly by the Government engineer and the engineer of the Grand Trunk Railway Company. When Mr. Chamberlin was informed of the changes which had taken place, he immediately and very properly applied for information to the commissioner, Major Leonard. My friend the ex-Minister of Railways (Mr. Graham) read the correspondence to the House yesterday. It is well that we should go over it again, in order to see the plain points which are involved in it, and which make the position of Major Leonard and of the Government almost intolerable. This is the first letter of Mr. Chamberlin:

I learn from our engineers that the standard of work on that portion of the Transcontinental railway between Lake Superior Junction and Cochrane, which was at the outset adopted and has so far been complied with, is being departed from, and that instead of four-tenths grade and permanent structures, you have authorized grades up to one per cent and the erection of temporary wooden structures. In regard to this I would call attention to clause 7 of this agreement of the 29th July, 1903, which provides that the work of construction of the eastern division shall be done according to the specifications approved by the company and shall be subject to the joint supervision, inspection and acceptance of our chief engineer and the chief engineer of the commission. I beg to say if this work is done in accordance with what I understand to be your recent instructions, it will not be in compliance with the agreement nor satisfactory to this company and cannot be accepted.

This is something very forcible. What is Mr. Leonard's reason for making these changes? (Reading):

I find on going over the profiles that there are many places where a large expenditure may be saved and the line actually improved for operating purposes, and the time of completion considerably shortened, without in the least affecting the hauling capacity of locomotives, by making certain modifications, and I have given instructions to make such modifications accordingly.

Here is the admission of Major Leonard that he has given instructions to have these profiles changed from what had been accepted by the Government and by the Grand Trunk engineers. Therefore, there comes this reply from Mr. Chamberlin, the president of the company:

I have yours of the 19th instant regarding changes in grade on the National Transcontinental railway, and note the reasons you offer for the modifications contemplated. Aside altogether from this company's strict rights, to which I called attention in my letter of the 18th instant to you, I would ask you to furnish me with profiles showing the changes proposed so that I may consider their effect. You will, I think, agree that it would be in the interests of both the commissioners and this company that no work in connection with any changes of grade should be proceeded with until our approval has been given, and I would ask you to issue instructions to this effect.

This is a most reasonable request. Mr. Chamberlin says to Major Leonard: I would like to have the profiles submitted to me. So far as I can understand the correspondence, this very legitimate request of Mr. Chamberlin was not complied with, because this is the reply of Major Leonard under date of August 2, 1912:

I beg to acknowledge receipt of your letter of the 23rd ultimo, expressing your apprehensions regarding the modifications referred to in my letter of the 19th ultimo.

I note you refer to your company's 'strict rights,' to which you also referred in yours of the 18th, for which reference I can find no authority in the various Acts and agreements relating to the construction of the eastern division.

I must say that my astonishment could not be expressed when I heard that statement of Major Leonard, in which he coolly tells Mr. Chamberlin that, when he speaks of his 'strict rights' under the contract, he does not understand what Mr. Chamberlin means. Is that the way that Major Leonard understands his duties? Will my hon. friend assume the responsibility of telling this House that the Grand Trunk railway have no rights under that contract? Mr. Chamberlin referred Major Leonard to the very clause of the agreement, clause 7, which is in these terms:

In order to insure, for the protection of the company as lessees of the eastern division of the said railway, the economical construction thereof in such a manner that it can be operated to the best advantage, it is hereby agreed that the specifications for the construction of the eastern division shall be submitted to and approved by the company before the commencement of the work, and that the said work shall be done according to the said specifications and shall be subject to the joint supervision, inspection and acceptance of the chief engineer appointed by the Government and the chief engineer of the company, and in the event of differences as to the specifications, or in case the said engineers shall differ as to the work, the questions in dispute shall be determined by the said engineers and a third arbitrator, to be chosen in the manner provided in paragraph four of this agreement.

That is the letter of the law. When Mr. Chamberlin refers Major Leonard to clause 7 of the contract, and insists upon that as defining his strict rights, he is told by Major Leonard that the latter does not understand what Mr. Chamberlin means. This manner of doing business is certainly very strange, and cannot pass muster in this Parliament. The letter of the law must be respected, quite apart from the merits of the case. When Major Leonard tells Mr. Chamberlin that he has no right, he is trifling with his position and is taking upon himself responsibilities which are not warranted and for which he has no mandate.

That is upon the formal, legal part of the question; now, come to the engineering part. You have seen that Major Leonard says in his first letter that the information given to Mr. Chamberlin is right, that he has given definite instructions to have changes made which he says will be for the bettering of the road. Let me read his letter again:

I find on going over the profiles, that there are many places where a large expenditure may be saved and the line actually improved for operating purposes, and the time of completion considerably shortened without in the least affecting the hauling capacity of locomotives, by making certain modifications, and I have given instructions to make such modifications accordingly.

Upon this, Mr. Chamberlin asked that he should be given the profiles of the proposed improvements. Does Major Leonard comply with the request? That would be the reasonable, the fair, the businesslike thing to do. But, extraordinary as it appears, Major Leonard says that he has changed the plans, yet, when he is asked for new profiles, he will not comply with the request. This seems incredible, yet it is true. Then he goes on:

You have apparently been misinformed in regard to the reported changes in grade, as no change whatever in any of the ruling grades has been contemplated, but merely such trifles as slight local sags in the grades across soft swamps which will not in any way affect the hauling capacity of locomotives and which, if found desirable to lift out in the future for any unforseen reason, can be effected more cheaply than at present contract prices, and will make a more solid roadbed than is being made under similar circumstances to-day by using the peat for embankments.

What does this change mean? At first, it was a matter of great consequence; Mr. Leonard says it is for the sake of economy and the improvement of the road. But when Mr. Chamberlin asks for the new profiles, he tells him, in effect: You need not worry, it is a matter of little consequence. Well, is it important or is it not important? Why have we not the facts? Why all this mystery? There is something here very mysterious indeed, and not in the best sense of the word. There is no possible justification for the attitude of the Government upon this question. My hon. friend is asking for a very large estimate, and we are prepared to vote it; but we want to know what these changes are, and whether the first letter of Mr. Leonard is right or is not right; whether the changes are of consequence or not of consequence. Why have we not this information? Does my hon. friend believe that he is right in asking us to vote this sum of money without giving us full information?

But that is not all. There are important legal questions involved which may develop serious consequences to the Government. Mr. Chamberlin said—and in saying it he was within his rights:

I beg to say that if this work is done in accordance with what I understand to be your recent instructions, it will not be in compliance with the agreement nor satisfactory to this company, and cannot be accepted.

I say Mr. Chamberlin is within his rights when he says he will not accept this work; in case of dispute, the only way by which a decision can be reached is by arbitration. I note that in the answer given by the Minister of Railways to my hon. friend from Carleton yesterday, the statement is made that the Grand Trunk Railway Company will accept the road. What reason has the minister for saying so? The hon. gentleman says again that the Grand Trunk Railway Company is the contractor for a part of the road, and he implies that they would have to accept the work done by themselves. That is not an answer. The Grand Trunk railway have lodged a protest in this matter; that is the only thing they could do—do the work as directed by the engineer in charge, and then lodge their protest. It would be no answer to the Grand Trunk railway, if they were to refuse to take over the road, to say that they were the contractors of the road, and that they themselves put in the momentum grades. Their answer would be: We protested, but the work was gone on with. There is the position in which we are at the present time, and, I repeat, the position is not satisfactory, and we require more information on this question.

Then, as to the wooden structures, I do not quite understand the position. Yesterday, as I understand, it was stated that there were wooden structures. Mr. Chamberlin says so. But I understood my hon. friend the minister to say to-day that there are no wooden structures.

Mr. COCHRANE: Temporary ones, but all replaced by the others; and under the old commission it was done in the same way.

Sir WILFRID LAURIER: That is assuming what is in issue. There is the statement of my hon. friend, and, on the other side, the statement of Mr. Chamberlin. Why is the matter not cleared up?

Mr. COCHRANE: It is cleared up.

Sir WILFRID LAURIER: It is not sufficient merely to have the complaints on the one side and the answer on the other.

Mr. COCHRANE: There was a contract given last week for eight or ten steel bridges to replace these temporary structures, and they are going in right along.

Sir WILFRID LAURIER: Possibly. But we have to extract that information from my hon. friend; we have to extract it from him almost bodily. Why does he not give us the information?

Mr. COCHRANE: I said there was no change in the policy of construction.

Sir. WILFRID LAURIER: But the correspondence would show that there is. I submit, with all due respect, that my hon. friend has not treated the committee properly. He should have given information as to these changes to show exactly what they are, what they are to cost and how they will affect the character of the road.

Mr. AIKINS: I might point out to my right hon. friend the latter part of the letter sent by Mr. Leonard to Mr. Chamberlin:

> I suggested in my letter of the 19th ultimo that your chief engineer or assistant chief engineer discuss with our chief engineer any proposed changes, and report to you in regard the same, because, you will see from the above, these are simply details too trifling to occupy either your attention or mine, and the suggestion in my letter of the 19th ultimo should be quite sufficient for your purposes. Perhaps it would be still simpler and quite as efficient for you to get your information through your district engineers after consultation with the district engineers of the commission, in the usual way.

There is no reason to assume that Mr. Chamberlin did not get such information in the way he suggested. There is no reason to assume that he was not satisfied with it, because there is no reply from Mr. Chamberlin finding fault with the suggestion made by Mr. Leonard. It seems to me that it is a question between the Government and the Grand Trunk Pacific Railway Company as to the propriety of the Government's action in respect to the change of the grades, and scarcely a matter that ought to be discussed at this time between the parties in this House. The right is a right as between the Government and the Grand Trunk Pacific Railway Company, unless hon. gentlemen opposite are holding a brief for the Grand Trunk Pacific Railway Company, which I do not suppose.

Mr. CARVELL: So far as I am concerned, I hold no brief for the Grand Trunk Pacific Railway Company or for anybody else on earth. I am only stating my honest opinions, and I do not appreciate the intimation the hon. gentleman has made.

Mr. AIKINS: Did the hon. gentleman have his ear open to what I said? I said unless hon. gentlemen opposite were holding a brief for the Grand Trunk Pacific Railway Company, which I do not suppose.

Mr. CARVELL: That is a very unpleasant way of putting it.

Mr. AIKINS: I quite understand the assumed sensitiveness of the hon. member for Carleton. He started out last night, in reply to the hon. Minister of Railways, by stating that the statement of the hon. Minister of Railways in reply to the hon. member for South Renfrew, was an apology. If an apology is a statement of the truth, if an apology is the giving of good reasons for the action of the Government in changing the grades; if an apology means a plain statement of honest facts honestly made, then the statement of the hon. minister was an apology. The hon. member for Carleton does not appear to accept such an apology, because he is not willing—and I can understand it—to accept a plain statement of the truth in plain language, honestly made, and giving good reasons for the change.

Mr. CARVELL: Who gave them?

Mr. AIKINS: The hon. Minister of Railways gave them in his speech. Again the hon. member for Carleton sneers at the Government because they made savings. I am not at all surprised that the hon. member should do that; he apparently despises savings. The cause of that contempt for saving appears to be this. During the time the late Government had charge of the Grand Trunk Pacific railway, it was quite evident to the country that they were reckless in expenditure, and did not care about economy in the construction of that railway; therefore the hon. gentleman despises saving. The hon. member for Carleton says that certain contractors should have received $18,000, and it was cheese-paring to prevent them from receiving it. If the contractors were entitled to that amount they had a course open to recover it, and that is the usual course.

Mr. CARVELL: If my hon. friend would read the contract, he would realize that what he has said just now has no

foundation in fact. Under the contract the contractor is bound to take the amount given him by the chief engineer, and he has no appeal or no rights in court.

Mr. AIKINS: The hon. gentleman knows that notwithstanding the fact that clauses are inserted in contracts, the courts still have a jurisdiction to decide what is right and what is proper.

Mr. CARVELL: I do not know any such thing.

Mr. AIKINS: I would advise the hon. gentleman to commence the study of law.

Mr. MURPHY: How could the contractor get into the Exchequer Court under such circumstances?

Mr. AIKINS: By commencing a suit, and if it be against the Crown and required they can do it by getting a fiat. The minister has told hon. gentlemen opposite that none of these contractors have appealed to him in respect of that. Why? Because their consciences told them that what had been done was right. Let me say a word in regard to the other point to which the right hon. gentleman referred, viz.: that the Government had no right to change the grades without knowing the benefit that would be derived therefrom, and the saving that would be effected. It must be obvious to any person who has any knowledge of railroading that a reduction of the amount that is placed in embankment or taken out of excavation must necessarily cause a saving, and when there is a four-tenths or six-tenths grade, which would be the top or surface of the grade, and a profile showing the natural condition of the earth, one can see at once that where a momentum grade is constructed between the two and where it is not brought up to the four-tenths or six-tenths grade, there must be a saving, which is the difference of cost between the virtual or momentum grade and the four-tenths or six-tenths grade. The point of the hon. gentleman is that the country should know exactly the amount of the saving. The amount was given in respect of two cases, about $27,000 I think, but when it comes to an approximate estimate of the saving over two hundred miles, that is a matter of calculation, not of the work done, but of the work omitted; a subtraction between what the four-tenths work would cost if it were done and what the grade actually did cost, in each particular instance. That would not be in the engineer's return. The Minister of Railways is perfectly right in saying that the Government is asking a man to make these calculations and that they will be immediately submitted to the House. It seems to me that the course of the Government in the changing of the grade is perfectly reasonable because there is not a railway constructed in Canada—and the Canadian Pacific railway is a well constructed railway, as are other lines in Canada—that has not virtual or momentum grades, and the reason of that has been that it is in the interests of economy and good railway construction that there should be such grades. It is almost axcomatic that where the railway is thus constructed and it becomes necessary to raise the grade in order to make it a four-tenths or six-tenths grade, it is quite easy to do it after the rails are laid. Therefore, I submit that the action of the Government was right.

Mr. GRAHAM: It is well-known that momentum grades were introduced by the Canadian Pacific railway to get rid of grades that had no momentum. As this road was intended to be level, I presume the principle to which my hon. friend adheres is that momentum grades are introduced to make it easier to carry a load than it would be to carry it on a level track. The hon. member asserts that Parliament should have nothing to do with these grades; that that is a question between the Grand Trunk Pacific Railway Company and the Government. I think my hon. friend will readily see the fallacy of that argument. This road belongs to the people of Canada, and not to the Grand Trunk Pacific Railway Company. It is being leased to them, but it is our property. We made a contract with the Grand Trunk Pacific Railway Company, and an agreement was entered into that the road should conform to a certain standard. We told the people of Canada that we would build to that standard. It is a violation of the agreement between this Parliament and the people of Canada, and it is our business to look after the construction of our own roads.

Mr. AIKINS: The hon. gentleman has referred to an agreement made. Who were the parties to the agreement?

Mr. GRAHAM: The agreement made between the Government of Canada and the Grand Trunk Pacific in the statute, and an agreement made, a promise absolutely made to the people of Canada, in 1908, that the road would be built to a standard described as four-tenths of one per cent against eastbound and six-tenths of one per cent against westbound traffic.

Mr. COCHRANE: Will you tell me who authorized the change from five-tenths to six-tenths going west?

Mr. GRAHAM: The change was made on the recommendation of the chief engineer, accepted by the commission and approved by the Grand Trunk Pacific.

Mr. COCHRANE: There is no record of it.

Mr. GRAHAM: It is the case. It has been proved all the way through, and their road west of Winnipeg is built on the same standard, which is good proof.

Mr. MORPHY: Were the people consulted about that?

Mr. GRAHAM: That was in 1904, and the change was made in 1907; these standards were submitted to the people in the election of 1908 on every platform of Canada, and the election of 1908 was fought on the Grand Trunk Pacific. Hon. gentlemen opposite or their friends had all their literature aimed at the great cost that this railway was to be to the people of Canada. We admitted the cost but said that the people would have the benefit. Why? The road would be of a higher standard than any competing road on the continent, and the people of Canada would have the benefit. The Government was returned overwhelmingly on that standard, and I say that constituted a promise by the Government of Canada to the people of Canada that has been violated by this Government. It is our business in Parliament, because it is our road, our undertaking, under the agreement. The hon. member says that this is an agreement between the Government and the Grand Trunk and that it is none of our business. I say it is wrong, because this road, constructed by this Parliament, is our road and is to remain the road of the people of Canada.

Mr. CARVELL: In reply to the statement of the hon. member for St. Antoine Division (Mr. Ames) last evening, I wish to detain the House for a few moments. He said that he went over certain portions of the road in District A, and there found evidence of extravagance. He made special reference to a place called Coal Creek which had been filled in with rock at $1.10¼ a yard. My recollection is that it was not filled with rock at $1.10¼ per yard.

Mr. COCHRANE: The engineer says there was 300,000 yards of earth at thirty cents and 150,000 yards of rock at $1.10¼.

Mr. CARVELL: That only shows the value that you can place on the statement of the hon. member for St. Antoine. He goes down there with his little pick and shovel and comes back and tells Parliament things that are not true, and unless there was someone here who knew something about it the statements would go out as the truth. He told you that there were 400,000 yards of material put in there at $1.10¼ when it should have been bridged with steel and concrete. He did not say what the difference would be, but the inference was that it would cost less to have a steel viaduct than a solid fill. I am not engineer enough to argue the difference, but it does not require an engineer to know that you would have a better road with solid filling than with a steel viaduct, because sometime the steel viaduct will wear out or break or require repairing. When you have a solid fill it is there forever, and as the hon. member for South Renfrew (Mr. Graham) pointed out, this is not the Grand Trunk's railway, we are not giving away millions of dollars, as my hon. friend proposes to do this week to Mackenzie and Mann, but we are building a road for ourselves; it is our property, and every dollar that we put in it is our property, and it comes back to us in forty years, so that the more we put into it now, the more valuable we make it, the better our property will be then, and the better it will be for the country and for the company operating it. Therefore, I say that the Government was justified in filling the holes with such material if they could get it done cheaply, and it is a much better road than any steel viaduct would be. If my hon. friend could see this particular place to which reference is made, he would understand it. You approach the place by a curve, you have a very long deep fill, something that would require a great deal of care if a steel viaduct were placed there, and with a solid fill it is there for all time. I have heard the matter discussed a good many times, and my recollection is that it figured somewhere about sixty cents a yard, less than sixty cents as the cost of filling that enormous fill. That would compare favourably with the cost of a viaduct, the cost is about the same, or in other words you have got your hole filled with solid material for about the same money as the steel would have cost, and you have a much better road.

The hon. member spoke of the work to be found on contract No. 5, in which he said a large amount of material had been used as fill, costing $1.10¼ per yard. That is true; I will give him credit for telling the truth there; but if the hon. member for St. Antoine had wanted to be fair to the committee and to give the facts to the House, he would have gone back three or four years to a return brought down in reply to a question asked by the hon. member for York, N.B. (Mr. Crocket) which told the whole story. It showed what it would cost to build it with steel and concrete. That is the cost of a viaduct would be so many hunderd thousand dollars. The only material which could be obtained, within four or five miles of that particular location, was rock, and they figured out what the cost of a viaduct would be and estimated the price per yard for rock filling that would

bring the same total. The chief engineer found that the contractor would have to put in the material at $1.10¼ in order to bring the total down to the cost of steel. The contractor was getting $1.49 for rock, he figured that out and it was almost a year before they came to an agreement, but finally the contractor accepted the offer that was made to him and undertook to fill the hole. The hon. member for St. Antoine might have known this, and he might have known that having these holes filled with other material, at no greater cost than the steel would have amounted to, gives a much better road.

The more you discuss this question, the more you see the business principles upon which the old commissioners were building this road. The more you discuss it, the more you see that we were getting what was really the very best road in America and you have only to listen to a man like the hon. member for St. Antoine to see how little certain hon. gentlemen know about it, who have been talking against it for the last four or five years. I hope it will do good to my hon. friend from St. Antoine (Mr. Ames). I am sorry he is not here, but I hope he will read what I have said, and that the next time he goes over this road, if he wants to be fair to the people of Canada, he will go to the commissioners, and find out the facts. This is no secret information that I am giving to the public. Every hon. member of this House could get it just as well as I could if he applied for it. I am not giving away any secrets, and my hon. friend from St. Antoine can get the information just as well as I can, and so can my hon. friend enough about railway matters to understand enough about railway matters to understand these things when he reads them. I particularly direct my remarks to my hon. friend from Brandon. I give him credit for knowing a little more about the practical end of building a railway than he does about suing the Government when the chief engineer decided against him. I do not advise my hon. friend to study law, he is too old for that; but when he undertakes to tell me and other members of this House that because the chief engineer has cut $18,000 out of a $3,000,000 contract, all the contractor has to do is to go to the Minister of Justice and get a fiat and sue the Crown against the advice of the chief engineer, after it is provided for in the statute, my hon. friend does not know what he is talking about. When he tells me to study law, I think he is impertinent, rather than complimentary. My hon. friend may be theoretically correct, but he knows that his advice is of no practical value, and that it would be impossible to work it out. I know the practice of the courts, perhaps, as well as my hon. friend, and I think I can read a contract and form an idea of what it means just as well as he can, and I tell him that the contractors have practically no rights that would be of any good to them over and above the decision of the chief engineer on a question of fact as to classification. I gave him an illustration. When it comes to a question of law, the Exchequer Court has jurisdiction, but it has not jurisdiction over questions of classification. Therefore every time one of his inspecting engineers takes a thousand dollars off a sub-contract, he gives the subcontractor no right of appeal. Theoretically there may be such a right, but practically there is not. I am very glad this matter has come up. I am glad to have had an opportunity of pointing out to my hon. friend from St. Antoine some things which he does not know. According to his own opinion, that would not be very much. He might know about taking pictures of standing timber in the West, but he does not know about the practical end of building railways, and before he attempts to lecture this House about the sins of the late Government, I would advise him to learn the facts. We have discussed the engineering end of this thing, and the cost of it, to some extent. I feel that this discussion will do good, but what I want to impress upon the minister again is the fact that he has been deceived by his friends, and that he had better get rid of those men who have been deceiving him. I do not refer to the chief engineer. The chief engineer is all right. It is the man my hon. friend has been sending round over the head of the chief engineer to whom I refer. Does my hon. friend want the name?

Mr. COCHRANE: Yes.

Mr. CARVELL: He is a man named Goodwin. He is the chap my hon. friend ought to get rid of. They got this man Goodwin on the job, because they could not get anyone else who would go back on the chief engineer. It took my hon. friend about a year to find a man to do this, but he found him in the end. I am told he was originally located about Cochrane.

Mr. COCHRANE: He was employed by the late commission.

Mr. CARVELL: He has been employed by this commission all right. He is the man who has been doing all this cheeseparing. If my hon. friend will just get rid of that man, put another good man on the commission, get rid of his star chamber court, and go on and finish the road on business principles, he will get credit from the people of this country, and not blame. I am afraid he is getting nothing but blame now, and if he continues his present course, there is not much in store for him but blame.

At one o'clock, House resumed and then took recess.

House resumed at three o'clock, and again went into Committee of Supply. (Mr. Deputy Speaker in the Chair.)

Mr. D. A. LAFORTUNE (Montcalm): I have heard with much pleasure the remarks made this morning by the ex-Prime Minister (Sir Wilfrid Laurier), and also those made by the ex-Minister of Railways (Mr. Graham), the hon. member for Rouville (Mr. Lemieux), and the hon. member for Carleton (Mr. Carvell).

I have derived much profit from what has been said by those hon. gentlemen. The member for Rouville began by saying that a branch line of the Transcontinental would be absolutely necessary in the direction of Montreal. He declared that all the great corporations, the boards of trade, the banks, the great insurance companies, &c., were clamouring for that branch line towards Montreal. As every one knows, Montreal is the chief city of the Dominion; it will be before long the New York of Canada, and it is absolutely necessary, if we wish to give justice to a population of that importance—it now reaches half a million—that there should be a branch line of that great railway, which has been the crowning work of the ex-Prime Minister.

I was laughing in my sleeve this morning, while listening to the discussion, and seeing that those hon. gentlemen opposite were seeking to lessen the character and the importance of that road. I am not much surprised at it, because the rule has always been to try to lessen everything that the former Prime Minister has done. It is no wonder that they should now attack this great railway, which will be the pride of Canada and which will before long render full and entire justice to the talent and to the high capacity of the ex-Prime Minister.

I then say that such a branch line is absolutely necessary if we are willing to give justice to the metropolis of Canada.

The hon. member for South Renfrew has explained the position very well; he has discussed the whole thing like a businessman, with the necessary figures at hand, and he has shown us that the beggarly attempt which has been made by the new Government in order to try to lessen and depreciate the value and the character of that great railway was altogether erroneous.

The hon. Minister of Railways has not dared to contradict what the member for South Renfrew has declared, with the aid of statistics. The ex-Minister of Railways has shown conclusively that they had been very unfortunate in laying hands on the contract passed between the Grand Trunk Pacific and the former administration.

The hon. member for Carleton has also been admirable in his remarks. He also maintains that they have injured that railway by so seeking to depreciate it. All that they saw fit to do was to give a commonplace answer to the well-founded affirmations of the hon. member for Carleton.

It was really laughable to see the Minister of Railways in the impossibility to give an answer to such affirmations; but he called to his help the hon. member for Brandon (Mr. Aikens), who is a man of merit and a very clever jurist. Mr. Aikens then acted as a lawyer who has a bad case to handle; he went off at a tangent and tried to have us believe that the accusations which had been brought were serious. But he quickly changed his course when he saw that the members of the Opposition were ready to give him an answer.

The construction of that Transcontinental was, in its origin, managed, controlled and administered by a commission appointed by the former administration, and composed of men who were among the most earnest and the most qualified to carry that great work to completion. The Hon. Mr. Parent, one of the greatest administrators who ever occupied public functions, was the president of that commission, and there has been absolutely no blame ever found against him.

No sooner had the Government been changed when they fell upon that commission, and the president was replaced by a gentleman I have not the honour to know, but who is costing us a pretty stiff price and is not to be had for the love of the thing. Mr. Parent's place has been filled by Major Leonard, a French-English name, so to say. Whatever may be his origin, his qualities and his name, I can, however, easily see that the items of the Budget always assume serious proportions when that gentleman is concerned.

The road to be followed for that branch line has been discussed at length, and I agree with the hon. member for Rouville when he says that whatever road is adopted the necessary thing is to have that branch line. We have discussed the line through Joliette as being the most proper and the most direct, but I have no hesitation to say that the best line would be the one on which some work has already been done; I mean the line which goes from Montreal across the counties of L'Asssomption, Montcalm and Terrebonne, and which has already reached Rawdon, in Montcalm.

Some surveys have been made as far as St. Donat, and have even been pushed further north so as to join the Transcontinental. From St. Donat to the Transcontinental there is a distance of 100 miles, which is not much. If we keep extending the line already built, we will open up that part of the country, and a very important part too, as I will show in a few words. It would be very advantageous for the country

to go on with that branch line which crosses some of the finest parishes of the province. From Montreal, that railway passes first through Mile-End, then through St. Martin and St. Vincent de Paul, in the county of Laval, and my hon. friend who represents that county has directed his efforts towards maintaining the choice of that branch line. The county of Laval is a fine county, it is true, as my hon. friend has said, but he will surely forgive me if I tell him that the county of Montcalm can surely match it. There is only one county which could have on that respect better claims than Montcalm; that is the county of L'Assomption, and I have a great mind to tell you why. It is because that county has been the birthplace of the former Prime Minister (Sir Wilfrid Laurier). That is why L'Assomption must be deemed the most beautiful county of Canada.

By keeping on the same direction, as I was saying a moment ago, and after leaving St. Vincent de Paul, the road goes through Terrebonne, Mascouche in the county represented by the hon. Minister of Inland Revenue (Mr. Nantel). I regret not to see him at his seat, because I could have complimented him on his conspiration of silence.

We pass afterwards through the parishes of L'Assomption, St. Paul L'Ermite and St. Esprit.

Ah! gentlemen, this last parish is the gem of all, because that is my own parish. The church bells of that village have heralded my coming into this world. From there the branch line goes to St. Alexis, St. Jacques, Montcalm and Rawdon. It will afterwards go through St. Leonard, St. Emile, Notre Dame de la Merci and St. Donat. Beyond St. Donat, the territory is not yet organized, but you have there an immense territory.

During a long while it was thought that the province of Quebec would be limited to the Laurentides. That was a serious mistake, and it is now easy to see that on the other side of those mountains there is another province of Quebec as large as our own, an immense territory which the Quebec Government is now organizing, the Abbitibi, now the Ungava. That railway will cross that territory, and if we keep on building that branch line from St. Donat to the Transcontinental, we will go across the immense territory which makes of the province of Quebec the largest area of the kind to be found in the whole world.

What are the advantages offered by the extension of that line? Let me tell you that I have been over that county and that I know every part of it.

There are sixty magnificent lakes to the north of the Laurentides. You have Ouareau lake, which has a circumference of 40 miles; you have Archambault lake, Pimbina lake, and indeed there is no end of them. They are all magnificent lakes. There are also several fine rivers and immense forests which have still never been touched by the lumberman, in fact a fine wooded territory which could offer an extraordinary trade. By extending that railway further north, you would go right across those magnificent forests.

On Ouareau lake there are immense waterfalls which could be used for manufacturing purposes and also give electrical energy. We must not forget neither that those lakes are abounding in fish. Already tourists are beginning to flock to the shores of Lakes Archambault and Ouareau, and very soon there will be there a new population. Colonization will also in the end find its way, so that the province of Quebec will derive great advantages.

Take Rawdon, which was until lately only a modest village. Since the railway has got there, they have built a fine college where French and English are taught, although I can assure you that the people of that locality are not overfond of the English. But they are proud of being able to receive an English education, because we realize that a Canadian who does not speak English and French is only half a man. When I see men at the head of the affairs of the country who are unable to answer me in French, I say that these men are only half a man. The French Canadians are proud of being able to speak English. Ask the hon. Postmaster General who, although he cannot be called a Shakespeare, can get along very well when he speaks English. The railway has been the means of giving Rawdon its college, where are being educated young men who will subsequently come to Parliament to defend their country, and who will be able to do so in both languages.

Since the railway is in operation, sawmills have sprung up everywhere, wood pulp is being manufactured in great quantities and an electrical plant has just been erected at Magnan falls. There is also a scheme on foot to furnish water to the city of Montreal by means of Ouareau lake, and that scheme is being seriously considered by several eminent experts. I remember having seen the report of Mr. Lesage, ex-Deputy Minister of Public Works of Quebec, who was in favour of that project.

Since that railway has been built, banks have been opened nearly all along the line. There are two banks at St. Jacques and there is also one at Rawdon.

Wherever that railway passes everything springs up as by magic, and that is not due to the new administration but rather to that of my worthy chief, Sir Wilfrid Laurier.

If the new administration gives a new impulse to the efforts of its predecessors, I say so much the better. I am not one of those people who are convinced that only the Liberal party can do some good. No, the Conservative party may well follow our

example. But I say to our ministers: I am willing that you should continue the railway policy of the former administration, but on one condition: Let there be no scandal. Let us have the business of the country managed honestly and honourably. Follow our example, let there be no shuffling, that is Nationalists one day and Conservatives another day, but rather only sincere men. The people's money should be spent only in the interest of the people.

Some hon. members opposite were asserting this morning, in answer to our observations that we had lowered the cost of the railway, that such a diminution had taken place only because the quality of the work had been lowered. That is an easy thing to do, as, for instance, building wooden bridges instead of iron ones. The cost would certainly then be much lower. Also making heavy cuts, without filling up the hollows and trenches.

The hon. member for Montreal-St. Antoine (Mr. Ames) has tried to lay as a theory and to make us believe that if you go up grade you will travel faster than when going down. That is certainly a queer theory.

It is pure idle talk to say that it does not make any difference for a railway whether there is a grade or not. You might just as well say that a man rowing a boat up a stream will go faster than when going down stream. After a spell of bad weather, there will surely be fine weather. That is saying nothing extraordinary, and everybody knows that. But the hon. member for St. Antoine sees in that something extraordinary. If the hollows are not filled up, and if the grades are not lowered I understand that the cost of the road will be much less, but you will have then a very poor railway. Naturally, it is in the interests of the contractors to do the least work possible, while being paid the same amount of money. If you lay down a 2-inch plank instead of a 3-inch one, it will cost you less; also, if you build wooden bridges instead of iron ones, it will cost less, but the country will be in the end the sufferer.

Why not have followed the plans and specifications of the contracts? The Minister of Railways has been asked for an answer, but so far he has not answered that question. He has entrusted with the care of his defence the hon. member for Brandon (Mr. Aikens), who is a man of great merit, an able jurist and a future judge. It is true that he has shown himself to be a little fresh, he has made some light cavalry raids, but he corrected himself afterwards. All the same, his answers have not been satisfactory.

We have been told that the building of that railway was a difficult task. It is very true that such must be the case in many localities, but do you expect to be able to build a railway extending from ocean to ocean without meeting with obstacles? Therein lays precisely the magnitude of the enterprise, and that is also precisely why that enterprise given so much honour to the ex-Prime Minister. But don't you try to meddle with it, you must do the work as laid down at first. Your duty is to have everything done in good faith. The more will the enterprise cost, the more durable and advantageous for the country will be that great work.

But we are told: We must practice economy. What a ludicrous thing, on the part of the Conservative party to talk economy? At the time of the former Prime Minister the expense amounted to 160 millions, and they amount to-day to 210 millions. With the addition of the 35 millions that were intended for the navy, that would come very near 250 millions. Talking economy is a crime on the part of the Conservative party. In former times when they were in power, not a single national enterprise had been undertaken without there being a scandal, and we are now told to practice economy!

By cutting on the value of the work done they say we can save at least a million. And those who are now talking economy are the very ones who, in a single year, have increased the public expense by 50 millions more than before!

I admit that the country is growing and keeps on prospering, and that we must increase the expenses, but not at the lightning rate that we are doing. I admit that our duty is to spend what is necessary for the administration of the country, but we must not be making gifts as we have been asked to, and for my part I am happy that such a gift has not been consummated; I am happy to have passed many nights in this House, because we have thus been able to prevent the squandering of that money.

What is the object of the new administration in depreciating the value of that railway. Obviously, it must be to render it inacceptable, and to so make its operation less advantageous than the other railways that the trade will be diverted to other provinces, to the detriment of our own province. It is easy to see that there can be no other object and no other intention. By making the operation of that railway more onerous, the other companies will lose interest in the part of the country through which passes that railway, and the trick will have been played to the detriment of the province of Quebec.

Mr. PELLETIER: I must beg the hon. member to be allowed to interrupt him. I must tell him that it would be unfair if his affirmation was not contradicted and if we should allow it to get abroad in the papers. The grades on the Transcontinental

have not been changed, only in the province of Quebec, but from Lake Superior as far as the city of Quebec, which shows that such a change has not been effected with the object just shown by the hon. member.

Mr. LAFORTUNE: That is still worse. I have the greatest respect for the hon. minister's word, but he gives no proof of what he says. I may certainly be allowed to ask him for those proofs.

The first section of the road has been built according to contracts, and the above changes have been made only since the old commission, at the head of which was Mr. Parent, a competent man, has been dismissed.

I say we have there the best proof of the grievances of which we are complaining, and the charges laid against the administration are well grounded, because we have no answer to them.

The right hon. leader of the Opposition has stated this morning that, since six months, demands upon demands and requests upon requests for the necessary details have been made to the Department of Railways, but so far without any success.

Where was the necessity for putting aside the old commission, and for appointing Messrs. Leonard and Stanton for the purpose of making inquiries, so as to know if there had been something suspicious, something which was not honourable in the conduct of the old commisssioners? Those gentlemen are costing a heap of money. They are earning a good deal more than the members of this House. They are not obliged to ask for an increase of their salary; that comes to them natural, and they are begrudged the money.

On the 20th of April last, a senator was asking the Government the following questions with regard to Messrs. Gutelius and Stanton:

Hon Mr. Casgrain inquired:
1. Is Mr. Lynch Stanton, solicitor, now in the employ of the Government?
2. Has he been in the employ of the Government?
3. If so, for how long a time?
4. What is the nature of his duties?
5. How much has been paid him to date?
6. Is he employed by the day, the month, or the year?
7. Has he made any report?
8. If so, when will his report be produced?
9. Is Mr. Fred. Gutalius, civil engineer, now in the employ of the Government?
10. Has he been in the employ of the Government?
11. If so, for how long a time?
12. What is the nature of his duties?
13. How much has been paid to him to date?
14. Is he employed by the day, the month, or the year?
15. Has he made any report?
16. If so, when will his report be produced?

The answers given by the Government, through the medium of Mr. Lougheed, are certainly edifying. Here are those answers:

Hon. Mr. Lougheed—The answers are as follows:—
1 and 2. Yes.
3. Since June 3, 1912.
4. A full and comprehensive investigation covering all matters bearing on the actual construction of a National Transcontinental railway between Moncton and Winnipeg and the expenditures thereon, &c.
5. $17,109.71.
6. Employed by the day.
7. No.
8. Unable to say.
9 and 10. Yes.
11. Since February 1, 1912.
12. A full and comprehensive investigation covering all matters bearing on the actual construction of a National Transcontinental railway between Moncton and Winnipeg and the expenditures thereon, &c.
13. $25,552.48.
14. Employed by the day.
15. No.
16. Unable to say.

And they are talking economy! The hon. member for Brandon was saying a moment ago: With us, economy is the rule. Well, now, I will answer him this way: On our side, we call that extravagance and squandering. Those two men have been appointed for the purpose of making investigations; they have received for that $43,000, and they have made no report. And we are told that is economy. With us, that is being penny wise and pound foolish. We are asking of those gentlemen: Have you discovered anything suspicious? And they cannot give us an answer. However, at election time, they will come with some big scandals, they will tell the people on the hustings how scandalous has been the building of that Transcontinental, but we will be there to answer them.

Do you call that a sane administration? Will the country see its advantage in paying $43,000 to those two men to hold an inquiry which amounts to nothing?

And since then, Mr. Gutelius has just been appointed the only manager of that railway at a salary of $20,000 a year. He is there alone, at the head of that railway, as a Russian Czar in diminutive, the better to be able to spend what he likes.

It is very regrettable, Mr. Chairman, that such things should occur in a country like this. What is to become of us, if the present administration continues to operate that road? I am always asking myself if such a state of things is going to last very long.

Mr. WILSON (Laval): Until the next elections.

Mr. LAFORTUNE: They don't want any elections. When we ask them to dissolve Parliament, they run away from us.

The ministers at the head of affairs may

seek to destroy what the former administration has been able to do. They may seek to lessen the value of that railway which their predecessors began to build. They may cry out, there have been scandals. When we were in power, and when those hon. gentlemen pretended that a scandal was existing, we had the courage to take up the glove and to tell them: Just ask for an inquiry, and we will have the whole thing cleared up and we will lay your pretensions to naught. But with the new administration, no inquiry is possible, and I would be ready to ask for an inquiry on the construction of that railway by the former administration, if I thought I could get it.

In short, Mr. Chairman, what I wanted was to show the importance of extending the Montreal-Rawdon branch line to St. Donat, and from St. Donat to the Transcontinental. I hope that the new administration that has assumed the duty of continuing the railway policy inaugurated by the former administration will see that there could not be a more proper line than that one.

I have only one word to say. I am not surprised too much at those hon. gentlemen opposite seeking by all means possible to change the character, and to lessen the value of that road begun by Sir Wilfrid Laurier. But if they should ever succed in lessening the importance of that enterprise, there is certainly one thing they will never be able to lessen, and far less to destroy, and that is the sixteen years of excellent administration of the Liberal party, presided over by the right hon. leader of the Opposition, and, with regard to our railways, by the hon. member for South Renfrew (Mr. Graham), who has managed his department with ability, distinction and advantage for the country. Neither will they ever take away the great affection which the Canadians have for the ex-Prime Minister (Sir Wilfrid Laurier).

Mr. MICHAUD: I notice in the report of the Transcontinental Railway Commission for the nine months ended December 31, 1912, that the commission has bought from E. Leonard & Son five 50-K.W. Westinghouse Company generating sets, complete, with Leonard engines, to be installed in engine houses at Moncton, Napadogan and Edmundston, N.B., Parent, P.Q., and Grant, Ont., for a total consideration of $23,359. A few years ago the town of Edmundston, Victoria county, N.B., a divisional point on the Transcontinental railway, established water and electric power and light systems. We are actually providing the Transcontinental railway with water and also with light. My hon. friend the Minister of Railways and Canals has told us that they are very saving in his department, and I would therefore suggest to him that it would pay the department to take electrical power for the railway from the town of Edmundston instead of buying these engines and incurring the necessary expense therefor at this divisional point. The town of Edmundston has borrowed a certain sum of money to install the water and electrical systems and they have been encouraged to a certain extent by the railway because the railway has been paying the town $2,000 a year for water and a certain amount for lights. I am sure that if the railway were to take its electrical power from the town, and the town has lots to sell at the present time, it would be an economy because if you put an engine into the roundhouse you have to buy coal, you have to provide a fireman and you have to pay all the other expenses in connection therewith; therefore, it would be a great advantage to the department and to the commission to buy electric power from the town of Edmundston.

I desire to express my sincere regret for the action which the Transcontinental Railway Commission has taken with respect to a great many people who have until recently been employed in the town of Edmundston. There were a number of good citizens, people with large families, who had been employed on the road and who were located at that divisional point, but about two or three months ago all these men were dismissed and replaced by men from the city of Moncton. I do not want to make a comparison between the ability and capacity of the people in my county and in the city of Moncton, because there is always a little rivalry between railway towns and cities, but the minister seems to be very fair and I would like him to look into the matter and ascertain the reasons for the change that has been made. I would also like the minister to inquire into the matter that I first mentioned and advise the commission to take power from the town of Edmundston.

Mr. COCHRANE: I shall be very glad to go into the matter with the commissioner and bring the facts to his attention. If power can be obtained more cheaply, or as cheaply, from the town of Edmundston, we will take it.

Mr. GRAHAM: May I ask my hon. friend the Minister of Railways and Canals for some information about the Quebec terminals? If I remember correctly, during a visit to the city of Quebec some years ago, there were the then chairman of the commission, the president and vice-president of the Grand Trunk railway, the then Minister of Public Works, the then Minister of Railways and Canals and the then Postmaster General. Our object in visiting the city at that time was to see if some arrangement could be made, not only for the erection of a station and terminals, but that the two Departments of Public Works and Railways might come to some

agreement with the commission and with the railway company as to improvements along the line from the Quebec bridge east into the city and the division of whatever property was necessary between the commission and the Public Works Department. The Public Works Department had in view the erection of some wharfs along the deep-water front and some land would be necessary for their purpose. Then the commission required land for their purpose for terminals and tracks connected with them and it was thought that the purchase might be made by one department of the entire property required for both and then a division or transfer from whichever was the purchasing department to the other department of whatever property was required might take place. It is some time ago and I am speaking absolutely from memory. We met, I think, representatives of the city and discussed the situation of the property required at considerable length. Later the commission bought the Champlain market for the purpose of a station. At that time there was strong pressure brought to bear on the Government to purchase a public building, the name of which I cannot remember—either that or to take down one public building the Government had and use the property for terminals. I do not know what has been done in reference to that since. I am inclined to think that some change of arrangement has been made and that property along the St. Charles river is being bought for at least a portion of these terminals. I would like to get some explanation as to what the changes have been, if we still retain the Champlain property; if a line is still to run down to that property and what use the Government intend to make of it.

Mr. COCHRANE: We still retain the Champlain market and propose putting two tracks down there. We thought, however, and the city thought, that there was not room enough there to accommodate the business expected to be done in Quebec. We propose putting up a small station there for the convenience of boats. The harbour commission have agreed to run a line to connect that with the St. Charles river. In regard to the terminals proper, we have not got an agreement completed yet, but the main points of an agreement have been agreed upon between the Grand Trunk Pacific and the Canadian Pacific. Eventually a tunnel will be put from near Wolfe's Cove under the city; but, until there is sufficient business in Quebec, we purpose running in over the Canadian Northern railway and having a union station with the Canadian Pacific railway. Under the agreement, any railway can come in and be accommodated there. We wish to have one station for the whole city. That should be done in all towns and cities. We thought of locating the shops at St. Foye, near the bridge. That plan has been changed, and an arrangement has been made with the city to move the shops to St. Malo. We bought the land there a year ago at a pretty good bargain.

Mr. LEMIEUX: How much did you pay?

Mr. COCHRANE: A little over $1,000 an acre. The reason for changing was that it was so hard to get water. We thought it was not good business to depend upon artesian wells. The property at St. Malo is much nearer the city, which has agreed to furnish water free and to remit certain taxes. The agreement itself has not been signed, but this is the undertaking with Mr. Chamberlin and the Canadian Pacific railway.

Mr. LEMIEUX: I am very glad that the hon. minister has given this explanation to the committee concerning the Quebec workshops of the Transcontinental and also the central station. It seems to me that the question has now been before the public for so many years that we ought to arrive at some decision. As my hon. friend knows, it was after long pour-parlers with the corporation of Quebec that the Champlain market was sold to the Government for the paltry sum of $100,000. It is admitted to-day, and I think the hon. Postmaster General will corroborate my statement, that the Champlain market would have brought to the city a much larger amount if it had been expropriated for some other purpose. At the time when the bargain was entered into with the Government, the mayor and corporation of the city of Quebec took into consideration the fact that right at that point you would give the city the terminals of the Transcontinental, and that you would erect somewhat of a monumental station. I am informed by the hon. gentleman that, although eventually we may have in Quebec, in conjunction with the other transcontinental lines, a central station, the Government will use the Champlain market site for a station. The hon. gentleman does not say, however, what will be the character of that station. He says there will be a station and double tracks from Sillery to said station. He says that later on, a tunnel may be built which will bring the trains to the other end of the city. This is all very problematical, and does not seem to be sufficient to carry conviction that much will be done in the near future.

Mr. COCHRANE: It was at a request of the Grand Trunk Pacific that we did not

go on with the terminals. They would cost about $1,000,000.

Mr. LEMIEUX: When Mr. Parent was president of the National Transcontinental Commission, the companies had come to an agreement, except perhaps the Canadian Pacific Railway Company. It is well known that the Canadian Pacific railway is hostile to coming to terms with any other railway company. We have an example of this in Ottawa. The Canadian Pacific railway will not come with the Grand Trunk to the Central station, but is looking after a site of itself. When I was a Minister of the Crown, I knew what efforts were being made by the Canadian Pacific railway to secure another site. That, however, is not the point I wish to make. You will not easily get the consent of the Canadian Pacific railway, the Canadian Northern railway, or the Grand Trunk, and the question I am afraid will be indefinitely postponed. My hon. friend may be well disposed towards Quebec and quite as willing to do his duty by that city as his predecessor was; but he will not get the three big companies to agree to a central station, but the Postmaster General will keep dangling before the eyes of the people the prospect of a central station in the near future. If my hon. friend can succeed, well and good, but too much time has been lost. As regards the workshops, I do not understand why the change has been made. The Cap Rouge site had been selected, and it was expected the shops would be built there. I am told that even now, when you have selected another site at St. Malo, there will be a roundhouse at Cap Rouge. People had expected that the workships would all be at Cap Rouge. Now a change is being made and you go to St. Malo. From what I read in the press of Quebec—

Mr. COCHRANE: You read the wrong press.

Mr. LEMIEUX: I read both the Liberal and Conservative press. From what I read in the press of Quebec, I find you are going to establish these shops in a swampy locality which may be very costly for the Government. A year ago you bought farm land at St. Malo at $1,000 an acre, which, I venture to say, was not worth half that money.

Mr. COCHRANE: We could get double the amount to-day.

Mr. LEMIEUX: Probably you could, with the announcement that the shops will be there and that there will be a large and thriving population resident in the vicinity of those shops. But at the time you bought the farm land at St. Malo, which is not annexed to the city of Quebec, but which will have partly to be annexed to the city.

Mr. WILCOX: How far is it from the city of Quebec?

Mr. LEMIEUX: The Postmaster General can tell you.

Mr. PELLETIER: Most of it is in the city.

Mr. LEMIEUX: The workshops will be outside.

Mr. PELLETIER: No.

Mr. LEMIEUX: You will have to annex the territory to make it part of the city.

Mr. WILSON (Laval): What territory is it?

Mr. LEMIEUX: St. Malo. It is outside the city limits. The city will have to provide it with water and drainage. The cost of incorporation with the city of Quebec will also be considerable. I am speaking without any party bias in this matter; I know that some friends of mine have interests in that part of the city. So have the friends of the Postmaster General. The same may be said of Cap Rouge lands. But if the hon. gentleman will listen to what I am about to read he will get a synopsis of the objections to the St. Malo site. I read from the Quebec Telegraph of the 21st of May:

A Delusion and a Snare.

It would be foolish to mince matters. The scheme to change the site of the Transcontinental workshops from Cap Rouge to St. Malo is another deadly blow aimed at the best interests of Quebec. It is simply part and parcel of the infernal plot organized by the bitter enemies in the west of this old city and province to ruin the Quebec section of the line and to minimize as far as possible such benefits as we have a right to expect from the great national undertaking. Worse than all, it is aggravating to see Quebec knifed by its own sons, by the very men who should be the vigilant and faithful guardians of its interests, but who are using their positions either to gratify their vengeful feelings against their political opponents and to promote political objects or to reap large personal profits from real estate investments, made for them under other names, regardless of the lasting injury that will be done to Quebec.

For the unreflecting masses, who are completely in the dark as to the true inwardness of the whole scheme, there is always the excuse that they do not see through the game that is being played at their expense and that they have not yet identified the cunning hands that are pulling the wires behind the scenes. It is perhaps natural enough that they should be carried away by the false idea, so diligently promoted in order to mislead them, that the workshops located at their doors will benefit them and the city more than if they were situated six or seven miles away. Such would unquestionably be the case—

I would like the minister to listen to this:

—if the St. Malo site presented even a quarter of the natural advantages of the Cap Rouge location, but, far from doing this, it offers on the contrary, a multitude of the very gravest objections and there is not a competent engineer or railway man in the country, who is not under the thumb of the Government or of the plotters and their backers, who would dream for a moment of giving it the preference for any such purpose and who is not actually laughing at the proposition.

What are the workshops wanted for at St. Malo anyway? Because it is popularly supposed and proclaimed that they will furnish an abundance of steady work to our people and that this will naturally increase our population, that they will spend their earnings in the city and that the latter's trade and revenue will be largely benefited. This at least is the alluring picture which the advocates of the change are holding up to the admiration and gullibility of the thoughtless and unsophisticated. But what guarantee has the public that this brilliant effort of the speculators' imagination will ever bear any such fruit?

Mr. COCHRANE: He is one of them down at the other place.

Mr. LEMIEUX: I do not know, I am simply stating the objections as I find them here, and without taking any side.

Basing ourselves on the opinions and statements of civil engineers holding the highest rank in their profession, and of the most practical railway men, men who are completely disinterested and independent in the matter, we have no hesitation in predicting that the locating of the shops at St. Malo will not only be the hugest of blunders but that it will be the source of the bitterest disappointment to Quebec in every way. In the first place the change will entail an indefinite delay before the shops can ever be got ready to do the work at all, which will be simply playing again into the hands of Quebec's worst enemies. It will mean the loss of several, if not more years, before the locality can be put in the condition for the erection of the necessary buildings, the making of the necessary connections, roads, &c. And then what will happen? There will be so much expense and loss of time, as well as so many other undesirable obstacles attending the unnecessary sending of cars and locomotives to St. Malo that the Grand Trunk Pacific and the other railway companies will not hesitate for a moment to send them them on to the shops at Moncton, in Montreal or elsewhere.

Personally, we have far more interest in seeing this delusion succeed by the putting of the shops at St. Malo than we have at Cap Rouge, but we cannot stand idly by and see Quebec duped and injured so barefacedly solely to make a few dollars more or less out of our investment. Moreover, in the very nature of things, even if the shops be taken from Cap Rouge, that locality is bound to go ahead. The very necessities of the situation at the head of the bridge assures the rapid springing up of quite a town and the locating of quite a large working population there, who, in course of no very prolonged time, will come to be embraced within the city as Pointe St Charles at Montreal.

In another article, commenting on the letter which was sent by Major Leonard to the Mayor of Quebec, I read the following:

Our morning contemporary—

That is, the Quebec Morning Chronicle—

—is trying to gild the bitter pill which Major Leonard has summoned this community to swallow as the price it must pay for the great benefits which in his and the organ's estimation will be conferred upon us by the transfer of the site of the railway workships to St. Malo.

It knows well that the tone of local opinion on the subject has changed almost completely, that the taxpayers have begun to see more clearly through the whole scheme, and that no reliance can be placed by it any longer upon the argument that the only opposition to the St. Malo white elephant comes from those who have money invested at Cap Rouge, and that those who want the shops located at St. Malo are all pure-minded, disinterested, public spirited souls who are seeking nothing but Quebec's greater good.

Accordingly, it now tells us that Major Leonard's proposals are not half so bad as they look, that his letter requires to be studied to be properly understood and appreciated, and the transaction is not so one-sided as its opponents would have us to believe, that we are practically asked to make no concessions, and that, in a general way, Quebec will get by far the best of the bargain. We will have no streets to make; the Government will do all that for us at its own expense. All we are asked to do is to furnish water to the shops, just as to a private residence. Then, when there is a question of closing streets or exchanging them, we will also get the best of it. Among other things we will gain will be the opening of a fine street 75 feet wide from the embankment to Bridge Street, and the widening of St. Paul Street from Henderson to St. Roch street.

What a delightful arrangement this will be for us! But it will be noticed that not a word is said about the duty imposed upon us to annex the portion of the new district which lies beyond the city limits and which is by far the largest, and the danger we will run of a repetition of the costly Limoilou experiment when that comes to pass; nor about the expense of extending the city's police, fire alarm and fire protection systems for the new district. There is also nothing said about the hundreds of thousands of dollars that will have to be spent by the city to provide sufficient and lasting outlets for the drainage of the swampiest part of the great St. Malo swamp to render it fit for human habitation. . .

As for the water supply, it is stated that all the city will do will be to furnish water to the shops just as it does to a private house. If this be all, we ask again why should the far more convenient and suitable Cap Rouge site be set aside for St. Malo, in view of the latter's notorious unfitness and the uncertainties regarding the use that will be made of it, not to speak at all of all the public

money already spent at Cap Rouge and the immensely larger amount that will have to be laid out at St. Malo to erect a monument of folly there and prepare a generous disappointment for ourselves hereafter. For one-hundreth part of this great expenditure, an abundant and constant water supply, can be easily secured at Cap Rouge.

The most serious feature of this matter is the fact that St. Malo, according to what I read, is a swamp, and that it will cost twice as much to erect workshops at that point as to erect them at Cap Rouge. Personally I have no interest whatever in the matter, except what I owe to the public. There is much concern among the citizens of Quebec with regard to this change, and before my hon. friend takes a final decision I would like him to seriously consider the objections that are being raised. It may be that the Quebec papers have a little leaning in each case, some for Cap Rouge, and others for St. Malo, according to their respective investments; but the commission under Mr. Parent had selected Cap Rouge, after having, I suppose, thoroughly examined the property and obtained a report from the engineers. I do not understand why the trains arriving should have to go around Cape Diamond to St. Malo in order to reach the workshops. I repeat again that I have no bias in this matter, but I desire to put before the minister the objections that appear in the public press of the city of Quebec. With regard to the price paid for the farm land a year ago, I again declare to my hon. friend that some experts have informed me that a thousand dollars an acre at St. Malo is certainly an exaggerated price. To-day it may be worth that on account of the workshops being located there, but a year ago the price was an extraordinary one. Was this price fixed by the Exchequer Court, or was it a sale made by the parties direct to the Government? By whom was the valuation made?

Mr. COCHRANE: By Mr. Fraser. This is the first time I have heard the price questioned, because everybody with whom I came in contact with regard to the matter said we made a remarkably good bargain. After we bought the property we could have made considerable money on it by selling it. As to the matter of the change of the site of the workshops, this has been done with the consent of the Grand Trunk Pacific railway and of the mayor and city council of Quebec. I may say that I cannot speak too highly of the way the mayor and city council met the commission in regard to this matter, and the straight, business-like way in which they dealt with it. I wish to express my gratification at the way in which the mayor has treated us in this matter. We hope that in a very few days we will be able to start building the shops, and that the union station will also be started in a very short time.

Mr. LEMIEUX: The Champlain station or the other?

Mr. COCHRANE: The other, and we will lay the tracks down to the Champlain station.

Mr. LEMIEUX: My hon. friend has hinted at the possibility of a tunnel.

Mr. COCHRANE: The Grand Trunk said: Wait until we see what business we get there. The final scheme will be a tunnel there which would put them in direct communication and would be very little farther than the Champlain market station. It brings all the railways together, which is a great advantage to every one. It is something that ought to be taken up in every city. The railways should be compelled to have union stations, so that passengers may be transferred from one road to another. The tunnel will be built as soon as the company think the trade demands it. They have to pay interest on all these expenditures, and do not want any expense incurred until it is necessary to incur it. The arrangement is that the Government will build the tunnel when it is demanded.

Mr. LEMIEUX: I am glad the hon. gentleman speaks so frankly to the House, because a year ago this month a statement was made in Quebec by the Postmaster General that the tunnel would be built.

Mr. COCHRANE: If they asked us to do it, we would do it right away.

Mr. LEMIEUX: When the business will justify the building of the tunnel; that may be some years.

Mr. COCHRANE: I hope not.

Mr. LEMIEUX: What I am to understand is that the tunnel is a possible thing in the future if trade and business justify it, that the Grand Trunk Pacific will have its say in the matter, and the Government also. Second, that the Champlain market will be utilized for a station, with a double track.

Mr. COCHRANE: And the city has agreed that the tracks shall lead from the Champlain market, so that there will be a track right around the harbour.

Mr. LEMIEUX: Third, the workshops, instead of being at Cap Rouge, will be transferreed to St. Malo, and at Ste. Foye there will be a roundhouse.

Mr. COCHRANE: Oh, yes, there will have to be one. As a matter of fact, it is built now.

Mr. LEMIEUX: At St. Malo you are going to start, as soon as possible, the construction of the workshops; and the city of Quebec, I understand, will ratify the choice which has been made by Major Leonard. The city of Quebec has decided to give an exemption from taxes to the Transcontinental for twenty years, and also the services of the aqueduct and the drainage. When does my hon. friend expect the work to actually begin at St. Malo?

Mr. COCHRANE: Very shortly. I could not say to a day.

Mr. LEMIEUX: This season?

Mr. COCHRANE: Oh, yes. It was only last Friday that the conclusion was come to with the Grand Trunk and Canadian Pacific railways.

Mr. GRAHAM: Would my hon. friend tell me how much that union station will cost, and how much the work shops will cost at St. Malo?

Mr. COCHRANE: I think the station will cost about $1,000,000.

Mr. LEMIEUX: What is the estimated cost of the work shops?

Mr. COCHRANE: I have not that.

Mr. LEMIEUX: How much will be spent on Champlain station?

Mr. COCHRANE: We have not that information.

Mr. PELLETIER: The newspaper which the hon. member for Rouville has quoted is not representing in this matter—I am not discussing the other matter—the views of the people of Quebec. The city council, as everyone knows, has a majority of Liberal aldermen. They have been practically unanimous in agreeing with the Government in this matter. There has been a very important meeting of the board of trade about this matter which has occupied the attention of Quebec for some time and some gentlemen there very eloquently tried to pass some resolutions advising the city council not to agree to this proposal; but the upshot of the whole thing was a practically unanimous resolution leaving it in the hands of the city council, and the commission. The city council has ratified that agreement. It has been a long time coming. The mayor of Quebec, as my hon. friend the Minister of Railways has put it, has devoted a good deal of time and of his well known energy to it, and I know that he is perfectly satisfied with what is going on. I might say that he is enchanted with what is going on and the way he has been treated by the Minister of Railways. Nine-tenths of the people of Quebec are satisfied with the conclusion reached, particularly with reference to the union station. My hon. friend has alluded to the fact that I spoke of a tunnel. The tunnel would have been indispensable in order to go to the Palais and if the arrangement for the union station had been entered into the tunnel would have been an immediate necessity. We will have the Transcontinental at Quebec in a most beautiful manner. The Transcontinental will come over the viaduct as I understand it at Cap Rouge, and then will come into Quebec by the valley of the river St. Charles, coming down by the Canadian Northern railway connection. Then we will have the union station at the Palais and at the same time the Transcontinental commission and the Minister of Railways are extending the lines of the river front from Sillery to the Champlain market. From the Champlain market there is a gap over which a railway is going to be built. So that the Transcontinental now will go encircling the whole city of Quebec. These are the arrangements and it is no wonder that the people are so well satisfied with them.

Sir WILFRID LAURIER: Who is to build the railway over the gap?

Mr. PELLETIER: The harbour commission.

Sir WILFRID LAURIER: The harbour commission is to build a railway from the Champlain market to the Canadian Pacific railway track?

Mr. COCHRANE: To the union station.

Sir WILFRID LAURIER: At present the Grand Trunk Pacific is brought from Sillery to the Champlain market. Then there is to be a track built from the Champlain market to the tracks now owned by the Canadian Pacific railway. All this presupposes that there has been first, some agreement between the commission and the harbour commissioners, to build that track of railway, and also an agreement with the Canadian Pacific railway to use their tracks. Then, on the other side, on St. Charles river, I understood my hon. friend to say that the Grand Trunk Pacific were to use the tracks of the Canadian Northern railway. Is that so?

Mr. COCHRANE: Yes.

Sir WILFRID LAURIER: Then, that presupposes another agreement with the Canadian Northern railway. Have all these agreements been consummated, or are they merely contemplated?

Mr. COCHRANE: The heads of the agreements have been arrived at.

Sir WILFRID LAURIER: That is not very satisfactory.

Mr. COCHRANE: The priniples are agreed upon, and there will not be much detail to work out.

Sir WILFRID LAURIER: That is not our experience. However, if the city council of Quebec are satisfied, I have nothing more to say.

Mr. PELLETIER: They are unanimous.

Sir WILFRID LAURIER: There has been a great deal of delay in regard to this matter. When we left office in the month of September, 1911, the contracts were ready to be awarded for the building of the station at Champlain market. At the end of last session my hon. friend, in answer to a question, told me that he was going to Quebec with the Minister of Justice with the intention of settling matters. Twelve months or more have elapsed, and, according to my hon. friend, we have just reached the headings of the agreement. If these agreements are to be consummated, I have nothing more to say, especially if the city council of Quebec are satisfied. If it were left to my own judgment, I would not be satisfied; but if they are pleased, I am pleased. All I would like to know is that the thing will be done right away.

Mr. COCHRANE: If we had any trouble with the Canadian Northern, I would ask the Dominion Railway Board to let us in on their track.

Sir WILFRID LAURIER: If we cannot agree, of course we can go to the board, and that will have to be done if they do not agree. But do I understand my hon. friend to say that the harbour commissioners have agreed to build that piece of railway from Champlain market to the Canadian Pacific railway tracks?

Mr. COCHRANE: Yes.

Sir WILFRID LAURIER: Is there any resolution to that effect?

Mr. COCHRANE: The engineer says it is only six hundred feet.

Sir WILFRID LAURIER: It is a very small bit of railway, but I know they are not overburdened with money. They have not the funds to do that with, unless they do it out of the borrowings which have been authorized. I would like to know if they have so agreed.

Mr. COCHRANE: I am so informed. I have not the resolution.

Sir WILFRID LAURIER: Perhaps my hon. friend will give us this further information when the resolution comes up again.

Mr. H. BOULAY (Rimouski): Mr. Chairman, I had not intended to take part in this debate, but the remarks just made by the hon. member for Montcalm (Mr. Lafortune) are such that they cannot properly be allowed to pass without an answer.

The hon. member has told so many falsehoods, not to say lies, that it is impossible to let such assertions pass unchallenged.

Mr. GAUVREAU: Mr. Chairman, I rise on a point of order. I would like to know whether the hon. member for Rimouski has a right to say that the member for Montcalm has told falsehoods, not to say lies.

The CHAIRMAN (Mr. Blondin): I did not hear the hon. member pronouncing these words, but if he did so he is certainly out of order.

Mr. GAUVREAU: He has just repeated them.

Mr. BOULAY: I retract the word 'lie' and I shall say 'falsehood.' The hon. member had a purpose in view when he spoke in that manner; he was preparing campaign literature and not seeking the welfare of the country. That motive is obvious in all the speeches that he makes and the Soleil and other Liberal organs pick up his utterances and scatter them broadcast all through the country.

I do not deny the legal knowledge of the hon. member from Montcalm; he is a King's counsel, but as an engineer, or as builder, I may question his qualifications.

He said the contracts had been changed. I do not deny that, but he also said that the Government was paying the same price for less work. That is untrue. The Government has agreed to pay so much per yard for that construction work. So much for rock, so much for sand, &c., so that the Government only pays for the work done and nothing more.

He also stated that the gradients had been changed so as to give less work. In so doing the work has been lessened a great deal and by that means so much money is being saved for the public treasury. I do not deny that this is a drawback as far as the train circulation is concerned, because an engine cannot draw as many cars up a gradient as it would on a level road or where the gradient are small, but it is false to say that in the work of construction the country is losing hundreds of thousands of dollars which go to swell the contractor's profit.

It is well that the facts should be stated as they are so as to prevent the hon member for Montcalm from going round in his county saying, I have stated such and such facts on the floor of the House and not one of the Conservative members has denied them. Not only in the province of Quebec have changes been made on the Transcontinental railway. The hon. Postmaster

General has promptly corrected the hon. member for Montcalm, stating the real facts and telling him that such changes have been made on the whole length of the line which remains to be built. That is the real truth and what was said by the hon. member for Montcalm is untrue. These changes affect the portions of that railway running through New Brunswick and Ontario as well as in Quebec wherever the road is still unfinished. Therefore, the changes are not attributable to a feeling of antipathy towards the province of Quebec, but are for the benefit of the public. That is another of the falsehoods which it was important to deny, for the Government have not acted through antipathy towards the province of Quebec, as stated by the hon. member for Montcalm.

It is very easy to make charges right and left without giving any proof. Has not Voltaire said: 'Tell lies repeatedly and something thereof will always remain.' I do not know whether the hon. member has read Voltaire or not, but judging from what he said this afternoon, he seems to have studied that author.

He also spoke about the increase of expenses. He said that the public expenses have largely increased since the Conservatives are in power and he claims it is a thing unheard of. The hon. member for Montcalm has had the honour of having for a number of years held a seat in the former Parliament. Now he ought to know that it is not only under Conservative rule that the expenses have increased. In 1876, when the Conservatives were in power the expenses were only 40 or 42 millions, and when the ex-Premier, now leader of the Opposition, left power in 1911, the public expenses had reached 136 millions. And the hon. member is really shocked to-day at the fact that the expenses have increased by a few millions, and still it must be said that this increase is, to a large extent, due to the work being done on the Transcontinental and for which several millions appear in the estimates. If the expenses are somewhat larger, it is due to the increase of the business in the country.

Mr. WILSON (Laval): The hon. member should bear in mind the remarks he made himself the other day when he criticised the increase of expenses in the Militia Department. He found that these expenses had increased by about four millions, and he thought it was too much. Had the Government carried out the suggestion of the hon. member and struck off that increase, it would have been so much of a reduction of the public expenses.

Mr. BOULAY: I have criticised those expenses; I have denounced them, but none of our opponents have given me their support on that question. Therefore they have no right to blame me.

The hon. member for Montcalm is afraid of scandals. He might at least wait till there is one before shouting. Beware of scandals. While the Liberals were in power there have been real scandals, and it was not without reason that Messrs. Blair, Hyman, Emmerson and Tarte went out of the Liberal Government. It was not because they were wholly unsuspected and above reproach. Such recollections should prevent the hon. member for Montcalm from shouting: 'Beware of scandals' and induce him to wait till scandals are discovered before accusing us without proof.

Mr. COCHRANE: I made a mistake in giving the cost of the station at Quebec. I find that the union station, freight house, engine house and tracks, will cost $1,000,000.

Sir WILFRID LAURIER: Where will that station be?

Mr. COCHRANE: At the Palais.

Mr. LEMIEUX: If the agreement goes through?

Mr. COCHRANE: I have no doubt about the agreement at all.

Sir WILFRID LAURIER: With regard to the station at Champlain market, my hon. friend the Minister of Railways and Canals could not tell us what it would cost. At the next sitting of the committee I will ask him to give us the cost of that building.

Mr. COCHRANE: I have not the design and the commissioner is away, but I shall be very glad to oblige my right hon. friend. I said once before in answer to him that it would not be a large station, but that it would be very neat.

Sir WILFRID LAURIER: I had been informed that it would be a bigger building. I am sorry that it is not to be, and I see no reason for it. My hon. friend told us yesterday that he expected the road to be completed next year. Nothing has been done to build a station at the Champlain market, and you cannot have the road in operation unless you have a station at that place to put the railway into communication with the ocean steamships.

Mr. COCHRANE: The trains can go right down on the Canadian Northern to the docks.

Sir WILFRID LAURIER: I do not understand what my hon. friend means. They cannot do that.

Mr. COCHRANE: They can go in on the Canadian Northern down to where they strike the Canadian Pacific railway, and the Canadian Pacific railway gets down on the docks.

Sir WILFRID LAURIER: The Canadian Pacific railway gets down on the docks?

Mr. LEMIEUX: That is for the Canadian Pacific railway.

Sir WILFRID LAURIER: That is for the Canadian Pacific railway, but we must have a station and terminals at Quebec for the Transcontinental. These terminals are intended to be on the Champlain market, and whether you have a large or a small station is not the question at the present time. You must have some place at which the National Transcontinental and the ocean boats can be brought into communication. The Champlain market plans are not yet prepared, and unless you do something to expedite the matter you will have no station ready when the line is ready.

Mr. COCHRANE: We certainly will have a station ready when the line is ready.

Sir WILFRID LAURIER: We will take that promise for the present, and we will have to wait for the execution of it.

Quebec bridge, $3,000,000.

Sir WILFRID LAURIER: How is the work progressing on that bridge?

Mr. COCHRANE: In 1912 the south main caisson was sunk and filled with concrete, the work being completed on the 25th October. During the same season the foundation for the south anchor pier was made and twenty feet of concrete put in place. The total amount of masonry to be laid is 105,000 cubic yards, and the amount laid to the close of last season was 63,792 cubic yards. There remains to be laid 41,208 cubic yards, so that about two-thirds have been completed. The north abutment is finished. The north outer pier is finished; south main pier, about fifty per cent done; north main pier, seventy-five per cent done; north anchor pier, fifty per cent done; south anchor pier, ten per cent done. I expect that the contract will be fully completed this year. About one hundred men are employed now.

Sir WILFRID LAURIER: Do I understand that it is expected that the masonry work will be completed this year?

Mr. COCHRANE: Yes, the contract was to be finished last year, but we extended it.

Sir WILFRID LAURIER: When will the superstructure be completed?

Mr. COCHRANE: I will give the data which was given to me by the chairman of the board of engineers that has the work in charge. The contractors have during the past year completed a new plant at Rockfield, Quebec, and they have turned out a large quantity of material. This new plant has been in operation since the first of this year and about one thousand five hundred tons of the members of the bridge have been fabricated, and part of the material has been sent to the bridge site. Steel for the false work, crane, &c., is being shipped to the site. Ten thousand tons of steel has been ordered from the mills at Pittsburg, and of this, six thousand two hundred tons have been delivered at the shops at Rockfield and two thousand tons of the same have been manufactured. The contractors are putting in the concrete foundations for the false work, for the approach span and for the crane runways on the north side, and are erecting false work on the south side. The steel for the anchorage has been completed. The crane runway in the unloading yards are about ready for operation. Regular shipments of steel to the site will be commenced shortly. The amount paid so far to the contractors for the superstructure is $471,495.26.

The contract for the substructure has promised to keep ahead and not to delay the contractors for the superstructure.

Mr. GRAHAM: Has the contractor got over all the difficulties in regard to caissons?

Mr. COCHRANE: Yes.

Mr. GRAHAM: My hon. friend will remember that, in the plan we finally got for that bridge, we experienced a good deal of difficulty, and some change was made in the piers. If I remember correctly, the engineers informed me that the change would make it a little easier of construction so far as the sinking of the caissons were concerned. The one that was damaged was used on the south side instead of the north side. Mr. Noble, who was associated with the board in reference to the superstructure, is the same Noble who was connected with the Welland canal. He is a first-class man in every way. What is the personnel of the board at the present time? Is Mr. Snyder on it?

Mr. COCHRANE: No change has been made. I cannot give the names, except that of Mr. Montserrat.

Mr. GRAHAM: Mr. Montserrat and Mr. Snyder. Mr. Modjeska has been on the board since its inception. The sum of $400,000, which has been paid so far for the superstructure, is not so unreasonable as it looks on the surface. The work is of such magnitude that it cannot be compared with ordinary bridge construction in this or any other country. The delay that has occurred is really not a delay at all when the magnitude of the work is considered. It has been due to two causes. One is the difficulty of construction of the substructure.

Mr. COCHRANE: In 1910 there was a lot of trouble.

Mr. GRAHAM: There was trouble in sinking the caissons and in the construction of the piers, and so some change was made in the design.

When the contract for the superstructure was let, it was subjected to some criticism. I have not, and I presume my hon. friend has not heard any criticism recently as to the award of that contract to a Canadian company on the advice and recommendation of a practically unanimous board. When the contract was awarded, the work on the superstructure was not ready to be commenced. Hon. gentlemen criticised the late Government, and I suppose they would criticise this Government if they were not under good party discipline, for what might be apparently a delay. They must remember that there is not a shop on the continent of America large enough to construct these very heavy members. Special shops had to be designed and erected, and special machinery had to be secured. Now that this has been done, I understand that the work will go ahead and that there will be regular shipments of steel to the bridge. About what time does my hon. friend anticipate that the bridge will be completed?

Mr. COCHRANE: In 1916. The contract was for 1915.

Mr. GRAHAM: Some of the contractors said 1914, some 1915, and some 1916, but I do not think the engineers in charge believed that the bridge would be completed before 1916. I think the work is going on as rapidly as the country can expect.

I am glad that my hon. friend is having no difficulty in keeping the board intact. Mr. Modjeska is an able man. Mr. Snyder is the nestor of bridge men on this continent. He is looked upon as one of the sanest of bridge engineers.

Mr. COCHRANE: The chairman is also a pretty good man.

Mr. GRAHAM: The chairman was a young man, a Canadian. When I recommended him to my colleagues, there was a certain amount of wonderment at the selection of a young man for the greatest task in bridge-building that has ever been undertaken. I had received the highest recommendations from Sir Thomas Shaughnessy and other men of experience in regard to Mr. Montserrat. I came to the conclusion that this was the man we wanted, believing, after the experience that the bridge company had, that it required a man who had the energy and the enthusiasm to oversee the work personally. I also thought that eventually the man who was able to construct that bridge and, as the chief engineer, stand on it completed, would be entitled to some honour in this country if he made a success of it. I was very ambitious that such an honour should come to a Canadian. I am glad Mr. Montserrat is making good in fulfilling our expectations.

Canals—chargeable to capital—Chambly—bridge between Iberville and St. John, $52,000.

Mr. GRAHAM: When is this to be finished?

Mr. COCHRANE: I do not know. I do not think anything has been done yet. I have kept it in the estimates but there has been a good deal of wrangling, though I heard recently that they had come to a conclusion.

Mr. GRAHAM: This is the bridge that is being constructed by the province, the municipalities and this Government?

Mr. COCHRANE: Yes.

Mr. GRAHAM: This Government was giving a certain amount and the other parties were constructing the bridge?

Mr. COCHRANE: I think the two towns Iberville and St. John with the province of Quebec, are constructing it with a grant from this Government. We have not much to say in it except to give the grant. The reason there is a federal grant is that the bridge is over a canal.

Mr. GRAHAM: I recall the circumstances. They were constructing the whole bridge and we were supposed to pay for the portion necessary to bridge our own property.

Mr. BOIVIN: When is the work to be started?

Mr. COCHRANE: We are not building, but only giving a grant.

Mr. BOIVIN: When was the grant first made?

Mr. COCHRANE: In 1910, and it has been renewed since.

Mr. GRAHAM: To whom is it given?

Mr. COCHRANE: To the town of St. John.

Mr. BOIVIN: I understood, when this matter was first brought up, that the Government was to build that portion of the bridge which covers the Chambly canal and the town was to do the rest.

Mr. COCHRANE: The deputy minister says that when the bridge is completed to the satisfaction of the head engineer of the Railways and Canals Department, we pay the grant of $52,000.

Mr. BOIVIN: That is our vote?

Mr. COCHRANE: Yes. They asked us last year to increase it, but I could not

see my way clear to do so. We thought $52,000 was our share.

Mr. GRAHAM: I thought it was.

Canals—Lachine—bridge at Rockfield, $10,000.

Mr. GRAHAM: This was the new form of bridge, the bascule bridge. When will it be completed?

Mr. COCHRANE: It is finished now.

Mr. GRAHAM: Can the minister give us any idea how it works?

Mr. COCHRANE: This is not the first one put up; there is one on the Trent. I have not heard any complaint against them. My officers tell me that this one works splendidly.

Mr. GRAHAM: The criticism at the time it was decided on was that it would do well enough over a narrow canal, but not over the Lachine.

Mr. COCHRANE: Was not the criticism against the location?

Mr. GRAHAM: Partly, but also against the form. The minister has given the information I wanted—that it works satisfactorily.

Concrete vertical walls, $265,000.

Mr. GRAHAM: Who has that contract?

Mr. COCHRANE: Quinlan and Robertson, they had the work before and for this continuation of the work of the vertical wall they tendered again this spring and were successful.

Mr. GRAHAM: How long before that work will be completed?

Mr. COCHRANE: I had hoped that it would be completed this year, but I am not sure.

Mr. MURPHY: As I understand it, tenders were invited for two sections and Quinlan and Robertson were successful in both cases?

Mr. COCHRANE: Yes.

Improvements, lock 4, $140,000.

Mr. GRAHAM: What is this?

Mr. COCHRANE: The upper bridge of lock 4. Owing to the curve there is a sharp turn which offered an obstruction for large-sized steamers, and which we are straightening out. We bought the property and the work is going on.

Mr. GRAHAM: Good idea.

Mr. COCHRANE: The hon. gentleman knows the place, down near the mouth.

Mr. GRAHAM: I know. A very proper work to do. I feel like helping a man out when he is right.

Mr. COCHRANE: I know; appreciate it too.

Mr. GRAHAM: This work, I might say to the committee is absolutely necessary. And such works on our canals and harbours and channels, Parliament might as well understand, have no end. The size of vessels is constantly increasing, and the vessels of to-day will not go through bends that offered no obstruction a few years ago. It does seem a great expense on a canal constructed a few years ago, that these improvements must be made. But they must be made; and when the minister gets done with these he will probably have to dig a new canal altogether. This kind of work will have to continue as long as we endeavour to accommodate navigation. I approve of this expenditure.

To pay claim of Brewder and McNaughton for extra work in connection with deepening the rivière St. Pierre, $2,205.

Mr. GRAHAM: What is this?

Mr. COCHRANE: These people had a claim of $15,224 which has been considered by several engineers. Mr. Marceau and the chief engineer considered it and came down to this conclusion. This is an old claim going back to 1898-1901.

Mr. GRAHAM: The criticism would be against its age, I suppose.

Mr. COCHRANE: I think the hon. gentleman himself had it under consideration when he was Minister of Railways and Canals.

Mr. GRAHAM: Yes. As to that, has my hon. friend made any headway in getting rid of some of the old claims in which there may be some merit?

Mr. COCHRANE: I was away so much last year that I did not make so much progress as I would like to have made. There are a number of claims that I think have some merit; for instance, that old claim at Peterborough. I feel that there is merit in it, but I have not yet reached a conclusion about it. It will be remembered that a commission was appointed to look into the matter, and I do not know how we can get over its finding, either in law or in equity.

Mr. GRAHAM: I think that those claims in which my hon. friend's chief engineer, after full investigation, sees some merits, should go to the Exchequer Court. The late member for South Lanark (Mr. Haggart), in one of his criticisms of my administration, pointed out very clearly that the Exchequer Court was established, at least in a measure, for the settlement of just such cases. Is it honest for any government to decline to let a man have the full benefit of his claim when presented to any

court through evidence? My opinion is that all technicalities should be set aside by the Government and that these men who have claims should be allowed to go before the Exchequer Court and have them disposed of. The public could not criticise the minister in any way for any decision that was given.

Sault Ste. Marie canal—widening channel, lower entrance, $10,000.

Mr. GRAHAM: What is the draught capacity of the canal on the United States side?

Mr. COCHRANE: Twenty-four and one-half feet. Ours is hardly twenty.

Mr. GRAHAM: Before the United States Government constructed their canal, the Canadian canal was obliged to take care of their vessels of deeper draught.

Mr. COCHRANE: It is yet. The work on the United States side is not quite completed.

Mr. GRAHAM: Has my hon. friend made up his mind as to the construction of a new canal at the Sault, or the enlargement of the old one?

Mr. COCHRANE: No.

Mr. WILSON (Laval): Why are these items chargeable to capital account?

Mr. COCHRANE: The canals have all been charged in that way. There is no revenue from this; it is new work altogether.

Mr. GRAHAM: The point raised by my hon. friend, I think, is this. Here are two bridges which we will not own when they are finished, and why should we build them out of capital? We have nothing for our money.

Mr. COCHRANE: Because it is going over our property. We have increased the cost to the municipality.

Mr. GRAHAM: It struck me that the reason that would be behind the question of my hon. friend (Mr. Wilson) was that if this bridge were ours when it was completed then it would come properly out of capital account because we would have something for our money. But we gave a grant to the city of Ottawa to help them build a bridge, and it is theirs. Why do we do this out of capital and not out of income or revenue, as in the case of St. John?

Mr. COCHRANE: It is absolutely new work, and we still retain our equity in it to that extent. In the bridge at St. John we have about a four-tenths interest, and it goes over our property, and in that way we will have something to say in its control.

Trent Valley canal, construction, $1,000,000.

Mr. GRAHAM: I suppose my hon. friend will have a good deal to say about this Trent canal?

Mr. COCHRANE: I will not unless you do.

Mr. GRAHAM: I could. Is this amount for the extension of the canal westward to the bay or lake?

Mr. COCHRANE: No, this is the other way. There is a vote in the supplementaries to go to the Georgian bay, but this is for the old contract.

Mr. GRAHAM: Would the minister give a statement of the condition of the different sections so that the members may have it for reference?

Mr. COCHRANE: On the first section, the Rice lake division, it will take one year to complete. The total cost will be $1,041,500.

On No. 2 section the total cost is $724,000. The vote of $100,000 will not complete it. The contracts were let in 1908.

On the third section the amount asked for is $60,000, the total cost $290,000. It will take two years to complete.

On the fourth section the amount asked is $300,000. The total contract is $1,330,000, and it will take two years to complete.

On the fifth section the amount asked is $125,000. This will complete it in one year. The total cost will be $675,000. This contract was let in 1907.

On the sixth section, $150,000 is the amount asked. This will not complete it, it will take two years, and will cost $525,000.

On the seventh section, the amount asked is $125,000, and it will take two years to complete. The total cost here will be $430,000.

The Severn river will come up on the supplementaries.

Ten new bridges, $60,000, total cost. They will be completed next season. Eleven valves, $22,600. Operating machines for locks, $1,300. Lock gates, Otonobee river division, $150,000. One lock gate lifter, $20,000. Motor boat for superintending engineer, $8,000. Lock at Trenton, $48,000. Engineering, $125,000.

Mr. GRAHAM: A motor boat $8,000?

Mr. COCHRANE: It seems a large amount. The boat has not been purchased yet.

Mr. NESBITT: What is the total cost of this creek, anyhow?

Mr. COCHRANE: The total cost up to date is $11,000,000.

Mr. NESBITT: What will the total cost be when it is finished?

Mr. COCHRANE: There was spent out of capital account on the Trent canal from 1880, to March, 1912, $11,302,045.89. Of this amount, $174,609.09 is for damages caused by flooding, and the claims are not paid yet.

Mr. GRAHAM: Nor will they be for some time.

Mr. COCHRANE: The amount spent on construction up to October 31, 1912, is $500,000, and on flood claims $2,592. I have not got an estimate of what it will take to finish the canal.

Mr. BURNHAM: With reference to the gibe of the hon. member for North Oxford (Mr. Nesbitt), I may point out that a waterway which discharges 140,000 cubic feet a minute is no creek.

Mr. NESBITT: That may be true of Peterborough, but with us it is only a creek.

Mr. BENNETT (East Simcoe): Is the hon. member aware that lake Simcoe is part of it, and that that lake is twenty miles wide? His remarks will be appreciated by his Liberal friends in East Simcoe.

Mr. NESBITT: Since I have been in the House, a certain amount of money has been voted for this creek, or canal, every year. I have been around the canal and the only thing I saw was boats carrying some pic-nic parties in the afternoons. This seems to be a large expenditure. There is a certain amount here for flooding. Is there no way of avoiding this constant expenditure on flooding?

Mr. COCHRANE: I hope to try to reach a conclusion this summer.

Mr. BOIVIN: I understand that the canal is not yet opened up.

Mr. BURNHAM: It has not yet been opened up, but I fancy that under the prompt and businesslike management of the present Government, with due respect to what was done by the late Government, it will be opened up, and will be found to be of great benefit to Canada.

Mr. BOIVIN: When will it be opened up, and what will the canal be used for principally when opened up?

Mr. COCHRANE: So far as opening it up to lake Ontario is concerned, that will be completed this year. How long it will take to open it up to Georgian bay, I cannot say just yet.

Mr. BURNHAM: Since the hon. member for North Oxford has appealed to me, I might give a concrete instance of the value of the canal. At Peterborough there is a very large flour mill, which now grinds 4,500 barrels of flour a day. There is also a very large oatmeal mill, which supplies England and Scotland. They cannot get their western grain through in large enough quantities, because they cannot get cars, and they have promised that, in the event of this canal being opened up, so that they can get their western grain in, they will double their capacity. That indicates at once the value of the canal, and a great many things of that description will be done when the whole waterway is opened up.

Mr. NESBITT: The canal was not started for the purpose of assisting those two mills.

Mr. BURNHAM: I am speaking of general traffic.

Mr. NESBITT: Where will they get their grain into the canal?

Mr. COCHRANE: Through the Georgian Bay and the Midland elevators.

Mr. NESBITT: There is no connection between this canal and Midland?

Mr. COCHRANE: There will be eventually.

Mr. NESBITT: I see now why my hon. friend from East Simcoe (Mr. Bennett) is so keenly in favour of this.

Mr. BENNETT (East Simcoe): I would advise hon. gentlemen on the other side to take a trip over this Trent Valley water system. When it is opened into Georgian bay, as it will be under the present Administration, there will be a capacity in the large elevators at Port McNichol and Midland of nearly 10,000,000 bushels. It is contended that as the old Erie canal succeeded in carrying grain in barges with a capacity of only 7,000 bushels, with barges on this canal carrying over 15,000 bushels, a large trade can be done from Port McNichol to Montreal. If the grain is not carried by such barges to Montreal, the canal will at least have the effect of keeping down the rates on the Canadian Pacific railway and the Grand Trunk railway from these two points. I understand that the minister's policy is to make the canal eight feet over the locks on all the new work. The old work is six feet, but that can be deepened at a comparatively low cost. If you had a waterway through lake Simcoe and through the large lakes and rivers in that district, you could have barges carrying 20,000 bushels of grain. You would be in a position that the grain trade of lake Ontario was in twenty years ago. I can recall when the American grain which came from Chicago and Fort William for transit to the Old Country, and for distribution

in Canada and the United States, was carried in schooners containing only about 20,000 bushels. We will have there a waterway with an eight-foot depth and barges that will carry 20,000 bushels of grain. It is to be regretted that the general public take no cognizance of the extent and capacity of these waterways. Take lake Simcoe, which is from fifteen to twenty miles wide, and the lakes below Peterborough, a number of which are quite large lakes. It is true there are points where there are canal connections, but there you have a series of large lakes. Historically speaking, I may point out that Governor Simcoe had a survey made of this area comprising these waterways over one hundred years ago. With prophetic vision he saw what is happening to-day and what is likely to happen in the near future when this series of waterways will be connected with lake Ontario and Georgian bay.

Mr. LEMIEUX: I may point out that long before Simcoe, Champlain went up the Trent valley and predicted that one day the great lakes would be connected. That is why the Government are erecting a statue to Champlain at Orillia.

Mr. BENNETT (East Simcoe): I do not believe that large quantities of grain will be carried over that system, because transportation will be slower than by rail, but I think it will have the effect of bringing the railway companies to time, and that it will force them to give better rates than exist at the present time. I have no apology to offer for the Trent canal system as a tourist route. If, when it is finished, it becomes the greatest tourist system on the continent, it will be well worth the money spent upon it. We all know the Muskoka lakes. The Grand Trunk will tell you that every year there pass over the docks at Gravenhurst over 50,000 tourists. Think of what that means for this country! Once completed through to the Georgian bay the canal will provide a waterway for gasoline yachts and, the locks being 130 feet in length, a person will be able to leave New York city in a yacht 130 feet long, drawing not more than six feet of water, because a great many of these yachts are gasoline craft, come up to lake Champlain, go into the St. Lawrence at Sorel, pass by the Trent, clear through to the Georgian bay and on to the Sault, returning by way of the St. Clair and Detroit rivers and the Welland canal. I think that in fairness to the Trent Valley canal every member of this House should take a trip to Peterborough and on up from there. He will not only be impressed by the beauty of the route, but he will realize the wonderful opportunities there are for building up an enormous tourist trade. Americans have gone to these lakes back of Peterborough and have built residences costing $7,000 or $8,000. It is going to be a great tourist country, and if we can, by completing this work, attract from New York and all over the world, hundreds and thousands of tourists, the country will be well repaid for the effort and the outlay.

Mr. SINCLAIR: I think the minister ought to give us a little more information about the total cost of this canal. We have embarked upon very large expenditures in connection with these canals, and the people would like to know what this canal is going to cost when completed. The minister appears to adopt a different principle in canals to that which he lays down with reference to railways. When a branch railway is asked for in the province of Nova Scotia he lays down the doctrine that you must not only show that there is traffic enough to give us interest on our money, but—

Mr. COCHRANE: Do not give me credit for this work. I did not start it; it was started in 1880.

Mr. SINCLAIR: I am not objecting to the canal being started, but I want to know what the total cost is to be when completed. I am not opposing the construction of the canal. I do not know very much about it. I know that lake Simcoe is a very beautiful sheet of water and I quite agree with what the hon. member for East Simcoe (Mr. Bennett) says that a tourist traffic might be developed there. I am not saying that the canal will not be useful for tourist traffic and other purposes, but I wish to draw attention to the fact that the minister regards expenditure on canals in a different way from that in which he seems to regard expenditure on the Intercolonial railway. I do not know why he should. I hope it is not because the canal happens to be situated in the province of Ontario. As a matter of fact we do not expect any revenue at all from the canals. We are building them at a very large expense to the country. The traffic, I understand, pays nothing. That may be all right, but I think that the minister ought to take a different view in regard to the question of railways just as he does with regard to the question of canals. I agree with him that he ought to assist traffic through our country and I am not opposing this policy. What I rose for was to press the minister to give us some idea of what the cost of this canal will be when completed.

Mr. COCHRANE: I am told about $16,000,000.

Mr. WILSON (Laval): We have heard so much about the canal, historically and geographically, that I feel justified in try-

ing to learn a little more about it. It is quite an ancient work because we find there was a survey made by the late Governor Simcoe, and my hon friend from Rouville (Mr. Lemieux) has told us that Champlain indicated in a prophetical way that some day we would cross that part of Canada through a canal. From the hon. member for York we ascertained that it was a creek and that finally it turned out to be quite an ocean, 21 miles wide at certain places. Now it turns out to be a series of lakes. It seems to me that this canal has become an eternal question. We have just learned from the Minister of Railways and Canals that it is a series of canals connecting a series of lakes and that it will cost the people $11,000,000. The hon. member for North Renfrew (Mr. White) is taking just as great an interest in the Georgian Bay canal as I am myself and we see that this Trent Valley canal has swallowed up about $11,000,000 of our money with no practical results. We want to know if there is any part of this work, begun in 1880, which is being utilized in some way, either to produce power or electricity or for the purpose of small navigation or the navigation of large tonnage. I cannot understand how it is that after we have spent $11,000,000 and after this work has been under construction for the last thirty-three years we have not achieved any practical result except that we are able to say that a nice yacht 130 feet long with a draught of 6 feet and propelled by gasolene or electricity may pass through it. Has the late Conservative Administration before 1896 been idle, has the late Liberal Government been idle?

Mr. BURNHAM: Yes, both idle, and we are trying to get them going.

Mr. WILSON: The hon. member for Peterborough (Mr. Burnham) says that the construction of this canal is so difficult, that there are so many geographical and natural obstacles, that from 1880 to 1897 his friends who were then in power, were not able to overcome them?

Mr. BURNHAM: The difficulties are not physical but political.

Mr. WILSON: And these difficulties have existed for the last thirty-three years?

Mr. BURNHAM: Yes, all over Canada.

Mr. WILSON: Well, that is something strange.

Mr. BURNHAM: It is very odd.

Mr. WILSON: I would like to know from the minister what he proposes to do with the million dollars which he mentioned a few minutes ago. Is that included in the $11,000,000 which have already been spent?

Mr. COHCRANE: No, the $11,000,000 was the expenditure up to March 31, 1912. I may say that we need this million dollars to complete work that has been under contract for a number of years.

Mr. WILSON: So that to complete the work we are going to spend $5,000,000 more and make the total $16,000,000?

Mr. COCHRANE: $16,000,000 altogether.

Mr. WILSON: And it is expected that the work will be completed by 1915 or 1916?

Mr. COCHRANE: In two years, I hope.

Mr. WILSON: If you are still in power, I suppose this House and the country will have to give you credit if you succeed in completing the work. In order that each administration should take the responsibility for what has or has not been done, or has been done in a wrong way, I would like to know how much has been spent from 1880 to 1897, what amount of work has been done, what has been done by the Liberal Administration, what the hon. minister proposes to do, and what is the balance of the work to be done.

Mr. COCHRANE: This amount will complete the work to lake Ontario. Unfortunately, whatever administration started the work, they started it in the middle, instead of starting it either at one outlet or the other.

Mr. WILSON: The reverse of the Georgian Bay canal—started at both ends?

Mr. COCHRANE: I shall be glad to get the information required.

Mr. WILSON: I think the reports should be distributed not only amongst the members, but to the public at large.

Mr. COCHRANE: It is in the Public Accounts.

At six o'clock, House resumed, and then took recess.

After Recess.

House resumed at eight o'clock, and again went into Committee of Supply. (Mr. Deputy Speaker in the Chair.)

Civil Government—Post Office Department—salaries, 689,340; contingencies, $80,000.

Mr. WILSON (Laval): Will the Postmaster General (Mr. Pelletier) please say if the schedule of details given in these estimates covers the salaries of extra clerks employed in such post offices as Montreal during the seasons of especially heavy business ?

Mr. PELLETIER: This is for the inside service ?

Mr. WILSON: And is there an amount to provide for the services I speak of?

Mr. PELLETIER: Yes. later on.

Mr. WILSON: What is the salary of these employees?

Mr. PELLETIER: Some $1.75, some $2, some $2.25, according to the time they have been employed.

Mr. WILSON: In the case of a post office like Montreal, how many of these temporary clerks would be employed?

Mr. PELLETIER: I could not say offhand. My officials will be here in a minute and I will get the information.

Mr. MARCIL: There is an increase there of $20,125 in salaries. What is the reason for the increase?

Mr. PELLETIER: An increase in the work.

Mr. MARCIL: Have any new branches been established?

Mr. PELLETIER: The rural mail delivery branch has been established since last session.

Mr. OLIVER: A brief statement of the reasons for the increase of $20,000 in salaries and $10,000 in contingencies would be acceptable.

Mr. PELLETIER: There are twenty-five increases of $100, and 298 of $50. These are statutory. There are twenty-five additional clerkships.

Mr. OLIVER: At the minimum salary?

Mr. PELLETIER: Of course.

Mr. OLIVER: Five hundred dollars?

Mr. PELLETIER: There are fifteen additional messengers and porters and packers. All this represents a total of over $48,000. There must be deducted the difference between the salaries of those who have left the service through death or other cause, and those who have been promoted but who draw lower salaries than the others received. These deductions make a total of $48,350. The difference is $20,125, which is the net increase in the salaries.

Mr. OLIVER: What is the reason for the increase of twenty-five clerks and fifteen messengers?

Mr. PELLETIER: The great increase in the work. The hon. member knows that this department is increasing very rapidly, especially on account of the heavy increase in the West. I am prepared to give my hon. friend details if he likes.

Mr. OLIVER: No, I do not ask for details. But if the hon. minister has at hand any general figures showing the proportion between increase in the business and increase in the staff, I should like to hear them.

Mr. PELLETIER: There is one figure which I have in mind which will be an indication of the increase in the business, and that is that whereas for the year ending 31st March, 1912, the sale of stamps was about $11,000,000, for the year ending March 31, 1913, it was about $13,000,000, an increase of $2,000,000. That is a great increase.

Mr. OLIVER: As to the statutory increases, have these been made in every case, or are there exceptions?

Mr. PELLETIER: I do not remember now any exceptions, but if there were any they were on account of reports of heads of branches showing that the officers reported upon had not fulfilled their duties or something of that kind. The assistant deputy minister says that he does not remember any such cases.

Mr. OLIVER: The deduction from the gross increase is due to the fact of reduction in salaries for the positions from which there were dismissals, or resignations—

Mr. PELLETIER: This is the inside service. There were no dismissals.

Mr. OLIVER: Unless the service is very fatal they could not all have been on account of death.

Mr. PELLETIER: I do not speak only of death. A good many of our employees leave the department because they are not paid enough—they find better pay elsewhere.

Mr. OLIVER: I do not wish to delay the estimates, and it is not a matter of any political importance, but if the minister had under his hand a statement showing how many had died, how many were promoted, and how many had left the service, I should be glad of it.

Mr. PELLETIER: I could not give those figures.

Mr. OLIVER: There is a large increase in the contingencies vote. What is the particular occasion of that?

Mr. PELLETIER: The first item is for clerical and other assistance, $8,000. Owing to the fact that the Civil Service Commissioners have been unable to furnish clerks who are qualified to be appointed as permanent officers, it has been necessary to accept persons as temporary clerks until they have an opportunity for passing the required examination for permanent appointment. In addition to that, a large number of temporary clerks are employed each year to replace members of the permanent staff while off on annual

leave. The salaries of these temporary clerks are paid out of contigencies. The other item is sundries, made up of various items of expenditure. Travelling expenses, telegraph and telephone messages and newspaper subscriptions are paid out of this appropriation. $2,000 are required under this head, making a total of $10,000.

Mr. BOIVIN: What is the provisional allowance for?

Mr. PELLETIER: That is for western Canada. In most of the departments there is a certain allowance made on account of the high cost of living in the West.

Mr. BOIVIN: This allowance for private secretary is surely not the full salary received by that official?

Mr. PELLETIER: He receives more than that, but the sum of $600 is voted for each of the private secretaries of the ministers. This is in addition to the amount which they get under the law passed last session.

Mr. BOIVIN: Who is the hon. minister's private secretary?

Mr. PELLETIER: I have none at the present time. I have divided the $600 among three or four clerks in the department who have helped me.

Mr. GRAHAM: While the private secretaries should be protected so that they will remain in the service in case of a change of Government, for instance, I think the proper way of doing this would be to vote them a stated salary.

Mr. SINCLAIR: Has the Postmaster General any plans in view with regard to increasing the salaries of country postmasters?

Mr. PELLETIER: In my opinion, the salaries of some of the smaller postmasters should be increased. A man who gets a salary of only $35 a year should not be expected to do much work. Of course it is all a matter of arranging the expenditures in the department in accordance with the revenue. I expect that under the parcel post system the postmasters will get better returns for their work, and this, coupled with some increases I have in mind, and for which no special legislation is needed, will probably put the postmasters in a better position than they are at the present time. Nothing has been definitely decided, however.

Mr. SINCLAIR: The Postmaster General is not taking provision for an increase to the small country postmasters.

Mr. PELLETIER: I can increase the salaries of the postmasters without putting anything in the estimates. They are paid out of the revenue of the office.

Mr. PROULX: I understand that the postmasters of offices where the revenue is less than $100 are classified as non-accounting officers, and that they get only $600 a year under the statute.

Mr. PELLETIER: Yes.

Mr. BRODER: I am very glad the Postmaster General has taken this matter up, because there is one particular feature of the matter that is not thought of by everyone. It is well known that the large departmental stores do an enormous business throughout the country districts, and many of the postmasters in small villages and at cross-roads work half a day every day for the Eaton Company and other large firms, and do not get a cent for it. The revenue goes to Toronto, and the postmasters get no credit for it, although they do the work. It is evident that something should be done to relieve them in that regard.

Mr. NEELY: The constituency which I represent is a rural constituency, and I know that a great injustice is being done to the rural postmasters by reason of the very small remuneration they receive for their services. Take the country post office where the mail comes in twice or three times a week throughout the year. The postmasters get the munificent sum of $35 for the services rendered to the community, and, if the husband is away the good housewife, probably one hundred or one hundred and fifty days a year, has to go through the mail and deliver newspapers and letters for those who come to the office. Her home is continually taken up with outsiders, and the munificent remuneration received for that is $35 a year.

Mr. MARCIL: They used to get $10 a year before the Liberal Government came into power.

Mr. NEELY: I do not think the Liberals went as far as they should have gone in increasing the salaries of rural postmasters, but, as the new Government have a much more abounding revenue at their disposal than their predecessors had many years ago, I think it is their duty to increase the salaries of rural postmasters. We are raising salaries in the inside service of highly paid officials, and I think that these rural postmasters ought to be considered in these salary increases. The rural postmaster is more deserving of an increase than many highly paid officials who will receive increases if we pass the estimates as they now stand.

Mr. THOMSON (Qu'Appelle): I presume the minister is prepared to consider the matter to which I referred?

Mr. PELLETIER: Certainly.

Mr. THOMSON: I wish to refer to an article which appeared in the Regina Leader on the 3rd of May last, headed as follows:

> Sintaluta Post Office Scene of Serious Scandal.
>
> Scores of letters, the majority of them registered, delivered months after they were due and only then following investigation by post office inspector—Citizens seriously inconvenienced by scandalous methods of local post office—Joseph Glenn, M.L.A., blocks public desire to have conditions investigated.

I do not know whether the minister has seen the article to which I refer. It deals with troubles in the Sintaluta post office in connection with the delayed mail matter. Reference is made to a lumber dealer in Sintaluta, named Moxon, who is supplying material to the Indian Department. When I was in the West at Christmas, Mr. Moxon spoke about the matter, and I asked him to write me to Ottawa about the time the House would meet and I would take the matter up with the Department. I did not receive the statements for which I asked until February 25. I found, however, that his letter was dated January 14th, and I notice from the account in the Leader that Mr. Moxon received on the 19th of February several checks sent by the Indian Department here, one of them fourteen months after the time it was sent. Others were delayed for shorter times, down to two months. It appeared that Post Office Inspector Motherwell made an inspection because of some complaints which had been received, and found these letters lying all around the office, some wrapped in papers and stuck in pigeon holes and every place. I presume from what the minister says that he has a report from the inspector. I am advised also that a petition was signed by numerous people around Sintaluta asking to have the postmaster removed from office. I do not know whether or not this petition has been sent in; if it has I would like to have the information from the minister. Mr. Hill, the present postmaster, was appointed by the present Government, and I would draw attention to the fact that on December 9 an order was passed by this House:

> By Mr. Thomson:—Order of the House for a return showing in detail the number of dismissals from public office by the present Government to this date, in the constituency of Qu'Appelle, with the names of the dismissed officers, and the reason for their dismissal, the complaints against such officials and a copy of all correspondence, petitions, papers and documents with respect to the same, and of all notes of evidence and reports of investigation in cases where they have taken place.

In pursuance of that order I received a list of the dismissals in Qu'Appelle constituency. For the Post Office Department the dismissals were given as from the following offices: Fleming, Golden, Plain, Grenfell, Kipling Station, Montmartre and Qu'Appelle. It will be observed that Sintaluta post office was not included in that list. Therefore I put another question on the Order Paper with reference to that dismissal and on May 21, I was informed that the previous postmaster, Mr. Hastings, had been dismissed for political partisanship, on the 2nd of December, 1911. That was well within the time specified in my first question, and I would like to know why that dismissal was not included in the return. The return orders reports and notes of evidence. I find that in the case of the Grenfell post office, where Mr. Coy was dismissed, an investigation was made by Mr. A. D. Dixon of Qu'Appelle, but that report of Mr. Dixon is not included in the return. I would like to know what has become of that report. In the Montmartre post office, where Mr. Gouin was dismissed, I notice that Mr. Dixon also made an inspection and report in part as follows:

> I found that the postmaster was engaged prior to the election in carrying Joseph Mutrie, an agent of the Liberal candidate, about the country on election business, and also that he conveyed one Liberal elector, Joseph St. Jean, from Montmartre to Alpha polling subdivision for the purpose of enabling St. Jean to vote.

That apparently is the only ground on which the dismissal was made. This man, however, besides being postmaster at a very small salary has a livery business. He had an automobile which he drove for hire and his carrying of Mutrie around was in the course of his ordinary employment and I presume the carrying of the voter was the same. During that campaign Mr. Lake, the Conservative candidate, at one time made provisional arrangements with the same Gouin to take him for a trip on his motor for hire, just as he took Mutrie. Was the taking of Mr. Mutrie for hire an act of offensive partisanship, and if so would not the taking of Mr. Lake the Conservative candidate for hire be the same thing? Did he dismiss Mr. Gouin from office because he had taken Mr. Lake to some meeting? This is the only reason the commissioner gave for dismissing Mr. Gouin. It is true there is the statutory declaration of William A. McGowan, but it is of such a general character that not very much attention need be paid to it. Apparently Mr. Dickson did not pay very much attention to it, because he did not give that as a reason for the dismissal. The reason given for the dismissal was that he had taken a Liberal agent around in his motor car, and also that he had taken a voter to

vote. I am satisfied—as a matter of fact he told me himself—that he had received his pay from Mr. Mutrie, and I have no doubt he did. I also want to get information with regard to the Montmartre post office. I am advised by a Conservative at Montmartre that a petition asking to have Mr. Gouin retained in office was signed by every Conservative in Montmartre. I find that a good many requests have been sent to different ministers and members that he be retained. So far as I can gather, every Conservative using that post office, excepting the man who received the appointment, and his family, were determinedly opposed to the change. The minister will notice that the man who signs the general declaration, to which I have referred, is not a Montmartre man at all. He is from the village of Kendall, some distance away. There is, I am advised, not one Conservative but is determinedly opposed to Mr. Gouin being dismissed, and to the appointment which was made.

I would like to know what the policy of the minister is as to the appointments he makes. Apparently he is very much opposed to having partisans in office, if they are of one particular stripe. His displeasure not only falls on the heads of the living, but we are told that even the grave does not close them against his vengeance. One would presume that if the minister is so much opposed to politicians of one stripe, he would be careful not to appoint politicians of another stripe, because the evil is an evil, no matter what the political colour of the postmaster may be. I find, however, that in the various dismissals which he has made in my constituency, and in the appointments which he has made to fill the vacancies, every single appointee with whom I am personally acquainted, is an active Conservative partisan. I am personally acquainted with only three, and I am going to give the minister the names. The places are Grenville, Montmartre and Sintaluta. In Sintaluta, there is Mr. Hill, of whom there are complaints of active partisanship. He has a perfect right to be a partisan, I am not complaining of that at all. He is practically the local leader of his party in that town. Then, there is Mr. McLeod, of Grenfell. I forget the name of the gentleman appointed at Montmartre. Both of these gentlemen spoke in opposition to me during the last campaign. Mr. McLeod was stumping the country all the time, I think. Was that the reason they were appointed? Was it because they were active partisans? If it is a sin to be a Liberal partisan, is it a virtue to be a Conservative partisan, or is it a qualification for office? From the statements of the minister one would hardly think it would be. These are facts which the minister can depend upon, and I think they are worthy of his consideration. I know that the appointees in Grenfell and Montmartre were active workers. They were the men put up to speak against me—one spoke at Montmartre and the other at Summerberry, a neighbouring town, and, on various occasions, at Grenfell and surrounding points.

With regard to the country postmaster, I heartily concur in what my hon. friend from Humboldt (Mr. Neely) has said. I think the minister would be well advised to increase the salaries of these country postmasters. Might I just refer to some of the points I have raised, and on which I would like to have a little information? Why was the Sintaluta dismissal not included in the list given? Has the minister a report of the Sintaluta post office trouble? Has he received a petition for the dismissal of the postmaster of Sintaluta? What action does he propose to take regarding the report and petition, provided he has them? Did Mr. Dickson make a report regarding the Grenfell post office dismissal? There is no copy of the report among the papers. If such a report was made, why was it not included among the other documents? Then, again, did the minister receive a petition asking for the retention of Mr. Gouin in the Montmartre post office? Is the driving of workers or voters by Liberals, in the ordinary course of business, deemed a sufficient ground for dismissal? Lastly, what is the policy of the department as to the appointment of postmasters in respect to their partisanship?

Mr. PELLETIER: As to the last question, the fact that a man has been a partisan before his appointment to office is no bar to his appointment. If it were, no political men could be appointed to any situation, even to judgeships.

Mr. THOMSON: Does that mean that he will be retained if he still continues to be an active partisan?

Mr. PELLETIER: That is not what I said. My hon. friend says that these postmasters were partisans before their appointment. They may have been, but that would be no bar to their appointment. As to the fact that the Sintaluta dismissal was not included in the list, the deputy minister tells me that we may be able to let my hon. friend know to-morrow. If I understood aright there was a special answer given about this postmastership in which I stated that the dismissal had taken place.

Mr. THOMSON: The reason I put the second question was that the order had not been carried in the first place.

Mr. PELLETIER: And the second effort was more successful than the first. If it is not plain there must have been an omission by the clerk in charge. Another question put to my hon. friend was as to the facts about the change in the post office at Sintaluta. Would that come under Mr. Motherwell or Mr. McNaughton? The postmaster was dismissed and the evidence in the case was most complete. We have the sworn declarations of five or six people showing that he had taken part in the election. If the return has been brought down I suppose my hon. friend has seen these affidavits.

Mr. THOMSON: Yes, but what I was asking the Postmaster General was whether there was a report from the inspector. I understand that Mr. Dickson made an investigation even after that.

Mr. PELLETIER: I understood that there was no report. My hon. friend, in the letter which he was kind enough to write to tell me beforehand that he was going to touch upon this question to-night, referred to certain papers, and I have not brought any other papers than those which were asked for in this letter.

Mr. THOMSON: If the Postmaster General finds there is a report will he be good enough to let me have it?

Mr. PELLETIER: Yes. About the Montmartre post office, I think there was a report in that case. It showed that the postmaster had taken voters to the poll.

Mr. THOMSON: He drove one voter to the poll, but he was a liveryman, and he had also offered to drive Mr. Lake.

Mr. PELLETIER: It is forbidden by the election law to take a man to the polls if you are paid for it. Perhaps my hon. friend did not remember that.

Mr. THOMSON: Was it not quite possible that this man may have been driving? I think it was a fact that he was driving that way and this man went with him. He had also been driving Mr. Mutrie. As a matter of fact he was paid for driving Mr. Mutrie around, and he offered to drive Mr. Lake in the same way.

Mr. PELLETIER: If the man was paid he acted in defiance of the electoral law.

Mr. THOMSON: Do I understand that to drive Mr. Lake to a meeting, or to take an agent to a meeting would be in defiance of the law? Would it be illegal for him to drive Mr. Lake or an agent to the meeting?

Mr. PELLETIER: No, but it would be illegal to drive electors to the poll on election day.

Mr. THOMSON: This was long before the election. Mr. Mutrie was not there on election day.

Mr. PELLETIER: As to the Montmartre case, my hon. friend's letter says there are allusions to a petition having been received.

Mr. THOMSON: Yes.

Mr. PELLETIER: I am told that there is nothing on the file in the department which would indicate that any petition had ever been received. If the inspector received one he should have sent it to the department at Ottawa. With regard to the Sintaluta matter, a mistake was made by the new postmaster. He took an assistant—Miss—I need not give her name except my hon. friend insists upon it—it was the postmaster's niece, as a matter of fact—and he made the mistake of leaving everything practically in her hands with the result described by my hon. friend. The facts are as my hon. friend put them. But it was quite plain that there was no dishonesty about it because there were letters for the postmaster himself amongst the bunch which was found not to have been delivered. The file shows that when I was informed of this state of things and that this postmaster was $682 short in his cash, I at once put a note on the file that we should not keep that postmaster and to see to it right away. Under these circumstances the inspector went over, and the postmaster's niece, who had been in charge of the post office, was dismissed. Since then the inspector and the department have come to the conclusion that there was no trace or intention whatever of dishonesty. The amount which, from the first report, appeared to have been taken was reimbursed right away as soon as the postmaster's attention was called to the state of things created by the lady who was there. On the 16th of May the post office inspector returned there and found everything pretty much in good order and that the gentleman had taken charge of the office himself. We are informed that if he sticks to his business and does not appoint anybody who does not know the business we will have a pretty good postmaster. At all events, I may tell him that if he does not do so he certainly will not be kept in the office.

Mr. THOMSON (Qu'Appelle): I have been in communication with people in Sintaluta, and I find that there are a great many in that place who feel very strongly that the lady has been made a scapegoat of.

Mr. PELLETIER: No.

Mr. THOMSON: Well, that is the feeling the people have.

Mr. PELLETIER: They are wrong.

Mr. THOMSON: The minister might possibly be wrong. I would ask the minister to have a thorough investigation of the case, because there is that feeling in Sintaluta. The niece of Mr. Hill was pretty much in charge of the post office when Mr. Hastings was postmaster before him, and there never was any complaint in so far as I can hear. The feeling in Sintaluta is that the blame is not with Miss Gibson, I think the name is, but with Mr. Hill. I merely make the statement to the minister that there is that feeling, and I think it would be worth while to have a little more investigation and see whether this young lady has not been made a scapegoat of.

Mr. PELLETIER: I have no personal knowledge, but if I can trust our post office inspector there, the people are wrong in supposing that this young lady has been made a scapegoat of. According to the files, the facts are absolutely as I have stated them to my hon. friend.

Mr. OLIVER: It strikes me that the position of my hon. friend the Postmaster General is absolutely untenable. He removed a postmaster who gave every satisfaction, absolutely without cause except the charge of being a partisan. He appointed another gentleman as postmaster, who was admittedly a partisan, who was appointed because he was a partisan, and who not only was a partisan but was a leader of my hon. friend's partisans in that particular locality. After he was appointed, instead of there being efficiency of administration, there was such inefficiency that it came to the attention of the department. There was the appearance of dishonesty. The facts of serious shortage were established. My hon. friend speaks of the dismissal of the assistant. There was in that office no assistant postmaster within the jurisdiction of my hon. friend, if I understand the matter correctly. It is a very small post office, and the partisan whom my hon. friend appointed because he was a partisan was the only person to whom my hon. friend had a right to look for the administration of the office. It is most remarkable that an efficient man is removed; that the office is administered inefficiently, to the scandal of the neighbourhood, and that my hon. friend not only does not remove the postmaster, but does not censure him. He tells us that he has removed the postmaster's niece. He brings before the attention of the House and of the country the suggestion that this young woman, this assistant of the postmaster, is the person who is responsible, although he has not a tittle of evidence to bring before the House to that effect. It is outrageous that the Postmaster General should defend his partisan appointment in such a way. Does my hon. friend think the post office service of this country is only for the purpose of providing recognition for political partisans? Is the post office service of the country not rather for the public, and it is not a matter for the consideration of the Post Office Department under my hon. friend's able administration, whether certain post offices are properly administered or not? I think my hon. friend has a misapprehension of the responsibilities of his position when he undertakes to justify or to defend a condition such as he has defended here to-night in such a manner.

Mr. BOIVIN: In connection with dismissals in the outside service, two returns were tabled here last year concerning the dismissal of the postmaster at Granby. I am not in any way blaming the Postmaster General, because the people of Granby are well satisfied with the present condition of affairs. I received a return in which it was shown that Mr. George F. Payne of Granby had been complained of by the hon. member for Yamaska (Mr. Mondou) and that there were two applications, one by Mr. Dozois and one by Mr. Bergeron, for his position. A few days previous to that, a return had been handed to my hon. friend the member for Rouville (Mr. Lemieux), in which the name of Mr. George F. Payne was mentioned as dismissed. Evidently there was a mistake somewhere. Dame rumour had it that one of the applicants, Dozois, was appointed to the position, and that he had his appointment in his pocket. I am often asked by my electors to throw some light on this matter, and I am at a loss to know what to say.

Mr. PELLETIER: The hon. member says that he is well satisfied with the present state of affairs. Surely that settles the whole question.

Mr. BOIVIN: I am perfectly satisfied; and I think, as long as the present postmaster remains in office, the people of Granby will be satisfied. Very influential Conservative men in Granby petitioned the department to keep the present postmaster in office. He is a very efficient official. I am, however, often asked if the information is correct that another man has been appointed postmaster.

Mr. PELLETIER: Mr. Payne is still postmaster.

Mr. CARROLL: In the month of November, 1912, certain petitions were sent to the department of the Postmaster General, and also to the right hon. the Premier from the letter carriers' union at Sydney, and from the federated association of letter carriers which represents ninety-eight per cent of the letter carriers in the Dominion. They have submitted for the consideration of the

department certain changes which would be of great benefit to them. They submitted that they were entitled to an eight-hour day; to sick pay, which I understand they are not getting at present; and also that they should have a half holiday each week during the months of June, July and August, that is in the heat of the summer. They also submitted a very strong case for an increase in salary. With reference to the weight of mail, those resolutions set forth that at that time and I understand there has been no change since—the letter carriers are obliged to carry between ninety and one hundred and fifteen pounds of mail. I do not think that men can do justice to themselves or to the delivery of mail if they are obliged to carry that weight. I understood some time ago that, under the regulations of the department, the weight of mail which they are obliged to carry is somewhat less than that. Therefore it must be the case that we have not got sufficient letter carriers in order to make the postmasters in the various cities see to it that they carry the regulation weight. These resolutions were submitted to me some time ago, also the question of superannuation and uniforms, as well as other questions. I think all these resolutions should commend themselves to the serious consideration of the Post Office Department. Officers who are obliged to be about in all kinds of weather as letter carriers are should not be obliged to work more than eight hours a day in view of the fact that they are working for a Government and a department that can well afford to see to it that they do not work longer. If an employee in the inside service is sick for a day or two he is given his pay while off duty, but it seems that the letter carriers are only paid by the day and that if one of them is off a day through sickness, he is docked a day's pay. This seems discriminatory and unfair. Then there is the question of the half holiday. I do not know what attention the Postmaster General has given to these resolutions, but if he has not dealt with them, I think it only fair that he should do what is possible to remedy the grievances of the letter carriers. I do not think they are asking too much. They are a low-paid class of men; they have to work long hours, and they carry heavy loads. I understand that the letter carriers in the city of Sydney, who are all good men so far as I know, were represented in the delegation which came to the minister, and I have no doubt they made their complaints more strongly than I could, for it is only recently that these resolutions were placed in my hands. I look to the minister to say whether these things have been taken into consideration and whether they have been remedied or will be remedied.

Mr. PELLETIER: The representations of the letter carriers were laid before me last fall or winter by the delegation of which the hon. gentleman speaks. The rule about the eight hour day is being enforced. Of course, as every hon. member will understand, it inevitably happens that trains are sometimes late, and in such cases the letter carriers must work more than eight hours. But the instructions from the department are that these cases shall be recognized by making an allowance, or giving the men more rest on the following day, or something of that kind. But the rule is for eight hours work a day and the officers of the department are carrying out that rule. As to the weight the letter carriers must take, the department thinks it well to leave that to the judgment of the postmaster. Every postmaster knows that the desire of the department is that these men should not be overburdened, and that if they are not numerous enough to take care of the whole delivery in one trip, some of the stuff should remain in the office for further delivery. Of course, the letters will be taken care of in any case by the first delivery, but parcels and newspapers may have to wait when they are in too great quantity. Now, as to sick pay, these men already receive sick pay where the department has been notified that the sickness is a bona fide one. I remember telling our friends, the letter carriers, when their representatives came here, that they were entitled to sick pay. They said that this rule was ignored; I told them that if the rule was not carried out they might make their representations in the regular way and their complaint would be attended to. This covers three points raised by my hon. friend. The fourth is the question of the half-holiday. I have, as he will see, gone into these matters pretty carefully. The half-holiday question is the one not settled so far. I have referred it to the officers of the department for a report, and I understand that that report will be placed before me as soon as the arduous work of the session is over. I agree that the work of the letter carriers is important and that they should be well treated. We have a good staff of letter carriers and I have much sympathy with them. And I think they will find that I have something more than mere cold sympathy.

Mr. PROULX: And I hope the Postmaster General will have something more than cold sympathy for the rural postmasters. My hon. friend from Humboldt (Mr. Neely) has spoken on their behalf, and I endorse everything he has said. I think that their salary should be increased, and that the minimum should be $50 year.

Mr. BOIVIN: The Postmaster General has said we have to be dissatisfied in order to get information. I am going to ask him

a question about something with which I am not satisfied. I desire to know the reason for the dismissal of Mr. J. Masse, postmaster at Roxton Falls.

Mr. PELLETIER: He was dismissed for political partisanship.

Mr. BOIVIN: Would the minister please look over the file and, the next time the committee meets and takes up the Post Office estimates, give me some details concerning the nature of that political partisanship?

Mr. PELLETIER: I will.

Mr. MARCIL: I hope the Postmaster General will not have too strong a grudge against me if I refer to the changes in the officers of his department in my riding. I allowed the whole of last session to pass without making any reference to the matter. I have here the latest edition of the Postal Guide in which I see that there are about eighty-three post offices in Bonaventure. I have not had any return since the 5th of March last as to the number dismissed, but I think that roughly speaking there must have been thirty or thirty-five changes through dismissal. The dismissals were for alleged political partisanship.

During the last campaign I had the good fortune of having as my opponent Mr. Mousseau, a son of the late Prime Minister of Quebec, who afterwards undertook to communicate with the department with a view to giving to Caesar the things that are Caesar's or in other words, of urging that some of the spoils be given to Conservative supporters in his constituency. A dead set was made upon practically every office held in the constituency, and the principle upon which action was taken in this regard is laid down by Mr. Mousseau in a letter addressed to the Postmaster General dated November 9, 1911. It is in French, but I have translated it as follows:

Hon. L. P. Pelletier,
Postmaster General,
Ottawa.

Sir,—I have received several communications from your department on the subject of the appointment of Mr. François Dion as postmaster at Caplan River. I will draw your attention to this subject by my letter of October 21 last addressed to the deputy minister. It is needless for me to say that applications are numerous since the elections. Seeing that nearly all the employees of the Government meddled actively in politics against us, there will have to be many changes. Since the elections we have been very busy and I have not been able to deal with all requests that have been made. I will add that I intend proceeding with the greatest caution and will only recommend to you appointments which will be of a nature to help the party, and it is better to take our time and act so as to please our friends.

Yours, &c.,
(Signed) J. A. Mousseau.

This indicates exactly the line of action under which proceedings were taken at that time. In Shigawake, one of the English-speaking centres of the county, Mr. James Poirier, postmaster, who had been dismissed in 1896, was reinstated on the request of Mr. Mousseau, and against the protests of practically the entire population. Mr. J. A. LeGallais, the postmaster and storekeeper of the place, a man who gave eminent satisfaction, not only to the department but to the public as well, was dismissed and replaced by Mr. James Poirier, who held office up to 1896. It was alleged that Mr. Poirier had been dismissed for political reasons, but he was really dismissed for other reasons. Here is a letter written by Mr. Mousseau to the Postmaster General on March 2, 1912:

I have the honour to ask that Mr. James Poirier, of Shigawake, be appointed postmaster at that place in the place of John LeGallais, the present postmaster. In support of this request I submit that Mr. LeGallais is a political partisan, and has been, even since the elections, and that Mr. James Poirier is one of our most faithful friends in the county. Mr. Poirier should be reinstated without inquiry, as he was dismissed from his functions for political reasons in 1896.

I have the honour to be, sir,
Your obedient servant,
J. A. Mousseau.

In order to see whether or not this is a fact, I will read a letter addressed to the then Postmaster General, Sir William Mulock, by W. L. B. Fauvel, then member of Parliament for the county:

Ottawa, 28th Sept., 1896.

Dear Sir,—I beg to call your attention to the inconvenient location of the post office at Shigawake, which is half a mile too far west, as reported to the department by your inspector on the 28th November, 1893, and I recommend it being replaced to where it was at the time of its original establishment until it was removed some three years ago to its present position.

The mill is kept by a man named Mr. Joseph Hayes, and his mill premises are the centre of trade for a large district, people coming and going there continuously; in fact the chief and only business centre for a considerable area around, and the location of the post office at the mill premises will be a public convenience, while the present location is an inconvenience.

It will be necessary to have the post office maintained at Mr. Hayes', which is on the mill premises, and this will involve his being appointed postmaster, and I strongly urge this being done at once as essential in the public interest.

It would be impossible for Mr. Poirier, the present postmaster, to continue to discharge

the duties if the office is transferred to the mill premises, so that the transfer involves a change of postmaster, and there is no other way by which public convenience can be accomplished than by transferring the office as above mentioned to the locality referred to and the appointment of Mr. Joseph Hayes as postmaster.

Yours very truly,
W. L. B. Fauvel.

On the present Administration attaining power in 1911, the Rev. J. Prout, who is still in charge of the congregation in Shigawake, wrote a letter to the Postmaster General, which reads as follows:

Shigawake, Nov. 15, 1911.

My dear Sir.—It is reported that the post office at Shigawake is likely to be removed to some other point. Of course it may only be a report. I should be sorry if such were the case. The office is now central, well-kept and the postmaster is obliging. I shall consider it a favour to let me hear from you. I shali treat this matter strictly confidential.

Yours truly,
(Rev.) J. Prout.

The Postmaster General on 18th of November, wrote the following letter in reply.

I am in receipt of your letter of the 15th instant, stating that you understand there is a question of a change in the site and postmastership of Shigawake, Que., and expressing satisfaction with the present site and management of that office, and, in reply, beg to state that your representations in the matter will receive careful consideration.

Several letters seem to have been addressed to the Postmaster General by Mr. Mousseau and other Conservatives in the district asking that Mr. LeGallais be dismissed, and that Mr. Poirier be reinstated. This seems to have been done, notwithstanding the protest of the reverend gentleman whom I have mentioned. I will read the protest addressed by him to the Prime Minister:

Saint Paul's Episcopal Parsonage,
Shigawake, Bonaventure county, P.Q.,
March 3, 1913.

To the Right Hon. R. L. Borden,
Prime Minister of Canada,
Ottawa, Ont.

Dear Sir,—I have for some time now been writing my Conservative friends to try and get the present post office in Shigawake moved to a more central place so that the demands of the public here might be satisfied, but as yet the only satisfaction that I can get is a letter from the Post Office Department that the office has gone back to the holder of it in 1896, who lives remote from the centre, and who lost it in that year on this very account. I then went to Mr. Jos. Hayes and later to Mr. J. A. LeGallais, who kept the best post office that ever was in Shigawake, and where the public got the best of satisfaction, but, as, unfortunately, the post office seems to go with the spoils of war, Mr. LeGallais lost it, and that not because he canvassed, but because he was a Liberal. The result has been that ever since the public have suffered from want of proper shelter on account of the waiting-room having no handle or lock, and from cold for want of a stove, from fatigue from travelling too far for their mail, and from carelessness on account of the postmaster frequently making all sorts of mistakes. Recently I mailed a letter to Mrs. Jane Vibert and had same properly stamped and addressed to 816 Ames street, Saginaw, Mich., and the same night got the same letter returned in my mail, without it having left the office. Again I am frequently given mail addressed to a Mr. Vautier here, and the other day Mr. Vautier mailed a letter to a Mr. Vautier in Boston, Mass., properly stamped and addressed, and the same was given to me in my mail without it having left the office. Again, till I corrected the post office people, they would not give me a money order for any sum less than $1, but wanted to issue postal notes, and the other day gave a postal note to our maid and made it payable in Jersey, Eng. On Sunday, 2nd, I supposed that I had obtained all my mail, but this a.m. got some that had not been given me. This is of frequent occurrence. I know of several others who have complained about this same thing and earnestly hope that our present Government will comply with the manifest wishes of the people and place the office in the centre of Shigawake.

Mr. J. A. LeGallais was and is still a most respected merchant of the place. Mr. Jas. Poirier is a sewing machine agent and has to keep the office in the manner above stated as he has no store. I have a congregation of 409 souls here, the only clergyman living in the place, and the only one with a church in the place, the Roman Catholic being at St. Godfroy, and I think it only right, under these circumstances, that the voice of the people as expressed through my letters to the department, be given some attention, and the office returned to the centre and preferably to Mr. J. A. LeGallais, but if not to him, then I am prepared to recommend some other.

The Government will have all to gain and nought to lose by complying with this request.

Trusting I may be favoured with a favourable answer.

I have the honour to be,
Yours sincerely,
(Rev.) A. J. Vibert,
Church of England clergyman in charge of Shigawake and Hopetown.

These appeals were made in May. Mr. Le Gallais has given satisfaction, even Mr. Thos. Crockett, a former opponent of mine, appealed to the Postmaster General in favour of this recommendation, but to no effect. The Postmaster General followed the recommendation of Mr. Mousseau, who is acting with a view to helping the Conservative party, and the appointment of Mr. Poirier was made. His office is outside the village, and it has given great dissatisfaction. The result there is an evidence of the evil effects of making changes in post offices for political purposes. I have

not the patience nor would I be warranted in troubling the House with the numerous instances I have before me of dismissals of all kinds, but I would like to give one other dismissal, at St. Charles de Caplin, in spite of the protest of the parish priest and the great bulk of the people using the post office. In all of these dismissals the Postmaster General seems to have taken no account of the representations made by the clergy of the county.

These gentlemen are not partisans, and are speaking in the interest of the public. I am sorry that the Postmaster General followed the advice of Mr. Mousseau and gave the spoils to the friends of the party instead of following the advice of these gentlemen. Mr. Theophile Poirier, the postmaster, was dismissed in 1897. There was no evidence given. I have a personal recollection of having taken part in the election at that time. This man was dismissed for alleged political partisanship. When the Conservative Government came into power in September, 1911, an application was made by Mr. Robertson, of New Richmond, a strong Conservative, to reinstate Mr. Poirier. A letter was sent to Mr. Mousseau, and Mr. Mousseau agreed with the recommendation. The Postmaster General, or one of his officials acting under him, gave instructions to dismiss Mr. Arsenault and to appoint Mr. Poirier. The house of Poirier was no longer in the centre of the parish, it was quite a long distance from the church and at once there was a strong protest against that appointment, because it would put the whole parish to great inconvenience. A petition was sent to the Postmaster General, signed by the Reverend Mr. de Champlain and by practically all those using the office, protesting against the change. I shall not read the correspondence. The gist of it was that Arseneau had given good satisfaction, he had lately erected a post office building on the highway, and the office was situated close to the church. The removal of the office to Poirier's residence would not be at all satisfactory. The department, after a great deal of correspondence, decided to bring back the post office to the church and they appointed a new postmaster, Mr. L. Z. Leclaire. Leclaire's office was to be named St. Charles de Caplan, and Poirier's office should be given another name. The result was that Leclaire finally secured the name of St. Charles de Caplan and the other office was given the name of Mousseau. But there was already a post office of that name in Soulanges county and, therefore, this comedy of errors had to be re-enacted with the result that there is a second post office within a mile of that with the name of Mousseauville, and I do not suppose that there is one person in the province of Quebec who would address any person living in St. Charles de Caplan as living at Mousseauville. The result is that the whole post office business has gone back to the church and the post office of Leclaire. Arsenault who gave satisfaction has been dismissed and Mr. Mousseau has had his say. That is another instance of the unsatisfactory result of changes made for political purposes. In the parish of Avignon the postmaster was dismissed for the reinstatement of the former postmaster. The former postmaster was Octave Martin. Mr. Octave Martin was reinstated in October or November, 1912, but I understand that Octave Martin never attended to the post office at all, but that the post office was kept in the store of Blanquière & Arsenault. The result is that lately I put a question or two on the Order Paper and this probably attracted attention to the state of affairs, that Octave Martin, although postmaster, gave no attention to the post office which was in the store of another firm. The result was that Poirier, who had given great satisfaction to the whole parish, whose house is alongside the church, has been dismissed and a new postmaster has been appointed. In this instance I do not think that Mousseau's recommendation was taken into account because I understand that lately the patronage has passed into the hands of Mr. D. Champoux, of Campbellton, who was chosen at a meeting and who has come here on many occasions in connection with a local railway and with public works. I think this change was made on his recommendation.

In the parish of Bonaventure, the largest in the constituency, Charles Forest was dismissed and replaced by Firmin Poirier. Forest had been brought up in the post office. His father was postmaster at Bonaventure river for forty years and, this old man having retired, I had Charles Forest appointed at the request of Father Gravel parish priest, and with the practically unanimous support of the whole parish. I have here a petition stating that Forest was the ideal postmaster of the locality. He has been brought up in the post office, as I said, he knew all the people, had given eminent satisfaction to everybody.

He was dismissed simply because one night he met a fellow parishioner, and, talking about the elections, expressed the opinion that Mr. Marcil would be elected, or something to that effect. I am sorry to say that the dismissal has caused very general dissatisfaction even among Conservatives. At Caplin River there was an extraordinary state of affairs. Mr. Xavier Babin was dismissed and Mr. Denis Babin was appointed in his place. The ground of dismissal was alleged partisanship. Three recommendations were made by three former

opponents of my own, and a battle royal took place. Finally Mr. Mousseau gained the day. Mr. Babin was appointed because he had given more faithful service to the Conservative party than the two others. A protest has been sent by the Conservative electors, members of Le Comite de St. Charles de Caplan to the hon. Postmaster General against the appointment of Mr. Babin, and the result is that the change has caused general dissatisfaction in that locality, whereas the man who held the position before, gave complete satisfaction. I might mention one or two more cases. I understand that some of the appointments that were proposed have not been made. I would like to refer to St. Omer, one of the new parishes in the county. The postmaster in St. Omer, was Mr. Isidore Landry. After the hon. Postmaster General came into office, a communication was sent to him by the parish priest, the Rev. L. P. Chenard. It was signed by a number of people, and I would like to read it. I think their recommendation should have been followed. The letter was as follows:

To the Honourable L. P. Pelletier,
Postmaster General,
Ottawa.

Honourable Sir,—The undersigned humbly set forth:

1. That it is asked that the St. Omer post office be removed from the residence of Mr. Isidore Landry.

2. That the said Isidore Landry has kept that post office for ten years.

3. That no complaint has been laid, but on the contrary the public is well satisfied with the manner the office is kept and with the services of the postmaster.

4. That the office is situated near the railway station and consequently centrally located.

5. That your pentitioners ask that the office shall not be removed.

6. And that the said Isidore Landry be kept as postmaster as long as he gives satisfaction to everybody.

And your petitioners will ever pray.

Mr. Isidore Landry was dismissed to make room for Mr. Arseneau. The latter had been postmaster for a number of years up to the time he was appointed Crown lands agent for the province of Quebec. The department contended that it was not in the public interest that a postmaster should hold a federal and a provincial position at the same time, and Mr. Arseneau was asked to resign, and he was removed from office on that ground. Subsequently, having been removed from the provincial office, he naturally applied to get back his post office, and the post office has been given to him not because of any particular complaint against Mr. Landry, but because Mr. Arseneau had been the Conservative candidate in the county, had been a former postmaster, and was recommended by his political friends. I have not a word to say against Mr. Arseneau. He is a respectable man, a man of high standing in the community, but he is pretty well up in years, and I know that if the Postmaster General's inspectors inquired as to how this post office was being conducted now, and as to how it was conducted by Mr. Landry, they would find it was more satisfactory under the old system than at present. There are any number of other cases. Apparently no one escaped. Wherever it was possible to make a dismissal, it was made, and whenever the appointment of a Conservative could be made it was made, and entirely for political services. There is the case of Robitaille in the same constituency. The post office there was formerly occupied by Mr. Edouard Quinn, a very respectable old gentleman, who gave satisfaction to the department and to the locality. A letter enclosing a blank form was sent to him, stating that certain charges had been made against him, and asking him to fill up the form and to make an affidavit that he had taken no part in the election. He made a statement before a justice of the peace, but Mr. Dagneau, a most active partizan, was appointed postmaster in his place. Since his appointment Mr. Dagneau has continued to look after the distribution of the patronage throughout the constituency. It was stated to me in a letter that the postmaster was really Mr. Joseph Dagneau, a brother of the man said to have been appointed. Mr. Quinn was a very deserving postmaster who gave complete satisfaction to the department and to the locality. He asked for an investigation, but it was refused. I do not think it is necessary for me to go into the other cases. I will merely name some of the places where charges have been made. At Gravel Mr. F. J. Bujold was dismissed for alleged partisanship and Mr. Vincent Bujold was appointed. At Little Cascapedia John B. Cyr was dismissed for alleged political partisanship, and Felix Arsenault was appointed. At Petit Bonaventure Joseph Belanger was dismissed for alleged political partisanship, and John Gallagher was appointed; at St. Godfrey, Laurent Huard was dismissed; and at New Richmond Centre a change was also made and the department gave the appointment to the old postmaster. I shall not say any more than merely express the regret that I feel that the Postmaster General, in making these various changes, seems to have followed the old political methods. I am sorry that the Postmaster General did not consider the interests of the service rather than the political interests of his party. I think the Postmaster General will do well in future, whenever it is possible, to consider the public interest—the interest of the majority of the people who are served by the post office—rather than the political interests of his party, and that he should also give consideration to

the question whether the postmaster has performed his duties satisfactorily or not. A warning might be appropriate to any person who has been found to have participated in politics, but who has given good service, such as Mr. Forest, of Bonaventure, because you have the evidence of the parish priest and the great bulk of the people interested declaring that he was the most competent man who had ever kept this office. Yet, upon the mere ipsi dixit of a political worker, this man is dismissed, and you appoint a new postmaster without knowing anything as to what his qualifications are. In pursuing this course you are making a great deal of trouble for yourself, as is evidenced in the case of St. Charles de Caplan. The result is that everyone who has been dismissed becomes aggravated in his feelings against the Government of the day, and numerous applicants for the vacant office have to be dealt with. One man is appointed, and a dozen are dissatisfied. The party in power loses more than it gains by the change, whereas we get more partisans in the next election. Both political parties would do well, unless it is a flagrant case, to consider first the public interest, guided by a reasonable opinion of the people of the locality.

Mr. NEELY: There are one or two matters that I wish to bring to the attention of the hon. Postmaster General (Mr. Pelletier). I do not think I have any fault to find with the Postmaster General for dismissing public servants, who, after thorough and fair investigation, have been convicted of active political partisanship. There may be faults in the system, but I am not going to offer any criticism of the Postmaster General, or the head of any other department, who takes the ground that a man who has been an active partisan while holding a public office, should, after full investigation, be dismissed. But there are instances where the partisan doctrine is carried to a very great extreme, and I have one or two of these instances in connection with the administration of the Post Office Department by the present head of the department that I want to bring to his notice at the present moment. I think I can prove that in these instances the Postmaster General went very far afield to show that his appointments, and the administration of his department, were far more in the interest of the party to which he belongs than in the interest of the public whom the Post Office Department is supposed to serve.

A little over a year ago, in the little village named Wakaw, in my constituency, which is on a new railway being built from Young, on the main line of the Grand Trunk Pacific to Prince Albert, a change of postmasters was considered desirable. It was brought to the attention of the Postmaster General that an appointment should be made, as the situation of the old post-office was some distance out of the village, and it was necessary in the interest of the public that the post office should be moved into the village and another person appointed as postmaster. On the 21st February, 1912, a widow woman, who was a restaurant or boarding-house keeper, an estimable person, who was supporting a small family by her own efforts, and an lived in this village, made application to the Postmaster General to be appointed as postmistress. Accompanying her request was a petition of fifty-one residents, which number, in that place, practically included all the residents, comprising the reeve, or mayor, or overseer, the president of the board of trade, the banker and the business men of the place. This application was made in February, 1912. According to the custom of the department, the gentleman who was the Conservative candidate in the last election in that constituency was appealed to for a recommendation. I refer to Mr. Harvey Hearn, a lawyer of the village of Wadena, in the constituency of Humboldt. Mr. Hearn was informed of Mrs. Gould's request, and of the petition which had been sent in her favour. The minister will have no trouble in looking up the facts in connection with this matter, because, pursuant to an Order of the Senate, dated February 12, 1913, a return was brought down of all papers, telegrams, petitions, letters and other documents in the case, and it is from that return that I take the information which I have at the present time, along with complaints that I received last year from the residents of the place in reference to the appointment. It seems however, that Mr. Hearn changed his mind very shortly after he had recommended Mrs. Gould by his letter of April 11, 1912. He had received some new light on the situation in this village, and on the 29th April he wrote recommending the appointment of a man by the name of McCloskey, who was a school teacher some few miles out of Wakaw, but who, it was understood, was going to live in that village. Within two or three weeks, this Mr. Hearn changed his mind about his recommendation of Mrs. Gould, and decided to recommend this man by the name of McCloskey. In a very short time the citizens of the village became aware of this prospective change. On May 21, 1912, the board of trade sent in a very strong protest against the appointment of Mr. McCloskey as not being a fit person for the position of postmaster. Immediately after that, the de-

partment wired the inspector to suspend the appointment of Mr. McCloskey until an investigation could be made as to his fitness for office. On the 29th of May the department wrote Mr. Hearn, the Conservative candidate in the last election in that constituency, notifying him of the protest of the board of trade. On the 21st of May, a petition signed by practically all the citizens of the village, was sent to the department, protesting against Mr. McCloskey's appointment. Following the instructions of the Postmaster General, the inspector at Saskatoon investigated the matter. On the file is the reply from the assistant to the inspector at Saskatoon, in which he declared that very serious charges of a personal nature, affecting Mr. McCloskey's conduct when teaching in a school in the neighbourhood and as to his personal conduct in and around the village during his term of residence there, had been made to the inspector by letter and otherwise by the people of the village. The department notified Mr. Hearn of the inspector's report and of the protests of the citizens. On the 15th of June another petition was sent in for the appointment of Mrs. Gould.

The CHAIRMAN: I understand that the Postmaster General is not anxious to go on with these estimates at the present moment. If that is the case, I can defer any remarks I have to make.

Mr. LEMIEUX: I am informed that the Postmaster General is not feeling too well. We might perhaps adjourn the consideration of his estimates; take up the Department of Railways, and I presume by to-morrow my hon. friend will be able to go on with his estimates.

Mr. PELLETIER: Perhaps to-morrow afternoon or evening. I have been somewhat under the weather for a few days.

Mr. GRAHAM: We are glad to allow the Postmaster General to go home. The hon. member for Humboldt (Mr. Neely) will not be here to-morrow. If the estimates go on to-morrow, we can keep an item so that he can make his remarks.

Mr. PELLETIER: Certainly.

Mr. GRAHAM: With the consent of the committee we might say that civil government estimates are passed, with the understanding that we can discuss them again.

Mr. PELLETIER: I am quite willing that the discussion should go on later. I must thank my hon. friends opposite for their consideration.

The hon. member for Rouville has asked several times about the Parcel Post Bill. If, as I understand it, the matter is not controversial, I am prepared to put this Bill through at any time. To-night, newspapers on both sides of politics in Ottawa, say that the Bill has disappeared from the Order Paper. If they will look at Order No. 21, they will see that the Bill has not disappeared. Any controversial Bill, which would be likely to keep us here much longer, although we enjoy the company of our hon. friends, would have to be discarded, but anything not controversial—

Mr. LEMIEUX: We would have to read the Bill first.

Mr. PELLETIER: I am sure my hon. friends will have plenty of time to read the Bill.

Mr. BOIVIN: Can the hon. Postmaster General let us see the Bill? At present we cannot say whether it is controversial or not.

Mr. PELLETIER: The Bill has been printed for fifteen days or three weeks and I think my hon. friends will find it on their files. It is Bill No. 210.

Railways and Canals—capital—Trent canal construction, $1,000,000.

Mr. GRAHAM: When the House rose at six o'clock, several hon. members had expressed their views on this waterway. My hon. friend from Peterborough (Mr. Burnham) rather thought the work had not been progressing with sufficient rapidity. It is perhaps the oldest work in Canada that has been kept almost continuously under construction. I think he will admit that during the last two or three years a great deal of work has been done in developing this waterway. He will find that, in the Department of Railways and Canals, resolutions of the board of trade and the city council of Peterborough, as well as other councils on the line of the canal, speaking very favourably of the progress of the work. Now, I think a wrong impression was left on the minds of some hon. gentlemen as to the canal not being 'opened up'—that being the term used. It is true, the canal is not yet completed to either lake Ontario or Georgian bay, but it has been open for navigation for many years. One can take a steamer at Peterborough and go to any point on lake Simcoe. I agree with my hon. friend from East Simcoe (Mr. Bennett) that this is a very beautiful route, in fact I think I am safe in saying that on this continent there is no more picturesque route than this Trent canal. I have made the trip, and know whereof I speak. It is really an eyeopener to one who makes it for the first time. Lake after lake is crossed and the most beautiful scenery brought into view, scenery that has lost none of its natural charm. I advise the members of this House and the people of Canada and elsewhere, if they want a really beautiful and rest-giving trip to

take this tour from Peterborough through to lake Simcoe.

A good many questions were asked today about the land damages. These come about in this way: Dams have to be constructed for the conservation of the water, and naturally, where the waters are raised, lands are overflowed . It takes a long time to get all these claims settled, especially when, as the work proceeds and other dams are built, new claims arise. It is not an easy matter to deal with them all—it is a task that is perhaps not so difficult as tedious. I believe about $274,000 has been spent in land damages, and it will be some time before these cases are all concluded. Originally the dams on this system belonged to and were maintained by the Ontario Government to facilitate the operations of lumbermen. The provincial government collected timber dues, and in return, maintained dams that the lumbermen might have water to float their logs. Under an arrangement, made I think, in 1908, these dams were transferred to the Dominion authority, and the Dominion since that time has proceeded with the work, and has constructed good dams and bridges as well as building the canal. A question of jurisdiction arose between the provincial authorities and the Dominion. When my hon. friend the Minister of Railways, who is now with us, was against us on this matter—when he was in the Ontario Government—he with his colleagues rather maintained that these water-powers and the waters on this route belonged to the provincial government, and that the Dominion should hand over to the province the leases made for water-power. That is largely a legal question. I maintained on behalf of the Dominion Government that the ownership of these water-powers was vested in the federal authority and proceeded on that line. Certain arrangements were made with a company to develop power along the Trent system. There were a great many smaller leaseholders, some of the original patents having been granted a century or so ago, and arrangements had to be made with these holders, which arrangements were amicably made in most cases. The ownership was thus vested in the company, which proceeded to develop the power. I think the result of that was good, as along that line and within striking distance of it, very cheap power was obtained and is being obtained. Hon. members who were in the House then will recall that it was in connection with this power that the first Act was introduced to give the Railway Commissioners the power to regulate rates. I believe we should not have had the Hydro-Electric so early in eastern Ontario if we had not developed that power. However that might be controversial, and I am not seeking to raise any controversy now. Could the minister tell us what horse-power has been developed along the Trent canal? Could he tell us also how many towns are being served by the Seymour Power Company? Thirdly, have arrangements been made with the manufacturers in the town of Campbellford, which arrangements were under way, I think, at the time of the change of government? Fourthly, what is the case that was stated to the Exchequer Court? I might explain that in order to settle the difference between the provincial and the federal authority as to the proprietorship of the water-powers along the canal a case has been submitted to the Exchequer Court.

Mr. COCHRANE: I think the province of Ontario has filed a case, but no answer has been put in yet.

Mr. GRAHAM: They have asked for a fiat?

Mr. COCHRANE: Yes. It would not be for the Trent alone. The position taken by the Ontario Government, as I understand it, is that the water belongs to the province, the federal authority having the right to control it for navigation purposes; —that before it goes into the canal and after it flows out, whether through the mouth or otherwise, it belongs to the province.

Mr. GRAHAM: The case would be a general one?

Mr. COCHRANE: Yes, to settle the question forever.

Mr. GRAHAM: I think that when the hon. minister's legal branch, or the Justice Department, take up the preparation of their reply, they will find that there are special circumstances connected with the Trent and special Acts that do not apply perhaps to any other stream in Ontario. I assume that my hon. friend will put in the strongest case he can on behalf of the federal authority

Mr. COCHRANE: I think you can depend on the Justice Department in such a matter.

Mr. GRAHAM: Because my own view—of course this is a legal matter on which I do not speak with authority—is that the province has no good ground so far as the Trent is concerned, whatever may be the truth about other waters. Can the minister give me the other information I asked for?

Mr. COCHRANE: I have no memorandum before me of the number of towns served by the Seymour Power Company or how much power is developed. The Campbellford situation has not yet been cleaned up. I went there last year and tried to make a settlement but I thought they wanted too much.

Mr. GRAHAM: I thought that myself.

Mr. COCHRANE: What will be done, I do not know, but I will try to make a settlement. In reference to the Trent, whatever may be the decision of the court, the Seymour Power Company, which has vested interests there, must be protected, and I think the Government should see that it is protected.

Mr. GRAHAM: I think that one large insurance company has invested quite a large sum of money in that locality. I do not think anything should be done to deprive them of their vested rights, but I have strong views on the rights of the Dominion, particularly on that route. I shall be quite satisfied if my hon. friend will get me that information.

Mr. COCHRANE: I will, with pleasure.

Mr. BURNHAM: As one of the humble members from the Trent district, I have been reproached for not giving the Opposition full credit for the efforts they have made on behalf of the Trent canal. Let me say that I thoroughly appreciate, and we all thoroughly appreciate, the energetic efforts made by the hon. member for South Renfrew (Mr. Graham) and those who assisted him in the matter, and that we are very grateful indeed for the thorough appreciation he has shown of all aspects of the Trent Valley canal.

Mr. HUGHES (Minister of Militia): I also desire to add a word along that line. For ten or eleven long years after the Liberal party came into office, not very much was done on the canal, but I want to compliment the hon. member for South Renfrew for what he did, after he took hold of matters, to pass the work on as rapidly as he could.

Mr. GERMAN: In reference to the Welland canal, has there been a final decision reached as to the crossing of the Welland river by the canal at the town of Welland? Are the canal and the river to be brought to the same level, or is the canal to be carried over the river, or the river under the canal?

Mr. COCHRANE: The engineers recommend turning the river into the canal. If that be done, while I do not think we are legally bound to help the different towns along the route, I think we would do so. I think we would save money, and help the towns out too, by bringing the water supply from the lake. It would be a long route, but I think we can do it and save money.

Mr. GERMAN: You will without doubt have a better canal by doing it that way. I am quite willing to accept, as I am sure the minister will accept, the opinion of the engineers. Has there been a final decision arrived at?

Mr. COCHRANE: We want to hear from the towns before we make a final decision, although it is not a matter that must be settled before we call for tenders.

Mr. GERMAN: Do I understand that tenders will be advertised for the carrying on of the work?

Mr. COCHRANE: The advertisements will be out by Monday.

Mr. McKENZIE: I wish to remind the minister of the St. Peter's canal. This is the only canal we have in the maritime provinces, and although it is not very large, to us in the island of Cape Breton it is a very important one. The minister is aware that a certain amount of money was set apart two years ago for the enlargement of the St. Peter's canal. The improvement and enlargement of the canal is particularly important for shipping from east to west, that is from the Bras d'Or lakes and from the coal mines in the eastern part of the island. I understand that the work is proceeding very slowly, and I would like to find out from the minister how much time the contractor still has for its completion, and what are the prospects of finishing the work within the time mentioned in the contract. If it is not to be finished within the time mentioned in the contract, when may we hope that it will be completed? I wish to urge again upon the minister the necessity of having that work completed at the earliest possible time. We have two large quarries on the Bras d'Or lake, and the product of those quarries would go through the canal if it were sufficiently large to accommodate the vessels. I understand that when the canal is completed it will be large enough to allow these vessels to go through, but in its present condition, they cannot do so. My hon. friend will therefore understand that the prompt completion of this work is highly important.

Mr. COCHRANE: The contractor was to have finished the work by next year, but the engineer says he does not think it will be completed until the spring of 1915. I will, however, take note of what the hon. member says, and endeavour to bring the work to completion at as early a date as possible.

Mr. GRAHAM: Can my hon. friend give me any idea as to the route which has been decided on for the Welland canal?

Mr. COCHRANE: The route will follow the valley of Ten Mile creek from lake Ontario, crossing the present canal below lock No. 11 at the level which now exists there, the rise having been effected by three isolated locks with suitable pondage

areas intervening. This level is carried through to the foot of the escapement below Thorold, which is overcome by three locks in flight and a single lock on the upper level, in the town of Thorold. Beyond Thorold the level of low water in lake Erie will be held to Port Colborne, the present canal route being generally followed except between Port Robinson and Welland where it is proposed to utilize the Welland river and at a point near Humberstone where the present sharp bend will be done away with by a cut-off. The guard lock will be built in this cut-off and will be utilized to protect the canal from high water of lake Erie.

Mr. GRAHAM: Will there be any further question as to the lowering of the level of the water of lake Erie?

Mr. COCHRANE: No.

Mr. GRAHAM: How much of the old canal is being used?

Mr. COCHRANE: Nineteen miles out of the twenty-seven.

Mr. GRAHAM: How many locks will there be in the whole system? We have now twenty-seven.

Mr. COCHRANE: We will have seven.

Mr. GRAHAM: That will be a vast improvement. By this route we have none of those immense locks that were spoken of?

Mr. COCHRANE: Each one will be forty-six and a half feet.

Mr. GRAHAM: How long, how wide, and how deep will they be?

Mr. COCHRANE: Eight hundred feet clear of openings, eighty feet wide and with thirty feet depth on the sills.

Mr. GRAHAM: The locks will be built for thirty feet, but the canal will not be built for thirty feet at present?

Mr. COCHRANE: No, it would be no use doing that until the Sault is built to a depth of thirty feet.

Mr. GRAHAM: The scheme will be to build the locks eight hundred feet by eighty feet with capacity for thirty feet draft, but the canal at present will not be built with a draft of thirty feet. Later on, if it is thought desirable to increase the depth to thirty feet, the canal can be built to that depth without any new locks. Thirty feet on the sills will take a steamer that will draw a little more than that. You can see that at the Sault any day. Could my hon. friend tell me what his estimate is for the completion of the canal?

Mr. COCHRANE: $50,000,000.

Mr. GRAHAM: Have the engineers given a fairly approximate estimate of the time it will take to complete it?

Mr. COCHRANE: Five years.

Mr. GRAHAM: It will have to go fairly rapidly. $2,000,000 would only be $10,000,000 expended in five years.

Mr. COCHRANE: I thought that would be all we would get out this year.

Mr. GRAHAM: Where are the contracts to be given out this year, and what are they for?

Mr. COCHRANE: They will start in at lake Ontario, and we will advertise section after section so as to have them come in a little later on.

Mr. GERMAN: Why could not all the sections be advertised together?

Mr. COCHRANE: Not at once, we will have section 1 advertised now and then section 2, and so on, so that contractors if they do not get one contract will have a chance at the others.

Mr. GERMAN: The intention is to advertise section 1 at present?

Mr. COCRHANE: The others will come in a few days after.

Mr. GERMAN: The minister suggested that there would probably be a conference with the various municipalities who are using water at present from the canal. That would mean Welland, Thorold, Merriton, and St. Catherines. I presume there will be a conference as to the proportionate part of the cost which each of these municipalities should pay to procure fresh water from lake Erie in the construction of the large pipe line contemplated.

Mr. COCHRANE: Yes.

Mr. GERMAN: And if that conference does result in a satisfactory arrangement between the department and these municipalities you will put the canal and the river on the same level from Welland to Port Robinson, but assuming that those conferences do not come to a satisfactory conclusion?

Mr. COCHRANE: I do not think we are legally bound to do it. I think it would be better for the towns, they would get far better water than they are getting out of the canals.

Mr. GERMAN: The towns will not want to pay very much.

Mr. COCHRANE: Oh yes.

Mr. GERMAN: There will be an election on before the canal is built and there is a lot of difficulty ahead. I do not want to say anything to criticize the problem a

bit and anything I can do to help the minister I shall do with great pleasure—

Mr. COCHRANE: Thank you.

Mr. GERMAN: —and take my share of the responsibility of getting it settled up because I know the difficulty in the situation. I want to see it settled to the best advantage of the locality and of the department and, as far as I can aid in getting it settled without difficulty, I will certainly use my best endeavours to do so.

Mr. GRAHAM: I suppose that damming the river will create quite a lot of land damages.

Mr. COCHRANE: Quite a bit I suppose.

Mr. GRAHAM: Has the minister thought about how much water power there is there now and how much there will be when the new canal is constructed?

Mr. COCHRANE: I do not know that we should do much in water-power in the new canal. We are building that canal for navigation and while we could probably make some money out of it, I think we would certainly interfere with the effectiveness of the canal and navigation if we did. I cannot give the amount of water-power there because I never had it figured out, and there are so many old leases that you cannot do much with unless you expropriate them.

Mr. GRAHAM: They are hoary with age and have antiquated histories. They were got for nothing in the first place. It is hard work to get the money out of them. The powers on the old Welland canal will not be particularly affected but, as the minister has very rightly said, the water-power must be kept secondary to the navigation. We hear a great deal of discussion in the House about how much water-power will be developed on this or that Government undertaking. It is very easy to practically spoil the value of a large public expenditure in endeavouring to get a comparatively small income, because once the current in a canal exceeds a certain speed you very much interfere with navigation. I would take the view that the minister does; I would make no promise at all about water-power and then I would see that the water-powers were used sparingly so as not to interfere with navigation.

Mr. SINCLAIR: Everyone is pleased that the minister is building for the future and that the locks will be of sufficient length to allow large ships to pass up. I understand that the new locks on the canal will be 800 feet.

Mr. COCHRANE: That is, there will be room for a boat 800 feet long.

Mr. SINCLAIR: Must we wait until the whole work is completed before we can get a boat of that length through the locks? I understand that at present no ship longer than 270 odd feet can pass.

Mr. COCHRANE: We will have to wait until the canal is finished.

Enlarging Port Colborne elevator, $150,000.

Mr. GERMAN: Will $150,000 build the addition to the elevator and make it the size it was originally intended to be?

Mr. COCHRANE: Yes, it will bring the capacity up to 2,000,000 bushels. The foundation was in before.

Mr. GERMAN: Will it be completed this summer, and be ready for the fall?

Mr. COCHRANE: It will be ready for the fall grain.

Mr. GRAHAM: Has it been a success? How much grain has gone through?

Mr. COCHRANE: It is a success all right. Last year it was $18,000 ahead, I think, and this year it is $22,000 ahead.

Mr. GRAHAM: How many bushels of grain went through?

Mr. COCHRANE: Up to the 31st of October, 1912, the elevator handled 9,653,343 bushels, and for the year 1911, from January 1 to December 31, it handled 7,000,000 bushels. I think we should have more elevator room at Montreal. I do not think we have enough to keep boats loading and trains unloading quickly.

Mr. GRAHAM: That is evident.

Mr. GERMAN: Should the harbour facilities in Montreal not be increased too?

Mr. COCHRANE: They have done good work in the past and they are doing good work now, but I feel we ought to have the elevator room increased very much.

Mr. GERMAN: And more harbour space?

Mr. COCHRANE: They will have room for 6,000,000 bushels in Montreal this year, which is a great deal more than they have had hitherto.

Mr. OLIVER: Of what use in the transportation of grain was this elevator at Port Colborne?

Mr. COCHRANE: The larger boats that could not go through the canal unloaded there.

Mr. OLIVER: Was that done with the whole of the grain?

Mr. COCHRANE: Not all, some of the boats went through all the way.

Mr. OLIVER: Was it a case of the elevator being used to discharge the big vessels so that smaller vessels could take the

grain from that elevator to Montreal, or was there some lightering of some of the big vessels going through the canal?

Mr. COCHRANE: Both.

Mr. GERMAN: I think a few minutes would not be badly spent discussing the question that the hon. member for Edmonton has suggested. Originally it was supposed that the Welland canal would not be enlarged and that the large boats would discharge their cargo at Port Colborne, and that from Port Colborne to Montreal there would be a line of barges or boats of full canal size, carrying the grain from Port Colborne to Montreal. At one time I thought that that was a feasible proposition, and I am not so certain now that it is not. However, it was thought advisable to enlarge the Welland canal, thereby allowing the large upper lake freighters, carrying 300,000 bushels of wheat, to go through the Welland canal, to pass as far down as Prescott and to discharge their cargo there, the wheat being carried in barges from that point to Montreal. The Welland canal project having been embarked upon, I have been of opinion, and am still, that the Government should proceed to enlarge the St. Lawrence route from Prescott to Montreal, and make the depth thirty feet from Port Arthur to Montreal, so as to allow a ship carrying 300,000 bushels of wheat to load her cargo at Port Arthur and discharge it in Liverpool, as she could do if the whole canal system along the St. Lawrence route were completed. I believe it would be a scheme worthy of the capability of the Minister of Railways, and one that would redound to the credit of Canada. I for one would like to see that proposition adopted and carried out. During the recess the minister with his engineers, should consider whether or not they should not begin at once to enlarge the St. Lawrence route and make it equal in depth to the Welland canal so that you would have thirty feet all the way.

Mr. BENNETT: Does my hon. friend anticipate that it will ever pay any vessel to carry 300,000 bushels of grain to Liverpool in competition with an ocean liner which would have its mail subvention, its passenger list, a large amount of high priced freight and which would practically carry grain as ballast?

Mr. GERMAN: I really cannot answer my hon. friend from East Simcoe because I am not sufficiently conversant with the matter. I would put the route from the great lakes to the Atlantic ocean in a position to allow them to do so if they wanted to. If it would not be profitable they would not do it but they could go to Montreal, discharge their cargo and return and probably that would be as much as they would do. I doubt very much if ocean-going vessels would come into fresh water or if fresh water vessels would go into salt water. But you should provide a thirty-foot channel from the great lakes to Montreal.

Mr. COCHRANE: The department has given a good deal of attention to this question already. It is a question affecting international waters and therefore before any thing is done we will have to take it up with the Government of the United States.

Mr. OLIVER: In this matter of transportation, as in other matters, the less a man knows about it the more fluently he is able to talk about it. I do not know very much about it but I am going to put a question to the minister in connection with this large expenditure and I want to be understood as not objecting to it because it is large. All I want to know is that it will be effective. As you make your vessels larger, does it not follow that any delay of the ship, or any possible danger that may occur to her, militates against the use of the large vessel more than it does against a smaller vessel? Do you not lose, in the time you take to go through the twenty-seven locks of the Welland canal, so much in the holding of that expensive vessel that you do not make a gain in the carriage of the cargo in proportion to what you would make if it were open water?

Mr. COCHRANE: There are only seven locks in the new canal.

Mr. OLIVER: I will admit that is an advantage. When you get a 300,000 bushel vessel as against a 100,000 bushel vessel; with the larger amount of capital locked up in that vessel, the larger amount of running expenses and the risk of damage in going through the canal, is it not possible that you lose as much as you gain and that the results of the enlargment of this canal will not be in proportion to its cost? I do not wish to be understood as making a statement to that affect, but from having given a little study to these matters it strikes me that there is such a possibility and that it is a matter that should be considered. The benefit of a canal is where the canal is merely a short link between two long stretchts of navigation, such as the Suez, Panama and Sault canals; but where the canal is made up of a series of locks there is involved in its use a serious loss of time and a risk of damage to the vessel that will very seriously decrease the value of water transportation by the large vessels.

Mr. COCHRANE: I do not profess to be an expert in transportation, but the engineer tells me that the average travelling

speed of boats carrying 300,000 bushels of grain is about ten miles an hour. They will go through the seven locks in the canal in ten hours, making about six miles an hour in doing so. I think, taking the overhead charges and everything, the 300,000 bushel vessel would beat any hundred thousand bushel vessel from Port Arthur down. A great deal of the expense that these big boats sustain is entailed by lying at the dock by reason of their not being able to unload quickly enough.

Mr. GRAHAM: There is a considerable difference of opinion as to the wisdom of making provision for heavy draught steamers. I had a man who was engaged in the carrying trade, and a very large grain dealer, on two occasions, perhaps three, demonstrate to me that it was cheaper, or fully as cheap, to bring grain to Prescott, or Kingston, in large lake vessels and reship it in smaller barges to Montreal than it would be for the larger vessels to go all the way through to Montreal. His statement was that you can take a series of barges and load them with grain at very small expense, that they hold a large amount of grain, that they can be operated cheaply, and that the larger vessel can return immediately and pick up its cargo in the cities along the lakes. A great deal of the cargo is taken from the larger cities to the West, and a large boat can get back very much more quickly by transferring its cargo to barges than if it went all the way through to Montreal and came back again. Sir William Van Horne gave the opinion at one time when he was discussing the Georgian Bay canal scheme, in which he took a very great interest, that a fourteen-foot channel for the Georgian Bay canal would be sufficient.

Mr. OLIVER: A barge canal?

Mr. GRAHAM A barge canal, and he contended that grain products could be transported as cheaply in these smaller barges as in larger vessels. There are many of the foremost experts on transportation who do not agree with these theories. It will take quite a bit of investigation, in so far as the deepening of the St. Lawrence canals is concerned, before the scheme is entered upon because there is such a variety of opinions as to the wisdom of enlarging the St. Lawrence canals. But there seems to be a general consensus of opinion that it is a wise thing to enlarge the Welland canal so as to bring lake navigation as close to Montreal as possible, because when you have enlarged the Welland canal you have nothing to interfere with the larger vessels going down to the head of the rapids.

Carillon and Grenville canal—lengthening apron, Carillon dam, $12,000.

Mr. GRAHAM: I think that it was here that a water power lease was given to a company a few years ago under the conditions that they should spend so much money within a given time. I think the rates were placed under the jurisdiction of the board of railway commissioners. Have they complied with the terms of their lease?

Mr. COCHRANE: They have developed a very small amount of power. They are transferring their lease to another company who want to take it up and develop a larger amount of power.

Mr. GRAHAM: It will be a success shortly?

Mr. COCHRANE: Yes.

Cornwall canal, $56,400.

Mr. GRAHAM: There was some question at one time as to the leasing of a certain increase of power to the Toronto Paper Mills at Cornwall. They proceeded to do some work themselves and the department did not approve of that work. Was that lease given?

Mr. COCHRANE: There was no extension given. The development of water power there has affected the current.

Mr. GRAHAM: They are using practically all the water power that can be used?

Mr. COCHRANE: That is right. It will not be increased.

Farran's Point canal—improving lower entrance, $22,000.

Mr. COCHRANE: This is for building an entrance at the lower end.

Mr. GRAHAM: How much will it take to finish it?

Mr. COCHRANE: This finishes it.

Mr. GRAHAM: What is being built?

Mr. COCHRANE: We are extending the pier.

Lachine canal—filling gaps in canal walls near Brewster's bridge, $17,000.

Mr. COCHRANE: Gap No. 1 is an entrance to the original Lachine canal which was closed in 1845. Gap No. 2 is the old abandoned slip. They are making the walls continuous.

Murray canal—removing high spots in canal and approaches, $4,000.

Mr. GRAHAM: The Murray canal has had several wants. It needed better lighting. Has it got that?

Mr. COCHRANE: Not yet.

Mr. GRAHAM: Several deputations waited on the department at different

times, more particularly since the cement works and the quarries were there, asking that the canal be lighted, as they claimed they could not go through the canal at night with any load.

Mr. COCHRANE: I have not received any deputations.

Mr. GRAHAM: Representations were made to the Government that there were certain shoals or impediments at the east entrance that should be removed, and the Public Works Department was asked to do some dredging.

Mr. COCHRANE: I think some work has been done there.

Mr. GRAHAM: If it has not been done, I think it should be done. It is more necessary than the lighting.

Mr. COCHRANE: I will make a note of it.

Mr. MURPHY: Who is doing the work, and is it by contract?

Mr. COCHRANE: Randolph McDonald Company, by contract.

Quebec canals, $42,400.

Mr. COCHRANE: This is the concrete facing in the dam at Valleyfield. There is a great leakage there at present. The dam is used by the power companies there and it holds up the levels of lake St. Francis.

Mr. ROBB: The leakage is not only of considerable danger to property, as it may become greater, but a danger to the water system of Valleyfield. The main water-pipes of the city cross the dam, and the leakage has several times caused a break in the pipes. Where is this dredging to be done?

Mr. COCHRANE: We are not doing any dredging there. The dredging is at Lachine, Carillon and Grenville, St. Anne, and dredging the upper entrance to the Chambly canal.

Rapide Plat canal, $38,800.

Mr. GRAHAM: What is this?

Mr. COCHRANE: This is a contract you let.

Mr. GRAHAM: Who are the contractors?

Mr. COCHRANE: Rogers, Miller & Sons, in 1911.

Mr. GRAHAM: How is that work going on?

Mr. COCHRANE: This completes it.

Mr. GRAHAM: What are they doing?

Mr. COCHRANE: Cutting a bend off and extending the lower pier.

Rideau canal—renewing swing bridge, Smiths Falls, $12,000.

Mr. COCHRANE: This is an exceedingly narrow bridge; we are widening it.

Mr. GRAHAM: Smiths Falls has a grievance about a bridge. Not only do they want this bridge enlarged, but I think representatives of the town have been urging the department to build a bridge at a place higher up. The town is rather circumscribed by the railways coming around the north side, and the people are trying to get a bridge across the Rideau, hoping that the town will build up on the other side—in fact it is said that it is building up there already, and residents on that side of the Rideau complain they cannot get to the town except by going around by this bridge which is being enlarged. Has the minister taken any steps in that matter?

Mr. COCHRANE: No conclusion has been reached. The bridge for which this estimate is intended is a dangerous one; it is a wonder that people have not been killed there before now.

Soulanges canal—electric motors for swing bridges, Cascade Point and Coteau Landing, $2,000.

Mr. GRAHAM: Where do we get electric motors for swing bridges?

Mr. COCHRANE: Advertise for them and get tenders.

Mr. GERMAN: As the engineer is present, I desire to call attention to the bridge at Humberstone on the Welland canal, an exceedingly heavy bridge, which needs an electric motor. There is a motor at Welland and it works admirably, and the only other bridge on the Welland canal that I know of requiring a motor is this one at Humberstone. There is actual danger of serious accident on this bridge when there is a heavy wind. The men there have called my attention to it and I really think a motor should be provided.

St. Peter's canal—improvements, $200,000.

Mr. GRAHAM: This is a comparatively small canal, and if I remember well, the old structures are pretty well worn out.

Mr. COCHRANE: That is true. The old gates were almost unworkable. This work is going to take a little longer than the contract called for, but I think the contractor is making as good progress as is possible under the circumstances.

Mr. GRAHAM: Who is the contractor?

Mr. COCHRANE: Weller, son of the canal man at St. Catharines.

Mr. GRAHAM: When will this work be completed?

Mr. COCHRANE: It was to have been completed in 1914, but the engineer says the contractor can hardly do better than the spring of 1915.

Mr. GRAHAM: Is the canal being used in the meantime?

Mr. COCHRANE: Yes, for smaller vessels, but a lot of larger vessels could use it to advantage if the work were completed. I will clear it up as fast as I can.

Welland canal—heavy repairs, $30,000.

Mr. GRAHAM: What are these repairs?

Mr. COCHRANE: Renewing spillway from hydraulic raceway No. 2 to raceway No. 3, St. Catherines; renewing six old canal weir foot-bridges in concrete; renewing wooden cover of drain near Marlatt's bridge in concrete; repairing lock gates, old canal; renewing six new canal weir foot-bridges in concrete; rebuilding lock destroyed by fire on east side of harbour at Port Dalhousie.

Mr. GERMAN: How many safety devices have been installed?

Mr. COCHRANE: A device was installed on lock 24, and during the spring of 1912 it was the means of preventing two serious accidents. In one case a steamer entering the locks collided with the right head gate. The device prevented it from being carried away, and although the gate was badly twisted and had to be replaced, navigation was continued until the spare gate arrived. This device is to be installed on five additional locks.

Mr. GERMAN: Has the minister considered the advisability of purchasing the design of this device and using it generally?

Mr. COCHRANE: Yes, that is under consideration now.

Mr. HUGHES (Kings, P.E.I.): There is an item here for surveys, $100,000. I wish to ask the minister if he has received a petition from the people of the villages of Dundas and Bridgetown, Prince Edward Island, asking for the construction of a piece of railway connecting these settlements and villages with the main line at either Cardigan or Souris?

Mr. COCHRANE: I think we did get one.

Mr. HUGHES: Would the minister tell me what he has done or intends to do in regard to the matter?

Mr. COCHRANE: I have not given it any consideration as yet; I have not had time to do so since I got the petition. I will try to get a report on it.

Mr. HUGHES: Will the minister have the report made during the present summer?

Mr. COCHRANE: Yes.

Mr. HUGHES: I desire to call the attention of the minister to a matter which I mentioned a day or two ago, namely that the steamer calling at the port of Souris does not call at the railway wharf. The goods and merchandise for the Magdalen Islands coming over the railway have to be carted at considerable expense from the old wharf around to the private wharf at which the steamer calls. The steamer is subsidized by the department, and should surely call at the government wharf. The people living at the Magdalen Islands have to pay the extra cost.

Mr. COCHRANE: I told my hon. friend that we would look into it right away.

Mr. HUGHES: I think the hon. member for Gaspé and the Magdalen Islands (Mr. Gauthier) ought to take this matter up and see that it is adjusted, because the people of his constituency are directly interested.

Board of Railway Commissioners for Canada—maintenance and operation of, including $800 for Clyde Leavitt as chief fire inspector, $166,600.

Mr. MURPHY: Would the minister explain this item?

Mr. COCHRANE: The Conservation Commission last year got an expert to go out along the different railways, and the Board of Railway Commissioners agreed to pay half his salary. We have not got his report before us, but I understand that last year he did good work, especially in British Columbia. He has submitted a report with regard to the Intercolonial, which I intend to hand over to the new general manager to see what can be done to do away with forest fires along the line.

Mr. GRAHAM: In putting in this item next year, I would suggest that it would be advisable to state that the $800 is but half the salary. It looks as if you were giving an expert $800 for his services.

Mr. COCHRANE: I think that would be quite proper.

To pay expenses in connection with cases before the Board of Railway Commissioners for Canada, $15,000.

Mr. GRAHAM: I have always contended that the Board of Railway Commissioners was not intended to be a court where the ordinary man had to be represented by counsel. Where there are separate investigations, such as I have mentioned, it is all right because the Government side of the case has to be put forward very strongly.

Mr. COCHRANE: Would it not be well for the Government to have a counsel to

take charge of the cases before the Railway Board as they come along and make it his whole business? Of course we have not decided on anything of that kind.

Mr. GRAHAM: I am afraid not, it might result in a good deal of red tape. Under ordinary corcumstances the poor man can write to the secretary of the commission and get speedy justice without any frills, as it were. I discussed this matter several times with the late Justice Mabee, who pointed out that in his opinion counsel would be a nuisance, and that he would rather hear complaints from the people themselves than listen to arguments of counsel. I have no objection to this item for these larger investigations, but I would object to the appointment of counsel on general principles to look after those smaller cases, because I think the people are better served now.

Mr. COCHRANE: I would be sorry to see the chairman of the commission refuse to permit anyone to plead his case, no matter how small it might be. But there are many big cases on which the Government should be represented and it struck me that it would be a good thing if we had a man studying these things all the time.

Mr. GRAHAM: That would be representing the Government all the time. My objection was to having a man there to represent the people, to take up the cases of different people.

Mr. GERMAN: If you had a permanent counsel representing the Government he would be there in all cases continually. The result would be that an individual who had a case before the board would feel that his interests were not properly safeguarded, and he would not dare to go before the Railway Board unless he had a lawyer to act for him; whereas now a man with a complaint as to a crossing or anything goes to the board or communicates with the board, then if the department here feels that the public interest should be more particularly safeguarded than it can be by those looking after it all they have to do is to postpone the case and notify the minister and counsel can easily be appointed. I do not think it would be a wise thing to have a general counsel standing there all the time.

Mr. H. BOULAY (Rimouski): Mr. Chairman, on the 14th of May last, when I raised objection in this House to the increase of salary of the Chairman of the Railway Commissioners, I said that perhaps those commissioners were not working an hour a day. In making that assertion, I evidently fell into some exaggeration, and, in justice to those gentlemen, I must admit that they are working a little longer every day. But, while admitting that, I am not ready to accept willingly that enormous salary which we are paying to the chairman of that commission.

The Postmaster General has allowed himself, in that circumstance, to make towards me certain observations which, to say the least, were somewhat bold, and in a language which I would certainly not have used towards him. I regret that he is not now at his seat so that he might hear what I have to say in answer. He has said, amongst other things, in justification of that enormous increase of salary of the Chairman of the Railway Commissioners, that those men were giving up lucrative positions and salaries as high as $25,000 a year to become the servants of the public. Well, now, I will say that the fact that the hon. minister says such a thing does not absolutely prove that it must be true. Moreover, and even admitting that it is true, the barristers who are getting such a salary are not lowering themselves when they accept positions in the Government service; because, from being the servants of the public, with all the worries of the suitors, and trials of all kinds, and often working 8 or 10 hours a day, they become the servants of the Government, with fixed hours for their work of four or five hours a day at the utmost, and with a nice private car at their disposition to carry them across the country, without charge whatever. And they then become independent with a fixed and assured salary, which is well worth a slight reduction of salary taken from one or the other, and that often amidst the curses of individuals who are being skinned alive. If it should be true that some advocates are able to raise such a high salary in our country, it only shows in my sense that the judicial tariffs are exorbitant and should be adjusted as soon as possible so that our courts of justice would not take undue advantage of the poor fellows who are forced to have recourse to them; because there is not a man in this country who is able to earn in the strict sense of the word $66.66 per day, while the poor labourer painfully earns $1.50 to $2 a day. I even say it is a real shame to confess such a thing, and that is with the supposition that the advocate works 300 days during the year.

If we are now supposing, as it is in reality, that he only works 200 days during the year, after deduction of vacation, legal holidays, &c., we come to a salary of $80 per day, or $13.33 per hour, if we reckon that he is in his office six hours per day, or $16 per hour if he is only there five hours.

If we now compare in the same way the salary of the Chairman of the Railway Commissioners, we come to the following figures: $12,500 per year, supposing a work of 300 days, gives $41.66 per day, or $10.46

for every hour, admitting that he works but four hours a day, and at that rate he should work on every working day of the year.

Now, if we deduct the legal holidays, about ten each year, the Saturdays of every week, which have a half holiday, the vacations which every one of those big salaried officers always gets as a matter of course, and which are at least of thirty days every year, we find that all those superior officers are only working from 230 to 250 days per year; and calculating their salary of $12,500 a year at an average rate of 240 days of work, we find that they are getting $52.08 per day, or $13 for each one of the four hours of work they are giving, or $10.41 for each hour if they work five hours a day.

That being the case, I say it is a real shame to ask a labourer, a farmer, or any workingman to bleed themselves to death so that they may be able to pay all those exorbitant and extravagant salaries; and the people of our country will not approve that, notwithstanding the opinion of the hon. Postmaster General, of the hon. members for Rouville and Three Rivers, or some other lawyers. The Prime Minister of the country is the only one who receives such a high salary. The other ministers, who are obliged to be in their office all the year round, and to make enormous expenses so as to make in society a figure corresponding to their position; who are obliged to defray the cost of expensive elections and to condescend to meet their electors every day —and those meetings are not always pleasant—those ministers, I say, are only receiving $7,000 per year.

What kind of consideration are we bestowing, then, upon our ministers, if they are not at least worth as much as their simple employees. I say that such a state of things may be the cause of discrediting the Administration of this country, and should not be tolerated any longer.

The hon. Postmaster General has said, with a kind of extenuation of his expressions, that I did not know anything about the work of the Railway Commissioners. I very willingly forgive him that language, which must have been caused by the somewhat harsh observations I had made on the legal profession; but, after all, he admits himself that there are lawyers who are voracious enough to extort from the poor suitors from $20,000 to $25,000 a year.

In order to show to the hon. Postmaster General that he has somewhat exceeded the limits of truth, when he said that I did not know anything about the work of the Railway Commissioners, I will in the first place say to him that I have specially studied the case before speaking of it, and I have discovered the following conditions in the report for the year 1911, which has 489 pages. I have also looked for the number of complaints which those gentlemen had received in 1911. They number in all 573, and those that have been heard are 565. On that total of 565, eight have been adjourned and several have been withdrawn even before the hearing. And moreover, there were a good number of cases for which the examination is always about the same, as grade crossings and so on. Every one knows what those complaints are about; it is the same thing, with scarcely any difference, and when one of those questions has been settled the same proceedings will apply to 20 or 25 others.

For the setting up of stations on sidings, there are about 20 cases. Those cases are still easy enough to settle. The same remark applies to the determination of the locality where a station has to be built, when such questions are in dispute, and there have been a good number of complaints in that respect.

I may say that we are not lacking of jurists who have as many cases to plead every year, and they do not claim a salary of $12,000. They are satisfied with much less, four or five thousand dollars at the utmost, and they put in a good deal more work.

I may also add that the Railway Commission is not composed of only six judges; the staff comprises 77 members who are all paid by the country, and those are the ones who do the work, because we often see that the Commissioners base their decisions on the report of their engineers, without taking the trouble to visit the localities. It naturally follows that those 77 members are really the ones who have been the means of deciding the greatest number of those 565 cases.

It seems to me that there is not enough work to justify such salaries, especially the one being paid to the chairman, who is receiving to-day $8,000.

Mr. PROULX: He gets $10,000.

Mr. BOULAY: Very well, let us say $10,000.

I have looked over the expenses of that commission in the report of the Auditor General for the year 1912, pages W-4, 60 and 61.

Expenses, salaries paid according to statute	$54,643 14
Salaries of staff and contingencies	133,997 17
Total	$188,640 31

The above expenses include the salary of five judges, and we have now another judge added to that number.

The total of the staff of that commission is 77. A private car is also put at the disposition of that commission.

There are 18 employees who are receiving a salary of more than $2,000, which makes a total of $45,901.96.

Of those 18 employees, there are 14 who only speak English and 4 who speak French.

The 14 English employees receive on an average a salary of $2,300, which makes a difference of $334.37 to the detriment of each employee of French language.

The English-speaking secretary receives $4,000 a year.

The other day, the hon. member for Rouville had declared that we had in that commission a French-speaking secretary. I want to set the facts right. There is no French-speaking secretary, but only an assistant secretary. He is not then on the same footing as the secretary, and he only receives $2,600 per year, or a difference of $1,400, and he has only the title of an assistant secretary.

The hon. member for Rouville has said again:

The CHAIRMAN (Mr. Blondin): I am willing to give the hon. member all the latitude possible, but I must remind him that he is now referring to a past debate, and that he is not in order. We have voted the credit for the Railway Commissioners, and the one now being considered is for $10,000 to defray the expenses relating to cases submitted to the Board of Railway Commissioners of Canada.

I very much regret to have to interrupt the hon. member, but I believe it is my duty to do so.

Mr. BOULAY: We are discussing item 133.

Mr. BLONDIN: Yes, but I have just read the item which is now being discussed. I understand that the hon. member has the right to discuss that item, but I could not very well allow him to enter into long considerations on salaries for the commissioners which have been already voted.

Mr. BOULAY: No, the first item has not been voted.

Mr. BLONDIN: The hon. member has no right to contest my decision. He must comply with it.

Mr. BOULAY: But the first item has not been voted.

Mr. BLONDIN: Order, Order! The hon. member must comply with the decision of the Deputy Speaker, or I shall be obliged to proceed as if he was not speaking.

Grand Trunk Pacific railway—remuneration to Government director, $2,000.

Mr. GRAHAM: Does this director make a report; if so, how often, and what is the information in it?

Mr. BOULAY.

Mr. COCHRANE: The report is made once a year, and, as before, it does not contain very much.

Mr. GRAHAM: On one or two occasions I laid the report before the House. It might be useful for reference.

Mr. COCRHANE: I will do so.

Surveys and inspections—railways, $100,000.

Mr. SINCLAIR: Are any surveys projected in the maritime provinces?

Mr. COCHRANE: I told my hon. friend one afternoon that I proposed to send a traffic man over the lines that have been proposed to get some information and to see what justification there may be for building roads, and I intend to carry out that intention.

Mr. GRAHAM: That would come under this vote?

Mr. COCHRANE: Yes.

Mr. SINCLAIR: Does the minister adhere to the policy he laid down last session that in the case of a new branch line of the Intercolonial he would require to be satisfied that the traffic would be sufficient to pay the interest and running expenses?

Mr. COCHRANE: I did not lay that down. I referred to any branch line that would not pay running expenses without interest, a very different proposition.

Mr. SINCLAIR: Does the minister expect a railway to pay running expenses at the very commencement?

Mr. COCHRANE: Branch lines have been running there for some time, and they have not been able to pay running expenses up till now, and there is not very much prospect of them doing so.

Mr. SINCLAIR: To what branch lines does the minister refer?

Mr. COCHRANE: I do not refer to any particular branch line, but to what has been done in some cases.

Mr. SINCLAIR: The minister must have an eye to the traffic when he is laying out a branch line, but I do not altogether agree with him that he has a right to expect enough traffic at the start to pay running expenses. If that rule were applied to the other railways in Canada, there would be very few built. I do not think that that rule could have been carried out in the case of the Canadian Pacific railway. The traffic on that road at the commencement was not sufficient, I understand, to pay running expenses, and certainly it was not sufficient in the case of the Intercolonial. The same is true of the Grand Trunk railway. I think the minister ex-

pects a little too much. If the traffic is there, it is possible to develop it.

Mr. COCHRANE: That is the information I want to get.

Mr. SINCLAIR: It might take some time to develop traffic. In Eastern Nova Scotia he will find a certain amount of traffic right at his hand, such as the carrying of wood to the market, but there are other kinds of traffic that might be developed in time. He cannot expect that they would be developed just as quickly as the road was built. I hope he will not look at this matter from too narrow a point of view. We are assisting transportation to a very large extent in other parts of Canada, and why not in eastern Canada? I think we ought to deal with it in the same way as we do in western and central Canada. We ought to look to the future, and, if a traffic is likely to be developed, give railway facilities.

Mr. McKENZIE: The minister says he proposes to send a traffic man over those roads. Does he include in that statement the different roads in Nova Scotia, that we had under consideration?

Mr. COCHRANE: Yes.

Mr. McKENZIE: I hope he will send a good man.

Mr. COCHRANE: We will talk it over together.

Mr. McKENZIE: Perhaps the better way would be to send an engineer and a traffic manager to have them strike an average.

Railways and canals—collection of revenue —Intercolonial railway, $13,000,000.

Mr. GRAHAM: That is the working expenses of the Intercolonial railway?

Mr. COCHRANE: Yes.

Mr. GRAHAM: We discussed a good many of the matters connected with the working expenses. There is an increase on the Windsor branch. I suppose the reason for that is really the same as the reason for the increase on the Intercolonial, that is increase in traffic?

Mr. COCHRANE: Yes.

Mr. GRAHAM: What is the deficit on the Prince Edward Island railway?

Mr. COCHRANE: I know that for April it was $14,000.

Mr. GRAHAM: I have always taken the ground that the Prince Edward Island railway will never show a balance on the right side as long as it is run as a separate entity.

Mr. COCHRANE: No, but I think that when we get the ferry across and put a live man in there, it will make a difference.

Mr. GRAHAM: It will make a difference with your freight traffic and with your passenger traffic as well. A great many people who are selling tickets in Prince Edward Island now might be able to sell them for the Intercolonial railway.

Mr. COCHRANE: That is right. I have not the statement of the deficit on the Prince Edward Island railway, but I can get it for the hon. gentleman.

Mr. SINCLAIR: Does the minister keep the books on the Intercolonial railway in such a way that he can tell the profit on each division of the road?

Mr. COCHRANE: There are four divisions of the Intercolonial railway; we are going to apply that system this year and we hope to be able to tell that when we meet the House again.

Mr. HUGHES (Kings, P.E.I.): I think that possibly in establishing freight rates on the Prince Edward Island railway, the local conditions are not taken fully into consideration. The hauls there are comparatively shorter than on the mainland and the rates are so high that the railway is losing a good deal of the package business and light freight. Where hauls are short it really pays to carry the freight by teams rather than to send it by the railway. The cars are running anyway, the men are employed, and they might as well have more business to do. I speak of this from personal experience. The rates were raised lately with the object, no doubt, of reducing the deficit, but I think that possibly it will have the opposite effect, because the farmers and others doing business there will team more of their traffic and that business will be lost to the railway. I have a branch store seven or eight miles from the town of Souris and we found that even under the old rates it was cheaper to team small package freight than to send it by the railway. Of course we found it cheaper to send heavy goods, such as molasses, iron, salt, and things of that kind, by the railway. But, under the old rates, the difference was so small that we generally sent everything by the railway. Now that the rates have been raised, we will send all the small stuff by team, and it is a question whether the raise in the rates will have the effect of increasing the earning power of the road. It is possible that when these rates are considered by men living on the mainland, where the average haulage is much longer, the difference in the conditions is not fully taken into account. If the minister has an opportunity of discussing this matter with his officers at any time, it would be well to take that feature of the question into consideration.

Canals—staff and repairs, $1,327,630.

Mr. GRAHAM: There is an increase of $25,615. What is the explanation of that?

Mr. COCHRANE: There is a dredge on the Rideau and the men connected with it, there are two tugs on the Lachine canal, one on the Rideau canal and two tugs on the Welland canal. That makes the difference.

Mr. GRAHAM: I am afraid the minister is not very clear about that extra $25,000.

Mr. COCHRANE: The two tugs that you ordered in Montreal only came in this spring, then there is the new dredge, and the extra amount on the Welland canal is $7,000.

Canals—statistical officers, $42,500.

Mr. GRAHAM: Can my hon. friend tell us who the statistical officer is at Cardinal, when he was appointed and whom he succeeded?

Mr. COCHRANE: Mr. Reid is the statistical officer and he succeeded Dr. Williams.

Mr. GRAHAM: What relation would he be to the hon. Minister of Customs (Mr. Reid)?

Mr. COCHRANE: I think he is a brother.

Mr. GRAHAM: Whom did he succeed?

Mr. COCHRANE: Dr. Williams.

Mr. GRAHAM: This is one of the things that is hardly defensible. Of course, the recommendation would be made by the Minister of Customs, as it is in his constituency. If it were in some other constituency it might be different, but it comes right home because here is a man dismissed from office and the office given to the brother of a member of the Government on the recommendation of his brother.

Mr. COCHRANE: Mr. Reid was dismissed in 1896.

Mr. GRAHAM: I am not going to discuss the situation, but I can if my hon. friend desires it at some other time. I just leave it to the minister himself to say whether, if he were in that position, he would think it a proper thing to do. It is rather an unusual thing to recommend your own brother in your own constituency.

Mr. COCHRANE: I know, but there is this fact to be considered, that he was justly or unjustly dismissed in 1896, and he thought it was only his right to be reinstated.

Mr. SINCLAIR: What are the salaries of these officers?

Mr. HUGHES (Kings, P.E.I.).

Mr. COCHRANE: $1,000.

Mr. ROBB: Does the minister lay that down as a principle that, if a man is dismissed by one government, he should be reinstated as soon as the other government comes in?

Mr. COCHRANE: He had no investigation. We do not know whether he was dismissed with or without cause.

Salaries and contingencies, $180,312.50.

Mr. COCHRANE: The changes are just the regular increases and one or two provisions for new men whom we must take in.

Mr. GRAHAM: In what branch?

Mr. COCHRANE: The engineering branch, surveys.

Mr. SINCLAIR: I hope the minister will be able to find young men in Canada for these new positions. There is a general feeling that our young men do not get a fair chance in connection with the Intercolonial railway, especially in regard to promotion.

Mr. COCHRANE: Do you mean that the engineers do not get fair play?

Mr. SINCLAIR: I am not specially referring to them; but it often happens that we have to import men from abroad to fill the highest positions in connection with the road, when we ought to promote our own employees. This road has been running ever since Confederation, and we have produced on it a very high class of men. Many of them have gone to the United States, and I am told that a large number of roads in the United States are managed by men who were produced on the Intercolonial. There must be some defect in the management or in the promotion, or we would be able to find men at home to put in these responsible positions. I think the minister is in sympathy with my view, but I do not think it has been impressed upon the Government in the past as it ought to have been. If the minister will look into the matter, he will find many bright men in his own employ; and, if he gives them a chance of promotion, he will be able to fill the most important places with Canadians produced right on the line.

Progress reported.

On motion of Mr. Rogers, House adjourned at 12.17 a.m. Friday.

HOUSE OF COMMONS.

FRIDAY, May 30, 1913.

The SPEAKER took the Chair at eleven o'clock.

PELAGIC SEALING.

Hon. C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 238, respecting Pelagic Sealing. He said: The purpose of this Bill is to enact the prohibitions necessary to give effect, so far as Canada is concerned, to the Convention of 1911 between the Government of His Britannic Majesty, Russia, Japan and the United States with regard to pelagic sealing in the North Pacific. It enacts for Canada precisely the provisions of the Bill passed by the United Kingdom Parliament last session to enforce and give effect to it in Great Britain. That legislation of the United Kingdom was intended to be made effective for all the dominions. This was done by virtue of an assent on the part of the several dominions, it being considered that the purpose of the legislation was to deal with a general matter and provide for the enforcement as regards all. The Act of the United Kingdom provided that it could be made effective in the Dominions by Order in Council to be made under it. The draft Order in Council making the law applicable in Canada was prepared and submitted for suggestions as to modifications that might be required. By reason of the manner in which the legislation was enacted in the Parliament of the United Kingdom it was difficult to make its provisions applicable in Canada. The reason for this lay in the penalties provided for violations of the prohibitions. The United Kingdom Parliament proceeded by references to other Acts of that parliament. For instance, in the clause which prohibited the importation of the classes of sealskins the pelagic sealing for which was prohibited under the treaties, it was declared that skins of seals of that class should be deemed to be included in the prohibitive clauses of the Customs Consolidated Act of 1876—that is, the Customs Law of the United Kingdom. The effect of that was that in the United Kingdom sealskins imported in violation of the prohibition became liable to confiscation. It was suggested that in the Order in Council making the Act applicable to Canada there should be substituted the Canadian Customs Act for the Customs Consolidated Act of 1876. On looking into the Canadian Customs Act it was found that the effect of doing this would not be to make the law similar to the law as it exists in the United Kingdom, because our Customs Act contains no prohibition of the introduction of these sealskins. That objection might have been covered by the words providing that these skins should be deemed to be included. But, furthermore, the penalty for the violation of the provisions of our Customs Act consisted not only in confiscation, but in a money penalty in addition. Under these circumstances it would have been necessary, if the Imperial Act was to be made effective for Canada, to amend our Customs Act in order that the provision on the subject of the importation of these skins should be the same here as in England. It seemed to us that as there was no existing legislation in Canada to which reference could be made producing the same result as the reference made in the United Kingdom Act to their Customs Act, the most desirable and simplest way to arrive at the desired end was to enact for Canada the British Act, and that is what is proposed to be done by the Bill which I am now introducing.

Motion agreed to, and Bill read the first time.

RAILWAY SUBSIDIES.

Hon. FRANK COCHRANE (Minister of Railways and Canals), moved that the House go into Committee to-morrow to consider the following proposed resolution:

That it is expedient to provide as follows:

1. That the Governor in Council may grant a subsidy of $3,200 per mile towards the construction of each of the undermentioned lines of railway (not exceeding in any case the number of miles hereinafter respectively stated) which shall not cost more on the average than $15,000 per mile for the mileage subsidized, and towards the construction of each of the said lines of railway, not exceeding the mileage hereinafter stated, which shall cost more on the average than $15,000 per mile for the mileage subsidized, a further subsidy beyond the sum of $3,200 per mile of 50 per cent on so much of the average cost of the mileage subsidized as is in excess of $15,000 per mile such subsidy not exceeding in the whole the sum of $6,400 per mile:—

1. To the Margaree Coal and Railway Company, Limited, for the following lines of railway:—

(a) from a point on the Intercolonial railway near Orangedale to St. Rose; not exceeding 46 miles.

(b) from a point on the Intercolonial railway near McIntyre Lake to Caribou Cove, Port Malcolm, Richmond county; not exceeding 4 miles;

the said subsidies being granted in lieu of subsidy granted by Chapter 51 of 1910, Section 1, Item 4; not exceeding 50 miles.

2. To the Northern New Brunswick and Seaboard Railway Company, for a line of railway from the Drummond Mines at Austin Brook, a branch of the Nepisiquit river above Great Falls in the county of Gloucester to a point on the Intercolonial railway where it intersects the branch line from Bathurst Station to Bathurst Harbour, in lieu of the subsidy granted by chapter 48 of 1912, section 2, item 24; not exceeding 16·9 miles.

3. To the Tobique and Campbellton Railway Company, for a line of railway from Plaster Rock along the Tobique river to Riley Brook, in lieu of subsidy granted by chapter 51 of 1910, section 1, item 15; not exceeding 28 miles.

4. To the St. John and Quebec Railway

Company, for a line of railway from Andover to St. John, New Brunswick, exclusive of a railway bridge across the St. John river, at or near Mistake, and a railway bridge across the Kennebecasis river at or near Perry Point; in lieu of subsidy granted by chapter 48 of 1912, section 2, item 2; not exceeding 200 miles.

5. To the Lotbinière and Megantic Railway Company for a line of railway from a point at or near Lyster in Megantic county to a point at or near Lime Ridge in the township of Dodswell, in the County of Wolfe, in lieu of the subsidy granted by chapter 51 of 1910, section 1, item 23, for a line of railway between the points above mentioned; not exceeding 60 miles.

6. For a line of railway from a point on the Canadian Pacific railway at or near Scotstown or Megantic to the International boundary, in lieu of the subsidy granted by chapter 40, of 1907, section 1, item 19; not exceeding 35 miles.

7. To the Little Nation River Railway Company for a line of railway from a point between Thurso and Montebello on the line of the Canadian Pacific railway, northerly, in lieu of the subsidy granted by chapter 51 of 1910, section 1, item 46; not exceeding 30 miles.

8. To The Erie, London and Tillsonburg Railway Company, for a line of railway from Port Burwell to London, passing through or near Vienna, Calton, Aylmer, Kingsmill and Belmont, in lieu of the subsidy granted by chapter 51 of 1910, section 1, item 37; not exceeding 35 miles.

9. To the Tillsonburg, Lake Erie and Pacific Railway Company, for a line of railway from Ingersoll north to a junction with the St. Mary's and Western Ontario Railway at Embro, in lieu of the subsidy granted by chapter 48 of 1912, section 2, item 12; not exceeding 10·38 miles.

10. To The Canadian Pacific Railway Company, for a line of railway from Gimli to a point on the Icelandic river at or near Riverton, in lieu of the subsidy granted by chapter 63 of 1908, section 1, item 39, for a line between the points above mentioned; not exceeding 30 miles.

11. To The Canadian Pacific Railway Company, for a line of railway from Moosejaw, in a northwesterly direction, in lieu of the subsidy granted by chapter 63 of 1908, section 1, item 40; not exceeding 123 miles.

12. To The Alberta Central Railway Company, for a line of railway from Red Deer to Rocky Mountain House, in lieu of the subsidy granted by chapter 63 of 1908, section 1, item 38; not exceeding 70 miles.

13. To The Kettle Valley Railway Company, for the following lines of railway:—

(a) from Merritt to Penticton wharf; not exceeding 145 miles;

(b) from a point on the line between Merritt and Penticton wharf, at or near Penticton, to Midway; not exceeding 135 miles.

(c) from a point on the line between Merritt and Penticton wharf, about 25 miles south of Merritt, to a point on the Fraser river near Hope Station; not exceeding 55 miles;

the said subsidies being granted in lieu of the subsidies granted by chapter 51 of 1910, section 1, item 42; not exceeding in all 335 miles.

14. To The Calgary and Fernie Railway Company for a line of railway from Michel or Sparwood, in a northerly direction via the headwaters of the Elk river and Kananaskis Pass to a point at or near the city of Calgary, in lieu of the subsidy granted by chapter 48, of 1912, section 2, item 43; not exceeding 100 miles.

2. That the Governor in Council may grant the subsidy hereinafter mentioned towards the construction and completion of the bridge hereinafter mentioned, that is to say:—

To the Burrard Inlet Tunnel and Bridge Company towards the construction and completion of a bridge over the Second Narrows of Burrard Inlet, as authorized by chapter 74 of 1910, in lieu of the subsidy granted by chapter 48 of 1912, section 3, item 1; not exceeding $350,000.

3. That, unless the context otherwise requires, the expression 'cost' means the actual necessary and reasonable cost, and shall include the amount expended upon any bridge, up to and not exceeding $25,000, forming part of the line of railway subsidized not otherwise receiving any bonus, but shall not include the cost of equipping the railway nor the cost of terminals nor the cost of right of way of the railway in any city or incorporated town; and such actual, necessary and reasonable cost shall be determined by the Governor in Council, upon the recommendation of the Minister of Railways and Canals, and upon the report of the chief engineer of the Department of Railways and Canals, certifying that he has made or caused to be made an inspection of the line of railway for which payment of subsidy is asked, and careful inquiry into the cost thereof, and that in his opinion the amount upon which the susbidy is claimed is reasonable, and does not exceed the true, actual and proper cost of the construction of such railway.

4. That the subsidies hereby authorized toward the construction of any railway or bridge shall be payable out of the Consolidated Revenue Fund of Canada, and may, unless otherwise expressly provided hereby, at the option of the Governor in Council on the report of the Minister of Railways and Canals, be paid as follows:—

(a) Upon the completion of the work subsidized; or,

(b) By instalments, on the completion of each ten-mile section of the railway, in the proportion which the cost of such completed section bears to that of the whole work undertaken; or,

(c) Upon the progress estimates on the certificate of the chief engineer of the Department of Railways and Canals that in his opinion, having regard to the whole work undertaken and the aid granted, the progress made justifies the payment of a sum not less than thirty thousand dollars; or,

(d) With respect to (b) and (c), part one way, part the other.

5. That the subsidies hereinbefore authorized to be granted to companies named shall, if granted by the Governor in Council, be granted to such companies respectively; the other subsidies may be granted to such companies as established to the satisfaction of the Governor in Council their ability to construct and complete the said railway and bridges respectively; all the lines and the bridges for the construction of which subsidies are granted, unless they are already commenced, shall

be commenced within two years from the first day of August, 1913, and completed within a reasonable time, not to exceed four years from the said first day of August, to be fixed by the Governor in Council, and shall also be constructed according to descriptions, conditions and specifications approved by the Governor in Council on the report of the Minister of Railways and Canals, and specified in each case in a contract between the company and the said Minister, which contract the Minister, with the approval of the Governor in Council, is hereby empowered to make. The location also of such subsidized lines and bridges shall be subject to the approval of the Governor in Council.

6. That the granting of such subsidies and the receipt thereof by the respective companies shall be subject to the condition that the Board of Railway Commissioners for Canada may at all times provide and secure to other companies such running powers, traffic arrangements and other rights as will afford to all railways connecting with the railway and bridges so subsidized reasonable and proper facilities in exercising such running power, fair and reasonable traffic arrangements with connecting companies, and equal mileage rates between all such connecting railways, and the said Board shall have absolute control, at all times, over the rates and tolls to be level and taken by any of the companies, or upon any of the railways and bridges hereby subsidized: Provided always that any decision of the said Board made under this section may be at any time varied, changed or rescinded by the Governor in Council, as he deems just and proper.

7. That every company so receiving a subsidy, its successors and assigns, and any person or company controlling or operating the railway or portion of railway subsidized under this Act, shall each year furnish to the Government of Canada, transportation for men, supplies, materials and mails over the portion of the lines in respect of which it has received such subsidy, and, whenever required, shall furnish mail cars properly equipped for such mail service; and such transportation and service shall be performed at such rates as are agreed upon between the Minister of the Department of the Government for which such service is being performed and the company performing it, and, in case of disagreement, then at such rates as are approved by the Board of Railway Commissioners for Canada; and in or towards payment for such charges the Government of Canada shall be credited by the company with a sum equal to three per cent per annum on the amount of the subsidy received by the company under this Act.

8. That as respects all railways and bridges for which subsidies are so granted, the company at any time owning or operating any of the railways or bridges, shall, when required, produce and exhibit to the Minister of Railways and Canals, or any person appointed by him, all books, accounts and vouchers showing the cost of constructing the railway or bridge, the cost of operating it, and the earnings thereof.

9. That the Governor in Council may make it a condition of the grant of the subsidies herein provided that the company shall lay the railway with new steel rails and fastenings made in Canada and shall purchase all materials and supplies required for the construction of the railway and bridges, and the rolling stock for the first equipment of the railway, from Canadian producers, if such rails, fastenings, materials, supplies and equipment are procurable in Canada of suitable quality and upon terms as favourable as elsewhere, of which the Minister of Railways and Canals shall be the judge.

10. That whenever a contract has been duly entered into with a company for the construction of any line of railway hereby subsidized, the Minister of Railways and Canals, at the request of the company, and upon the report of the chief engineer of the Department of Railways and Canals and his certificate that he has made careful examination of the surveys, plans and profile of the whole line as contracted for, and has duly considered the physical characteristics of the country to be traversed and the means of transport available for construction, naming the reasonable and probable cost of such construction, may with the authorization of the Governor in Council enter into a supplementary agreement fixing definitely the maximum amount of the subsidy to be paid, based upon the said certificate of the chief engineer and providing that the company shall be entitled to be paid, as the minimum, the ordinary subsidy of $3,200 per mile, together with 60 per cent of the difference between the amount so fixed and the said $3,200 per mile, if any; and the balance, forty per cent, shall be paid only on completion of the whole work subsidized, and in so far as the actual cost, as finally determined by the Governor in Council upon the recommendation of the Minister of Railways and Canals, and upon the report and certificate of the said chief engineer, entitles the company thereto; Provided always:—

(*a*) that the estimated cost, as certified, is not less on the average than $18,000 per mile for the whole mileage subsidized;

(*b*) that no payment shall be made except upon a certificate of the chief engineer that the work done is up to the standard specified in the company's contract;

(c) that in no case shall the subsidy exceed the sum of $6,400 per mile.

Sir WILFRID LAURIER: Most of these resolutions are simply revotes; therefore I do not expect any information upon them; but some of them propose certain changes. There must be some correspondence showing why these changes are necessary, and I shall expect my hon. friend to bring down the correspondence before we take the matter up.

Motion agreed to.

Mr. COCHRANE moved that the House go into committee to-morrow to consider the following proposed resolution:

That it is expedient to provide as follows:

1. That the Governor in Council may grant a subsidy of six thousand four hundred dollars per mile to the Canadian Northern Ontario Railway Company, towards the construction of a railway from the city of Toronto, in the province of Ontario, to the city of Ottawa, in the said province, not exceeding two hundred and fifty miles.

2. That the Governor in Council may grant a subsidy of twelve thousand dollars per mile towards each of the undermentioned lines of railway (not exceeding in any case the number of miles hereinafter respectively stated) namely:

(1) To the Canadian Northern Ontario Railway Company, for a line of railway from the city of Ottawa, in the province of Ontario, to the city of Port Arthur, in the said province; not exceeding 910 miles;

(2) To the Canadian Northern Alberta Railway Company, for a line of railway from the city of Edmonton in the province of Alberta to the boundary of the province of British Columbia at or in the Yellowhead Pass; not exceeding 260 miles.

3. That the subsidies hereby authorized shall be payable out of the Consolidated Revenue Fund of Canada, and they may at the option of the Governor in Council, on the report of the Minister of Railways and Canals, be paid as follows:

(a) Upon completion of the work subsidized; or

(b) By instalments, on the completion of each ten-mile section of the railway; in the proportion which the cost of such completed section bears to that of the whole work undertaken; the cost for the purposes of this paragraph to be determined by the Governor in Council; or

(c) Upon the progress estimates on the certificate of the chief engineer of the Department of Railways and Canals that in his opinion, having regard to the whole work undertaken and the aid granted, the progress made justifies the payment of a sum not less than thirty thousand dollars; or

(d) With respect to (b) and (c), part one way, part the other.

4. That the lines for the construction of which subsidies are hereby granted shall be completed within a reasonable time not to exceed three years from the first day of August, 1913, to be fixed by the Governor in Council, and shall also be constructed and completed to the satisfaction of the Governor in Council.

5. That the granting of such subsidies and the receipt thereof by the respective companies shall be subject to the condition that the Board of Railway Commissioners for Canada may at all times provide and secure to other companies such running powers, traffic arrangements and other rights as will afford to all railways connecting with the railway so subsidized reasonable and proper facilities in exercising such running power, fair and reasonable traffic arrangements with connecting companies, and equal mileage rates between all such connecting railways; and the said board shall have absolute control, at all times, over the rates and tolls to be levied and taken by any of the companies, or upon any of the railways hereby subsidized: Provided always that any decision of the said board made under this section may be at any time varied, changed or rescinded by the Governor in Council as he deems just and proper.

6. That the companies so receiving subsidies, their successors and assigns, and any person or company controlling or operating the railways or portions of the railways so subsidized, shall each year furnish to the Government of Canada transportation for men, supplies, materials, and mails over the portion of the lines in respect of which it has received such subsidy, and, whenever required, shall furnished mail cars properly equipped for such mail service; and such transportation and service shall be performed at such rates as are agreed upon between the Minister of the Department of the Government for which such service is being performed and the company performing it, and, in case of disagreement, then at such rates as are approved by the Board of Railway Commissioners for Canada. And in and toward the payment of such charges the Government of Canada shall be credited by the company with a sum equal to three per centum on the amount of the subsidy received by the Company, under section 1 hereof, and on the amount of the subsidy up to $6,400 per mile received by the company under section 2.

7. That as respects the railways for which subsidies are so granted, the company at any time owning or operating any of the railways shall, when required, produce and exhibit to the Minister of Railways and Canals, or any person appointed by him, all books, accounts and vouchers showing the cost of constructing the railway, the cost of operating it, and the earnings thereof.

8. That no subsidy shall be so granted unless and until there shall have been issued and transferred upon the books of the Canadian Northern Railway Company to the Minister of Finance and Receiver General of Canada, in trust for His Majesty, shares in the common stock of the Canadian Northern Railway Company of the par value of $7,000,000, which said stock and all rights appurtenant thereto shall be held for the benefit of His Majesty absolutely, and shall be deemed to be fully paid up, non-assessable and not subject to calls: Provided that the said stock or any part thereof be disposed of under the authority of the Governor in Council upon such terms and conditions as he may determine and the proceeds of the sale thereof paid into the Consolidated Revenue Fund of Canada.

9. That the Canadian Northern Railway Company is hereby authorized and empowered to issue and transfer to the Minister of Finance and Receiver General of Canada in trust as aforesaid from and out of the authorized capital shares of its common stock of the par value of $7,000,000 fully paid up and non-assessable and not subject to calls as aforesaid upon the consideration of the Governor in Council undertaking to grant to the Canadian Northern Ontario Railway Company and the Canadian Northern Alberta Railway Company the subsidies referred to in section 2 hereof, upon the terms aforesaid and such stock when so issued and transferred shall be deemed fully paid without further or other consideration.

Sir WILFRID LAURIER: I have to make the same request in respect of this resolution, namely, that all the correspondence showing the necessity for this legisla-

tion be brought down before we take up the discussion of the resolution.

Motion agreed to.

Mr. COCHRANE moved that the House go into Committee of the Whole to-morrow to consider the following proposed resolution:

That it is expedient to provide as follows:—

1. That the Governor in Council may grant to the Government of the province of Ontario, in consideration of its having constructed each of the undermentioned lines of railway (not exceeding in any case the number of miles hereinafter respectively stated) a subsidy not exceeding $6,400 per mile:—

(i) For a line of railway from North Bay on the Canadian Pacific railway to Cochrane on the Grand Trunk Pacific railway not exceeding 252·8 miles.

(ii) For the following branch lines of railway:—

(a) From Englehart to Charlton; not exceeding 7·8 miles;

(b) From Cobalt to Kerr lake; not exceeding 3·9 miles;

(c) From Iroquois Falls to Timmins; not exceeding 33·2 miles;

(d) From Earlton to Elk Lake City; not exceeding 28·5 miles;

(e) From Iroquois Falls Station to Iroquois Falls; not exceeding 7·25 miles.

2. That the subsidies hereby authorized shall be payable out of the Consolidated Revenue Fund of Canada at the option of the Governor in Council, and may be paid upon the certificate of the chief engineer of the Department of Railways and Canals as to the mileage constructed, in such manner and in such amounts and subject to such conditions, if any, as the Governor in Council deems expedient.

Motion agreed to.

BUSINESS OF THE HOUSE.

Sir WILFRID LAURIER: Would my right hon. friend inform the House as to what legislation he intends to proceed with during the remainder of the session?

Mr. BORDEN: Order No. 18 will not be proceeded with this session. No. 19 has been eliminated, because we passed a Bill in substitution for it. With regard to No. 22, the Postmaster General said yesterday that if this was to become a matter of controversy, and to occupy any great length of time, he would not be disposed to proceed with it this session, although he is very anxious that it should be enacted.

Mr. LEMIEUX: I received the Bill last night from my hon. friend the Postmaster General. While I am in favour of the principle of the parcel post system, the Bill is incomplete. It does not state what rates will be established, and the Postmaster General takes all the power to himself and ignores the authority of Parliament. The Bill is therefore controversial.

Hon. Mr. BORDEN: I will mention what my hon. friend says to the Postmaster General. I will make an announcement later as to No. 17. The rest of the legislation that is on the Order Paper we would like to pass, unless my right hon. friend has some suggestion to make in regard to it. I do not think any part of it is particularly controversial, or would involve any very long debate.

PENITENTIARY ACT AMENDMENT.

On motion of Hon. C. J. Doherty, House went into Committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Penitentiary Act, and to provide that the salaries payable to officers and employees of penitentiaries shall not exceed the rates in the following schedule, namely:—Warden, with quarters heated and lighted, $2,800; deputy warden, with quarters heated and lighted, $1,800; surgeon, $1,700; superintendent of insane ward, $1,000; accountant, chief clerical officer, $1,600; clerical assistants, $1,200; chaplains, to give exclusive service to the prison, $1,200; chaplains, with permission to take outside work, $900; chief keeper, $1,200; chief watchman, $1,200; steward, $1,200; assistant stewards, $900; hospital nurse, $1,000; assistant hospital nurse, $900; matrons, with quarters heated and lighted, $700; engineer and electrician, $1,300; assistant engineers, $1,000; chief trade instructor, $1,200; industrial guards, to act as instructors, $1,000; watchmen, $900; guards, $800; day firemen, $800; night firemen, without uniform, $900; temporary and probationary officers $100 less than the schedule rate for permanent officers.

Provided, that the above schedule shall not affect prejudicially the existing salary, or the eligibility to gratuity, of any officer in the penitentiary service at the date of its adoption.

(Mr. Deputy Speaker in the Chair.)

Mr. DOHERTY: The object of this proposed legislation appears on the face of it. It introduces a new schedule of salaries for the officers in the penitentiaries. The general principle of the change is to assimilate the salaries of the officers occupying the same positions in the different penitentiaries, and not to make distinctions as between the institutions.

Mr. WILSON (Laval): I am delighted to hear the Minister of Justice make a declaration of the principle contained in this resolution. He says it is to assimilate the salaries of the officers of the different penitentiaries in this Dominion, but I am afraid he has not carried out his intention to the fullest extent. There is a good reason why the salaries of penitentiary officials should be assimilated, because although there are 50 or 100 convicts more or less in one penitentiary than in another the duties of the officers are just as strenuous. Under the previous regime, as I had an opportunity

to inform the House a few days ago, with the concurrence of other members of this House who had penitentiaries in their ridings, and who took a special interest in the matter, I drafted a bill to which a schedule was attached. Though I congratulate the Minister of Justice in bringing this resolution down, because it will help the employees of the penitentiaries a good deal, I do not think that the minister has gone far enough. These questions of salary come up at every Parliament. We should legislate for some years in advance. The cost of living has increased quite a lot during the last five or six years. Is it likely to increase more? It may, and it may not, but I think every wise man in this country will come to the conclusion that it will at least remain in the present position for a few years anyway. What I propose is that the warden of each penitentiary should get $3,000 a year. I would remind the Minister of Justice that if we go back to the 70's or 80's we find that the warden at St. Vincent de Paul, in the days when the cost of living was certainly 50 per cent less than it is to-day, had a salary of $2,600, and in addition he was entitled to lodging, heating, and even furniture, from cellar to roof. Now the wardens of the different penitentiaries are obliged to furnish their own homes, and the cost of living has doubled. I would refer my hon. friend to ex-warden Ouimet, for corroboration of what I say. Before 1897 he had $2,800, so that practically the new schedule simply puts them in the position that they were in 17 years ago. I do not see much progress, so far as the salary of the warden is concerned. I would suggest that the salary of the warden be $3,000. The salary of the deputy Warden is raised in this schedule by $300 to $1,800. I would make the salary of the deputy warden $2,000. I do not think it would be too much. The responsibility of the warden is great, there is no doubt about that, but the officer who has the responsibility of maintaining discipline, and who is responsible for the running of the penitentiary, is the deputy warden. According to our regulations, he is bound to live within the walls of the institution. He is the man who gets up first in the morning, sees that the staff is in order, and that the machinery of the institution is running as it should run. He is also the officer responsible for the discipline of the guards. His salary should be $2,000. As for the chaplains, I see they remain at the same salary, $1,200. But there is a proviso which is difficult of interpretation, at least so far as the Roman Catholic chaplains are concerned. What is the outside work to which reference is made in the proviso? My hon. friend the Minister of Justice is a Roman Catholic, and knows perfectly what I mean. Suppose there is a grand ceremony at the church in the neighbouring parish, and the archbishop or some high dignitary of the church is present. It is the custom for all the clergy around to gather, and sometimes the ceremony has the character of extraordinary grandeur. It may bring some remuneration in some cases. Or suppose there is a high class funeral service, the clergy in the district might wish to take part. I would suggest that the law remain as it is, and that the proviso be striken out. I think we might rely upon our ministers in the performance of their duties.

Mr. DOHERTY : Seeing my hon. friend is going to deal seriatim with the different points in the resolution, perhaps it would be more convenient to take the resolution item by item. I think it is desirable we should do so, principally that we may avoid overlooking any observations that may be made.

Mr. WILSON (Laval) : I leave it to the minister's own judgment.

Mr. DOHERTY: So far as the salaries of the wardens and deputy wardens are concerned, it is quite true that the increases are small over the salaries that prevailed a good many years ago. I have no doubt it is quite true, because the hon. gentleman says it, that these are very small increases over the salaries that obtained a great many years ago; but, on the other hand, they are increases over the salaries that prevail at the present time and which are fixed by the present Penitentiary Act. If these larger salaries prevailed some years ago it must have been that those who, at the time the present Penitentiary Act was passed, were charged with the responsibility of dealing with the matter, thought that the salaries were too high. But I would like to point out that we are endeavouring to make the salaries of the same officers in all the penitentiaries the same. While it is quite true that $2,800 is not a very great increase at St. Vincent de Paul, though it is an increase of $400 or of one-sixth of the present salary, it is, in the other penitentiaries, a very considerable increase. The operation of getting the salaries of all the officers of all the penitentiaries on an equal footing prevents a consideration of individual cases exclusively from the point of view of the officer occupying a particular position. The same observation applies to the salary of the deputy warden which, although in St. Vincent de Paul it is increased by $300, in some of the other penitentiaries is increased by a considerably larger amount. With regard to the chaplain, if it had not been suggested by the hon. gentleman, it certainly would not have occurred to me that anybody would have thought that any clergyman attending a service in a church other than his own and taking part in the ceremony or service there would, by reason of that fact, not be considered as giving his

exclusive services to the penitentiary. I would have thought that would have been readily understood from the proviso which says that a clergyman receiving a salary of $1,200 should make his exclusive and particular office that of chaplain of the penitentiary. It will exclude a clergyman from taking some other position of the same kind to which he would devote himself but I think that the hon. member may feel perfectly confident that nobody will undertake to say that such a clergyman shall never hold or take part in a religious service other than the service of the penitentiary. This proviso, as well as the schedule as a whole, will not affect prejudicially any officer of the penitentiary who is presently in office. The hon. member will notice the clause at the end which makes it plain that the Bill does not involve imposing any new condition on any officer at present in office. This is the rule made to govern us in the future. It seems to be a desirable rule because while it does seem a fair thing that a salary should be paid to a clergyman who might have a large parish or a large congregation and who would only go occasionally to the penitentiary to give his spiritual services to the convicts, it hardly seems fair that a gentleman in that position should be paid the same salary as a gentleman who becomes the chaplain of a penitentiary and is bound as such to give his services, properly speaking, entirely to the institution. I think we may be trusted, and I have no doubt that any gentleman who may be called upon in the future to deal with the matter may be trusted, not to put such an extreme interpretation upon the words as the hon. gentleman suggests.

Mr. MURPHY: I would like to ask the minister if there is any existing case which makes necessary the distinction he has been explaining?

Mr. DOHERTY: I cannot for the moment recall any, but I will inquire and give my hon. friend the information.

Mr. PROULX: I think there is too great a difference between the salary of the warden and that of the deputy warden. I agree with my hon. friend from Laval (Mr. Wilson) when he says that the salary of the deputy shall be $2,000 but I think the salary of the warden should be $2,500. He has his quarters lighted and heated and that is worth $1,000 a year at least.

Mr. WILSON: And so has the deputy.

Mr. PROULX: I know. That would make $3,500 for the warden and $3,000 for the deputy. The warden would have the best quarters, I suppose. In many cases the deputy warden does more work and has more responsibility than the warden. It has been the case in the Kingston penitentiary for some years that the penitentiary has been in charge of the deputy warden. I think it is still the case even since the superannuation of the old warden and the appointment of the new warden, Colonel Irvine. I do not see why Colonel Irvine was transferred from Stony Mountain to Kingston penitentiary. I saw in the newspapers the other day that he was now at a sanitarium and I understand that he is about 75 years of age. I think he was too old to be transferred from one penitentiary to the other. I would suggest to the minister that he make the salary of the warden $2,500 and that of the deputy $2,000. In regard to the chaplain, I agree with the minister; I think the provision is fair.

Mr. GAUVREAU: I am surprised to see my hon. friend from Prescott (Mr. Proulx) jump on these officials. He wants some of these men reduced and he is ready to have the salaries of others increased. He is ready to give some of them a higher salary than he is prepared to give to the poor member of Parliament who is only getting $2,500.

Mr. DOHERTY: I would like to say a word in connection with what the hon. member for Prescott has said in regard to the transfer of Colonel Irvine. Speaking in a general way I may say it is the desire of the department in future the warden should perform the duties that belong to the supervision of the entire penitentiary, including the police department as well as the business department. That is what we are looking for in the future. The hon. gentleman has expressed wonderment why Colonel Irvine has been transferred, and has referred to his age. He has been transferred to this larger and more important penitentiary, because he is a most highly qualified officer by his experience, his force of character and his capacity for dealing with both convicts and guards. Like other people, he is sometimes taken ill, and he has been ill now for a couple of weeks. I understand that he is recovering and that we may expect him back in a few days. I appointed Colonel Irvine to that position because he was the most efficient person at my disposal.

Mr. PROULX: What I object to is that it is not customary to transfer officials at such an advanced age. It is more customary to superannuate them. I think a younger man should have been chosen. The responsibility and control of the penitentiary will still devolve upon the deputy warden, while the warden will get the higher salary.

Mr. DOHERTY: When Colonel Irvine is in charge of a penitentiary, the responsibility and control will rest in him. I put him there because I wanted that to be the case. While there are advantages in having younger men, there are greater advantages in having better men or the best men. When the best men, as unquestionably in

this case, is an old man, I shall not be afraid to transfer an old man even if it be not customary. I shall try to adhere to good customs; but, when I find a custom that works badly, I shall not adhere to it.

Mr. PROULX: I heard he was seventy-five years old. Is that a fact?

Mr. DOHERTY: I do not know his exact age. He is an old man, probably over seventy, but he is a thoroughly efficient warden. If the hon. member has the slightest doubt on that point, I would suggest that he inform himself of conditions at Stony Mountain penitentiary, where Colonel Irvine has been warden for many years.

Mr. OLIVER: I wish to ask for some information regarding Edmonton penitentiary. I understood the hon. minister to say that it was the intention to have the salaries equalized throughout Canada. I am not contending against that, but I want to point out that this seems to be a rule that does not work both ways. When it is a question of salaries for officers in penitentiaries, officers in western Canada get the same salary as officers in eastern Canada. When it is a matter of railway freight rates or bank interest or express rates or almost anything of that kind, the expenses are higher in the West and the rates must therefore be higher than in the East. I am willing to accept my hon. friend's provision in this resolution, if he will use his influence to remove these other inequalities. This resolution provides that the salary of a warden shall not be more than $2,800. Does that mean that the salaries of wardens shall be $2,800, or is it intended that there shall be a variation in the salaries; and, if so, on what basis is that variation arranged?

Mr. DOHERTY: The inspector tells me that the provision in the Act is that the salaries shall not exceed the amounts mentioned. It is intended that the salaries shall be the same throughout Canada. We want to get at a result where a man will not be an officer of a particular penitentiary, but will be an officer of a certain rank and available for transfer from one penitentiary to another.

Mr. PROULX: Will the minister provide for expenses of removal? There is an item in the supplementary estimates for the expenses of removal of Colonel Irvine from Stony Mountain to Kingston. I think that is another useless expense.

Mr. DOHERTY: The minister will not transfer anybody except when it is useful to transfer him. When that is the case, it will be useful to pay the expenses of removal.

Mr. OLIVER: I presume the same condition prevails in regard to all salaries, that is that the salaries mentioned here will be paid to all officers of these ranks.

Mr. DOHERTY: That is the intention.

Mr. OLIVER: What are the present salaries of the warden and deputy warden at Edmonton penitentiary?

Mr. DOHERTY: The salary of the warden is $2,200; of the deputy warden, $1,500. They have the usual privilege of heat and light.

Mr. WILSON (Laval): If this resolution is assented to, these salaries will come into effect immediately?

Mr. DOHERTY: Yes.

Mr. WILSON: So that the warden who is getting $2,200 now will get $2,800, and so on?

Mr. DOHERTY: Yes.

Mr. WILSON: The deputy warden at St. Vincent de Paul is getting $1,500. Therefore his increase will be only $300. The deputy warden at another point is getting $1,400. Therefore his increase will be $400. The salary of the warden at Kingston will be increased by only $200, because his present salary is $2,600.

Mr. DOHERTY: But this is necessary in order to bring them all to the same salary level.

Mr. WILSON: If I may be allowed, I will refer to the surgeon. Here I find a great discrepancy concerning which I would like an explanation from the minister. A surgeon now receiving $1,700, and a superintendent of insane ward $1,000. At present, Dr. Phelan in Kingston, gets $2,400, and I understand, is superintendent of the insane ward. He will hereafter draw both salaries—$1,700 as surgeon, and $1,000 as insane superintendent. Starting with the priniciple enunciated by the minister that the salaries should be equal, I do not see why there should be such a difference between the surgeon in Kingston and the surgeon in St. Vincent de Paul. I see that the surgeon at St. Vincent de Paul is to receive an increase of $100, and I am very glad of it, for, though he is one of my worst opponents in the county, we do not deal with these matters on political grounds. I would suggest, however, that the surgeon at St. Vincent de Paul should receive the same salary as the surgeon in Kingston and the same with similar officers throughout the Dominion. Dr. Phelan receives $2,700, and more than that, I understand, he is exempted from the restriction applied to other surgeons prohibiting them from outside work.

Mr. DOHERTY: No, the Act is the same for all. It provides that the salaries shall be not more than the sums fixed and that the persons to whom they are paid shall give their time exclusively to the service of

Mr. EMMERSON: The following amendment was placed by me before the committee and it was bowled out very summarily:

That the said section 91 be amended by adding thereto the following:

'And all payments made by or on behalf of any borrower, whether paid voluntarily or otherwise, and all moneys accepted or retained by or on behalf of any bank under the provisions of this section for interest or discount charges in excess of said rate of seven per cent shall be recoverable by the person, firm, or corporation so making such payment or from whom such interest or discount is exacted or retained, in an action in any court of competent jurisdiction.'

When that was disposed of, I then proposed the amendment as to the monthly statement and that was accepted, but at a later date it was also thrown out. I call attention to the fact that this amendment was offered in the Banking and Commerce Committee.

Amendment agreed to.

On section 64—bank circulation redemption fund:

Mr. WHITE: I wish to suggest an amendment to section 64 which is of some importance. Section 64 refers to the circulation redemption fund, and members of the committee are doubtless aware that all the banks have to contribute an amount equal to five per cent of the average note circulation to that fund, which constitutes a security for the note circulation of the banks. We are providing a gold reserve against which the banks may issue notes in excess of the amount of note circulation which they may now issue against their paid-up capital and against the fifteen per cent of the paid-up capital in reserve in the emergency period. Mr. McLeod, who appeared before the committee, wrote to me about this from London, and I think he is entirely correct in his views. He says that it is not necessary for the banks to contribute five per cent in respect to the note circulation which is issued against gold. In other words, it is the note circulation, which is issued against paid-up capital, and the so-called emergency circulation that should be safeguarded by the contributions of the banks. Therefore, in order to give effect to that recommendation and suggestion, which I have said is a very pertinent and good one, I move that section 64, sub-section 8, be amended by inserting, after deleting the period, after the word 'relates,' the following:

Provided, however, that in determining the average note circulation of a bank under this sub-section the daily average for each month of the amount of the bank's deposit, (if any) in the central gold reserves, which has not been withdrawn or deemed to be withdrawn within the meaning of this Act, shall be deducted from the greatest amount of the notes of the bank in circulation at any time during the month.

That means that the banks shall contribute five per cent of the balance. As regards the note circulation secured by gold, that is absolutely secured. That leaves it precisely as it is at present so far as the constitution of the banks is concerned towards a guarantee of the note circulation of the banks. In so far as the note circulation of the banks is safeguarded dollar for dollar by gold deposited under the provisions of the new Act, it is not necessary to contribute for that.

Mr. GRAHAM: If it had not been for the provisions of the new Act in adding to the gold security, this would not have been necessary.

Mr. WHITE: Quite so.

Amendment agreed to.

On section 114—annual returns for unpaid dividends and balances:

Mr. WHITE: The hon. member for Westmorland (Mr. Emmerson) made a suggestion that we should insert the words 'certified cheque' in line 40, page 57 of the reprinted Bill after the word 'balance.' The purpose is to make the term slightly more complete.

Amendment agreed to.

Bill reported.

SUPPLY.

House in Committee of Supply. (Mr. Deputy Speaker in the Chair.)

Arts, agriculture and statistics—exhibitions, $375,000.

Mr. GRAHAM: Last night we passed this item which we did not discuss at all. The hon. minister said that we could ask any questions concerning it at a future session of the committee. It would perhaps save time and a lot of questions if he would just give us a little idea of these exhibitions; what work he is carrying on; if this vote has anything to do with the vote for the Toronto exhibition; what is included in it; who is in charge of the exhibits; what are the exhibits; what success we are having, and if we are getting any returns that he can see directly or if they are indirect. Exhibitions properly conducted are the best advertising we can have for Canada. What are included in the exhibits—manufactured products or natural products? A few explanations would be acceptable, so that we may know what the money is for.

Hon. MARTIN BURRELL (Minister of Agriculture): This special vote is confined to large internal exhibitions, and is not for exhibitions in Canada itself. There is a vote for exhibitions every year. There is in the main estimates a vote of $50,000 for the Dominion exhibition which goes from province to province in turn. There are occasionally special votes. Last year there was a vote of $100,000 towards the Toronto National Exhibition, to pay for a building to house the exhibits of all the provinces. As I have said this vote has nothing to do with exhibitions of that kind, but it is to be confined to what we may call international exhibitions where Canada exhibits on a very large scale her natural resources and products. The first of these exhibitions was held in Stockholm in 1897. Since that time, fifteen or twenty exhibitions have been held, the last being the Festival of Empire in London. The money of this vote is largely to be for the exhibits at the International Exhibition in Ghent, in Belgium. The same man is in charge who has been in charge for many years, Colonel Hutchison, who is well qualified for the work and has a natural genius for exhibition work. A considerable sum will also be necessary for preliminary expenses in connection with the Panama Exhibition in 1915, for which we shall have to begin to get ready before the end of the present year. The Ghent Exhibition is just opening.

Mr. LEMIEUX: I hope the names of the two commissioners published are correct, Mr. Lafontaine and Mr. Plante.

Mr. BURRELL: Nothing has been decided on that point. No assistants have been sent as yet. In regard to that, the only object in sending anybody from this side was not to represent Canada but to strengthen the staff in Belgium of French-speaking people.

Mr. LEMIEUX: I do not know what the particular qualifications of Mr. Lafontaine may be, but as regards Mr. Plante, if my hon. friend will appoint him, I am sure he will find in him a man most conversant with the resources of our country and quite a creditable representative of Canada. At the time we had the exhibition at Brussells three years ago, Canada was never so well advertised in Europe as by our exhibit there. If my hon. friend could only reproduce what we had at Brussels—and I think he could improve on that—he would confer a great benefit on this country. I must say that in Mr. Hutchinson, and his immediate staff, Mr. Hains, for instance, we have most competent officers. At Brussels, I myself visited the exposition, and it was really a matter of pride for Canadians who were present to see the enormous crowds that were struggling from morning until evening to see the exhibits of Canada. It was practically a farmers' exhibit, a representation of the life on our Canadian farms, an exhibition of our fur-bearing animals, a display of the fruits of Canada and of the products of our forests and of our mines. It was a most extraordinary fact that so many people from that wealthy country came to see what Canada had to exhibit. I am quite sure that with the literature which was distributed there, Canada derived great benefit from that exposition. I congratulate the minister on his decision to have our exhibit this year at Ghent, and I hope Mr. Hutchinson will be given a free hand, as he has had a free hand in the past, because he has a real genius for such organization. Might I suggest to the minister to be generous—I do not say in salaries, because I know he will pay good salaries to our officers—but to be generous in the printing of pamphlets, booklets, atlases and other literature in French. There is in Belgium, as my hon. friend knows, a large French population, and it is from that country that we expect, more than from France, to receive immigrants. The population of Belgium, in contradistinction to that of France, increases every year. The territory of Belgium is rather limited, and there is no country in the world where the population is so dense. They are well-to-do farmers, they have large families and they emigrate, while the French peasants do not emigrate. Especially will that be the case this year, for the new law which is being enforced in France for service in the army will make immigration more restricted than ever. From Belgium we may expect an excellent class of farmers and gardeners, and I am quite sure that if the statistics are consulted since the exhibition of Brussels, it will be found that there has been quite an increase in the immigration from Belgium into Canada. If French and Flemish literature is being distributed, it will certainly result in a numerous class of desirable immigrants.

Mr. BURRELL: The hon. gentleman can rest assured that no pains will be spared to make the exposition at Ghent worthy of Canada. I agree with what he says concerning Belgium. We have a certain population from Belgium in the far West—in my own province especially. These people are most thrifty and their methods of intensive farming are a revelation to us. We could not get a better class of immigrants. We have made provision for a large distribution of suitable literature.

Mr. SINCLAIR: This item is largely increased this year as compared with last. The minister gave us a general outline of what he intended to do with the money, but it would be interesting to have items of the expenditure of this $200,000, so that

we may know how he intends to expend so large an amount.

Mr. BURRELL: I can only say, as I have already said, that a large proportion of this money is to be spent in connection with the exposition in Ghent. That exposition will close about October or November. But before the expiry of the fiscal year, we shall have to incur fairly heavy expense in getting ready for the Panama exposition to be held at San Francisco in 1915. As my hon. friend knows, if he has seen these expositions, there is enormous expense in sending the exhibits and otherwise. I think he will find that for this expenditure, large as it is, the country will get a very excellent return in final result.

Mr. SINCLAIR: From an answer given to a question which I asked in the House some time ago, I understood that the Government did not intend to participate in the Panama Exposition.

Mr. BURRELL: I think my hon. friend is confusing the Panama Exposition with the San Diego Exposition. It was not thought advisable to take part in the latter, as the San Francisco Exposition is probably the more important.

Mr. GRAHAM: Can the minister tell us to what extent Canada intends to take part in the Panama Exposition?

Mr. BURRELL: I could not give my hon. friend any definite information, but speaking personally, for it is somewhat early to take the matter up officially, my own feeling is that at the Panama Exposition Canada would be justified in making one of the strongest exhibitions that she has ever made. It is of immense importance that on that occasion we should be worthily represented, and that our great natural resources should be given due prominence.

Mr. GRAHAM: Have representations been made to the Government by the manufacturers of Canada with regard to their being represented at one of these great expositions?

Mr. BURRELL: I have not any in mind.

Mr. GRAHAM: I see no reason why the manufacturers should not endeavour to exhibit their products at these great fairs so that the people of the world would understand not only that we are a great agricultural country, but also that we have important manufacturing industries as well. I say this to impress on the manufacturers of Canada what I have often said to them privately: that they are missing a great opportunity in not coming to the front and endeavouring to get their products to these great expositions with a view to showing the people of the world that we are a manufacturing as well as an agricultural country.

Agricultural development of dairying and fruit industries; improvement in transportation, sale and trade in fruit and other agricultural products, $190,000.

Mr. BURRELL: The items composing this amount are: expenses in connection with headquarters, $15,000; expenses connected with the various dairying branches, $62,000; fruit division, $70,000; markets division, $22,790; cold storage, $18,900; a total of $190,000 and an increase of over last year's estimates of $50,000.

Mr. OLIVER: What, generally speaking, are the dairying operations of the department?

Mr. BURRELL: We are taking up various kinds of work. One of the important activities in which we are engaged is the extension of a system of what we call dairy record centres. Under this system we place an expert, who thoroughly understands the use of a Babcock test, in charge of a certain district, and whose duty it is, within a certain radius to test the cows, the products of which are going to the creameries. The results of his tests are made known among the farmers who own the herds, in order that they may be instructed in the best methods of feeding and caring for their animals, and they may be enabled to tell which animals are paying and which are not. We have now nearly twenty of these centres.

Mr. SINCLAIR: Where are these centres located?

Mr. BURRELL: There are nine or ten centres in various parts of the province of Ontario, and three or four in Quebec. We are establishing two or three in the maritime provinces; so far we have not gone into the western parts at all, except in one of the smaller districts of British Columbia.

Mr. SINCLAIR: In what portions of the maritime provinces have these centres been established?

Mr. BURRELL: In the maritime provinces we have not done very much as yet. There is a station at Clifton, New Brunswick; and we have one in Prince Edward Island, we are establishing a centre in the French Acadian portion of New Brunswick, and propose to extend the system during this, or certainly during next year.

Mr. MACDONALD: What about Nova Scotia?

Mr. BURRELL: We have many of these points under consideration, so far as the expenditure which we propose

to make to enable us to do the work this year.

Mr. SINCLAIR: Are these officers permanent? Do they remain the whole year in one locality?

Mr. BURRELL: The officer works the whole year round, and by using the Babcock test he is enabled to tell the farmer the exact amount of butterfat contained in the product of each cow.

Mr. MACDONALD: Does he travel over a certain district, or is he permanently located in one place?

Mr. BURRELL: He works within a certain radius, sometimes within a circle of twelve, fifteen or twenty miles.

Mr. MACDONALD: If it is the intention to establish a station in Nova Scotia, it would be desirable to have it located in the centre of the province. The hon. member referred to Yarmouth, and, while I have no objection to the establishment of one of these centres in the Yarmouth district, it is at the extreme end of the province.

Mr. BURRELL: I was speaking only generally; it is not decided in what particular part of the province the centre will be located, but I know we are making arrangements to establish one in Nova Scotia.

Mr. LOGGIE: Has any arrangement been made for the establishment of one of these centres in the north-eastern part of the province of New Brunswick?

Mr. BURRELL: We are making arrangements to start work in that part of the country, I think in the county of Kent.

Mr. LOGGIE: That district is perhaps the best farming portion of north-eastern New Brunswick.

Mr. BURRELL: It is not always advisable to start these things in the best sections. It is sometimes advisable to start them in the sections that are not so far advanced, so as to give better education to the people.

Mr. OLIVER: What are the prospects of an extension of this work in the prairie provinces?

Mr. BURRELL: I cannot answer my hon. friend offhand. We have developed the work to a very considerable extent. We started four or five years ago with two centres I think, and we have gradually developed until we have seventeen or eighteen. It is quite obvious that we cannot extend the work to every portion of the country, otherwise we would commit ourselves to an enormous expenditure. The result of the work has been so satisfactory that whereas one firm which had been in the habit of selling fifty Babcock testers three years ago, sold during the past year one thousand for the use of individual farmers because the farmers knew the results of the tests we had been carrying on and knew what would be profitable and what would not. The work was initiated by my predecessor, and we have tried to develop it, and nothing has done more good to the dairy industry than those cow tests.

Mr. SINCLAIR: What does it cost?

Mr. BURRELL: We pay the men from $1,000 to $1,200 a year, and there are not very many other expenses connected with it.

Mr. OLIVER: The minister did not say anything very definite about extending the work in the prairie provinces.

Mr. BURRELL: I cannot very well say offhand, but if we are justified in extending the work to other portions of the West I shall be glad to give the matter every consideration.

Mr. OLIVER: Is there any prospect of extension in the prairie provinces?

Mr. BURRELL: I would not say this year, but I do not see why it should not be done at an early date.

Mr. GRAHAM: I observe that the word 'transportation' is mentioned. That opens up a big avenue for improvement as well as for profit in the province of Ontario. I imagine there is no overlapping between the department at Toronto and the department at Ottawa in the matter of improving the quality and increasing the quantity, particularly of cheese. It was stated last night that the province of Quebec produced the greatest amount of butter. I think that is true, but no one will suggest that the province of Quebec, or any other province, equals Ontario in the production of cheese. Both as regards quantity and quality, the cheese that Ontario produces is as good as any to be found in the world. The Ontario provincial work has been very successful. If my memory serves me rightly, they have inspectors who go from factory to factory consulting with the makers, and in addition there are, I think, two dairy schools, one of them at Kingston. An endeavour is being made constantly to raise the standard of production, and it would be unwise for the two departments to clash. There is work for them both to do, and I know that the work of testing has been very beneficial. When I was connected with the press we took great pleasure in publishing the results of those tests, and that created an interest. I imagine that the press can help the Department of Agriculture a great deal in that respect. In regard to transportation,

what improvement does the minister propose? The facilities for the transportation of dairy products and of fruit have been greatly improved in recent years, but I imagine they are not yet perfect. It is possible to approximate, at least, to the condition that the product will be in as good a condition when it reaches the consumer as when it leaves the producer. That means that the price is enhanced, and any money expended wisely in that direction means money in the pockets of the farmer. It would be very interesting if the minister could state whether he has any particular improvement in mind in the way of increasing the number of refrigerator cars, or of imposing more exacting demands on the railway companies to provide them, or upon steamship companies to provide better cold storage facilities.

Mr. BURRELL: We are trying all the time to improve that portion of the service. So far as the transportation and marketing go, we are keeping up a refrigerator car service, not only for butter but for cheese. It is largely from Quebec and Ontario points to Montreal and subsequently for export. Up till 1908, there was practically no arrangement for the provision of refrigerator cars or of cool chambers on vessels. The shipments were so few that the vessels would not retain cool chambers. Now the Government guarantees a certain amount of space on, I think, six steamers. These are reserved for fruit, and I may point out that the facilities have been taken advantage of for the shipment of some tender fruits like peaches. Whereas in 1910, 3,000 cases of peaches were shipped in those cool chambers, in 1912, in the guaranteed space in the vessels, nearly 9,000 cases were shipped. In regard to the refrigerator car service, we guarantee every year a minimum of two-thirds of a full car, and the shipper is allowed to avail himself of the broken carload rate, regardless of the ice storage for which we pay. In return for our guarantee, if when the car reaches its destination the ice is gone, we refuse to pay and we are enabled in that way to keep the railways up to the mark. I think we are doing as good work in keeping the companies up to the mark as is probably being done in any other country.

Mr. GRAHAM: In what condition does our fruit arrive in the West?

Mr. BURRELL: Very good as a general rule. My hon. friend will be surprised to know that eastern Canada sent 11,000,000 pounds of butter to western points last year, largely to the prairies and a considerable amount to British Columbia.

Mr. GRAHAM: Alberta will stop that after a bit.

Mr. BURRELL: In two prairie provinces last year nearly half a million dollars worth of dairy products were put on the market produced by the western dairy farmers.

Mr. SINCLAIR: Does the minister say that he guarantees two thirds of the car load and does that enable the shipper of the food to get carload rates for his goods?

Mr. BURRELL: No.

Mr. SINCLAIR: Suppose a car is sent out that is only half filled and the Government pay the difference between the half and the two-thirds, what rate does the shipper pay?

Mr. BURRELL: Each year from about the middle of May to the middle of October, iced refrigerator cars are run regularly over certain routes in the provinces of Ontario and Quebec for the carriage of butter to Toronto and Montreal. These cars are run weekly or fortnightly, according to the requirements of the route, on an advertised schedule so that shippers can deliver their butter to the stations with the least possible exposure to heat. A shipper may forward any quantity, from one package upwards, and pay only the regular less than carload rate without extra charge for the icing. The Government guarantees a revenue each trip equal to two-thirds of the minimum carload earnings from starting point to destination plus $4 per car for icing. This guarantee only holds if the car arrives in good shape with the ice not exhausted. It gives an opportunity to the shipper to get his goods forwarded in refrigerator cars that he would not otherwise have.

Mr. SINCLAIR: It looks like a good thing for the railway company.

Mr. BURRELL: Although we give this guarantee, we do not pay the freight if the freight in the car pays for itself.

Mr. SINCLAIR: You pay if it falls short?

Mr. BURRELL: If it falls below two-thirds we pay it but if the car pays of itself we do not pay it, and it very often happens that we do not have to pay anything.

Mr. MARCIL: I would like to call the attention of the hon. Minister of Agriculture to a section of the country which I am sorry to say he is probably not as familiar with as he ought to be. I was not here the other evening when the matter was taken up concerning experimental farms, but I might say that during the present session I have obtained important documents, one of which I would like to read to the committee as emanating from a former member for the constituency of Bonaventure, Mr. L. J. Riopel, who represented that constituency

in this House for many years and who wrote a letter on the 26th of March 1912 to the Deputy Minister of Agriculture calling special attention to the conditions existing in the county of Bonaventure and in the Gaspesian peninsula generally, a matter which was alluded to last night by my hon. colleague from Rimouski (Mr. Boulay). With the permission of the committee I will read this letter which summarises well the position in which the farmers of the country find themselves:

Quebec, March 26th, 1912.

G. O'Halloran, Esq.,
Deputy Minister of Agriculture,
Ottawa, Canada.

Dear Sir,—With further reference to the suggestion which I laid before you in the absence of the Hon. Mr. Burrell, I beg to submit the following remarks in connection with the establishment of an agricultural school at New Carlisle for the benefit of the Gaspé Peninsula.

That section of the province of Quebec, comprising the counties of Bonaventure, Matane and Gaspé has suffered great drawbacks on account of its isolated situation.

Its population, now being nearly 100,000 was originally composed largely, of fishermen and lumberers; although during the past twenty-five years, they have made fair progress in agricultural pursuits.

The institution of a model farm would greatly promote the welfare of those people, who as a rule, are lacking experience in that paramount industry.

The soil of the Gaspé Peninsula is generally well adapted to farming and is most suitable for growing all sorts of vegetables.

As I have mentioned to you, sir, the large farm of the late Lieutenant Governor, Hon. Théodore Robitaille, New Carlisle, the Shiretown of the county of Bonaventure, is in every respect suitable for the purpose in view.

It comprises nearly one hundred acres of land all under cultivation, with a frontage of five acres on the Baie des Chaleurs, and is provided with all buildings required for a Government farm of moderate dimensions.

A wood lot of sixteen acres, about three miles distant from the farm would also be secured.

The farm is conveniently situated within a few acres of the New Carlisle Government wharf, and of the railway station; and it commands a magnificent view of the Paspebiac harbour, and also of the shore of New Brunswick, about twenty miles across the Baie des Chaleurs.

It may be noted here that the counties of Restigouche and Gloucester in New Brunswick could share the advantages of such an undertaking, as it would be easy of access to the people of that shore.

The proposition now submitted to the consideration of the Hon. Minister of Agriculture was suggested to me through the announcement of the policy of the present Government promising to take measures for the encouragement and promotion of Agricultural pursuits.

Seeing that there are only two model farms in the province of Quebec, and those institutions are beyond the reach of the Gaspé population, it is obvious that an Agricultural school, or model farm would be most beneficial to the inhabitants of that large section of the country.

With the hope that the proposition may be earnestly considered.

I beg to remain,
Dear Sir,
Yours truly,
(Sgd.) L. J. Riopel.

This was followed by an acknowledgement and subsequent correspondence, but up to the 9th day of May last when the papers were laid before Parliament nothing seems to have been done for the purpose of affording to this large population some of the benefits of the Department of Agriculture at Ottawa. Under very trying circumstances, during the last ten years, one of the devoted priests of the constituency, Rev. Jacob Gagné, who is well known to the Department of Agriculture, has at great trouble and inconvenience to himself, established a number of butter and cheese factories throughout the constituency and has assisted the farmers very materially in that respect. The country is one admirably adapted to the raising of cattle and the production of cheese and butter. But owing to the policy which has been pursued in regard to railway communication the butter and cheese output has to be carried many a hundred miles before it reaches the Intercolonial railway at Matapedia. There are a great many drawbacks which must be overcome. The population has been increasing in the three constituencies, but I am sorry to say not as largely as it would have done if better farming and transportation facilities had been given to the people. A large proportion of the population have had to emigrate, many of them to New Brunswick, some to other parts of Quebec and others to the United States. But there is an area 10,000 miles square, an immense field for the activities of a great agricultural population. I hope that, having called his attention to the subject, my hon. friend the Minister of Agriculture will take it in hand and see that some of the benefits of his administration are extended to the population of that constituency. The letter I have read comes from Mr. Riopel, who for nearly twelve years sat in this House, who occupies a high position in the ranks of the Conservative party and whose word is to be accepted as being quite reliable. I should like to see the minister send some of his best men down to the constituencies of Bonaventure, Rimouski and Gaspé to make an examination and report. Rimouski, of course, being on the Intercolonial railway, is not handicapped as the other constituencies are. The minister should send a good man to investigate the conditions in order that something may be done for these enter-

prising people who are mostly French-Canadians, although at New Richmond, Port Daniel West and New Carlisle, there are three important English-speaking agricultural parishes. During the past ten years these people have made an effort to give up fishing as being unprofitable and go into farming, but they have been handicapped for want of transportation to the markets and lack of experimental stations and agricultural instruction. The people are energetic, the soil productive, the season short but fruitful, and with ordinary assistance from the department they would be placed in a position to become prosperous and happy. Should an experimental station be erected by the Government no better point could be selected than New Carlisle, which is the shire town of the constituency and is situated about one hundred miles from Matapedia and one hundred miles from Gaspé Basin, being about half way across the peninsula. If facilities were given to these people to pursue the agricultural industry any expenditure in that direction would repay the department and repay the country one hundredfold. There is in that district a field for the minister to do abundant good work.

Mr. BURRELL: I have had a talk with Mr. Riopel and I have also met a deputation from that district, and I quite appreciate the argument advanced by the hon. member (Mr. Marcil). I have abundant sympathy with the large sections of the country which are not sharing the advantages that other parts receive, but it is difficult to supply facilities for the entire Dominion at once. I do not see why some of the benefits that may be derived by farmers from the new Agricultural Aid Bill recently passed could not be shared by the people of that district. I am sure the influence of my hon. friend from Bonaventure would be considerable and I would advise him to make a strong appeal to the Quebec Government, and if anything can be done to make advances to that district to assist agricultural development through educational means, say the establishment of a school in New Carlisle, I shall be only too glad to look at it sympathetically.

Mr. SEXSMITH: It is specified in the item in the estimates that this vote of $190,000 is for the development of the dairying and fruit industries and the improvement in transportation, sale and trade in fruit and other agricultural products. It seems to me that a vote of $190,000 is very small for the purposes for which this vote is destined. Especially is that the fact when we realize that the dairy products of our country last year were worth over $100,000,000 and that while the production of butter has increased, the production of cheese has somewhat declined. I am glad to hear the Minister of Agriculture say he intends to establish a great many more dairy record centres. One of the first of them was established in my district and it has done a great deal of good to the farmers in that community. The farmer sends his milk to be tested and has the record sent back to him and at the end of the year he knows what cows are worth keeping. I know a farmer who had his herd tested and he found quite a number of them were only boarders and he discarded them and in three or four years he had practically doubled his production. I strongly advocate the establishment of these dairy record centres in the dairying sections of the Dominion. Then, as to the fruit industry, we had evidence before us last year of the great difficulties the fruit people encountered in getting their fruit to the market, and I would suggest to the minister that probably the best way to help the fruit industry now is to stimulate co-operation in the packing and marketing of fruit. Again I repeat that this vote of $190,000 is small for the objects it is to be devoted to. I hope by the time the minister develops his policy he will be able to come to Parliament and ask Parliament to vote at least half a million dollars to assist the dairying and fruit industries of the Dominion. I do not want to take the position that the farmers of Canada are asking Parliament to be spoon-fed, but at the same time I do not think the Government could spend money in any better way than in educating the people in the different branches of farming. The provincial governments are doing a great deal, but there is still a wide field of usefulness for the federal Government and it can work in co-operation with the provincial governments to stimulate the most important industry in the country. I trust the minister will next year take the larger vote for this purpose and extend the work.

Agriculture—to enforce the Seed Act, to test seeds for farmers and seed merchants, to encourage the production and use of superior seeds, and to encourage the production of farm and garden crops, $100,000.

Mr. KYTE: Can the hon. minister say where these tests are made? Are there particular stations where seeds are tested, and how are they tested and distributed?

Mr. BURRELL: The great portion of the seed testing is done at our central laboratory in Ottawa. In the far West, we have a station at Calgary where we are doing seed testing. I am not sure at present whether we have any other branch or not. We have a staff of inspectors covering the different provinces who are doing what this item says. They are not only enforcing the Seed Act; but they are testing seeds for farmers and merchants; they are keeping

track of merchants who sell seed below the standards set in the Act, that is in the way of germination, quality, impurities, weed seeds and so on. In addition to that, we are giving subventions to the different provinces in respect to seed space, in proportion to the amount of acreage they have under crop. We give $1,000 for every million acres under crop, amounting on the whole to $35,000 on that item alone. In addition to that, we are making grants to the seed growers' associations, which are doing good work.

Mr. MACDONALD: I want to call the attention of the hon. minister to a condition of affairs that arose last year in my county. The farmers purchased seed grain from Winnipeg. I do not know what method of seed inspection there is in that part of the country, but an enormous loss was caused to the farmers of my county through having purchased that seed. None of it germinated and a great many farmers lost their whole crops. I would like the minister to explain, if he can, how such a large quantity of seed came through without inspection.

Mr. BURRELL: I do not think we would have power under the Act to deal with that. This year a good many complaints of that sort were made, especially in Quebec and the eastern provinces, where the farmers were short of seed and of money to buy it. In many cases we offered to give the assistance of our inspectors to advise the farmers as to the quality of the seeds they were buying. We would certainly be justified in extending that work as far as we can. We dealt with it in another way this year. My hon. friend the Minister of the Interior distributed a large amount of seed grain in connection with the unpatented land in the West. We got the minister to co-operate with our department and not to allow any of that seed to go out until it had passed our inspectors.

Mr. KYTE: My object in asking the question was to lead up to the very point. Farmers in my own county and other counties in eastern Nova Scotia had the same experience. A very considerable quantity of seed oats arrived in eastern Nova Scotia last spring from the province of Manitoba, and none of it germinated, which caused very great loss to the farmers. I had an idea that the Seed Act provided that no person should advertise seed of any kind for sale, unless he had a certificate of inspection or some guarantee to offer intending purchasers that it was proper grain for seed purposes. Seed inspection ought to be provided for in the different provinces. It is a great disadvantage to farmers to sow seed oats which are not of such a character as should be used for seed. The hon. minister might extend the operations of the Seed Act so as to have inspectors placed in different sections of the provinces to guarantee that the proper kind of seed is placed on the market.

Mr. SUTHERLAND: The observations that have just been made in regard to impure seed are of such importance to the farmers of Canada that I think we might continue the discussion for a little longer. There is nothing to prevent a farmer from going to a feed store and purchasing grain, that has been imported, for instance, from western Canada, and using that grain for seed. It may not have been imported for that purpose. How you could lay down any law that would prevent a farmer from purchasing and using that seed is something pretty hard to imagine. The complaints made by the hon. member for Pictou (Mr. Macdonald) and others have been general not only in the maritime provinces, but in the other provinces. Last year many farmers in Ontario suffered through the very same cause. A farmer must realize that he is taking big chances when he purchases from a feed store, grain which has possibly been imported to be used as feed, and uses it for seed. I quite agree that the Department of Agriculture might, with advantage to the farmers, exercise some control over all grains used for seed; but there is a greater danger than the loss suffered through sowing such grain as he has described. The weed nuisance in the country has spread to such an extent that it should cause the very gravest concern. I do not think there is anything else causing the farmers so great a loss as the spread of noxious weeds. We have the Conservation Commission considering ways and means of conserving the resources of our country. The weeds that have spread during the past few years, for instance over Ontario, have caused a greater loss possibly than anything else. Last session a Bill was put through this House with regard to what is known as the Grain Act. It provided for the cleaning of grain at the elevators. At that time I took exception on several occasions to the fact that screenings from the elevators were permitted to be sent out and sold to anyone who would purchase them. As a matter of fact, immense quantities of those screenings have been shipped into every province, and as a consequence weeds have spread all over Canada. Great care is exercised to see that the small seeds, for instance clover and timothy, are cleaned thoroughly and that as small a percentage of weed seeds is left in them as possible. The farmer takes particular pride in purchasing the very best and purest seeds that he can. He may be at

the same time purchasing from the West large quantities of damaged grain which he is grinding up for feed. In a bushel of that mill feed there may be millions of foul weed seeds. I think provision ought to be made that the screenings from these elevators should not be sent throughout the country but destroyed at the elevator. The item is not a very large one, and I quite approve of the increase which is about twenty per cent. But I think that if the item were a great deal larger and precautions were taken that weed seeds separated from the grain should be destroyed at the elevator it would be much better. These screenings are sold to a great many people who are not interested very much in agriculture who use them for feed and the weed seeds finally find their way back to the soil. Travelling through some agricultural districts of Ontario at harvest time, one is astonished to think that these valuable lands are being taken up by the weeds. This, I believe is one of the most serious things that confront the people of the rural districts. Some heroic treatment will certainly have to be resorted to in order to overcome this nuisance. There is not a person who is familiar with farming conditions but must realise that there are many sections of this country that are absolutely, you might say, useless, for agricultural purposes through the spread of weeds. If anything can be done to overcome this nuisance, it ought to be done. I do not think this item will go a great way towards overcoming this great nuisance.

Mr. SINCLAIR: The hon. member for South Oxford (Mr. Sutherland) approves of this increase. I think we would all approve of it if we thought it was going to be put to any useful purpose. But the minister has not shown us that he is doing any good with this money. There are nothing but complaints on both sides as to the results. In my own province nothing has been done, so far as I can learn, to better conditions. If the work of this Government is to be confined to the experimental farm at Ottawa and only the people who send their seeds here are to have them tested, I do not think it will ever amount to very much as a benefit to the farmers of the country. Is not there some system the minister can devise by which dealers will be made responsible for the seeds they sell to farmers? Cannot he license them or provide other means by which they can be controlled and prevented from selling inferior seed? This is a matter of the greatest importance to the farmers, and as my colleagues from Nova Scotia have said, it was a great loss to the farmers of that province last year. And that loss is constantly going on. I see that a part of this money is to be spent to enforce the Seed Act. If I remember rightly that Act contains a provision imposing penalties upon seedsmen who sell useless or injurious seeds to farmers. What has the minister done to enforce the Seed Act?

Mr. BURRELL: I am sorry I have not the details of a number of prosecutions. But I am surprised to hear the hon. member say that nothing has been done to show value received for this expenditure. As a matter of fact there is a great deal of machinery in connection with the Seed Control Act with which, I suppose, the hon. gentleman is more or less familiar. We have the following inspectors: British Columbia, Alfred Eastham; Alberta, A. D. Campbell; Manitoba and Saskatchewan, F. H. Reid; western Ontario, W. J. Lennox; maritime provinces, S. J. Moore; eastern Quebec, J. A. Simard; Eastern Townships of Quebec, Carl Sweet; Prince Edward Island, Garnet LeLacheur. All these men are highly qualified, not only graduating from the agricultural colleges but having taken special work in the seed divisions of those colleges, and subsequently having been trained to some extent in our central laboratory. The hon. member thinks that nothing is being done, but dozens of prosecutions for violation of the Seed Act are going on all the time. I agree with the hon. member for South Oxford that nothing has been done of greater value to the farming community than the work of the Seed Control Act, for to that Act is due the greater purity of the seed sold to farmers all over the country. I shall be glad to give my hon. friend a list of the prosecutions carried on by the department against dealers for violation of this Act. It is true these have been largely in connection with clover, timothy, alsike and alfalfa and have not extended to cases mentioned by the hon. members for Richmond and Pictou.

Mr. SINCLAIR: The hon. minister says he had heard that the sale of these inferior Manitoba oats in Nova Scotia had caused great loss to the people. Did he make investigation or prosecution?

Mr. BURRELL: Speaking offhand I am not sure that under the Act we have power to deal with this particular case. The Act is confined largely to the grass and clover seeds I mentioned, and besides, there is the provision under the Seed Act that a farmer may sell his own oats whether dirty or clean. The Act is merely confined to the seed bought and sold by merchants and to certain seeds. I shall be glad to go into the matter of amending the Act, though there will probably be difficulties that hon. members of the House do not suspect. I would not like the hon. gentleman to think the

money is not being wisely spent, or that it is not accomplishing great good. This vote, while a fairly substantial one, must be increased. But in the year before I took hold of the department, this appropriation was $50,000; it has been increased until this year it is $100,000. The vote for dairying in 1910-11 was $100,000 and we have increased that to $190,000, and with the amount in the supplementary estimates about $210,000. If you include all branches of agricultural work, the amount in 1910-11 was $1,143,000, whereas this year it will be $2,633,000. So, though the hon. gentleman contends that we are not going fast enough. I think that he will see that the doubling of the expenditure in two years is considerable. And there is danger in going too fast, because you cannot maintain efficient administration in this line of work if too great haste is made. It is my hope, and I think that of everybody, to see a far more generous expenditure on agriculture than has been made in the past. I believe the country would favour that. We are going fairly fast, but we must avoid the danger of going too fast, and not keeping up the efficiency of our administration.

Mr. WEBSTER: In many cases where farmers in certain communities have received poor seed, it is not the fault of the seed merchants or the Government. Supposing some gentleman writes to a friend of his in the West and asks him to ship a carload of oats or wheat for seed. He receives it; it has never been inspected either by the Government of Manitoba or the officials of the experimental farm, and he is able to take advantage of this condition of affairs. He gets the oats for 5, 10, and sometimes 20 cents a bushel less than he would have to pay for No. 1 seed purchased from the seed merchants. In some cases the seed grain is bought from persons in the West who, although it is not at all the best, represent it to be of first-class quality, with the result that when it is sold it fails to germinate, and the loss must fall upon the purchaser. In that regard, of course, the minister is not to blame; the farmer who buys an inferior article and sows it, not knowing whether or not it has been tested, is entirely responsible for his own loss. A specific case came under my observation on Saturday last. In the Grain Growers' Guide this winter there appeared an advertisement stating that all seed oats or seed grain shipped from Manitoba would be carried by Canadian railways at half price. One of my constituents, seeing that advertisement, ordered a carload of oats for seed. It was billed to him as seed oats, but I saw the oats myself on Saturday last, and I know that as it had been injured by the frost, not more than 30 per cent of it will ever germinate. The railway did not forget to charge full freight rates for the grain, and the purchaser naturally felt very much aggrieved, considering that the Government has not taken the interests of the farmer into consideration in this respect. Of course that farmer was to blame for that transaction, not the Government or anybody else.

Mr. ROBB: The hon. member for Brockville (Mr. Webster) has placed his finger on the weak spot in the Seed Act. The hon. minister, as he has said, is powerless under the Act, because the Act permits the farmer to sell this seed grain and not become liable to its penalties. I quite agree with the hon. member for Brockville in his assertion that much of the seed that is sold throughout the country is distributed by irresponsible dealers who have no interest in the producing of a good crop. There is no person more interested in getting a good crop within the district in which the seed is sold than the responsible seed merchant or dealer, because he knows that if the seed grows well and produces a good crop, he will have additional sales in the fall. I think the minister should take into consideration, if not this session, then during the next, the advisability of amending the Seed Act so that the farmer who sells inferior seed will incur the same penalties as the merchants and dealers.

Agriculture—encouragement of establishment of cold storage warehouse, $200,000.

Mr. KYTE: Does that include cold storage for fishermen in the maritime provinces?

Mr. BURRELL: Some of the cold storage warehouses dealing only with fish are under the control of the Marine and Fisheries Department. Under this Act, we really deal with the encouragement and establishment of cold storage warehouses for the better preservation and handling of all food products. It does include fish to a certain extent, for in some of these warehouses fish is stored. This vote is necessary to pay the instalments, spread over a term of years, towards the maintenance of a number of warehouses that have been established. Altogether the number of warehouses completed is twenty-six, those under construction two; further contracts entered into, two.

Mr. SINCLAIR: Can the hon. minister give us the names of the places in Nova Scotia where these warehouses are located?

Mr. BURRELL: Halifax Cold Storage Company, Port Hawkesbury, Nova Scotia; Lockeport Cold Storage Company, Lockeport, Nova Scotia.

Mr. CARVELL: And in New Brunswick?

Mr. BURRELL: New Brunswick Cold Storage Company, St. John, and Cold Storage Limited, Woodstock. These are the only two in New Brunswick; the others are scattered all over the country. We give a bonus or subsidy of thirty per cent on the cost of construction, the terms being that the warehouse shall be constructed according to lines laid down by the department, and that the rates shall be subject to control by the Department of Agriculture.

Mr. KYTE: Does the department receive any report from these cold storage companies as to the work they are doing?

Mr. BURRELL: Yes, we receive reports from time to time and take a note of their operations.

Mr. KYTE: Is there any condition imposed upon these companies as to the class of product they are to store in the warehouses, or are they entitled to the bonus even if the space is entirely devoted to the storage of their own products?

Mr. BURRELL: One of the conditions is that they are obliged to take such products as are offered by the public, because it is a public utility. We would not think for one moment of granting a subsidy to a firm that would simply build a warehouse for its own use.

Mr. SINCLAIR: Are there any new warehouses projected under this vote?

Mr. BURRELL: We have two under consideration, and I think one or two have been applied for. Contracts have been entered into for the payment of subsidies to the Acadia Cold Storage Company, Halifax, the Edmonton Produce Company, Edmonton, the Algoma Produce Company, Sault Ste. Marie, and the Tillsonburg Cold Storage Company, Tillsonburg, Ontario.

Agriculture—development of live stock industry, $200,000.

Mr. ROBB: Will the minister explain how this money is to be spent?

Mr. BURRELL: It is spent in a great variety of ways, chiefly for the encouragement of the live stock industry. We do a great deal in the way of supplying judges for live stock fairs held throughout Canada, and we also contribute a certain amount towards winter fairs and various other exhibitions of live stock held throughout the country. In connection with this we give grants to various poultry and live stock associations. We are now contemplating the purchasing and supplying of stallions, bulls, boars and rams to all districts, especially the newer districts of the West and the East, which are in need of first-class animals for the improvement of the live stock industry under certain conditions laid down by the department, and we are ready to receive applications for these from any such district through our live stock branch, the stipulation being that we will buy and own the animals, and that the associations which will be formed for the purpose will undertake their proper maintenance, control the amount of the service fee, and so on, we reserving the right to see that the animals are kept in proper shape and are transferred from point to point. A very considerable portion of this vote will go in that direction.

Mr. ROBB: Any particular breed of horses and cattle?

Mr. BURRELL: We lay down no condition. We simply leave it to the associations to say what breeds they shall prefer, making the condition that they shall not introduce into any one section animals of a breed which is represented by animals of private owners in that particular section.

Mr. ROBB: I notice from the Auditor General's report that a considerable amount of money has been devoted in the past to the breeders of thoroughbred stock. I cannot find anywhere that the breeding of heavy draught or serviceable horses has been encouraged. It seems to me that considerable encouragement has been given to racing horses. I hope that in the enlargement of this policy the minister is not going to be carried away by the lobby that was put up last Parliament and during this Parliament by certain breeders of racing horses for the encouragement of the breeding of that stock at the expense of the general public. There is a considerable demand for good heavy horses. That is the best class of horse for a farmer to breed. If you start a farmer breeding racing stock, it will be absolutely useless on the farm, and it will be bad for the boys starting out in life. I would like the minister to make a statement to-night as to whether the policy of encouraging the breeding of racing stock in this country is to be enlarged.

Mr. SMITH (South Ontario): When was that policy started?

Mr. ROBB: It was started, unfortunately, under the last Government.

Mr. BURRELL: I do not know what my hon. friend means when he speaks of the policy being enlarged. I do not think he puts it quite rightly when he says that the idea was to encourage the breeding of purely racing stock. It was felt, and possibly felt rightly, that although the heavy draught horses occupy a very valuable place, after all the lighter horse industry was not getting the attention it deserved, especially in regard to the remount question, which, according to the people in his country whose opinions are worth something, is of importance. For that purpose a bonus was given

to the thoroughbreds which met certain requirements laid down by the Veterinary Department. The bonus is $250 a year, certain conditions being imposed as to the service fee, the number of mares served, and so on. I do not think it is well to discontinue that bonus. We are continuing it this year, but my hon. friend may rest assured that under the policy, to which I have just referred, not only an equal, but probably a much greater proportion of help will be given to other types of horses than thoroughbreds. As probably he knows, we have separated our Veterinary Department and placed the live stock branch in charge of Mr. John Bright, a well-known breeder, who knows the heavy horse side well. I think my hon. friend may rest assured that the horses to which he refers will get ample consideration.

Mr. WEBSTER: My hon. friend from Huntingdon made a statement with which I cannot agree. While I am free to admit that heavy draught horses are to-day selling at higher prices than we have ever seen in Canada, possibly it might not pay the individual farmer to breed them. If the individual farmer has a mare that will cross well with a standard bred or thoroughbred and that will not cross well with the heavy draught, he must breed to the horse that will mate best with his mare. Last week we saw in Ottawa a pair of horses for which the lady who owned them refused $20,000, and you can buy a lot of heavy draught horses for $20,000. To-day a good carriage horse is worth the price of two heavy draughts, and if the individual farmer has a mare that will produce one of that class, that is the kind he should breed to to get the best results. With regard to the thoroughbred, I agree with my hon. friend from Huntingdon. I am not a lover of the thoroughbred. I do not know what use they are outside of race horses. I know that for getting remounts, the United States Government have practically discarded them for the heavy-weight standard bred. I noticed that the United States Government have bought three stallions in New York within the last year for that purpose, and they were sent to the remount station. If our Minister of Militia gets busy in regard to remounts, he had better drop the thoroughbred and get into the heavy class standard bred; he will get a more adaptable horse for ordinary remount purposes.

Mr. ROBB: I differ from my hon. friend (Mr. Webster). I am an admirer and lover of the thoroughbred. While a lady refused $20,000 for a pair of horses shown here last week, the point is that for one person looking for a $1,000 driving horse, there are fifty people looking for a heavy draught horse. The heavy draught horses are the most serviceable for a farmer to raise. The raising of the thoroughbreds is a business. You cannot raise them on the farm, because if you do, the boys are going to make them unsound before they are marketable at four years of age.

Mr. SUTHERLAND: I was glad to hear the minister state that the animals which they were purchasing were to be owned and practically controlled by the department. I do not see why any difference should be made between the thoroughbred and the other classes of pure bred stock. This system, as has been remarked by my hon. friend (Mr. Robb), was adopted some years ago. In looking over the Auditor General's report, I find that apparently some people are making a business of taking advantage of the bonus that is now being paid not only to the owners but to the controllers of thoroughbred stallions. It is not even necessary for a man to own one so long as he can get control of him. Horses worth one hundred dollars, and many of them are not worth one hundred dollars and would not bring fifty dollars, are drawing two hundred and fifty dollars from the Government of Canada. I think that the sooner that system is stopped the better it will be for all concerned. If we are in such desperate straits to breed remounts, we ought to adopt some sane policy. When horses of that class command a superior price, the farmers in this country will go into the breeding of them. For instance, a horse is worth we shall say one hundred dollars, and some one gets control of him and farms him out to a number of farmers. He not only gets two hundred and fifty dollars a year from the Government, but collects a fee of three dollars, I believe, for every mare served. I believe there is in existence not far from this city a group of individuals who have a number of horses and who received thousands of dollars last year for the horses that were sent out through the country. I believe that a great many of these horses would not even pass inspection. If the breeding of thoroughbred horses was put on the same basis that has been adopted with regard to other pure breeds it would be better for the country and all concerned. How many hon. gentlemen present, during their lifetime, have seen a demand in this country for remounts? I can only recollect that once during my lifetime was there a demand for army remounts and that was during the South African war. I do not know whether it was very satisfactory or not, but I know that as a matter of fact it was not the farmer who reaped the benefits so much as the middlemen who were purchasing for the Government in this country. Many of them made immense

fortunes out of this business at that time. But I believe that the farmers reaped a great advantage in getting rid of the class of horses they had at that time. It has been remarked by the hon. member for Brockville (Mr. Webster) that the heavy standardbred horse is a better horse for army purposes and many other purposes than the thoroughbred. I quite agree with him, and yet you may raise as perfect a standardbred horse as it is possible to conceive of and reap no advantage under this Act. But on some freak that has been bred for racing purposes and is registered as a thoroughbred you can receive $250 a year from the Government. It was an Act which was hard to defend when it was put into effect, and I think the actions of certain parties in reaping the benefit of the Act have shown that it should no longer be continued. If it is desirable to give a bounty for breeding remounts then give it to parties who are raising horses, and not to those who are farming out horses among the people of Canada.

Mr. SINCLAIR: I think the minister ought to give some explanation in regard to this item especially after the speech we have heard from the hon. member for South Oxford (Mr. Sutherland), who has told us that in his opinion money is being paid by the minister for the support of horses that would not pass inspection. I would be very much surprised to learn that the business is being managed in such a careless way as that, and therefore I think this item is one on which we should have some explanation.

Mr. BURRELL: My hon. friend (Mr. Sinclair) need not alarm himself very seriously. I am sorry to say that whilst I must agree with some of the remarks made by my hon. friend from South Oxford, I cannot agree with all. It is perfectly true that, while I am the responsible minister, I did not originate the policy of giving a subsidy for thoroughbred horses, but while something may be said against it, there is a good deal to be said for it. I have a good deal of respect for Dr. Rutherford, who was Live Stock Commissioner and Veterinary Director General when I came into office. We lost his services, but I need not go into that. I must say that I entertained a very strong feeling of regard for Dr. Rutherford's ability and judgment, and he had a fairly strong opinion on this point. I would like to say that the whole of the figures as to the amount that has been expended were put on 'Hansard' some time ago in response to a question by my hon. friend (Mr. Sutherland). My hon. friend from Guysborough can get the figures, but I want to assure him that there are no bonuses paid on those animals that do not pass inspection, but that, on the contrary, there is a very rigid inspection before those who breed animals can receive these subsidies. These subsidies are open to the owner of a thoroughbred horse whether he comes from one province or another and they are being paid to gentlemen all over the country. If I had known this subject was coming up I could have brought quite a number of letters from men whose opinions I regard very highly. For instance, Mr. Hubbard, who was secretary of the Department of Agriculture in the province of New Brunswick, and who is now in charge of our new experimental farm there, justifies the good work being done in that connection. I could also quote Mr. Carruthers, of Montreal, a very well known man. I could also bring the testimony of Mr. Clifford Sifton, who is certainly a good judge of things of this kind, who feels very strongly on the question, and who realizes that good work has been done along that line. I do not think that it is quite right to say, as my hon. friend (Mr. Sutherland) states, that any freak which has figured as a racehorse can receive that subsidy. It should be borne in mind that a great many extraordinarily valuable horses that may have served their uses as racers may render great service in the way of breeders and sires. While I do not want to enter into a disquisition upon horse breeding and racing, I think that any man who knows anything about the horse business will admit that there is a good deal of truth in the statement that a horse that has finished its best racing days may be capable of some splendid service when he comes to be used as a sire. All these animals which are justified in considering as sires are subjected to a rigid examination as to health, conformation and so on before these subsidies can be received. Whatever may be thought best in the future, I must confess that I do not see any reason for discontinuing the subsidies during the present year.

Mr. CARVELL: Mr. Chairman, I would not have entered into this discussion if my hon. friend had not mentioned Mr. Hubbard of New Brunswick as an authority with regard to the value of this class of horses. Mr. Hubbard's evidence, in my judgment, is not very good along that line. I do not mean to say that Mr. Hubbard does not know a good deal about the breeding of horses and agriculture in general, but some three or four years ago the Government of New Brunswick, acting under his instructions, when he was Deputy Minister of Agriculture, made an importation of twenty-five or thirty of these spider-legged horses from Kentucky, brought them to New Brunswick, and auctioned them off to the farmers. The farmers paid a portion down, gave a

note for the balance and in many cases they refused to pay the balance and the Government had to take the horses back. One or two of these horses were absolutely useless. But I have no hesitation in saying, and I am speaking not so much from my personal knowledge as from what I have heard from my neighbours and farmers generally, that perhaps nothing ever happened so detrimental to the horse industry in New Brunswick as the importation of these Kentucky race horses. I suppose that a race horse from Kentucky is about the same class of cur as you get from any place else. He is all right for the man who has lots of money and wants to spend it, such as the Hon. Mr. Sifton. It is all right for the Hon. Clifford Sifton, if he wants to spend $25,000 or $30,000 a year on race horses; that is his own affair, but that is not the kind of horse that the ordinary farmers should produce if we want to do something to assist the general welfare of the country. I find that the difficulty in reference to the purebred horse is that there is a continual deterioration. The great difficulty seems to be to keep them up to the standard that we would like to have maintained. Take thoroughbred Clydes and Percherons, cross them with smaller animals and there is a constant deterioration.

Mr. WILLIAM SMITH (South Ontario): Surely you do not believe that?

Mr. CARVELL: I do believe it and I have pretty good reason for believing it too. If you cross any standard animal, Clyde or Percheron, with these purebreds, there will be a deterioration in value. You may get a good animal out of them once in a while, but as a rule you are getting an article that will not sell for money and after all what the farmer ought to have is something that he can sell for money. I object to the attempts to cross with these racing horses which are of no benefit to the farmer. If the minister devotes the money towards draught horses he will always get a saleable animal. I think the minister would do well to quit the practice entirely.

Mr. SMITH: When we consider the high price of live stock to-day, it appears to me the position taken by the minister is a sound one to place in certain sections of this country purebred animals, bred in Canada and not imported. I think the minister is taking a forward step to help the breeders and farmers of Canada in doing that. The other policy referred to was started some years ago, not by the present Minister of Agriculture, but by Mr. Sydney Fisher

Mr. CARVELL: We know that all right.

Mr. SMITH: I am telling you again. I understand that the policy was commenced upon the advice of the late veterinary director, Dr. Rutherford. No man in this House or in this country has a warmer admiration for Dr. Rutherford than I have, but I unhesitatingly say that when he gave this advice he made a mistake. I think it was hardly wise, perhaps, on the part of the present Minister of Agriculture, that that mistake should be continued. I want to place myself on record that in my opinion, at the end of the year 1913, that grant should cease. I cannot for a moment understand how the hon. member for Carleton, as I understood him, should have made the statement that when you are using a pure-bred sire the animals must deteriorate.

Mr. CARVELL: I did not say that.

Mr. SMITH: What did you say?

Mr. CARVELL: I said that in my judgment the stock is continually degenerating, and if you cross your stock with a small animal, such as these racing horses, you are not improving the stock. I would like to see every farmer use thoroughbred or pure-bred or standard stock, but I object to trying to breed animals that have no size and no value except for fancy racing purposes.

Mr. SMITH: After some practical knowledge of farm life, I say to the hon. member that he is wrong, and that these animals should be pure-bred and of a certain size and certain character, and having to undergo the inspection these animals have to undergo, the hon. gentleman is making a statement that is not correct. Whilst I do not agree that any great practical results can come from this, neither do I believe that the ordinary farmer will grow rich from pursuing this course. It is true that some good may have come out of it, but I believe it has gone far enough and the minister will be wise in the time to come to see that these grants are not continued. These animals that have been used, have been inspected by most reliable men from the department, and so far as I know the animals that have been used have done in some ways good service to the breeders of Canada. I do not believe that the further use of these animals will advance very much the interests of the farmers and in that way I believe it might be wise if the grant should stop. Every breed of animal has a certain place to fill and they are required in different parts of the country for different purposes. We must have these remounts and how they shall be bred it is scarcely for me to say to-night, but I think everyone will agree with me that at

the bottom there is nothing like a thoroughbred.

Mr. ROBB: While we on this side agree with the hon. member for South Ontario (Mr. Smith) it is remarkable that the Minister of Agriculture for Canada should officially defend the grant that apparently the majority of the House, as at present composed, is opposed to—

Mr. BURRELL: There was a special grant given the last year or two over and above the subsidy, and this special grant last year, I may say frankly, I gave under the advice of the late veterinary director general. This year I have not given a special grant and this particular subsidy is open to everybody all over the country, apart from the firm which was principally in evidence, namely, the Bureau of National Breeding in Montreal. It is open to every man possessing a thoroughbred and I do not see any reason for discontinuing it.

Mr. ROBB: Who are the president and directors of the National Breeding Association in Montreal?

Mr. BURRELL: I cannot say now but I will be very glad to get the list.

Mr. ROBB: It is not necessary. My hon. friend beside me has made reference to the Hon. Clifford Sifton, who we all know is raising stock that have won much advertisement for him. The other authority mentioned, my good friend James Carruthers of Montreal, is also associated with a racing outfit, and it is quite natural he would approve of that policy, but the point is that the present Minister and the past Minister of Agriculture have been encouraging the breeding of racing stock and bonusing it and inducing farmers to abandon the breeding of stock that is really profitable to the farmer and to the country.

Mr. BURRELL: I would not like my hon. friend to go so far as to say that. I do not think my hon. friend will accuse me of being a racing man. So far as any encouragement of the thoroughbred horse is concerned, any influence that has moved me in the direction of keeping up this subsidy has been entirely in connection with the recommendation of not only Dr. Rutherford but a great many prominent men in this country, who have given sufficient information to justify the little that has been done in that direction, and it has not been very much. It has not been in connection with racing but entirely in connection with the remount question.

Mr. WEBSTER: In reply to the hon. member for Carleton, I would just say that the trouble lies in the fact that your farmers in that section lack proper brood mares to cross with thoroughbred stallions from Kentucky. With thoroughbred stallions you must have proper brood mares in order to obtain from them the desired results. You might just as well cross a Jersey bull with a Hereford heifer and expect to get a milch cow.

Mr. CARVELL: We have got a very poor result.

Mr. WEBSTER: We want in this country to-day drivers or carriage horses just as much as heavy horses. What is the result to-day? If you go to the country and look for a good driver or carriage horse, he is not to be found. Any man who has got one asks two prices for him. It is in the interest of the hon. minister to encourage the breeding of good standard breeds in order to get good horses.

Mr. SUTHERLAND: I would not like anyone to think I had not a very high regard for the thoroughbred horse. I believe it is the finest animal in the animal kingdom. I would not say a word that might cause anyone to think that the thoroughbred horse is not what it really is. What I object to is the system under which this vote of money is being paid. If the same policy were pursued with regard to the thoroughbred that is now being pursued by the hon. minister with regard to other pure breds, it would have a much more satisfactory result. I notice, in the return that was brought down to the House, that in the year 1911, of $8,250 that was paid for this purpose $5,250 was paid to the National Bureau of Breeding. This past year a large proportion went to the same association. We had an exhibition in the city of Ottawa last week that we should all feel particularly proud of, as it showed what a fine class of horses we have in this country. We can realize that the gentlemen who make a business of showing their horses there are very anxious indeed that they should be bred in large numbers throughout the country, so that they will have a larger number to select from. So far as granting a bonus of $250 per annum and a service fee being collected by the owner or controller are concerned, I do not think it is good business, and I do not think it is going to build up the breed as we would like to see it built up. Let the Government select pure-bred animals of a good type, if they wish to spend money in that direction, and have them placed and owned and controlled as the pure-breds are, and I believe you will have much more satisfaction.

Item agreed to.

Agriculture—health of animals, $450,000.

Mr. FOSTER (Kings, N.S.): I did not have an opportunity to speak on item 51. I would like to say a word in regard to the

health of animals, which is a subject of great importance to the people of Nova Scotia at this particular time, especially in the county that I have the honour to represent. For the last three or four years in that province, according to investigations recently brought to light, we have had shipped over the province from the Government Experimental Farm at Truro—some six or seven coming into my own county—animals which have been shown conclusively to be tubercular. There is not the slightest doubt in my mind that tuberculosis has been spread in various sections of the province through that cause. I would like to ask the hon. minister what steps are being taken at the present tome to meet so dire a scourge, emanating directly from the experimental farm, which has been under the eye not only of the local government, but, as it was attempted to be shown, of an official of the Dominion Government. I may not be within my rights in bringing a local matter to the attention of this Government, but I was informed a few days ago that the local authorities had turned the whole matter over to the Dominion Government.

I also wish to draw the attention of this House to a very important matter, that is the appointment of official veterinaries who might be available in the various provinces. I presume you have them in Ontario, Quebec and possibly New Brunswick. We have not one in Nova Scotia, that we can call on at any time that disease is found to have broken out on any breeding or other animal. It would be a great blessing to the farmers to have such an official at their call, either at the experimental farm at Truro, or at the new experimental station at Kentville. I have had letters from farmers complaining in this regard. I trust that the matter will also receive attention.

With regard to the encouragement not only of the health of animals, but of the live stock industry, there is a large section of country in the county of Kings and in the province of Nova Scotia that is admirably suited to the raising of live stock. During the last couple of years we have endeavoured to bring Scotch settlers into that part of the country. The difficulty is that they are not able to get the breed of cattle to which they are used. A certain Scotchman coming in brought with him three Clydesdale horses. He had to pay $320 duty on them on arrival at Halifax.

Mr. SMITH: Are you not mistaken in the amount of duty?

Mr. FOSTER: I am absolutely sure, because the amount of duty was afterwards refunded.

Mr. SMITH: Were they pure-breds?

Mr. FOSTER: I understand that pure-breds come in free up to a certain number.

Mr. BURRELL: They all come in free.

Mr. FOSTER: The difficulty is that in Scotland there are horses and cattle that are exactly as good to all intents and purposes, so far as marketing or breeding is concerned, as the pure-bred animal. The only difference is that the pedigree has not been kept and registered. This class of animal is debarred. The horses while not coming under the description of pure-breds were in reality as fine animals as pure-breds. This man paid the duty on them, but he was unable to bring in cattle unless absolutely pure-bred, for which he would have to pay a very high price in Scotland, whereas he could get the other kind at a very reasonable figure. I think the customs law should be modified so as to facilitate immigrants into the Maritime provinces and other parts of Canada bringing in as settlers effects such cattle, sheep and horses as will enable them to start business on the farm when they arrive.

Mr. WARNOCK: I notice there is an increase of $90,000 in this item. Is that to cover the proposed increase of compensation?

Mr. BURRELL: That is partly to cover the increase in the compensation, owing to the larger amounts we have had to pay both for hog cholera and for glanders; and it is partly for the extension of the service and increase of salaries. It was brought to our attention that many of our veterinary surgeons in the West were not paid in proportion to the cost of living in the West. We gave an additional amount of $200 to those west of the lakes. A good many officers were finding other employment while others were mixing up their private affairs with their duties as inspectors.

Mr. WARNOCK: I am glad to hear the minister say he has increased the salaries of these veterinary inspectors. Theirs is very hard and dangerous work, and I think our veterinary inspectors should be as well paid as those in the bureaus of animal industries n the United States—from $1,200 to $1,800 according to qualification and length of service.

Mr. BURRELL: We are doing the same thing now.

Mr. WARNOCK: I am glad that is being done. I understand that the amount required for compensation during last year was less owing to the decrease of diseases among our animals especially in the West.

Mr. BURRELL: But there was very much more in hog cholera.

Mr. WARNOCK: How about glanders and dourine?

Mr. BURRELL: That is slightly less.

Mr. LEMIEUX: I will not repeat that. It is in the return, and the hon. gentleman must read it for himself. Now, passing from this idyl, let us come to something more martial. In the town of Nicolet, I, as Postmaster General, had appointed—I am sorry the Minister of Militia (Mr. Hughes) is not in his place—a soldier, Colonel Bourke, as mail clerk. I appointed him because he was fitted for the position, and was a most respectable citizen. He was highly recommended by the military authorities of the town, and by the bishop of Nicolet. The Postmaster General dismissed him, and that dismissal was because the Tory organizer of Nicolet had a long memory. This man, F. X. Defossés, had been in the liquor business and had sold liquor illegally; and Colonel Bourke, as municipal councillor, had fined him. This man Defossés swore that when the Tories came into office, Bourke should be dismissed from office, and he was dismissed. Now, I have here the affidavit given by Colonel Bourke in which he states that he never took part in the election of 1911 and that he did not deserve his fate. But I have something more to add. Colonel Bourke was highly recommended by a minister of the Crown, the Minister of Militia, who wrote the following letter:

Militia and Defense, Canada,
Minister's Office,
July 18, 1912.

Dear Sir,—I am in receipt of your letter of the 10th instant relating to your appointement as railway mail clerk. I also received a letter from Col. Lowther, military secretary to His Royal Highness, the Governor General, in your behalf.

I enclose herewith a copy of a letter which I have written to the Postmaster General, also a copy of a letter which I have written to Colonel Lowther, which are self-explanatory. Trusting that this will be satisfactory.

Here is a letter written by the present Minister of Militia to Colonel Lowther:

Dear Colonel Lowther—

I am in receipt of your letter of the 12th July, enclosing a communication from Col. Bourke, commanding the 80th Nicolet Regiment, and in reply beg to say that I have had much pleasure in writing the Postmaster General in his behalf.

So far as his military training is concerned, it is of the best.

So the military secretary of His Royal Highness, the Minister of Militia in this Government, the religious authorities of the diocese of Nicolet and the best citizens in that county all begged of my hon. friend not to dismiss the old soldier who had served His Majesty for thirty years. My hon. friend yielded to a gentleman who had been called upon to pay a fine because he had sold liquor illegally, and because Colonel Bourke had done his duty as a law-abiding citizen. I regret that my hon. friend should not have considered this fact before dismissing Colonel Bourke. My hon. friend is a partisan, I know, of the deepest dye. He has always been preaching temperance in my own province, and I must compliment him for it. In this case I would ask him to look over the papers again, and to reinstate Colonel Bourke, who is a loyal soldier, a law-abiding citizen and a friend of temperance.

Mr. MACLEAN (South York): I have listened with a great deal of interest to what my hon. friend has said with regard to parcel post. I am somewhat interested in that matter, and have followed it closely for a good many years. The remarks of the ex-Postmaster General have been largely in the way of a suggestion, and suggestions are sometimes dangerous. If I gather anything from his speech in regard to parcel post, there is a suggestion in it that the matter should not be dealt with during the present session. That may not be his position, but my position is that it should be dealt with this session.

Mr. LEMIEUX: Certainly, but with a proper Bill.

Mr. MACLEAN: This question has been before Parliament for many years, and it has been continually put off, presumably, as the hon. gentleman who has just taken his seat has said, through the influence of the express and railway companies. If that is so, then let us proceed with it now. Under the existing legislation it is possible to expand the parcel post we now have, as the hon. gentleman has himself admitted, by regulation of the Postmaster General. Even if we adopt this Bill, which legalizes parcel post, during the present session, I am quite willing to take it in its present form, and to leave it to the Postmaster General to develop a system under it. Probably you can get a better system without any special definition, and put it on the responsibility of the minister in office to develop and carry out a good parcel post system. There is no doubt that efforts are being made not only by the express companies, who will be injured by the establishment of a parcel post system, but by other interests throughout the country, to head off this proposal. Session after session I have observed the number of efforts which have been made to head off any legislation tending to establish a parcel post system. I have seen bogus petitions presented in this House, supposed to come from storekeepers in the country, which were certainly printed and circulated at the instigation of the express companies. That will be continued from session to session as long as this Parliament will permit it, and as long as measures of this

kind are dealt with towards the end of the session. I have been in this House now for twenty years, and I have observed that a great portion of each session has been taken up with the consideration of trade and constitutional questions, to the neglect of what I would designate as domestic questions. These domestic questions must be settled, but it would seem that we are now entering upon the consideration of another great constitutional question which may be detrimental to the consideration of the domestic questions to which I have referred, and which are of supreme importance.

Mr. LEMIEUX: The Postmaster General has not yet introduced his Bill, and when it is explained, I will state my position. What I have said has been based on what I have gathered of the Bill as it stands; perhaps I may change my opinion when it is introduced.

Mr. MACLEAN: I said I was afraid of the hon. gentleman's suggestion, because a suggestion of that kind, when the hon. gentleman is speaking on behalf of his party, might persuade the Postmaster General to drop the parcel post measure. I would be quite satisfied with some kind of a measure having the effect of expanding the parcel post system in this country. As I have said, my experience in this House is that the greater portion of the time of Parliament has been taken up with the consideration of constitutional and trade questions, to the neglect of important matters of domestic concern which should be settled. There always seems to be some matter which appeals to the people, and to which politicians resort, and in some way these domestic questions are placed in the background. I know as a matter of fact, that the railways of this country for forty years have delayed the building and enlarging of the canals of this country, and they are to-day seeking to delay the establishment of a parcel post system. I hope the Postmaster General will go on with this measure. It really needs no legislation to expand our present system; even this Bill is not required. Under the existing powers vested in the Postmaster General in the regulations he has authority to make, he can expand the system of parcel delivery in respect of fourth-class matter, and in that way extend our present parcel post system. But this is a non-contentious measure; it simply adopts the principle and leaves to the Postmaster General the establishment of the rates and the regulation of other matters connected with the system. I would like to see these matters, as my hon. friend says, set out in the Bill, but for the present I would be satisfied with the Bill as it stands, and I am sure the people of the country would be satisfied. We have been promised it now, and it has been explicitly promised this session. Almost every newspaper in the country expects it; the business interests and the people expect it, and now, at the tail end of the session, there is a suspicion that we are not going to have it.

Mr. LEMIEUX: Do you not want to know the rates?

Mr. MACLEAN: I would like to have them, and I will stay here and try to make them.

Mr. LEMIEUX: That is what I want.

Mr. MACLEAN: If we can get it, so much the better. If we are told that the Postmaster General is not in very good health, I shall be very glad to take this Bill. If the state of the country is such that the time of Parliament has to be taken up largely with major questions, these questions of the constitution, of defense, then I say it would be good policy for Parliament to have two sessions every year and devote one of those sessions absolutely to domestic questions. I think it would be a good thing, if this House must adjourn next week that we should have a fall session to deal absolutely with domestic questions, railway rates, parcel post and other questions which the people have at heart, and in reference to which they expect some kind of redress. Redress for public grievances is very slow in coming in this country. The people want lower express rates but they are getting them from the Railway Commission in only a very partial way. Parcel post will settle express rates the day after it is put in force. It has done that in the United States. It has increased the convenience of the people to ten times what it was when this business was under the control of the express company, it has cut the express rates away down, it has benefited business, it hurts no one and it has made a great monopoly understand that the people rule in the United States. We want them to know that the people rule in Canada and not the railway companies and if we have an organization right at hand, as we have in the post office, with an agent in every town and village, the framework is there for a splendid parcel post delivery that will give the people relief, that will encourage trade and give the railways to understand that they do not control this country. So I hope and trust that the Postmaster General will go on with this Bill and, if it cannot be made more definite this session, I will be quite willing to wait another session to get more details in the Bill. What the people of Canada to-day expect from the Postmaster General, and I learn this from conversations with members here and from reading the press of the country, is the in-

auguration of a parcel post system to-morrow or the next day or right away in order to give to the people of Canada the same convenience in regard to parcel post that the people of the United States and of all other civilized countries of the world have to-day. Why should Canada be so backward? Is it because the railway companies have the influence and the power to delay a reform of this kind? The people will be led to the conclusion that that is the reason. The late Postmaster General (Mr. Lemieux) ought to join with me in pressing on the minister the necessity of passing this Bill even in this session in order to put it into force. I am quite sure that he has the framework in his office for an enlarged parcel post system, and, with the experience of the United States, it ought to be no trouble to have a parcel post system working within thirty days. The country expects it and will insist on having it and it is the duty of the Government to give it.

In a Winnipeg newspaper of two days ago I read an article saying that the question of freight rates which for one reason or another are being postponed in this House and left to the Railway Commission is becoming ever more important. It says that unless that question is dealt with by Parliament it will become a question greater than the tariff and greater than the Naval Bill to the people of this country. Yet we can hardly get it up in this House, there is such pressure from questions like the Naval Bill and the discussion we had two years ago in regard to trade relations with the United States. We may now be on the eve of a great constitutional question in regard to the powers of the various branches of Parliament. If that is the case, my suggestion is that every year we ought to have two sessions or to divide the session in two and say that one half is devoted into dealing with these domestic questions.

The hon. member for Rouville also referred to wireless telegraphy. I have been investigating that subject to some extent. I am not a very firm believer in the new company with its wireless system being able to give the people cheap cable rates, in fact I was suspicious from the very start that the existing cable companies might be at the bottom of this wireless system. I have some doubts as to the efficiency of that system as it exists, but I have not any doubts as to the efficiency of the wire cable under the sea to be a competent means of transmitting messages and I also believe that that system may be made very cheap. There is no doubt that if there were a state-owned cable between the Mother Country and Canada we could have messages all around for six words and probably in a very short time it would be two cents or a penny a word for every message under the sea.

Mr. LEMIEUX: A penny a word is the slogan.

Mr. MACLEAN: A penny a word is the slogan, but we would never get it by dealing with a private company.

Mr. LEMIEUX: No.

Mr. MACLEAN: But when the state undertakes it, and I hope the minister will tell us if he is not going on with this contract that he is in negotiation with the Mother Country to have a system of state-owned cables. All you have to do is to announce that the two governments are in negotiation and the rates will be cut in two in the morning. As in the case of the express companies, the cable companies seem to be all-powerful. They have been all-powerful in England for twenty years. They are now directed by a great monopoly in the United States and that monopoly is more or less allied with the express companies as well as with the Bell Telephone companies. If that is the case, I wish to see a state-owned cable in this country right away.

I wish also to refer to the question of postage on newspapers. I am identified with a newspaper, and I know something about the business. I have heard it stated that there was to be some reform in regard to the postal rates imposed on newspapers. There are daily newspapers in this country that sell their papers for about a dollar a year, and they do not get fifty cents a year net. They send these papers all over this country in competition with publishers who try to get the regular price for their papers, and by reason of this cutting in price they flood the country with their papers. They put upon the Government the cost of carrying them. That is not fair. Newspapers are not entitled to any more consideration than anybody else in this country and if they want to flood cheap papers through the country by the post office they ought to pay the shot and not put it on the public. In order to secure improved postal facilities in this country let everybody have the benefit of the rural mail delivery in connection with newspapers, let the carrying of these newspapers be on a basis fair and just to the public. It should not be a matter of favour or consideration to newspapers that go into that business. I appreciate the fact that the session is growing very short. I am sorry to know that the Postmaster General is not in good health, but I think the House will be glad to co-operate with him, and to treat this proposal of his as a non-contentious one, and so give him an opportunity of bestowing upon the people of this country the benefit and the blessing that they ask for, the parcel post system.

Mr. NESBITT: The hon. member has urged the Postmaster General very earnestly this afternoon to pass the Parcel Post Bill this session. Now that he has got off his Friday afternoon speech, will he tell the House when he will be back again?

Mr. MACLEAN: Let me ask the hon. gentleman where he gets his brief?

Mr. NESBITT: From myself. I stay here and do work, and do not come here once in two weeks and get off a Friday afternoon speech.

An hon. MEMBER: To-morrow is payday.

Mr. BOULAY: I am sorry that in his remarks concerning the post office at Sayabec, the hon. member for Rouville (Mr. Lemieux), made the same charges that he made last session. He went over the same old history. He tried to show that the hon. the Postmaster General and the member for Rimouski had cut off the heads of a lot of Liberals in that county. I will relate the facts for his information. In 1896 I was the postmaster at Sayabec, having occupied that position since 1882. I began as a poor farmer, and acted as station agent at the same time. I grew up with the village, and I saw the village grow with me. As I was about the only educated man in the village, there being only a few settlers, I was asked to establish a post office. I did so, and I succeeded. After being postmaster for about 16 years, and having drawn a salary of ten dollars for the first few years, and kept that post office at a sacrifice for a long time, the party to which my hon. friend from Rouville belongs, came into power in 1896, and the second head that was cut off in the county of Rimouski was the head of Mr. H. Boulay. They did not take any time to make an investigation I asked for the reason of my dismissal, because it was something new in our country to have post offices changed with a change of Administration. It was something quite new, for during the Conservative Administration, extending over eighteen years, I knew a lot of Liberals who were postmasters, and the Conservative party never thought of dismissing them on account of their politics. Therefore, I had no idea that the party who came into power in 1896 would be so low as to cut off the heads of poor postmasters. But two or three weeks after they came into power, a post office inspector came to my residence and said: I want your papers. That was the first notice I got, and he handed me a letter to that effect. I asked him if there were any reasons for my dismissal. He said no, I have orders from the Government. We had to comply with these orders, and the post office was removed to a place which we call in French, taudis (a hovel), a place where no decent man would want to go. Still the post office was kept in that place against our wishes for fifteen years, and in spite of many complaints made to the Liberal party. The man appointed by the Liberal party to keep that post office was a man who had sold his political faith, un traitre. He had been a Conservative and had turned Liberal, and because he was a Liberal the Liberal party kept him in that post office in that dirty place for fifteen years. The people had no room in which to stand when waiting for their mail. Sometimes they had to wait for over an hour before they could get their mail. The postmaster was illiterate and could hardly write, and the poor people were obliged to wait at the door often when there were 20 or 30 or 40 degrees of frost. In the post office there was a waiting room, but it could hold only two or three persons. The people complained and sent letters to the Liberal Government, stating that it was no fit place in which to keep a post office, but they could not get justice. We did not get a better place until the present Administration came into power. Our first idea was to restore the post offices to those who had been removed from them by the Liberal party. It was not to dismiss acting postmasters, but to reinstate those who had been so unjustly dismissed in 1896. It was nothing but justice and the Government could not have done otherwise. The Postmaster General did not want to dismiss the postmaster at Sayabec without an investigation. He could have done so without an investigation because the man was an active Liberal partisan, and had shown himself to be such during the last election. There was nothing he would not do to try to defeat me; he did not even tell the truth. He told all kinds of lies, and did everything he could to prevent my election. Consequently, the Postmaster General had no business to grant an investigation. He could have dismissed the man right away without an investigation, but he wished to do it in that way, and he granted an investigation, which proved that the postmaster had done more than was necessary to justify his dismissal. The hon. member for Rouville is scandalized because I recommended my daughter as postmistress. I did so because there was no other place around the station at Sayabec.

Mr. LEMIEUX: The hon. member is wrong. I never mentioned the name of his daughter.

Mr. BOULAY: I thought the hon. member was referring to Sayabec station.

Mr. LEMIEUX: I was speaking of Miss Helen Joubert.

Mr. BOULAY: I was not here when the hon. gentleman commenced to speak, and I did not know which one he had spoken about first. We will leave this case then. Last year the hon. member for Rouville spoke of it, but I do not think that I gave explanation enough.

Mr. LEMIEUX: I do not remember that my hon. friend explained Helen's case. I would like my hon. friend to explain it.

Mr. BOULAY: About my daughter being appointed postmistress, let me say that she was appointed because there was no other person about the station who could be appointed. If there had been any person else, outside of my own place, I would have given him an opportunity of taking the post office, but my neighbours were hotel keepers and therefore could not keep the post office and others who were there did not want it, or there was no other suitable place. It is all right now however. I shall now come to the case of Miss Helen Joubert, who was postmistress at Sayabec.

Mr. LEMIEUX: What do you think of an investigation at two o'clock in the morning?

Mr. BOULAY: Miss Helen Joubert was cute enough, and she could read between the lines. She knew very well that a mistake had been made in the notification and that the investigation was to be held at 2 p.m. and not at 2 a.m. If the hon. member for Rouville had a woman like that in his own county he would know what kind of a politician she is. Since Miss Joubert was appointed postmistress in 1908 she has been talking politics daily. She had every opportunity for doing so, she was keeping the store, she was postmistress, and if a Conservative went into the store and the post office he would be attacked by her on account of politics. Conservatives were attacked from morning until night.

Mr. LEMIEUX: Did she ever attack my hon. friend?

Mr. BOULAY: Yes.

Mr. LEMIEUX: What did she say about my hon. friend?

Mr. BOULAY: She said all she could say to blacken my reputation. Miss Helen Joubert was the most active politician of the lot about Sayabec in 1908, and to such a degree that I wrote to the Postmaster General, here in Ottawa, with the result that orders were given in Quebec to send the inspector down to tell her to shut her mouth. The inspector went and told her that if she would not leave people alone about politics they would have to remove the post office from her store, and she promised, but she never kept her promise. Next day it was the same thing over again, and I repeat that there was no more active politician in the place than Miss Helen Joubert.

Mr. LEMIEUX: My hon. friend has not stated what she said against the hon. member for Rimouski. That is why she was dismissed, and it is not clear upon the record why she was dismissed. It is stated that she spoke against the hon. member for Rimouski, and I want to know what she actually said against him.

Mr. BOULAY: She said all that could be said in a political way. She was receiving such papers as Le Soleil and Le Canada, and she would repeat to the farmers all the lies that could be said against me and the party. It would be taking up too much time of the committee to repeat all she said.

Mr. OLIVER: Was the lady dismissed, because Le Soleil and Le Canada came to her office to be distributed by her?

Mr. BOULAY: No.

Mr. OLIVER: I thought that was what my hon. friend said.

Mr. PELLETIER: She did not receive the Edmonton Bulletin.

Mr. BOULAY: Besides that, Miss Joubert was given an investigation although the Postmaster General would have been justified in dismissing her without an investigation. The facts were known by everybody in the place, and nobody has complained because of the change that has been made. I have met and talked with lots of people; in fact they would come to my residence and tell me that they could not go to the post office for their mail because they were attacked by the postmistress and some of them told me they had given instructions to have their letters sent to the station because they would not go into the post office and be tackled by the postmistress over politics. There was a merchant living near the post office who could not get one letter there for that very reason. He would not go into this post office for anything at all, and he was not the only one. I repeat that Miss Joubert was dismissed after an investigation. The hon. member for Rouville stated that in this investigation she had not received fair play. I know better than that because I have all the information in regard to the matter. When the inspector went there to hold the investigation, seeing that Miss Joubert did not attend, he sent a man to her to notify her and ask her if she would

be kind enough to come when he was going to hold the investigation, telling her that he had made a mistake in his letter to her by stating the hour as two a.m., instead of two p.m. But she was advised not to come and she did not come, knowing that she had gone too far to make it possible for her to defend herself. The inspector made a thorough investigation. In addition to the matters to which I have referred, there were also complaints that letters, including money letters, had been opened. These charges were proved; still she did not steal the money, she put the money back in a letter she had opened, although she had no business to take the money. There was a letter for another party, she appropriated the money but she returned it afterwards. This in itself was enough to justify her dismissal. Mr. Rioux was appointed in her place. He is a young man who had never meddled with politics, a clerk and a Conservative.

Mr. LEMIEUX: Is he married?

Mr. BOULAY: He is a married man, he has a family and he is a poor man. I may tell the hon. member for Rouville who has had so much to say about the dismissal of Miss Joubert, that the people are well satisfied with the change, even the Liberals. Every time I go to Sayabec they tell me that they are so well satisfied with the change, and that they were so much afraid of Miss Joubert, that they would never sign a petition to put her back. Even the Liberals say that. The hon. member for Rouville seems to have a weakness for heckling me about dismissals in my county. He has put several questions on the Order Paper again this year about dismissals and he has perhaps found out more of the facts than he wanted to. It was shown by the answers which were given to the hon. gentleman's questions that those who were dismissed by the present Administration numbered only twenty-two in the whole county in addition to those who had been dismissed by the former Administration and who were reinstated by the present Government. In order to make up the number to twenty-two they had to take one from Bonaventure and one who had been dismissed by the Liberal party before they went out of office. That leaves only twenty. The people of the county are so well satisfied with the conduct of the Conservative party and the member for Rimouski that the employees of the Intercolonial railway, through their association, have presented a fine gold ring to the member for Rimouski on account of the manner in which he has discharged his duties.

Mr. LEMIEUX: He ought to give it to Helen.

Mr. BOULAY: That is proof that my course has been endorsed by the people of the county of Rimouski.

Mr. PELLETIER: It is hardly necessary for me to add anything to what has been said by the hon. member for Rimouski (Mr. Boulay) about the Miss Joubert case. I think the facts put before the House have made it quite clear that the dismissal was for cause. This is a clear case, and we should not be reproached for acting as we did, if the rule laid down by the right hon. the leader of the Opposition (Sir Wilfrid Laurier) is to be enforced. Miss Joubert was a regular canvasser all the year round. Moreover, some evidence has been given in regard to the manner in which the post office has been kept, to which the hon. member for Rimouski has referred. Although I was asked to dismiss her, I considered it only fair that there should be an investigation. An investigation took place, and as a result she was dismissed.

I wish to follow in a very general way the remarks made by the hon. member for Rouville (Mr. Lemieux) and the hon. member for South York (Mr. Maclean). In the first place, I may tell my hon. friend from Rouville that my officers who are here will take from Hansard to-morrow morning the request which he has made for information, and will see that as much information is given as we are in duty bound to give.

In regard to the increase of $1,400,000 in the estimates, this is more apparent than real. The large amount is due to the fact that last year a bill was introduced authorizing increases which came into effect on the 1st of April, 1912; but no provision was made in the estimates of 1912-13 for payment of increases due to the Bill, and they had to be voted this session as supplementary estimates of 1912-13, the amount being $500,000. This, therefore, should be added to the figures for 1912-13, and would show a corresponding reduction in the increase for 1913-14. In addition to that, $300,000 was paid out of the miscellaneous vote to employees who formerly ranked as labourers, and who were made permanent last year, and the miscellaneous vote is correspondingly decreased this year by about that amount. This, with the $500,000 mentioned, makes a total of $800,000, which must be deducted from the apparent increase in salaries this year to show what the actual year's operation will amount to. If this is done, it will show that the increase this year is really only $636,187, which is about the normal percentage of increase of other years, and is due to the expansion of the service.

Most of the increase is due to the improved conditions which have been provided for by the bill of last year. The increased cost of living for the last few years has made it almost impossible for some of our employees to make both ends meet. In my own business I believe in paying well those who work well, and the same principle should apply to employees of the Government. I think members on both sides of the House will agree with me in this. The increase of last session entailed the sum of over $200,000, and we took care even of the employees appointed by the late Government and made them all permanent. We have bettered their condition. I do not ask the forgiveness of the House for what I have done, because I think I have done something which was needed in the interest of the service. Our best employees, who are really qualified to do good work for us, leave one by one, in order to find better employment at better salaries elsewhere. My policy is to keep our good men in the service. To show that I do not regret having done that, I may say—and this will interest the hon. member for South Cape Breton (Mr. Carroll), who spoke about it yesterday—that I intend to raise the salaries of the letter carriers. This is a class of men who work hard. I expect to give notice of this Bill to-night, and I trust it will not be controversial. It is on the same lines as the increase given last year. I am going to provide for the railway mail clerks to a certain extent in this Bill. I will try to do something for the other employees later on, and also for the postmasters. The revenue of the department is increasing, and I think our employees should be well paid.

Mr. CLARK (Red Deer): Has the hon. minister had his attention called to the minimum salary paid to postmasters over a large portion of western Canada? It is about $35 at present.

Mr. PELLETIER: It is a small sum, and I think that the country can afford to pay more than that. I have gone into the matter fully with my deputy minister. We can do that without legislation. We expect that the parcel post will help to a great extent, because the postmasters are paid out of the revenue of their offices a percentage on the stamps which they sell. Perhaps we may also do something to give them better pay.

I wish to refer now to a matter of some importance, in which the newspapers have taken a good deal of interest. It is in regard to the new stamp-vending machine. I am glad to have the opportunity of making this declaration before the House, because this matter is not well understood. I am not responsible for the contract for this stamp-vending machine. It is a baby which I found at my doorstep.

Mr. LEMIEUX: No advertisements.

Mr. PELLETIER: My hon. friend is quite wrong. I have the contract here. Is my hon. friend going to repudiate his deputy minister? I was very much surprised a moment ago to hear him say that he knew nothing about it. The deputy minister says that he signed the contract with the full knowledge and authority of the hon. member for Rouville.

Mr. LEMIEUX: I had the legislation passed in this House. I never signed or authorized a twenty-year contract.

Mr. PELLETIER: That is a question of some importance that has to be decided as between the hon. member for Rouville and the deputy Postmaster General. I will say this,—that the deputy Postmaster General, in the twenty months that I have been in office, has never taken upon himself to sign any important contract without speaking to me about it. I do not wish to doubt the word of the hon. member for Rouville, but I think I may say that the deputy minister is much surprised to hear that his action in this matter is being repudiated. I shall not go into that now. But I may tell my hon. friend that I have fought hard to get rid of that contract, which in the public interest was not a good contract. That contract was signed on the 20th May, 1911. It was only brought to my notice some time last fall. When I read that contract I was surprised to see the conditions which it contained. Moreover, it is a twenty-year contract, without any Order in Council, without the stroke of a pen, authorizing the signature for it. I asked the Department of Justice for an opinion on it, and if I had received a favourable opinion I would have cancelled the contract. But the answer of that department was to the effect that we could repudiate the contract, but would have to pay the damages; that the contract was a valid one. I have succeeded, after weeks, I may say months, of work, in getting amendments which make the contract less inimical to the public interest.

Mr. LEMIEUX: Would the hon. gentle man state the terms of the contract ?

Mr. PELLETIER: Under this contract, given when the hon. gentleman was Postmaster General—and whether signed by him or not, he is responsible for it constitutionally—is given a twenty year monopoly for placing wherever she may please throughout this Dominion, pillars for the sale of stamps and for advertising purposes.

Mr. LEMIEUX: Would the hon. gentle man read that clause ?

Mr. PELLETIER: The clause is pretty long; I am giving a general outline of it. I will read the clause which refers to the advertising, as that is the one my hon. friend wants to know about.

Mr. LEMIEUX: I moved for a return as soon as possible after the statement of the Prime Minister was made, and I would like my hon. friend to bring down the papers. I proposed and had passed in Parliament legislation giving the stamp vending machine the status of a post office. This was done for the reason I gave —that in lumber camps, hotels and many public places where stamps are not otherwise available, at times such as on Sundays, the box would serve the public in this respect. But a twenty-year contract to put pillar boxes everywhere with advertising—I have no hesitation in saying that I never saw such a contract.

Mr. PELLETIER: I think the hon. gentleman would do well to pause before insisting on that. Because he is making a mistake. I do not wish to be ugly about this matter; I do not wish to be unfair. But I would suggest that if my hon. friend would read 'Hansard' of 1911 and the Bill which he had passed, which is for the purpose of this contract—

Mr. LEMIEUX: No.

Mr. PELLETIER: Oh yes. No use in denying that.

Mr. LEMIEUX: I read that in the House.

Mr. PELLETIER: Yes, but if my hon. friend will—now, I do not want to go too far; I do not want to be unfair in the debate—

Mr. LEMIEUX: The hon. gentleman can go as far as he wishes. He will not find anything improper in that.

Mr. PELLETIER: But, even with the hon. member for Rouville I will be fair in debate; and I will tell him this, that some two or three weeks ago he quoted a speech made by himself in which he said that he introduced that Bill in 1911 extending the time during which the license for the sale of stamps would be granted, just for the purpose of entering into that contract.

Mr. LEMIEUX: My hon. friend is quoting from memory.

Mr. PELLETIER: I admit that, but when I come to the text—if we have to come to that—my hon. friend will find that my memory is pretty good. I do not suppose my hon. friend will exact that the regular course be followed and that we go to the Secretary of State for copies, but I have here an extra copy of the contract and the amendments which I have succeeded in having made, which I have brought to lay on the table, so that my hon. friend may read it. The clause referred to is as follows:

All other parts or compartments of the automatic machine, including any other vending or any advertising mechanism or compartments, shall be under the sole control of and for the sole use and benefit and profit of the licensee or any sub-lessee, or licensee or assignee of the whole or any part of the rights of the licensee hereunder.

Mr. LEMIEUX: What clause is that?

Mr. PELLETIER: Clause 10. I have seen in the newspapers the statement that the Postmaster General was doing a wrong thing, and I want the newspapers to know that I found the contract in the department and tried to have it amended as much as I could, and have succeeded in many respects; but about the advertising part, they would not make a change, because they say that is where they are going to make their profit.

Mr. NESBITT: What do you mean by that?

Mr. PELLETIER: This is a box or pillar to receive letters, and having as part of its make-up an automatic stamp-vending machine. And at the top is a revolving drum, which, at night is lit by electricity and on which advertisements will be displayed.

Mr. NESBITT: Where are these pillars to be placed?

Mr. PELLETIER: Under this contract, Miss Fawns has the right to place one at the door of my hon. friend's home. I have succeeded at least in having one good amendment to the effect that these people should not have the right to place one of these pillars at the door of a church or any place else merely at their own volition. This contract agrees that this licensee shall have the right in the name of His Majesty to place these pillars wherever she pleases. I have succeeded in securing an amendment to the effect that the places where these pillars are to be erected must be approved by the Postmaster General.

Mr. MACLEAN (South York): Is there any censorship over these advertisements?

Mr. PELLETIER: No.

Mr. PROULX: Have not the municipal authorities full control of their streets and highways?

Mr. PELLETIER: The Postmaster General, in His Majesty's name, has the right to put pillar boxes wherever he likes. That power has been transferred to this lady, and she is entitled to choose the location for these boxes.

Mr. NESBITT: Do you pay anything for the machines?

Mr. PELLETIER: No, they are the property of the lady in question.

Mr. NESBITT: Do they work properly?

Mr. PELLETIER: Yes, as a piece of mechanism, it is a first-class invention. It is in operation in France, England and Australia. I am sure my hon. friend will now recognize his contract.

Mr. LEMIEUX: I recognize the legislation I put on the statute book, but this contract is not my contract.

Mr. PELLETIER: I can only say that if a deputy minister signed such a contract without my authorization, he would not retain my confidence for five minutes. I am sure that the Deputy Postmaster General has enjoyed the confidence of every Postmaster General under whom he has served. Surely this is a contract which no deputy minister would dare to sign without first submitting it to his chief. There was in the contract a clause by virtue of which, during this twenty-year period, and even after the expiration of the life of the patient, the department had no right to use any other similar machines. This constitutes an absolute monopoly for twenty years, and I have succeeded in amending the contract so as to provide that we shall have the right to use a better machine if we desire to do so. There was another most extraordinary clause in that contract. This lady had the right to transfer the contract to whomsoever she pleased, and the Postmaster General had to be satisfied with the assignee. Under this clause we were subject to the possibility of being brought face to face with insolvents and blackmailers. We have succeeded in amending the contract to the effect that no transfer shall be made without the consent of the Postmaster General. In answer to the hon. member for West Peterborough (Mr. Burnham), I may say that this lady will get two per cent on the sale of the stamps. Miss Fawns has transferred her contract to another company, and we have to deal with it as best we can.

Mr. LEMIEUX: Does my hon. friend know the name of the company?

Mr. PELLETIER: Speaking from memory I think there is a Mr. Osler connected with it, a Mr. Pierce, and Mr. Aemelius Jarvis of Toronto.

Mr. BURNHAM: What does the department get out of it?

Mr. PELLETIER: The department does not get much out of it. There is no doubt, however, that these stamp-vending machines accelerate the circulation of postage stamps to a great extent. There is in them a compartment in which there are booklets of twelve 2-cent stamps. As my hon. friend knows, many of these stamps, like electric car tickets and things of a like nature, are lost or destroyed, and there is no doubt that there is a profit for the department in that regard. I am bound to admit that the use of this invention places the postage stamps at the disposal of the public in a very convenient manner. With regard to this contract, what I find fault with was that it was made for such a length of time. The contract says that if after the expiration of ten years the contract has been substantially—mark the word—fulfilled, it will run automatically for another ten years, so that it is a twenty-year contract. Hon. gentlemen of the legal profession will realize how elastic the word substantial is.

Mr. LEMIEUX: Clause 1 of the contract reads:

The Postmaster General hereby grants to the licensee a general license to sell postage stamps, post cards, stamped envelopes and such post office supplies as may from time to time be specified by the Postmaster General, by means of automatic machines, such license to be for a period of ten years from the date hereof, and if this contract has been substantially fulfilled then for a further period of ten years without further agreement, and upon the termination of the said periods above the license shall be renewed for further periods of ten years each successively, unless and until either party shall during the six months preceding the expiry date of any such period give to the other party notice of intention to terminate this agreement.

So this is a contract for ten years, and if six months before the expiration of the ten-year period the Postmaster or the Deputy Postmaster General gives notice of termination, there will be no further ten-year period. You cannot call it a twenty-year contract.

Mr. PELLETIER: I was of that opinion when I first glanced over the contract, but if you read it carefully you will find that the six months' notice applies to the subsequent period after the two first ten years. You will see that it is very clear:

Such license to be for a period of ten years from the date hereof.

There is ten years clear.

And if this contract has been substantially fulfilled, then for a further period of ten years without further agreement.

That is twenty years.

Mr. LEMIEUX: No, you must read the whole clause.

Mr. PELLETIER (reading):

And upon the termination of the said periods—

Mr. LEMIEUX: Every ten years by giving notice of six months.

Mr. PELLETIER: Wait and you will see. The clause provides for the first period of ten years, and then another clause provides for a further period of ten years.

And upon the termination of the said periods—

Mr. LEMIEUX: What is the opinion of the Deputy Postmaster General? Does he think it is an agreement for ten years or for twenty years?

Mr. PELLETIER: The Deputy Postmaster General is not responsible to this House.

Mr. LEMIEUX: You might ask him.

Mr. PELLETIER: The head of the department at the time is responsible to the House for the contract and nobody should try and turn to the employees of the civil service and try to make them stand responsible for what the political head of the department must be responsible for.

And upon the termination of the said periods above, the license shall be renewed for further periods of ten years each successively unless and until either party shall during the six months preceding the expiry date of any such period give to the other party notice of intention to terminate this agreement.

The fact that 'periods' is plural clearly gives the right to give the notice only after twenty years.

Mr. CHISHOLM (Antigonish): Did the minister get the opinion of the Justice Department on that point?

Mr. PELLETIER: I did.

Mr. LEMIEUX: Will you read it?

Mr. PELLETIER: It is pretty long, but here it is:

Ottawa, March 6, 1903.

Dear Mr. Pelletier:

The Minister of Justice has asked me to reply to your letter to him of the 10th ultimo, with reference to the contract between your department and Miss Fawns. It is rather a difficult matter to advise you upon, as I find considerable difficulty in ascertaining what is the meaning and intention of the contract, and it is necessary to form some opinion about this before considering the question of the validity of the contract.

Having given it the best consideration I can, I am unable to find any clear ground on which the contract could be repudiated, although there are certainly particular points on which I do not think it could be supported. I will instance the provision in clause 11 that the Postmaster General is to be bound to issue a stamp-vending license to any person designated by the license. This seems to be clearly an improper provision where a government department is concerned, and one which must be against the public interest. Looking at the matter as a whole, I think in the opinion of the Government the contract is not a desirable one for your department to carry out; the most advisable course would be for you to give notice to the licensee that you do not intend to proceed further with the contract and leave her to take such action as she may be advised. I doubt whether any great harm can result from such a course of action. It seems to me that if the licensee were to take proceedings for breach of contract she would have great difficulty in establishing serious damages. A considerable portion of the anticipated profit from these machines would seem to depend upon their capabilities for advertising and the sale of fancy notions, and I confess I can not see any apology for mixing up the business of the post office with such irrelevant projects.

Of course there are various defences of more or less questionable validity, which in case of necessity we could raise, to any action on the contract, but I do not think it is necessary to trouble you by going into these at the present time.

I return the copy of the contract inclosed with your letter.

Yours faithfully,

E. L. Newcombe.

On the whole, he seems to think that we are bound by the contract. He says he does not see his way to indicate how we can repudiate it.

Mr. CHISHOLM (Antigonish): He does not say it is for a term of twenty years; he does not deal with that phase of it.

Mr. PELLETIER: I do not think any lawyer, except for political purposes, will contend that it is not a twenty year contract.

Mr. LEMIEUX: It is not a twenty year contract. The first clause says quite the contrary.

Mr. PELLETIER: It does not say the contrary.

Mr. LEMIEUX: It does say the contrary.

Mr. PELLETIER: At all events, assuming that the hon. member is right, this would still be a ten year contract; and without an Order in Council or anything of that kind, the hon. gentleman gave for ten years to this lady the right practically to administer one branch of the Post Office Department. I need not go further than that.

Mr. MURPHY: Are the assignees an incorporated company?

Mr. PELLETIER: Yes, an incorporated company; and they tell us they have spent between $300,000 and $400,000 on this, and they tell us: Why, you are going to repudiate that contract now we have made this big outlay! That is the position we are in.

Mr. BURNHAM: Is it not true that these people are given in addition to the tremendous rights they possess with regard to advertising, which is itself of great value—two per cent on the sales? Is that so?

Mr. PELLETIER: That is for selling stamps.

Mr. BURNHAM: Why are they given such a tremendous bonus, not only the two per cent but the right to advertise, the right to put pillars all over.

Mr. PELLETIER: I am not here to defend the contract.

Mr. MACDONALD: What is the name of the company that holds the contract now?

Mr. LEMIEUX: The Dominion Postage Stamp Vending Company, Limited.

Mr. MACDONALD: Incorporated under letters patent of this Government?

Mr. PELLETIER: I think it is an Ontario charter.

Mr. LEMIEUX: When was the company formed?

Mr. PELLETIER: I do not know; as I said, it is a baby that I found on the doorstep.

Mr. LEMIEUX: The baby you found was a contract signed by the Deputy Postmaster General with Katrine Ellen Fawns. My hon. friend altered the contract. The amended contract is signed by the Hon. L. P. Pelletier on the 22nd of May, and I see another contract between the Postmaster General of Canada and the Dominion of Canada Postage Stamp Vending Company, Limited. It is not the same child; it is a child of my hon. friend now.

Mr. PELLETIER: Oh, no. I am going to ask the hon. member for Rouville to keep the members of his own family at home. I found the contract. The contract, in virtue of the provisions of my hon. friend's contract, had been assigned to this company, and I could not help it because the clause in my hon. friend's contract allowed this lady to transfer the contract to whomsoever she pleased, so it is not my baby.

Mr. LEMIEUX: I know the baby carries many good Tory names from Toronto.

Mr. PELLETIER: It might, and I may say that these good Tory names in Toronto have done all they could to have the contract carried out as my hon. friend had it worked; but I have fought them for months in order to get the amendments I now have before the House, and I have succeeded to a great extent.

Mr. MACDONALD: What officer signs the contract with the company—the second contract?

Mr. LEMIEUX: The second contract is signed by Louis P. Pelletier and the Dominion of Canada Postage Stamp Vending Company, Limited; President, George C. Lovey; James E. Taylor, Secretary. I would like my hon. friend to bring me the names of the members of the company. He gave a few a moment ago.

Mr. PELLETIER: I have no objection to doing so.

Mr. SINCLAIR: Also the date of incorporation.

Mr. MURPHY: When was that contract signed?

Mr. PELLETIER: 20th May, 1911.

Mr. LEMIEUX: 22nd May, 1913, just a few days ago.

Mr. PELLETIER: My hon. friend is not going to mislead the House. What he reads now—

Mr. LEMIEUX: This is dated 22nd May, 1913.

Some hon. MEMBERS: Order, order.

Mr. LEMIEUX: So it is just signed. It is a new baby.

Mr. PELLETIER: What the hon. member gives now is the date, not of the contract, but of the amendments which I succeeded in getting. He is not going to run away from that contract. The date of the contract was 20th May, 1911, when the Hon. Rodolphe Lemieux was Postmaster General of Canada.

Mr. LEMIEUX: I did not sign that contract, but my hon. friend signed one a few days ago.

Mr. PELLETIER: I hope I shall not be Postmaster General long enough to repudiate the good officers of the department.

Mr. LEMIEUX: You certainly will not be long.

Mr. PELLETIER: I am man enough to stand constitutionally for what the heads of the department do.

At six o'clock, House resumed, and then took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

VAN BUREN BRIDGE COMPANY.

House in Committee on Bill No. 223, to vest in the Van Buren Bridge Company the charter rights of the Restigouche and Western Railway Company to construct and maintain a railway bridge across the St.

John river.—Mr. Carvell. (Mr. Deputy Speaker in the Chair.)

Mr. MICHAUD: I have received from the people of St. Leonard's, where the bridge is to be built, a message which reads as follows:

St. Leonard's, N.B., May 27, 1913.

Give your hearty support for railway bridge here providing that it is strictly understood that International railway station and terminus remains in St. Leonard's village at its present location.

I went before the Railway Committee the other day and submitted an amendment, which was ruled out. The amendment reads as follows:

Nothing herein shall in any manner give to the International Railway Company the right to remove their present terminals from the present location at the village of St. Leonard's or to remove therefrom the station house.

I am sorry that this amendment was not inserted in the Bill. The Chairman ruled me out, and therefore I presume I may be ruled out if I now offer the amendment. I have the assurance of the hon. the Minister of Railways and Canals (Mr. Cochrane) that this bridge cannot be built until the sanction of the Governor in Council is obtained, and I am satisfied with the statement that was made to me by the minister that the company could not begin the construction of the bridge until he had had an opportunity of protecting the citizens of St. Leonard's in their rights. He gave me his word for it and I would like, if he were in the House, to hear him repeat what he said to me the other day. In view of the statement made to me by the minister I shall not object to the Bill.

Mr. GAUVREAU: On what ground were you shut out by the Chairman?

Mr. MICHAUD: On the ground that this is a provincial railway. It is built under provincial laws and consequently we could not make this amendment to the Bill because it would interfere with provincial rights. That was the ruling of the chairman of the Railway Committee.

Mr. LANCASTER: I do not complain of my hon. friend (Mr. Michaud) saying that he was ruled out by the chairman of the Railway Committee because it may have amounted to that. I advised him not to press the amendment because it would be ultra vires. The railway that is dealt with by that amendment is a provincial railway and we could not in any Dominion statute legislate in any way in regard to a provincially controlled railway. It is not under the jurisdiction of this Parliament at all and I had to advise the hon. gentleman that it would be out of order in the sense that the introduction of a section into an Act of this Parliament could not have any effect whatever in regard to a provincially controlled railway. The hon. gentleman, I understand, is not asking to press his amendment?

Mr. MICHAUD: I will do it.

The CHAIRMAN: Any substantial amendment to a private Bill requires a day's notice.

On section 1—declaratory:

Mr. LANCASTER: This Bill is a little peculiar, and possibly it is only fair to the committee that I should say a word or two about it, because it might be better understood with a few words of explanation. This bridge over an international stream or river must be a work for the general advantage of Canada; that is to say, no authority but this Parliament can legislate to give any right to build it. It is only the bridge and the necessary approaches to the bridge that come within the scope of this Bill. It was therefore thought wise after considerable discussion in the committee that we should make it quite clear that the right to take this bridge over from the company which has not been able to build it should be subject to the Railway Act of Canada. The committee were unanimously of the opinion that it was necessary to put that express declaration in to make it quite clear that this work, being a work of international character, should be, in so far as Canada is concerned, under the jurisdiction of the Railway Commission and generally of the Parliament and Government of Canada. We inserted at the very beginning of section 1 the words 'subject to the provisions of the Railway Act' and left the section as it appeared in the Bill except that when we got towards the end we also, to make it very clear, after the word 'may' in the eighth line, put in the words 'subject as aforesaid,' striking out the words 'in the manner provided by and subject to the provisions of the Railway Act,' because they might create confusion as to the qualifications of the Railway Act which should apply. We wanted the Railway Act to apply to the whole undertaking and we struck out the words that were in there and inserted them at the beginning of the section, in the way that I have indicated.

On section 2, sub-section 2:

Mr. LANCASTER: We have inserted as a new section the standard clause in regard to municipal control of highways because it is probable that this new bridge, and the approaches to it might interfere, perhaps to a small extent, but still to some extent, with the highways in that part of the province of New Brunswick.

Section agreed to.

On section 3—powers for construction, etc.:

Mr. LANCASTER: Section 3 is what was section 2 of the original Bill.

Section agreed to.

Bill reported, read the third time, and passed.

POINTE AUX TREMBLES TERMINAL RAILWAY COMPANY.

House in Committee on Bill No. 228, to incorporate the Pointe Aux Trembles Terminal Railway Company.—Mr. Barker. (Mr. Deputy Speaker in the Chair.)

Mr. LANCASTER: I should tell this committee that we were in doubt as to whether we ought to incorporate this company with a Dominion charter. The Railway Committee was very small this week, there being a bare quorum. This railway is a small one in the city of Montreal. This Bill was passed by the Senate, and therefore, prima facie, was entitled to be considered as a proper Bill. It occurred to some members of the Railway Committee that it was not a matter that should be taken away from the jurisdiction of the province, and that there was no evidence on which they could properly find that it could be called a work for the general advantage of Canada. At this late stage of the session, and in view of the fact that the Bill came from the Senate and was therefore apparently entitled to favourable consideration, the Railway Committee did not think it should assume the responsibility of killing the Bill. Therefore we did not decide the question as to whether or not this railway company should have a Dominion charter but leave it to this House itself to determine.

Bill reported, read the third time, and passed.

PATENTS OF OTTO BARNETT.

House in Committee on Bill No. 230, respecting certain patents of Otto Barnett —Mr. Kyte. (Mr. Deputy Speaker in the Chair.)

Mr. CARROLL: In the absence of the hon. member for Richmond (Mr. Kyte), the documents in relation to this measure have been placed in my hands. Under the Bill the party concerned is given the right to pay a fee, the payment of which was neglected through some misunderstanding on the part of the people looking after the matter. The article patented is manufactured in Canada and is on sale in Canada. No rights will be interfered with by the passing of this legislation. I have here an affidavit of Mr. Otto Barnett, who owns the patents at the present time. He declares that he is the owner of the patents involved; that he inadvertently failed to pay the renewal fee because he overlooked the fact that such a fee was due; that the patents have been continuously worked in Canada, and were never intended to be abandoned. This is sworn before a notary public in the state of New York.

Bill reported, read the third time, and passed.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill No. 217, to incorporate the Canadian Northwestern Railway Company.—Mr. McKay.

Bill No. 218, respecting the Empire Life Insurance Company of Canada.—Mr. Macdonell.

Bill No. 227, respecting the Western Canada Accident and Guarantee Insurance Company.—Mr. Macdonell.

Bill No. 224, respecting the Western Trust Company.—Mr. Turriff.

Bill No. 225, respecting the Great West Permanent Loan Company.—Mr. Meighen.

Bill No. 226, respecting the Alberta-Saskatchewan Life Insurance Company.—Mr. Meighen.

Bill No. 214, respecting the Hudson Bay Insurance Company.—Mr. Knowles.

Bill No. 219, respecting the Casualty Company of Canada.—Sir Edward Osler.

Bill No. 215, to incorporate the Roman Catholic Episcopal Corporation of Mackenzie.—Mr. Proulx.

Bill No. 216, to incorporate the Ruthenian Greek Catholic Episcopal Corporation of Mackenzie.—Mr. Macdonell.

CANADIAN NORTHERN RAILWAY BRANCH LINES.

On the order being called for consideration of the message from the Senate insisting upon the adoption of the amendments made by them to Bill No. 97, respecting the Canadian Northern Branch Lines Company.—Mr. Sharpe (Lisgar).

Mr. LANCASTER. Stand.

Mr. NESBITT: Is there any way in which the Chairman of the Railway Committee can arrange with the Senate to have this Bill passed? I heard a suggestion to hold a conference of representatives from both Houses to discuss it. I understand that the Canadian Northern would like to get the Bill passed, as part of one of the branch lines has been commenced. I have no doubt the people in the West would like to assist any road that will build branch lines. Is there any way of coming together?

Mr. LANCASTER: As far as I can see, I think it is hopeless. This Bill, as drawn by the promoters, was absolutely in the proper form, the stereotyped form, the form that has had judicial interpretations by the courts. The amendment suggested by the Senate is not contended makes any change in the legislation. I am trying to speak respectfully, but they have a new-fangled way of wanting to make this legislation which, in my humble opinion as a lawyer, throws a little doubt on the interpretation. I am not sure that it does, but I am afraid it might be so construed by the courts. On April 25 the matter was discussed and we were unanimous that we must adhere to our Bill and reject the amendment. The merit in our refusal and the absolute want of merit in the Senate's amendment is that the Senate does not contend that their amendment makes a bit of difference in the result of the legislation; but they say they would rather do it in that way. It is a very roundabout way, a very complicated way, a way that I admit as a lawyer may be open to a very different construction from the regular meaning of the Bill as it has been construed in other cases. The Senate's amendment fails to give a time for the completion of one of the branches already commenced. While they enact a new time for commencing as to the other lines, they do not perfectly describe them as we do in our Bill by reference to the particular charters. They fail utterly to state the new time for completion of the line already commenced, so that would be very bad legislation beyond any argument. I also point out that in their answer, which is a very complicated one, insisting on their amendment and insisting that the House adopt it, they admit that another amendment will still be necessary besides theirs to bring us back by this roundabout way to where we started by our plain and ordinary legislation. With the possible liability of being censured by this House for lack of dignity, I went to the Senate and tried to reason with these gentlemen that they should not send that report to this House, but should accept our suggestion and should not send to this House a message insisting upon an amendment of that kind in the face of our very clear language as to the result of it, which I shall again read to the House. It is true, I am the draftsman, but the House unanimously supported this message:

The amendment made by the Senate to the Bill No. 97, an Act respecting the Canadian Northern Branch Lines Company, was taken into consideration.

And the said amendment being read a second time;

Mr. Lancaster moved, that this House do disagree with the Senate in the said amendment for the following reasons:—

(a) The said amendment does not fully describe the lines of railway referred to and tends to raise doubts as to the respective routes of the same.

(b) The said amendment does not provide any limitation of time for completion of the first line of railway specified in section, 8 of chapter 56, of the Statutes of 1911, authorized by paragraph (a) of the said section.

Our Bill is so short and has such merit in its clear-cut language that I shall read it again:

The Canadian Northern Branch Lines Company may commence the construction of its lines of railway specified in section 8 of chapter 56 of statutes of 1911——

For the life of me I do not see how we could describe it better.

—excepting the first line which is already commenced, within two years after the passing of this Act.

—making the well-known and usual legislation. The answer given, which is before His Honour the Speaker, by a lot of language, tries to convince this House that their way of doing it, in a very long and not well-understood manner, will accomplish the same results, but suggests that if we do not think so we can pass a consequential amendment. Life is too short for me as Chairman of the Railway Committee and for the House to trouble with arguments of that kind from any Chamber, not pretending to say that our Bill does not do what both Houses intend and saying: If you do not like our amendment, you can pass another. They said also, in the informal conversation I had with them, that having insisted upon it, by their Railway Committee, they are going to insist upon it. It is unfortunate for the railway and probably for the people that this Bill cannot be passed this session. This House passed the Act in the ordinary way, but the other House admitting it is the usual and the understood way, with the desired result, interjects an unnecesssary amendment and asks us to try it for one year. I have been provoked into saying this and I think it is due to the House that I should say it. I cannot see much use in having a conference. If I was on the conference I could not give in. What we have done we have done in the proper way, and the Bill expresses what we both intended it should express. I say it is for them to give in, as they say they will not give in, the result will be that the Bill will have to go over for this session.

Mr. DOUGLAS: In what position will the railway company be, in the case where they have started grading on their railway?

Mr. LANCASTER: They are all right as to that, because with this Bill not passing their other Act applies, and they have

three more years before them to complete that line. That line will be in shape, and we can renew the others next year. The only point is as to whether they would have commenced any others sooner by getting the charter this year.

Mr. NESBITT: I have very great respect for my hon. friend's knowledge of the Railway Act and also for his very earnest work in the Railway Committee. I only want to know whether there is any way by which they could come together. I understand that the House is willing that the Bill should stand.

Mr. SPEAKER: Anything to be done would require to be done through a conference. The reasons for a conference must be prepared and assented to by this House. Rule 85 says:

When the House requests a conference with the Senate, the reasons to be given by this House at the same shall be prepared and agreed to by the House before a message be sent therewith.

As the Senate has now adjourned until next week, perhaps it would be well to let this Bill stand, and if the promoters desire to provide for a conference, they would have an opportunity of doing so.

Progress reported.

CANADIAN NORTHERN QUEBEC RAILWAY COMPANY.

Further consideration of amendments made by the Senate to Bill No. 99, respecting the Canadian Northern Quebec Railway Company.

Mr. LANCASTER: I wish to make a motion in regard to this Bill. We considered these amendments in the Railway Committee, and it is quite evident that one of them is a mistake on the part of the Senate; in fact, I can say with certainty that it is, and that if we reject it no doubt they will withdraw it. If it were not so, they would be undoing all the legislation passed by this House for several years, and would be interfering with the standard or model clause giving protection to municipalities. The first amendment made by the Senate is to strike out part of the route of the railway. As to that, the Railway Committee thought that they could not interfere so long as the promoters of the Bill were willing to accept the change. If the promoters of the Bill had insisted that they were entitled to have that part of their route into Montreal, as well as the rest of the route proposed, I think we would have been inclined to say there is no reason why they should not have the right. But the promoters were willing to accept that amendment, and that being so, the legislative functions of this Parliament are not interfered with. The only result is that the promoters did not get so long a railway as they would otherwise have got. But the second amendment is one in regard to which this Parliament is bound to protect the people. The Senate inserted in clause 7, the municipal clause of the Bill the word 'under' in regard to poles and wires for telegraphing upon the highways. The standard municipal clause adopted by this House in regard to these matters gives the municipalities the control of the service, upon, along, or over the highways. They cannot go along or upon the highways without the consent of the municipalities, but of course they must be allowed to go under. If the municipal council will not allow them to do so, they can do so on the order of the Railway Commissioners, after investigation. If the word 'under' is inserted, the jurisdiction of the Railway Commission would be ousted, and each municipality would be able to prevent a railway company, because its telegraph line must be part of the railway, from entering that municipality at all, and the Railway Commission would be helpless to interfere, even to allow the wires to go under the streets. So I move:

That this House do concur in the amendment made by the Senate to clause 2 of Bill No. 99, and do disagree with the Senate in its amendment made to clause 7, for the reason that the proposed amendment varies the well-considered standard section that has been embodied in many railway Bills this session by both Houses, and would in effect transfer to municipalities the powers of the Board of Railway Commissioners to regulate the construction, operation and crossing under highways and public places with lines of wires when municipalities refuse to permit them to be placed upon along or across highways, in which event the powers to permit and regulate the crossing under these highways should, in the opinion of this House, remain in the Board of Railway Commissioners; and that a message be sent to the Senate to acquaint Their Honours therewith.

Motion agreed to.

SECOND READINGS.

Bill No. 235, to incorporate the Evangelical Lutheran Joint Synod of Ohio and other States.—Mr. Fripp.

Bill No. 234, for the relief of Lenore Power.—Mr. MacNutt.

SUPPLY.

House in Committee of Supply.

Post office—outside service, $11,942,975.

Mr. PELLETIER: Before six o'clock, I think I had explained to the satisfaction of the committee that the present Postmaster General was not responsible for that part of his contract which the newspapers had been complaining about. An

effort has been made to try to confuse the two dates. I want to repeat, so that no mistake will be possible, that the contract in question was signed by the Post Office Department on the 20th May, 1911.

Mr. LEMIEUX: Without an Order in Council.

Mr. PELLETIER: Without an Order in Council, which makes it worse.

Mr. LEMIEUX: Which makes it void.

Mr. PELLETIER: I would be glad if the Justice Department had been able to agree with that, but it is somewhat curious to see the hon. member for Rouville now calling his own contract null and void.

Mr. LEMIEUX: It is not my contract.

Mr. PELLETIER: Who was the Postmaster General at the time?

Mr. LEMIEUX: I was.

Mr. PELLETIER: Who was responsible for the contract from the point of view of responsibility to this House and the country? I may be very obtuse, but I say that it was the man at the head of the department. If some new constitutional rule or theory can be propounded before the country which will upset all old-time constitutional rules, we will be very glad to hear what the hon. gentleman has to say about it, but this contract having been entered into by his department when he was Postmaster General, there is no power on earth to relieve him from the responsibility, and I think that I am stating only a safe and sound principle in stating that.

Mr. LEMIEUX: Was the new contract, which must have been passed with that Toronto firm, preceded by an Order in Council?

Mr. PELLETIER: There is no new contract and my hon. friend cannot succeed in establishing that there was.

Mr. LEMIEUX: The first contract, I understand, was with a party by the name of Katrine Ellen Fawns. The second contract was with the Dominion of Canada Postage Stamp Company, Limited, Toronto. Had my hon. friend an Order in Council for that?

Mr. PELLETIER: It is of no use for the hon. gentleman to try and draw a red herring across the trail. There is no first and second contract. There is only one contract, and that is the contract entered into when the hon. member was Postmaster General of Canada. That is the one and only contract, and that contract being to my mind a bad contract, I succeeded in obtaining certain amendments in favour of this country and in favour of the Post Office Department. It is no use trying to get out of it. I am asked: what does this new company have to do? The contract entered into by my hon. friend with Miss Katrine Ellen Fawns, a name he does not seem to remember now, because he has to read in the contract to find it, contained a most extraordinary clause in virtue of which Miss Fawns could transfer that contract without the consent of the Post Office Department at all. I have succeeded in securing an amendment to the contract so that now it cannot be transferred except with the consent of the Postmaster General. The company whose name appears now in the amendment, is the company to which this contract has been transferred in virtue of the clause put into the contract on the 20th May, 1911.

Mr. LEMIEUX: May I ask a question of my hon. friend?

Mr. PELLETIER: Just one minute; I would like to finish this. It is not either pleasant or unpleasant for me to defend the worthy deputy minister of the Post Office Department, and it might appear strange to those who look at it from the point of view of politics; but I believe in standing by the officers of my department if I think they are right, whether they have been appointed by me or by my predecessors. The deputy minister has pointed out to me that it is very strange that the hon. member for Rouville repudiates this Miss Fawns and her boxes when a Bill was passed through this House in 1911, not by Dr. Coulter, who was not a member of the House, but by the hon. member for Rouville, and that Bill was passed for the express purpose of having this contract signed. I wonder if that statute is going to be repudiated also?

Mr. LEMIEUX: The statute is all right, but the statement is not.

Mr. PELLETIER: The contract could not have been passed without that statute being passed first. It is not to me that the hon. member for Rouville will make a reproach for that. I was not his deputy minister, and never will be. This contract says that stamp vending machines may be put at street corners. The Post Office Act did not allow that before. The Post Office Act provided, before this contract was entered into, that licenses for selling stamps should be revocable at the pleasure of the Postmaster General. That was a wise and safe provision because the Postmaster General should have the right to cancel such licenses at any time. That was the law, and this lady, under the contract which has been transferred now to this company, has the right to have these

stamp vending machines placed at certain corners for twenty years, or, if my hon. friend is right, for ten years. That is not revocable at pleasure, and the law was in the way. What do we find? We find that the hon. member for Rouville, then Postmaster General, had three short amendments made to the Post Office Act by this House. The first one is to add the words 'street stamp-vending boxes' to the ordinary boxes which could be put in different places before. The second one is to add the words 'or for the sale of stamps or other post office supplies.' What is the third?

Paragraph 'o' of the said sub-section of section 9 is amended by striking out the words 'revocable at pleasure.'

This statute completely removed all obstacles remaining in the way of the signing of the contract, the bill was assented to—mark the dates—on the 19th of May, 1911, and the contract was signed on the 20th May, the day after the statute had been assented to. Here is a gentleman who says that he knew nothing of that contract. I invite hon. members to put all these facts together and judge for themselves. It is unfortunate, but we have a difference here between the word of the hon. member for Rouville and the word of the deputy postmaster general. I am not concerned with the quarrel between the hon. member for Rouville and the deputy postmaster general, but I am bound to put the facts before the committee in justice to my deputy minister. These are the facts. I had some reason to be surprised when, for the last two or three days in succession, the hon. member for Rouville (Mr. Lemieux) has stated here in my absence that we should not have stamp vending machines with advertisements on the streets. You know the reason why, now. One of the amendments which I have succeeded in obtaining provides that these machines will not be put everywhere at the sweet will of Miss Fawns and her representatives, but that the Postmaster General will have to give his consent to the erection of any of these machines. The Postmaster General will see to it that this contract is not abused, and that the machines are not put in such places as will hurt the public interest and the interest of the cities or of the municipalities.

Mr. GERMAN: How do the machines work?

Mr. PELLETIER: They are not in operation yet.

Mr. REID (Minister of Customs): Ask Miss Fawns.

Mr. GERMAN: I know Miss Fawns well. I would like to ask the hon. Postmaster General how the machines are working, and if they are giving satisfaction.

Mr. PELLETIER: They are automatic.

Mr. GERMAN: I know they are. I know the machines.

Mr. PELLETIER: I am glad to know that the hon. member is acquainted with Miss Fawns. The former Postmaster General does not know her at all.

Mr. LEMIEUX: My hon. friend makes light of all this. I may tell him, and in the presence of the deputy Postmaster General, that I never saw Miss Fawns and never spoke to her. That is the truth.

Mr. PELLETIER: Either the contract was entered into with the authority of my hon. friend, or he knew very little of what was going on in his department. My hon. friend has to choose between the two positions. He has borrowed trouble and he has it now.

Mr. LEMIEUX: Not at all.

Mr. McKENZIE: What is the trouble about?

Mr. PELLETIER: The trouble seems to be in the mind and memory of the hon. member for Rouville.

Mr. LEMIEUX: Not at all. I am stating the positive truth. I repeat what I said this afternoon, that I never signed the contract. I never saw Miss Fawns. I know of Miss Fawns. She is a well known lady; she sold the same machine to the Government of the United Kingdom and to the Government of Australia. No order in council having been passed, that contract is null and void.

Mr. PELLETIER: How was the statute passed?

Mr. LEMIEUX: The statute was passed, but the contract was not passed by me. The statute was passed by me openly; it was explained to the House; it was discussed and approved by the right hon. the leader of the Government. I quoted the debate the other day. My hon. friend must not think for one moment that I do not know what I am talking about. I say I passed the legislation. It is a good piece of legislation. The stamp vending machine is a good one. It is the one in operation in England and Australia. The contract, however, whose only objectionable feature is the advertising, is not signed by me; it was never seen by me. I could not have signed a contract without an order in council, and I never passed an order in council. If my hon. friend finds any objection in the original contract, he has only to speak at any time to Miss Fawns or to her assignees. There was no order

in council, and therefore I am not bound by that contract. That is the law.

Mr. PELLETIER: My hon. friend seems to be under a very extraordinary misapprehension. He says: This contract is null and void; just cancel the contract. I may tell my hon. friend that I did all I could, without, of course, breaking faith with the parties who signed this contract—

Mr. LEMIEUX: May I ask my hon. friend a question?

Mr. PELLETIER: Let my hon. friend possess his soul in patience until I finish my sentence. One of the first things I did was to ask the Department of Justice, which is our guide in this matter. I called the attention of the Department of Justice to the fact that this contract had been entered into without an order in council.

Mr. LEMIEUX: Hear, hear. Therefore, I could not sign such a contract.

Mr. PELLETIER: My hon. friend has signed many contracts without orders in council.

Mr. LEMIEUX: Contracts of $200. Not for twenty years.

The CHAIRMAN: I should remind the hon. gentleman that he ought not to interrupt.

Mr. PELLETIER: It is impossible for him to rest in peace; let him speak. My hon. friend is a lawyer. Although I have practiced more than he has—

Mr. LEMIEUX: I have practiced more than you have.

Mr. PELLETIER: You are putting yourself in the wrong by being so excited. I did not like to trust to my own knowledge as a lawyer; and, moreover, we have the Department of Justice to which we are bound to go as our adviser in such matters. I told the Department of Justice that this contract had been entered into without an order in council. I asked if I could repudiate it as being null and void. The answer was: No.

Mr. LEMIEUX: Not so clear as that. Read the opinion over again.

Mr. PELLETIER: My friend is in an awful position, and he is trying to get out of it in a way which I may say I would not try myself. I remember some time ago in this House, when information was asked of me, I leaned over and asked the assistant deputy minister for the information. The information was given to me in good faith, I believe; but it was a mistake. I gave it as I received it from the assistant deputy Postmaster General. What did I find? The hon. member for Rouville standing up and saying: What a shame; there is the minister trying to hide himself behind the officers of his department. Now it is all the other way.

Mr. LEMIEUX: That is what you did, too.

Mr. PELLETIER: The hon. member for Rouville had better reflect over the whole situation, and not try to have me held responsible for this advertising medium of which he has been complaining, when it is his own baby.

Mr. LEMIEUX: How many stamp vending machines did Miss Fawns provide?

Mr. PELLETIER: The deputy minister says, none.

Mr. LEMIEUX: Then she is not living up to the contract, and you should cancel it. You have revived it with another firm in Toronto.

Mr. PELLETIER: When a man is in the hole, he should stay still. The more he moves the earth around him, the more he goes down. Here I am told: Why did you not say that the contract was not properly fulfilled, instead of confirming it? The contract was signed on the 20th of May, 1911. These people were telling me: 'We have a contract from the department. We have spent three or four hundred thousand dollars on it. You are going to take it away from us.' I said: 'If the Department of Justice says that I am right, I will do it.' The hon. member for Rouville said this afternoon: 'There are pretty good Tories in Toronto.' There are some pretty good Tories there; I saw them lately. Tory or Grit, there was nothing else for me to do than to agree if the Department of Justice had told me to cancel. But when that department gave me the answer I read this afternoon, I could only make the best bargain possible of the bad bargain the hon. gentleman had made.

Mr. LEMIEUX: Which I had not made.

Mr. PELLETIER: The hon. gentleman is going to repeat that until he believes it; so there is no use trying. When he repents, he will let us know. We will pass to something else.

Mr. MORPHY: Who was the Postmaster General when the contract was made?

Mr. PELLETIER: Hon. Rodolphe Lemieux. I was not here, but that is what I was told.

Mr. LEMIEUX: I did not sign the contract; I had nothing to do with it.

Mr. PELLETIER: The hon. ex-Postmaster General, who has a very bad memory, this afternoon made a general review of the whole post office situation. After he

had dealt with the matter which I have just discussed, he referred to the Parcel Post Bill. Now, we remember that the hon. member for Rouville stood in his place in this House and clamored for parcel post. We have had some other things to do in this House to which I will not more particularly refer, but which hon. gentlemen will remember. I have been waiting for an opportunity to press this Parcel Post Bill and presented it to the House. I believe it is an important measure, a measure in the public interest; and I was told I would have the help of the hon. member for Rouville in putting it through. Here we are confronted with a situation which I wish to explain very clearly to this House. I would like to put this Bill through. On the other hand, I am told on every hand that it is not fair to keep members of this House here for a very much longer time, and I appreciate that. I had every reason to believe and to expect that this Bill would not be regarded as a controversial one, but I am told this afternoon that the Bill is this, that and the other thing. And why? Because it does not contain the rates which will be charged for the parcels. Here is another thing which the hon. member for Rouville has forgotten.

Mr. LEMIEUX: Has the hon. gentleman ever explained the Bill to the House?

Mr. PELLETIER: The Bill speaks for itself—he who runs may read.

Mr. LEMIEUX: It has stood on the Order Paper since the 2nd of April, the night of the locks.

Mr. PELLETIER: —which we will put in the boxes by and by. There is a sore in the hon. gentleman's heart. And I am sure that if he had had a lock on his lips when he decided to speak yesterday he would be very glad now.

Mr. LEMIEUX: It would not be a patent lock.

Mr. PELLETIER: We will try to have a lock patented which will keep the hon. gentleman's mouth closed when he ought not to speak.

Mr. LEMIEUX: Keep your infant.

Mr. PELLETIER: We are told that the rates should be in the Bill. With the officers of the department, and with Mr. Ross, we have been working for weeks and months on these rates. We have not yet come to a final conclusion about the adoption of these rates, but we are pretty near it. We are confronted with a good many obstacles. For instance, we have the express companies which charge a certain rate between Toronto and Montreal and absolutely the same rate between Toronto and Kingston.

Mr. McKENZIE: Is this Bill before the House?

Mr. PELLETIER: Yes.

Mr. LEMIEUX: Is it before the Chair at this moment?

Mr. PELLETIER: There is one thing before the Chair at this moment—the remarks of the hon. member for Rouville. I am sure any judge will appreciate that.

Mr. McKENZIE: I rise to a point of order, Mr. Chairman. I would like to know from you what is before the Chair.

The CHAIRMAN: The item is 'Post office, outside service.' This afternoon it seems to have been understood by both sides of the House—

Mr. PELLETIER: At the request of the hon. member for Rouville.

Mr. CHAIRMAN: —that any matter relating to the Post Office Department might be brought under discussion, and the discussion went on on that basis.

Mr. PELLETIER: The subject was introduced—

Mr. McKENZIE: Just a moment. I am interested in the quarrel between the Postmaster General and his predecessor. But I am entitled to have the discussion confined to what is before the Chair.

Mr. PELLETIER: I can tell my hon. friend that parcel post is part of the Post Office Department policy which we are now discussing.

Mr. McKENZIE: But the Bill is not before the Chair. It is not yet introduced.

Mr. PELLETIER: Oh, yes. It is printed and distributed. The hon. gentleman does not look at his files every morning. But I quite understand the remarks made by the hon. member for Cape Breton North. In friendly feeling toward the hon. member for Rouville, he thinks we should talk of something else, because he finds there has been enough for that hon. gentleman to swallow for one night.

Mr. McKENZIE: If the hon. Postmaster General has any observations to make concerning the member for Cape Breton North, he will find that the member for Cape Breton North is quite capable of looking after himself any day of the week.

Mr. PELLETIER: Do not get mad. Remember the dignity and traditions of an old-time judge.

Mr. CLARK (Red Deer): I desire to make an appeal to the Postmaster General on this subject. I am sure that, with the rest of the committee, I have enjoyed very much the discussion hitherto; but I think the Postmaster General, perhaps, will see that

to enter into a full discussion of the parcel post matter would not save the time of the committee or promote the early prorogation which, I am sure, he equally with a number of us, very much desires. I do not raise a point of order, but I appeal to him whether it is not a little irregular on the estimates to discuss parcel post about which we should get into a further discussion. It will open up the whole subject of parcel post and any of us might wish to make a speech on this important question. I put that to him in the most friendly spirit, without participating in the quarrel between himself and the hon. member for Rouville.

Mr. PELLETIER: I take the remarks of the hon. member for Red Deer, who is always very fair, in the spirit in which they are made. I myself am one of those who desire to see prorogation come. I would not have alluded to this matter at all but for the fact that the hon. member for Rouville spoke about it this afternoon, and I thought I might say a few words in answer. But there is a good deal in the remarks of the hon. member for Red Deer, and I shall not say more about this now than to recall to the House the fact that under the law as it stands, I have, as Postmaster General, all the power to fix the rates which my hon. friend from Rouville says I should ask of this House in detail. That is my point.

Mr. CLARK (Red Deer): I wish the minister to understand that I do not want to interfere with his right to reply to criticism. That is the right of every member. But I, in fairness, desire to recall the fact that what the hon. member for Rouville said was that from his point of view—and I think he made it personal—the measure was controversial.

Mr. PELLETIER: But he gives the reason for the measure being controversial—that the rates are not given in the Bill. My answer is that I have the power to fix these rates now. Whilst there is at present a law authorizing parcel post, some additional legislation is necessary in order to effect the results at which we are aiming. It really is not new legislation; it is but a remodelling of the old law, and it has been one of my most earnest desires to give this boon to the Canadian people. If the Opposition will help me to pass this Bill and to receive the unanimous consent of Parliament for its adoption, my hand will be much strengthened when I come to deal with the express companies and everyone concerned. Fresh from Parliament with power given to me unanimously by this Parliament, I think I could overcome all those obstacles which now seem to be almost insuperable. Of course I am not going to insist upon it at this stage of the session, but if after looking over the Bill, having particular regard to section 74 of the Post Office Act, the hon. member for Rouville and other hon. gentlemen of this House come to the conclusion that the matter is not controversial, I will be prepared to put it through and to inaugurate in a few months this great public service for the benefit of the people of this country.

Mr. LEMIEUX: The committee will realize that with the exception of a few moments devoted on a Wednesday evening to the one-sixth vote, this is the first occasion since the beginning of this long session upon which we have had an opportunity of discussing matters in connection with the Post Office Department, and I thought it was my duty as a member of this House to deal with these different matters at this stage.

Mr. PELLETIER: I am sure my hon. friend will give me credit for being the last one who would oppose any such action. I have told him that he is at liberty to discuss these matters fully. My hon. friend has spoken about the Wireless Bill; let me say a few words about that. This Bill is one which has for its object the breaking of the backbone of the cable monopoly. I know that very powerful interests are now fighting against the passage of this Bill, which is the result of the work I did in England last summer. If the majority is in favour of this Bill—whether or not it would be thrown out elsewhere I am unable to say—I think it would be regrettable if we were to miss this opportunity of encouraging any competition that will have the effect of reducing the tremendously high rates which the people of Canada are now paying.

My hon. friend referred also to mail bag locks. We have heard a few things in this House about these locks, and outside of the House people have continued to speak of the purchase of 350,000 locks, when they know that that is not true. Some of the newspapers are edited by men who, I am sure, are descendants of Ananias, although Ananias would surely feel that he was outstripped by these people to-day. Of course they consider it to be part of their duty, and I do not mind it, for I have been through the mill before, but my experience has been that the caluminators never succeed in the end. We have been told that these locks are first-class. Now the hon. member for Rouville says that the locks were not so good as he thought; that there were some bars which had been ordered, and which would have made the locks very good, had not the unfortunate Postmaster General cancelled the order for the bars. My hon. friend is in the same dilemma as he was in respect of the contract of May, 1911.

Mr. LEMIEUX: The less said about these locks the better for you.

Mr. PELLETIER: I do not hesitate to speak of them; I have no reason to be ashamed. I made a good contract, and yet the hon. gentleman stands up in his seat and tries to cast aspersions upon my conduct. He has been invited to repeat them to this House; he has not done so, and he will not do so. My hon. friend has read the letter cancelling the order for these bars. The bars are necessary for the new locks as well as for the old. We gave an order in September, 1912, and six months afterwards the order had not been filled. We wanted these bars, and we cancelled the order. Where is the business man who, after giving an order for something which he wanted, and waiting for six months without receiving that which he ordered, would not cancel the order and endeavour to get the goods elsewhere? That is what I did. Information has come to the department that Mr. Lapointe, who has the patent for these bars, is probably not entitled to that patent. I am making these remarks to prove to the hon. member for Rouville that the cancellation of the order for the bars was not done on account of any discussion which took place in this House. In order to get the bars which we want in the department we have called for tenders. The people who have tendered have asked us a very large price on account of the risk they run in respect of the patent, but I hope that before long we will get them at a more reasonable price.

My hon. friend has spoken about rural mail, and asked me to give him some information in that regard. I may say that the number of routes authorized up to October, 1911, 614. The number of boxes was 16,015. Since the present Government came into power, 720 new routes and 185 extensions of old routes have been authorized. The number of routes authorized to-day is 1,385; number of boxes reported erected, 44,010; number of boxes which will be erected when the routes now under advertisement for tenders go into operation, 14,800; number of boxes which will be erected on routes already authorized, but not yet in operation, 9,800. The number of boxes which have been erected after the roads have been in operation for some time, which must be considered in addition to above figures, approximately 3,000. That makes a total of 71,610. 55,000 boxes have been erected since October, 1911, against 16,015 erected by the previous Government. That, I think, is the information asked for by the hon. member for Rouville. If he wants more information I shall be glad to try and get it for him.

Mr. MARCIL: I understand that Quebec makes a very poor showing in connection with this service—that there are few roads there as compared with Ontario. Has any step been taken by the department to point out the advantages of the rural mail service so that it may be introduced more extensively in Quebec? I understand that there is a large number of constituencies, probably more than one half of those in the province, if not two-thirds, that have no such service at all.

Mr. PELLETIER: The hon. member is right. The banner province, so far as rural mail is concerned, is Ontario. But very close to it, and neck and neck in the run, is the little province of Prince Edward Island. There is much less interest taken in this particular matter by the other provinces and in the province of Quebec they do not seem to have so far appreciated the benefit coming from this rural mail delivery. I have lost no opportunity to induce our people to try it. I have given an example in my own riding. Of course, it is a matter in which the Government does not come forward and install the boxes of its own motion; there must be a demand for them, and the demand must come from fifty-one per cent of the people on the route which the rural mail will follow. This was, to a certain extent, unknown in the province. I inaugurated two or three routes in my constituency and had some difficulty in bringing it about. I may say that now the people who have seen the benefit of it are coming in and joining the procession and asking for boxes. I have tried it elsewhere. I have tried it in the good old Liberal parish in which I was born. I have said to them there: Why should you not try this? and they have tried it. I have asked other parts of the province to do the same thing, and I expect they will come in and join in the expenditure which we have been making. In one respect that will give us time to breathe. We are now giving the rural mail delivery to people who are anxious to have it; others will learn about it later and their turn will come.

Mr. MARCIL: Has the department a circular that could be distributed in some of these constituencies showing the advantage. I am sorry to say that in my own constituency the benefits of the service are unknown. I would like to point it out to the people, but I am not thoroughly familiar with it myself. If the department had a circular that could be given to persons applying for it, it would be a way to introduce the system.

Mr. PELLETIER: We have not issued any circulars because the demands are very numerous and we have not needed to invite people to come in.

Mr. LEMIEUX: You have booklets and blank forms in both languages.

Mr. PELLETIER: I shall put it very briefly for my hon. friend for Bonaventure, and then he will know all about it except the details which are not necessary to know. You have fifty-one per cent of the farmers or people living along a certain route who will sign a petition to the inspector of the inspectoral division asking for the establishment of a rural mail route. When that is fyled in the office a member of the post office inspector's staff goes down, examines the locality and locates the route according to the regulations of the department. There the whole thing is done. The only liability on those signing is that each patron undertakes to purchase the box, which costs $3. I have allowed two patrons to join in the same box. My experience has been that that arrangement does not last long, the two patrons say: Now we know everything about this, we want one each, our own box. The box is adapted to give certain indications. If there is anything in the box for the courier to take up, the box is set in a certain position. If the courier puts something into the box he places it in another position and the people in the house can see that there is something for them and the boy or girl goes to the box. The payment of $3 is once for all, then the box belongs to the man who purchases it. The upshot of the whole thing is that every man has got a post office at his door. The courier has with him booklets of stamps and he sells the stamps to the farmers so that they have at home all of the postal facilities they require. More than that, they have the right to receive registered mail from the courier and give him registered mail. It amounts to this that it is a small post office at the door of every farmer in the country.

Mr. MARCIL: Would the parcel post be applied to this service.

Mr. PELLETIER: That is a big question, it is an obstacle in our way. The boxes are too small to include parcel post.

Mr. MARCIL: Would the courier accept parcel mail?

Mr. PELLETIER: Of course he will, but it will become a question of price. He has contracted under certain conditions to carry certain mails. If the weight is doubled, we may expect some complaint for an increase in price, but we shall try to do our best.

Mr. LAW: Does not the minister think that the percentage of fifty-one per cent on the route is too high?

Mr. PELLETIER: No.

Mr. LAW: In my own county I found sometimes that it was difficult to get that many to take the boxes at $3 each whereas if the percentage was reduced to say twenty-five per cent then they could start the route and others would be likely to come in later on; like the measles, it would be catching. I have always thought that the percentage of fifty-one per cent of the people living on the proposed mail route was too high. Is it the custom of the Post Office Department to close the post offices on the rural mail routes? I find some opposition to that, the people do not like to have the post offices closed, and as the postmaster gets only $35 a year, it does not involve a heavy expense on the Post Office Department. I was glad to hear him say he intended to raise the minimum salaries of postmasters.

Mr. PELLETIER: The two questions go one with the other; they are very closely connected. If we were to lower that minimum to 25 per cent we would not be able to close the small post offices which now exist along the mail routes, because 75 per cent of the people would still have to deal with the post office. The policy of the department is, at every point, where possible, to do away with the small office, and to deliver the mail to everybody under the rural mail system. We find now that we have our hands full with the 51 per cent minimum, and I do not hesitate to say—this is no reflection on anybody—that where there is only 25 per cent of the people, we had better wait until we have 51 per cent.

Mr. LAW: But when a rural mail delivery is established on a certain section, and the post office is closed, and several people in that section are too poor to pay $3 for the boxes, those people are absolutely debarred from post office privileges. I think it is a great mistake to close these post offices simply because of the rural mail delivery. I am really surprised to hear the Postmaster General say there are so many applications that they cannot be filled.

Mr. MACDONALD: What percentage of people on a mail route must avail themselves of the rural mail delivery before the Postmaster General proceeds to close the office?

Mr. PELLETIER: The rule is that we close the local office when the rural mail is established. We have to make some exceptions sometimes, but we hate to make them, and we only do so in special cases.

Mr. HUGHES (Kings, P.E.I.): Is the system found to work as well in sparsely settled districts as in thickly settled districts, and how many people to the mile

are necessary before the route is established?

Mr. PELLETIER: It works infinitely better in thickly settled parts.

Mr. HUGHES: Is any number of people to the mile required?

Mr. PELLETIER: It is not necessary that there should be any number to the mile provided there are 51 per cent of the people living on the route.

Mr. LAW: Did I understand the Postmaster General to say that these mail routes cannot be established except on existing mail routes?

Mr. PELLETIER: That was the old policy, and it has been changed. We establish mail routes now wherever they are asked and where, in the opinion of the branch of the department, the local conditions justify them.

Mr. SINCLAIR: What would the Postmaster General do in the case of a long mail route, say 60 miles in length, where the work is performed by one contractor? There might be places along the route where the settlement is not thick enough to justify a rural mail system. Would he break up the mail contract and adapt himself to the circumstances of the country?

Mr. PELLETIER: We give notice to the contractor, but we do not establish mail routes so long as that. They have to be established in such a way that the same courier is able to go over the whole route in a comparatively short time and do it regularly, so that the people know the hour at which the courier will reach a certain point. The courier does his best in that respect, but of course he is not always on time, especially when the roads are bad in winter.

Mr. LAW: Is the remuneration to the courier the same, one dollar per box?

Mr. PELLETIER: The courier gets a dollar per box, and the department pays that. The local man, the farmer, has only got to pay the price of his box, and he gets the service for nothing. I think I have covered pretty well all the remarks made by my hon. friend from Rouville (Mr. Lemieux), but there is the matter of newspaper postage which was touched upon by my hon. friend from South York. I may inform him that the department is at work on this question, and I think I may say that what he has said this afternoon will help us in the good work we are trying to do. I do not believe that the Post-Office Department should carry newspapers which are only for advertising purposes or something of that kind at the price we are carrying them now. I do not want to go into more details just now. This matter is at present under consideration in the department.

Mr. HENDERSON: I understand that the department has fixed the allowance to the courier at $30 per mile over the route that he has to go, that is to say, if it is a twenty mile route, he will get $600, and, in addition, a dollar for each box on the route. If the courier can succeed in increasing the number of boxes on his route, he will get so many more dollars. That dollar is paid by the department, and the farmer pays nothing except $3 for his box. I am under the apprehension that the minister will have to increase that allowance of $30 per mile. No doubt he has succeeded already in getting a good many couriers to undertake the work for $30 per mile, but the complaints are somewhat serious, and I have the impression that when the time comes to renew those contracts he will find himself unable to do so. The demand will be for more money, because the consideration is certainly too small. If the parcel post branch is to be added, he will have to add a good deal more to the remuneration which the courier gets for his work. I wish to warn the minister, because my experience in the country is that there is serious complaint as to this remuneration of $30 per mile, and I fear that either he will have to increase the remuneration or we will have to go back to the old system. In my county we have perhaps eight or ten routes opened up. The minister will remember that in one case he advertised for tenders and the lowest was $900, in fact it was the only tender. I wrote and asked the man whether he was aware that he would get $1 per box in addition? He was not aware of that fact, but he said that in view of that extra amount he would reduce his tender by $100. The then minister refused to enter into a contract because the tender exceeded the rate of $30 per mile. The result was that the route has not been opened up, although there was an urgent demand for it. I believe the minister has consented to make a special case of that for reasons which I explained to him, namely, bad roads and hilly roads. There are conditions that must be taken into consideration. You cannot have an absolute rule for all routes because some are much more difficult to travel over than others. I think that the route I referred to is a route of only about 20 or 22 miles and, if not in operation now, will be in operation in a day or two, and the people are very grateful for it. In regard to the closing of offices, a question has arisen as to the closing of the leading office on that particular route. I asked a gentleman who lives close to one of the post offices, because there are three, if it

would inconvenience the people if that post office were closed. I had an apprehension that it would. This gentleman made a careful calculation and he discovered that there were only a few people who would not be supplied by the rural mail delivery, and for the sake of these people he desired that the office should not be closed at once. The department have very kindly agreed that they will keep that office open until we advise them that the people will be able to get accommodation in one way or another. I think they will be perhaps in a few weeks or few months. At any rate, the people of the country will have to be very considerate and assist the department in bringing about this rural mail delivery if it is going to be a success. I found that the better plan was to have a man from the inspector's office in Toronto go out into the township and assist the people in laying out their routes, have the boxes subscribed for and then call for tenders. They are getting along very well. There is serious complaint about the small consideration that is being allowed the couriers. It is kept down to $30 per mile. I feel assured that the minister will have to pay a little more liberally at the expiration of four years if he is going to have these couriers extend their contracts. The people must take an interest in it; otherwise the Government would hardly be able to carry it on.

Mr. PELLETIER: The average length of the rural mail routes is 25 miles. The rates of $30 per mile is not a hard and fast rule. My hon. friend and I have had to fight about that matter.

Mr. HENDERSON: We had a good fight too, and I got the best of the hon. gentleman.

Mr. PELLETIER: Yes, we fought like friends, I fighting to reduce the price in the interest of the public and my hon. friend fighting to have his electors given a better price. I thought we were doing what was reasonable, and I found my hon. friend very reasonable. His case was a special one.

Mr. HENDERSON: Yes, the mountain road.

Mr. PELLETIER: We made inquiry about what my hon. friend told me—his word is as good as his bond—and we were able to agree in the end. We are trying to keep down the price as much as we can, because the increase in the expenditure for this rural mail delivery is going to be very heavy, and we cut every dollar that we possibly can.

Mr. LAW: Are not the mail delivery routes put up to tender and contract?

Mr. HENDERSON.

Mr. PELLETIER: Yes.

Mr. NESBITT: Does not the minister find that there are contracts on a lot of routes at a good deal less than $30 per mile.

Mr. PELLETIER: Very rarely. It is oftener above. In some cases it is as my hon. friend states. We find that in some cases people will tender at $15 a mile, but that does not happen very often. That usually happens in the case of a man who wants to get the contract at any price and be able to look at the other man and say: I got the contract over your head. We generally give him the contract, if he is responsible, and he is stuck in the end.

Mr. HUGHES (Kings, P.E.I.): Have you ever raised the price after the contract has been entered into?

Mr. PELLETITR: Not as a rule.

Mr. HUGHES: Is the contractor obliged to carry out the contract?

Mr. PELLETIER: Sometimes his securities will write to the department and say that they do not wish to continue their bonds and we will have endless trouble about it. In some cases we consent to cancel these contracts, but we keep the contractor to his contract as long as we can do so without losing money.

Mr. HUGHES: And then you call for new tenders?

Mr. PELLETIER: Call for new tenders if the amount is over $200.

Mr. NESBITT: It is only decent that I should say that the rural mail delivery system has worked remarkably well wherever it has been tried. There are little troubles sometimes, and the minister is doing the best he can to overcome them. All these little things will arise, and if members who talk about them will look into the matter, they will find they can overcome them. I think the service is getting on remarkably well considering the time it has been in existence.

Mr. PELLETIER: I am glad to hear that, and I think there is occasion to pay a compliment to the very good man that we have at the head of the branch and who is doing his work well.

Mr. CHISHOLM (Antigonish): What has been the fate of the application made for a rural mail delivery service between Merigonish and Malignant Cove, and why has no contract been entered into for the carrying of the mail there?

Mr. PELLETIER: The superintendent of the branch tells me that the route is so long that it would be difficult to have the contract carried out unless the contractor travelled at night.

Mr. CHISHOLM: Has any contract been entered into for the carrying of the mail between Merigonish and Malignant Cove, if so, what is the amount, and who is the tenderer?

Mr. PELLETIER: I am not able to give my hon. friend that information at the present moment. The superintendent will have to look into the matter, and I will have the information for my hon. friend at the next sitting.

Mr. CHISHOLM: Perhaps, in view of the remark which the Postmaster General has made, I might get the information if I called at the department on some later occasion?

Mr. PELLETIER: Certainly.

Mr. CHISHOLM: Tenders were called some time ago and the contract was not awarded. I was given to understand that it was under consideration for some reason. Why has the contract not been awarded?

Mr. PELLETIER: My hon. friend will be welcomed by Mr. Bolduc, the head of the branch, if the contract has been awarded. If the contract has not been awarded, the policy of the department is to keep these matters secret until the contract has been awarded.

Mr. CHISHOLM: May I ask the minister if he is going to cut this route into two?

Mr. PELLETIER: We will have to give the hon. gentleman the information.

Mr. MACDONALD: With reference to that particular mail route, a proposition was made to divide the route as it at present exists between Merigonish and Malignant Cove for the purpose of rural mail delivery at a place called Lismore or Knoydart. I would like if the minister would give the information to my hon. friend from Antigonish, and in this way advise me in regard to this particular phase of it.

Mr. PELLETIER: Yes, when the matter is closed up, the superintendent of the branch will give the information to the hon. member for Pictou as well as the hon. member for Antigonish.

Mr. MURPHY: As the superintendent is here, perhaps my hon. friend could inform me as to the cause of the delay in putting into operation the rural mail service between Daniston and the city of Ottawa, in the county of Russell. I understand that the contracts were received nearly two months ago, that everything was regular and that the people were given to understand that the route would be put into operation at an early date. That has not been done. Could the minister give me the reason?

Mr. PELLETIER: The superintendent informs me it is because the tenders are too high.

Mr. MURPHY: Will new tenders be invited?

Mr. PELLETIER: In such cases the inspector is entrusted with the task of trying to find, either from the men who have tendered or from somebody else, somebody who will take the contract at a lower price. The policy of the department is to write the local inspector, who then tries to get a price which the department can pay.

Mr. MURPHY: I am glad to get this explanation from my hon. friend, because a great many people in my constituency are under the impression that the gentleman who was my oponent in the last election was the cause of the delay. I am glad to find that their suspicions are unfounded.

Mr. PELLETIER: The hon. member for Russell should not complain, because his county has been well treated.

Mr. MURPHY: I have no complaint in this regard.

Mr. PELLETIER: The hon. member for Rouville (Mr. Lemieux) has referred to Colonel Bourke, who was dismissed. It is true that I received a recommendation of Colonel Bourke from the hon. Minister of Militia (Mr. Hughes), and I put this recommendation before the member for the county (Mr. Lamarche). The hon. member for the county told me that to his personal knowledge this gentleman had taken an active part in politics. It is a well-known rule, adopted by both parties, that when an hon. member says that to his personal knowledge this has been done, his word is accepted. I have followed that rule in this case.

Mr. MARCIL: Last night I made a few allusions to dismissals in my county. I did not ask for any mercy for any of them. They have taken their medicine as best they could. I would like the hon. minister, however, to look into one case, that of a woman who was dismissed, Madame Marcotte, of Nouvelle West, Bonaventure. She is a deserving woman with a large family, and has kept this office for a number of years. It was formerly held by her husband.

Mr. PELLETIER: The deputy minister is making a note of it.

Mr. LEMIEUX: In regard to Colonel Bourke, the minister says that the hon. member for Nicolet (Mr. Lamarche) in-

sisted on the dismissal of Colonel Bourke, on the ground that he had personal knowledge of his admixture in politics. When stating the case this afternoon, I forgot to read a letter from the hon Minister of Militia, under date of July 18, 1912. This is the letter:

My Dear Colleague,—I am in receipt of a communication from Colonel L. P. H. Bourke, commanding the 80th Nicolet Regiment in which he states that some person is working to have him removed from his position as railway mail clerk, on the ground that he took an active part in politics.

I have made inquiry and find that this officer has not taken any part in politics, and I would respectfully request that, before he is dismissed from his position as a railway mail clerk, full inquiry should be made in connection with the matter.

I may say that so far as his military record is concerned, it is of the best.

Please have a full inquiry made into this matter, and oblige.

Faithfully,
(Sgd.) Sam. Hughes.

I do not know whether an investigation was held. Colonel Bourke says that there was no investigation; but Mr. Lamarche, who ran as a Nationalist candidate in the county of Nicolet, exacted from the hon. Postmaster General that this gentleman should be dismissed, in spite of the recommendation of the hon. Minister of Militia. I leave the people to judge of the facts.

Mr. J. H. SINCLAIR (Guysborough): In regard to the rural mail routes, it is pretty clear that the present system is not suitable in the case of long routes. Some new system ought to be adopted that will give better service in localities of that character. They are generally localities which have not the advantage of railway communication. As the minister is anxious to do his best for the country districts, I would suggest to him the importance of providing that automobiles should be used on these long routes. The post offices might be put a little closer together than they are in some places; and, by the use of automobiles, parties living a long distance from the railways would have the advantage of quick delivery of their mail. I have a number of such cases in my own constituency. There is one case where the mail has to be carried from the station of Heatherton to the town of Canso, a distance of sixty miles. There are other cases, such as from Antigonish to Sherbrooke, a distance of forty miles, and from Antigonish to Isaacs harbour, also about forty miles. These are very good roads; and in the summer season the trip could be made in two or three hours with an automobile, whereas by the slow coach service which we have at the present time delay occurs, and the people on these routes do not get their mail from Halifax until late in the night or perhaps the next morning. In the winter season, there might be difficulty about using automobiles; but I think, with a little extra amount put in the estimates for accommodating these places, the hon. minister could do a great deal towards improving the service.

Mr. HAZEN: How would automobiles do in the winter season?

Mr. SINCLAIR: I understand that automobiles are run successfully through the snow in many cases; and, in a winter like the last one, I do not think there would be any trouble. Horses could be used in the winter season, if necessary. Livery men find plenty of use for their horses in the summer, but it would suit them very well if we used automobiles in the summer and horses in the winter, because that is the time when they have little use for their horses for other purposes.

I wish to protest against the hon. minister assuming the right, as I understand he does, to cancel mail contracts. I submit that he should not cancel a mail contract that has been obtained through fair competition in the open market. If a contract has been obtained by political favour, through the recommendation of some politician, I would have no objection to the minister cancelling it if he sees fit. That, however, is not the kind of case to which I refer. I refer to cases where advertisements are placed in the newspapers; where tenders are asked for; where a number of people submit tenders and where the lowest tenderer secures the contract. After having secured the contract, he goes to a great deal of expense in order to carry it out properly. He has to obtain horses and coaches; he has to find bondsmen that he will carry out his contract for four years. The contract is signed. An election comes along and the administration is changed. A new Postmaster General takes the place of the old one; and he assumes the right to cancel the contract, and turns the man adrift. This man accordingly loses a large amount of money. I have a case of this kind in my mind. I understand the minister has disregarded these contracts altogether. A number of cases have occurred throughout this country in which that has been done. Questions have been asked in the House during the present session, and I was very much surprised to hear the hon. minister give the reason that the contracts contain a clause that enables the Postmaster General to cancel it when he sees fit. Everybody knows that that is an ordinary clause in Government contracts. I suppose my hon. friend the Minister of Public Works (Mr. Rogers) does not make a single contract for the erection of a public building, or a wharf, or a breakwater anywhere in Canada without insert-

ing a clause in it, that by notice he will have the right to cancel it, and that the contractor will have no right to damages. It is not intended that a minister should enforce a provision of that kind for political purposes.

Everybody knows that Parliament has very large powers. We have the power to take the property of John Smith and turn it over to John Brown. But does the minister say that because he has the power to take a contract away from a man who has obtained it honestly and in open competition, that he ought to do it? I say he ought not to do it. The case I refer to is the contract of Mr. Matthew McGrath, who was the contractor for carrying the mails from Sherbrooke to Sheet Harbour, a distance of eighty or ninety miles—a very large contract. I asked the question in this House recently why this contract was cancelled, and this is the answer I received from the minister:

Mr. McGrath was paid $3,334 per annum, and his contract was not cancelled. It contained a clause that it should be terminated by giving three months' notice. This notice was given and tenders were invited.

The statement that a contract was not cancelled was a quibble. The contract was cancelled. This contract was formally entered into with Mr. McGrath, and Mr. McGrath furnished his horses and coaches to perform the service. And, so far as I know, no complaint was made about the service. He furnished sureties, and no complaint was made about these. But the minister had the power to cancel the contract, and he cancelled it. The same reason has been given to other hon. gentlemen who have inquired with regard to other similar cases. Why did the Postmaster General cancel the contract in this case? He did not save anything for the department by doing it. As a matter of fact, he told me on the same occasion that he had let the contract to a man named Cameron, a very active political friend of his own, at about fifty dollars more than he was paying Mr. McGrath. The service is not performed any better, and Mr. McGrath has been put to very great expense and loss, and he seems to have no redress. And all this, forsooth, because he was suspected by some people of having favoured the Liberal party, although he himself claims, I believe, that he is a supporter of the Postmaster General. This is only one case; I understand there are hundreds of such cases since the change of Government. This is not a case of a post office. A post office is supposed to be a gift of the Government, and if this Government is disposed to embark on the spoils system and take away from the person who holds it, a post office given by a previous Government, I have no complaint to make; they will have to justify that before the country. But this is a different case. We ought to respect the sanctity of a bargain. The hon. gentleman has appealed to our sense of justice to-night. When he found a contract in his department regularly entered into, he says by his predecessor, he did not cancel it. He was very careful. He went to the Justice Department and got an answer from that department that enabled him to continue that contract. Why does he not go to the Justice Department in the case of poor mail carriers who are Liberals, and who got their contracts honestly? Instead of doing that, he runs his pen through their contracts and turns these men over to the wolves. That is the justice people get from the present Postmaster General.

Mr. JAS. ARTHURS (Parry Sound): The hon. member for Guysborough (Mr. Sinclair) seems to have quite a complaint against the Postmaster General, and he is supported by the hon. member for Rouville. I have a case in my riding where, under the late Postmaster General, a man was awarded a contract which was regularly entered into, and on eight hours' notice he was told by the department that his contract could not be carried out.

Mr. LEMIEUX: Where was that?

Mr. ARTHURS: Between Powassan and Nipissing.

Mr. LEMIEUX: What year?

Mr. ARTHURS: In 1909 or 1910.

Mr. SINCLAIR: Can the hon. member say that that contract was obtained by public tender?

Mr. ARTHURS: Absolutely, and after public advertisement. And this man had absolutely no redress. I brought the matter before the former Postmaster General, and there was no redress.

Mr. SINCLAIR: What was the amount?

Mr. ARTHURS: It was $500, or $580; I could not say exactly. The man had gone to the expense of procuring horses and rigs for the service. So, we see that these matters are not confined to one side of the House. In the case brought forward by the hon. member for Guysborough, the man had three months' notice while this man had but one-third of one day.

Mr. SINCLAIR: The non. gentleman agrees with me that the system is wrong, and he should not support the present Postmaster General—

Mr. ARTHURS: It is not so much wrong now as it was before.

Mr. PELLETIER: The Fawns contract,

I may point out, did not contain the three months' clause, and so the cases which the hon. member for Guysborough seeks to compare are not at all similar.

Mr. W. M. GERMAN (Welland): I asked the hon. Postmaster General a question with regard to the contract concerning stamp-vending machines to which he has referred. I have looked over the copy of the contract made in 1911, and also the supplementary contract of 1913, and I really cannot see anything in the contract of 1911 which a minister of the Crown should not have signed. There is nothing in the contract derogatory to the Government or to the minister—nothing which the department should not have executed. It is a perfectly good contract so far as the department is concerned. The Postmaster General must remember that these stamp-vending machines are expensive machines, and the licensee could not afford to put them out for public use under the terms of any contract which did not extend over a number of years. I know the machines, and I knew when the contract was entered into, and a good many of the circumstances surrounding it, though I had no interest in the licensee nor in any part of the proceedings. But I knew proceedings were going on, and knew long before they were begun that they were to be begun. There is nothing in this contract binding on the Government except to pay to the licensee the same percentage on the sale of postage stamps that is paid to every postmaster or vendor of postage stamps, and that is two per cent.

Mr. PELLETIER: We pay 1¼ per cent and 1½ per cent in some instances.

Mr. GERMAN: And you pay 2 per cent in some instances. In this instance you pay 2 per cent, and I think it is not an unreasonable percentage. It does not make any difference whether or not the hon. member for Rouville knew what the contract was, or whether or not he signed it. I am prepared to say there is nothing in the contract making it one that should not have been signed by the minister.

Mr. PELLETIER: Does my hon. friend think that any contractor should have the right to put any number of these boxes at any place of his own choice, or does he think the department should have something to say about it?

Mr. GERMAN: I think that under this contract the department has something to say about where the boxes shall be placed.

Mr. PELLETIER: Under the amended contract.

Mr. GERMAN: Under the original contract as well, I think. However, whatever may be the legal aspect of the first contract, the hon. minister himself has recognized the original contract, having signed this supplementary contract with the second company. If he has modified and changed the original contract so as to make it more in the interests of the public and more in the interests of the department, I am quite satisfied. Has the licensee substantially fulfilled the terms of the contract of 1911?

Mr. PELLETIER: I refused to grant the contract until the amendments were accepted by the company. There were months of discussion before we could bring them to agree to our amendment, so that they have not yet begun to erect the pillars.

Mr. GERMAN: That is what I am coming to. As I have said, I do not care whether the contract is good or bad; so far as that is concerned, the hon. minister has recognized the contract by his supplementary agreement. In the original contract the first clause provided that if during the first period of ten years the contract were substantially fulfilled it could be continued for another period of ten years. The only change my hon. friend made so far as that clause is concerned was to substitute the word 'properly' for the word 'substantially' in the seventh line. As a matter of law I cannot see the distinction between the words 'substantially fulfilled' and 'properly fulfilled.' If the terms of the contract are substantially fulfilled, they are properly fulfilled, and if they are properly fulfilled they are surely substantially fulfilled. Irrespective of that, however, what I desire to ask now is whether up to the present moment the terms of this contract have been substantially or properly fulfilled?

Mr. PELLETIER: Nothing has been done.

Mr. GERMAN: None of the machines have been located or installed?

Mr. PELLETIER: No.

Mr. GERMAN: Then does my hon. friend think that this contract is binding for the full period of ten years, if for two years of that period nothing has been done? This contract was entered into on May 20, 1911, and up to the present time nothing has been done. I would suppose, therefore, as a matter of legal construction, that the department could now cancel this contract. I am rather inclined to think that if my hon. friend would obtain the opinion of the Justice Department, he would be told that if he desired to do so he could now cancel this contract. It really does not make any difference whether it is cancelled or not, unless the department wants

to enter into a contract with somebody else. I cannot quite understand why my hon. friend is so greatly disturbed over this contract, which he says was entered into for a period of twenty years, and which in his opinion is a very bad contract, when he now admits that the licensee, for a period of two years, has done absolutely nothing.

Mr. PELLETIER: I do not read the contract as the hon. member for Welland does. Under this contract there is extended to this company, the privilege of selling stamps. There is no clause in the contract obliging these people to begin the sale of the stamps at any particular time. The privilege is extended to them for a period of twenty years, but they are not bound to commence operations now or a month or in a year. The fact that two years have elapsed and nothing has been done simply means to my mind that two years of the time during which the privilege is extended to them has gone. My hon. friend says that, nothing having been done, we could cancel the contract. I want to be understood as saying that nothing has been done so far as locating these pillars in the street is concerned, but these people have told us that they have spent thousands of dollars completing their organization for this work.

Mr. LEMIEUX: For Canada?

Mr. PELLETIER: So I am told.

Mr. LEMIEUX: Surely not; they have not erected one box.

Mr. PELLETIER: They have represented to us that it would be breaking faith to repudiate this contract now, because they have invested so much money in it. They are responsible and trustworthy people, and they told me in the presence of my deputy minister, and I think some of my colleagues in the Government, that they had made this large outlay.

Mr. MACDONALD: What for?

Mr. PELLETIER: I understand that they have paid $100,000 to Miss Fawns.

Mr. MACDONALD: That has nothing to do with it.

Mr. PELLETIER: These people, relying on the fact that this was a contract binding on the Government, have made certain expenditures. My hon. friend from Welland, whose legal opinion I respect very much, has joined the hon. member for Rouville in saying that this contract could be repudiated now. That may be all right, but we have the opinion of the Department of Justice, and besides, prominent lawyers in Toronto, including Mr. Lash, have been consulted.

Mr. GERMAN: This contract or license stands exactly in the same position as a contract entered into between two people with an indeterminate term. You have given a license to the licensee to do a certain thing within ten years, if they choose to do it. If they do nothing for two or three years and the department wishes to compel them to go on and do what they should under that license to keep it alive, then I submit, as a matter of law, you can make time of the essence of the contract by giving them notice that they must go on and exercise their right under that license or you will terminate it. You would have to give them notice that they must proceed under that license to do what they are desired to or you will terminate the license and I believe that is what the Justice Department would advise you.

Mr. PELLETIER: The hon. member will appreciate the fact that I myself took that position. In order to have the opinion of the Justice Department I wrote to the Minister of Justice on February 10 last, and I said:

You will please find enclosed copy of a contract entered into on the eve of the last general election by this department and one Miss Fawns. The fact that this contract was in existence was only brought to my knowledge a few weeks ago. It appears that Miss Fawns has transferred said contract and the transferee now wants it to be put into execution. I am afraid I cannot take the responsibility of letting this contract go into operation without having the opinion of the Department of Justice as to its legality. As you will see, the contract on its face looks like a kind of license for selling stamps, but it is much more comprehensive and it creates a monopoly, which, I think, is very much against the public interest. In the first place, it is a twenty year contract, and it is signed by the deputy minister of this department without the authority of an Order in Council. We never sign contracts in this department for more than four years. I do not see any authority for binding the department for twenty years without, at least, authority of an Order in Council. It is true that the first clause says that the contract is only for ten years, but it states that if the contract has been 'substantially' fulfilled it is to be extended for a further period of ten years. The words 'substantially fulfilled' are not those which the department has been using; our contracts always say they must be fulfilled to the satisfaction of the Postmaster General.

I then go into all the particulars of the objections I have to the contract and ask the opinion of the Justice Department whether this contract, signed without the authority of an Order in Council, is binding on me. The answer which I got from the Justice Department and which I read fully this afternoon, contains the sentence: I am unable to find any clear ground on which the contract could be repudiated.

Mr. GERMAN: Quite so, and I quite agree to that. That is not the point I am urging. I feel quite in accord with the Justice Department on that point as to the law, the department is bound. The point I am urging is that the department can now, by reason of the non-performance on the part of the licensees of their part of the contract up to this date, notify the licensees that they must immediately proceed to carry out the terms of that agreement or you will cancel the license after a certain specified time, say the end of this year, give them a reasonable time to carry out the terms of the agreement and if they do not do so you can cancel it. As I have said, under a contract in which there is no time fixed for execution, you can make time of the essence of a contract by notice and so you can give notice here.

Mr. PELLETIER: I do not disagree with my hon. friend in this respect. When this matter came up, not being able to repudiate the contract, I would have given them notice but my hon. friend may be quite sure that these people, who think that this is a profitable contract, would have set to work; they have been after us since last December or January asking us to allow them to begin their work.

Mr. GERMAN: Let them go on.

Mr. PELLETIER: We refused until they consented to these changes.

Mr. GERMAN: There is nothing in the contract that the department should not carry out; it is a perfectly good contract.

Mr. PELLETIER: There is something in it so bad that the hon. member for Rouville repudiated Dr. Coulter in reference to it.

Mr. GERMAN: I am not responsible for him.

Mr. LEMIEUX: My hon. friend is, as usual, in a corner, and tries to evade the question. I said that the objection to that was that they had given a private firm the right to advertise on pillar posts with the name of His Majesty and the coat of arms of the King. I think that should not be allowed.

Mr. PELLETIER: We have not done that.

Mr. LEMIEUX: My hon. friend says they have not done that. He says he has amended the contract to provide against that contingency. I read this in the amended contract signed May 22, 1913:—

17. The company agrees with the Postmaster General to give his department free use of spaces as they occur in the pillars for the advertising of Government annuities for a period of five years from date, the use of such vacant spaces by the Postmaster General to continue so long only as it is not required for occupation otherwise in the course of the company's business.

There my hon. friend is at the mercy of the company; so long as the company does not require the space, he can utilize it for the annuities system, but when the company requires that space, then the annuities system has to go.

Mr. PELLETIER: That is your work.

Mr. LEMIEUX: It is not my work, it is yours. Here is a contract that you should have annulled because the company or Miss Fawn did not live up to it. The contract is signed in May, 1911, and in May, 1913, she has done nothing, and you should have annulled the contract and done away with that obnoxious clause. On the contrary, you go to another firm in Toronto, the assignee of Miss Fawn, and insert a clause which you say is a beneficial amendment, but which in my judgment is not, because you are at the mercy of the company. That is the only objection I find to the contract, because if there was anything objectionable in the stamp vending machine I would never have introduced the legislation. This is the objection, I find you give the company the right to advertise where the name of the King is and where his coat of arms is.

Mr. PELLETIER: My hon. friend is wrong. In his contract, whether he signed it or not, in the contract signed when he was Postmaster General,

Mr. LEMIEUX: In the first contract.

Mr. PELLETIER: No, the contract—the company has the right to take the whole of the advertising space for itself. That is the contract made during my hon. friend's time. I have secured an amendment that when some of their space is vacant, instead of putting on some advertisements to fill the gap, they will allow our annuities advertisements to take their place. This means that under the contract as signed in 1911, we had no advertisement at all for our annuities on this stamp-vending machine, while now we have a chance of getting some of our advertisements on it.

Mr. LEMIEUX: Will the minister let me see the correspondence with the Justice Department?

Mr. PELLETIER: I have read it all.

Mr. LEMIEUX: I moved for those papers.

Mr. PELLETIER: My hon. friend moved for the contract, and it was brought down.

Mr. LEMIEUX: If there is nothing confidential in the file I would like to see it.

Mr. PELLETIER: I will have it copied right away, and it will be brought down before the end of the session.

Mr. GERMAN: The Postmaster General will admit that clause 17 in his supplementary contract is a new clause. The original contract had only 16 clauses in it. If he looks at the amended contract he will see added to clause 16:

However, the Postmaster General will not be obliged to accept such transfer,

&c. Then comes clause 17. My hon. friend the Postmaster General lays great stress on that new clause, but he only confirms the agreement of 1911, which he says was entered into without an Order in Council, and as to the legality of which there might be some question and adds a new clause to it. He makes the agreement of 1911, which otherwise might have been open to question, legal and binding by his supplementary agreement of 1913, and he adds to it a clause, for which he takes great credit to himself, giving a certain privilege to the department which did not exist in the agreement of 1911. That provision is for advertising space for Government annuities. How long is that advertising space allowed to the Post Office Department for the purpose of Government annuities? It is only for just so long as the licensee chooses to allow the Government to use it. The company could say, to-morrow we require that space for our own business, and you have to take out your Government annuity advertisement. So the privilege really does not amount to anything.

Mr. LEMIEUX: It is a gold brick.

Mr. GERMAN: No, personally I think the lease is a perfectly good one, one that the late Government might well have entered into, and one which this Government might well maintain. But I ask the Postmaster General to insist upon the licensee carrying out the terms of this provision and speedily, or else he should cancel it, which the department can do.

Mr. LEMIEUX: My hon. friend says that the $100,000 has been paid?

Mr. PELLETIER: The Deputy Minister says that it was sold to the company for $100,000.

Mr. GERMAN: How much did Miss Fawns get?

Mr. PELLETIER: I do not know.

Mr. GERMAN: She should have got the $100,000.

Mr. PELLETIER: It would have to be a pretty fat contract to pay $100,000 for it.

Mr. E. M. MACDONALD (Pictou): It seems to me that this whole business which has taken up so much time to-day, is a tempest in a teapot. The minister seems to want for some reason to make a great row in regard to a contract which he will not say is a bad one, and which apparently is all right in every particular so far as the interests of this country are concerned. As my hon. friend from Welland has shown in his analysis of the document, there was nothing in this amended proposition that warranted the minister making all the hurrah. There is nothing in it at all. Any one who has followed the discussion closely, as some of us have attempted to do, must realize that the Postmaster General was simply wanting to make a demonstration.

Mr. PELLETIER: I did not begin this matter.

Mr. MACDONALD: We ought to get back to the consideration of the vote that is before the House. There are other matters of importance in regard to which hon. gentleman on this side, and I assume on the other side, representing different parts of the country, would like to ask questions to obtain information from the minister. My hon. friend has been rather slow in bringing down information during the session. Hon. gentlemen on this side of the House have repeatedly moved for papers in regard to several matters, and we have had more trouble with the Postmaster General's department in getting them, than with any other department.

Mr. LEMIEUX: This is the first discussion we have had, and it is at the very end of the session.

Mr. MACDONALD: The trouble is that the papers moved for in many cases have not been brought down, and the result is that there is a lot of information that hon. gentlemen would like to have. I myself asked several questions during the session with reference to matters affecting mail routes in my county, and in almost every case the answer was that matter was under consideration. There were cases where contracts were summarily cancelled and given to other men, according to local rumour, at larger amounts than the previous contractors had received. I put a question on the Order Paper as to what had been done in regard to these contracts, but all the Postmaster General said was that the matter was under consideration. He indicates that the whole thing is of such tremendous importance that the policy of the department is against giving information, while he conjures up all kinds of objections to cancelling the contract we have been talking about all this afternoon. He has cancelled contracts upon which people had made expenditures in good faith. He has cancelled them right and left and with an utter disregard for the personal loss involved to the contractors and to the people locally affected.

I attempted a short time ago to get some information in regard to a rural mail route in my constituency. I had thought that while we had not been able to get any information by the ordinary mode of questioning, we would be able to get some to-day when the minister came to deal with his estimates. I would like to call the minister's attention to the contract between Pictou and West River in the county of Pictou, where the man who has had charge of the service for the past ten or twelve years recently received notice two months ago that his contract was cancelled and a new courier appears on the route who is said to be receiving two hundred dollars more than the old courier got. Would the minister tell me what is the position of matters in that regard and whether he has made a new contract?

Mr. PELLETIER: I could not say offhand.

Mr. MACDONALD: The minister has his officers there.

Mr. PELLETIER: The superintendent cannot remember without looking at the file. We will take a note of the question.

Mr. MACDONALD: I want to make this complaint that I put a question on the Order Paper a month ago why that mail contract was cancelled, the old contractor sent about his business, and a new contractor put in charge. It was reported locally that he was getting two hundred dollars more than any of the other tenders called for. I put my question on the Order Paper, but I could not get any information from the department. Now, when the estimates are up, my hon. friend tells me that he cannot give me the information.

Mr. PELLETIER: Was not an answer given?

Mr. MACDONALD: The answer was that the matter was under the consideration of the department. That is what the minister said in regard to other questions put on the Order Paper this session. My hon. friend is astute in regard to the method of keeping from members of the House information that we have a right to have before the estimates go through. How can we obtain from the Postmaster General an ordinary plain answer to an ordinary question in reference to a matter of detail in his department, and such as is given by any other minister? The Postmaster General cancels a mail contract to-day and apparently lets the contract to somebody else; yet he cannot tell us anything about it. You see published in the local press months ago a call for tenders for performing a mail service, you see a man performing this mail service, and an hon. gentleman puts a question on the Order Paper: Who is the contractor? We find that somebody is performing it temporarily, that the whole matter is under the consideration of the department and, that it is impossible to give full information now. That has been my experience of the hon. minister, and I am sorry to find that it is so. Let me ask him another question: What has become of the petition which has been presented for the extension of the rural mail delivery service in the county of Pictou between Pictou and West River station and intermediate points?

Mr. PELLETIER: My hon. friend will have an answer to-morrow. I am somewhat surprised at the remarks made by my hon. friend, that I am not answering questions. I think I have had more questions to answer during the present session than any three or four of my colleagues, and I have answered them to the best of my ability. I have done more than that. When members have not been satisfied with the papers brought down or the answers given and they have written to me and asked for further information, I have given it to them. The hon. member for Guysborough (Mr. Sinclair) will be my witness to that, as he is one whom I have in mind. I do not like to see the hon. member for Pictou taking that stand, because I am trying to give members the information which I am in duty bound as a member of the Government to give them. There may be one case; such as that to which my hon. friend has referred, where the information has not been given. It is not customary to give information when the matter of a contract is under way.

Mr. MACDONALD: My hon. friend has never answered one question that I have asked him this winter, and I have asked him seven or eight.

Mr. PELLETIER: I am sorry that my hon. friend has that impression.

Mr. MACDONALD: He will find them in 'Hansard.'

Mr. PELLETIER: Let my hon. friend ask hon. gentlemen around him if I have refused to give them information. When they have written to me complaining that some information was missing, or that they would like to get more details, I have answered their letters and given them the information. Had the hon. member for Pictou done the same thing, instead of reproaching me in such bitter language here, I am sure that he would have found me ready to do for him that which I have done for others.

Mr. CHISHOLM (Antigonish): I join heartily in the protest of the hon. member for Pictou; I think it is most timely and

well deserved. The Postmaster General and his department appear to be very generous and well disposed at this stage of the session, but I can bear testimony to the fact that the reports and returns have not been brought down as promptly as they should have been. There was an order issued on the 14th February for the production of papers in reference to the dismissal of the postmaster at Arisaig, in the county of Antigonish, and the appointment of his successor. The correspondence cannot be very extensive, as the department deals summarily with Grits in my constituency. Why the delay in obeying the order? I saw in perusing some of the returns that came down that a considerable portion of the correspondence had been suppressed. I found references to the complaints that had been made to the secretary of the department addressed to him by persons in the locality demanding dismissal, but the file brought down does not show what the complaints, or who the complainants were. I wrote a personal letter to the minister a few ago, failing to get any satisfaction from the department, to call his attention in which there had been omissions and he was kind enough to acknowledge my letter and state that no doubt the papers in question had been omitted because of an oversight in the department. He gave me the information required in one case, but in the other case he has not given it yet.

Mr. PELLETIER: Well, I did it in one case anyway.

Mr. CHISHOLM: Yes, and I am willing to give credit where credit is due. The trouble is that the Postmaster General and other ministers have got the idea in their heads that they are the rulers of the country and that pretty nearly half the people who are Liberals can be treated as slaves. They cancel contracts right and left, they dismiss postmasters and they do not attempt to justify themselves on grounds of decency or morality, but simply say: We are in, you are out, take your medicine like men and do not squeal about it. Let me call the attention of the Postmaster General to the manner in which contracts are awarded. The system by which tenders are called for is the greatest farce in the land. The object of the Postmaster General is to discourage tender from persons who are Liberals. I will call the minister's attention to the fact in connection with the contract for carrying the mail between Linwood station and Linwood post office. I find that on the recommendation, not of a sitting member, but of the sub-Tory committee in the district, the contract was given to a new man after the expiration of the then existing contract. It has been the custom in the department that, where the amount is small, the contract will be renewed at the same figure with the same contractor. It has not been the custom in the past to give it to a new man, even if the amount is under $200, without calling for tenders. In this case no tenders were called for. The man, who was in charge of the patronage, and who is now Senator Girroir, writes to the department in effect as follows:

With regard to that service, I want you to give the contract to one David Delorey instead of to Mr. Décoste, the late contractor.

Against Mr. Decoste a complaint was never made; yet Delorey must get his little job. I find another case on file here, a case of the service between Beauly and St. Andrews. There were three tenders in this case. I am not complaining of the man who received the contract; I am complaining of the system. The tenders were as follows: A. T. Chisholm, Beauly, $130; Wm. W. Chisholm, Beauly, $135; Michael Punch, Beauly, $140. The department writes virtually suggesting: Do you want us to pass over these tenders—in other words, who are our friends? On the 23rd of May, 1912, the deputy Postmaster General writes to Mr. E. Lavin Girroir:

I have your letter of the 16th instant, in which you ask that the contract for mail service between Beauly and St. Andrews may be given to Michael Punch, at $140. Are there any reasons of a public nature which would justify the department in passing over the two lowest tenderers? If so, will you kindly state them. It will be necessary, however, for Mr. Punch to reduce his tender to $135. Would he be willing to do this.

The letter which Mr. Girroir wrote on May 16, 1912, is as follows:

I received your letter some time ago, advising me of tender with respect to the mail service at Beauly and St. Andrews. I think the lowest amount offered for the service was $140. It would be in the public interest to award the contract to Mr. Michael Punch, one of the tenderers, at that amount. He will do the work for $140.

In the first place, Mr. Michael Punch was not the lowest tenderer; he was the highest. Mr. Girroir writes to the department asking that the contract be given to Mr. Punch, and the department writes, saying: 'Is there any reason of a public nature which would justify the department in doing so.' It suggests that a reason be provided. This is the reason:

I have your letter of the 20th instant, in which you ask me if there are any reasons of a public nature which would justify the department in passing over the two lowest tenders for this route. I have referred this matter to the district committee and they inform me that the lowest tenderer did not give a satisfactory service on another occasion when he held the contract for carrying

the mail in this vicinity and that they are willing to see the contract go to either of the next two. Mr. Punch will reduce his tender to $135.

The man who was the lowest tenderer never had a contract there at all, and never was engaged in any mail service of any kind. When I got this correspondence, I wrote him to ascertain if he had been engaged in a service of this kind and if there were any complaints about him. He stated that he never had a contract in his life for carrying mails and that the statement in Mr. Girroir's letter was absolutely foundationless. I heard ministers state in the House last session that their policy was that, where a member made a recommendation or where the defeated candidate of his own knowledge vouched for the accuracy of his statement and recommendation, they would act on it. That is very proper. In this case, the defeated candidate was passed over and the patronage was placed in the hands of a local committee. The defeated candidate was a reputable man who would see that justice was done but that a Tory got preference every time. At the same time he had a sense of justice and he would not be a party to an arrangement of this kind.

Mr. SINCLAIR: What side is Mr. Punch on?

Mr. CHISHOLM: He happens to be a Conservative. But I have nothing to say against him on that score or any other. What I am complaining of is that though his tender was the highest, yet the contract was awarded to him on the recommendation of the district committee. The effect of this action will be that no Liberals will put in tenders at all, because the department will award the contract to its own friends by getting the friend to come down to the amount. It is simply making a farce of the tender system.

I have another case, the contract with respect to the carrying of mails from Antigonish to Livingstone Cove. They played fast and loose with that. The lowest tender was several hundred dollars—I speak only from memory here—below that of the man to whom the party wished to give the contract. They sought to find excuses. One was that the man who tendered himself had no real estate in his own name. That is no justification. Although he had no property, he might be an honest, upright man. What are securities for? Why do you ask that a bond be given? This man was ready and willing to give other securities if the ones proposed were not satisfactory; offered unquestionable security and the department were at first disposed that that should be done; but a letter of the kind already referred to was written on June 29, 1912, by Senator Girroir.

I have not heard from you with respect to Livingstone Cove mail service route. You will remember that I wrote you sometime ago expressing a desire that this contract be awarded to Mr. Angus McPherson and alleging that McAdam, the lowest tenderer, was not a man of means and that he would not be in a position to give a good service. I am writing the minister to-day about the matter also, in order that he may give it his consideration at the first time with you.

I trust that there will be some way of arranging this contract for McPherson, as the public generally are desirous that he obtain it.

This is addressed to the deputy minister. You will observe that, knowing the department as he did, he has no hesitation in asking a scandalous request, a dishonest suggestion. I asked for the correspondence with respect to the Antigonish and Livingstone's Cove contract. I do not think it has been brought down; but if it has I did not observe the reference to which I find in that letter which has already been read. It only shows that it is unfortunate for even a senator to write on two subjects in the same letter. They held that service up for a year, and they were paying an extra amount to the contractor that they might find an excuse to pass over the lowest tenderer and give the contract to one tendering at a higher rate. I was going to refer to the way the department is imposed upon. It takes information from sources that are absolutely not reliable—intentionally or not it is not for me to say. But I pass that over on this occasion. There is another case I was going to refer to but I will not do so—the Heatherton and Guysborough contract. This is one of the most scandalous cases of juggling tenders ever heard of in this country. If this is to be the policy, it simply means that no Liberal will tender. But if it is to be the policy, let us know. Why pretend that you are awarding contracts in an honest and business like way, when, as the correspondence shows, your sole purpose in calling for tenders for mail contracts is to make arrangements for party friends, whilst pretending to do business in an open, fair and business way. It may be charged that sometimes when we were in office we did the same thing, but that is no answer. My experience in that respect has been that where the tenders were at the same figure, or practically at the same figure, the Liberal was given the preference. But I do not know of a case under the late Government where tenders were called for, and a Conservative happened to be lower than a Liberal, and the contract was awarded to the Liberal. I have had cases in which I thought the contract should be given to the man next to the lowest, not because he was a Liberal—though he happened to be a Liberal, as a matter of fact—but be-

cause it had been represented to me that he was in the business, and was better equipped to ensure a satisfactory service, and I thought that as there was only a small difference between them the lowest should be passed over, yet the late Postmaster General invariably turned me down. Perhaps it was because I had not enough influence; I only give you the facts. But what I protest against is that even in these small contracts tenders are called for and then these tenderers are practically ignored, and the party friends' interest primarily considered.

Mr. W. F. KAY (Missisquoi): I would like to bring to the attention of the Postmaster General the cancelling of the contract in the county of Missisquoi held by J. C. Beeman, the carrier between St. Armand station and Frelighsburg. I think that perhaps it would be a good thing for the department to state that when calling for tenders that no Liberal need apply. For when a Liberal enters into a contract, even though he goes to great expense in buying horses and rigs and though his contract is for four years, he suddenly finds that contract cancelled. In this case the contract was entered into on the 1st of January, 1912, between the present Postmaster General and Mr. J. C. Beeman. Had the Postmaster General known then that Mr. Beeman was a Liberal he would not have given him the contract. But, not knowing it, he gave him the contract as the lowest tenderer. It was not brought to his attention that Mr. Beeman was a Liberal until May. In May of last year there was a provincial election and the postmaster was dismissed and replaced by a good Conservative, of course. But he did not think this office was large enough for him and so he sought the mail contract also. So, Mr. Beeman was notified that there was a complaint against him that he had deposited Liberal campaign literature in the mail boxes. He denied that absolutely.

Mr. PELLETIER: But it was a fact.

Mr. KAY: It is a fact that the literature was there, but it is not a fact that it was put there by the carrier. It was put there by friends of the man who wished to get his job. I desire to read to the committee the letter which, I suppose, clinched the matter in the mind of the Postmaster General:

Hon. L. P. Pelletier,
Postmaster General,
Ottawa.

Dear Sir,—The inclosed is a sample of the literature which is being inclosed in the daily papers by J. C. Beeman, the courier, mail route No. 1, St. Armand Station, Frelighsburg, and inclosed in the mail boxes. This particular one was in J. E. Smith's box on the said route on Monday, May 3rd, 1912. A memorial will follow with interested signed by Conservatives, asking for his immediate removal, for after what has transpired an investigation must be held. For are we Conservatives to he held up to ridicule by the said J. C. Beeman in the employ of the Government, who has and does exhibit to parties who can be named, a letter written by an official of the postal department, a letter which states John Kraus was the cause of certain trouble in the said routes. Dear Sir, whatever cause or trouble I have given the Postmaster General, I am sorry, but doubt the assertion, for it was merely a matter of justice, or are we to be throttled by certain under officials into silence because as a matter of fact, simply officials who were Liberal henchmen, advocate reciprocity upon all favourable occasions in the past up to September 21, 1911, then donned the cloak of the gentle lamb that he might vent his wolfish envy in a more spiteful manner, for it is my intention of probing this to the end, and in the meantime the statement of others will follow.

Very sincerely yours,
(Sgd.) John Kraus,
Frelighsburg, Que.

It seems to me that that is hardly enough evidence on which to cancel a contract which has run for only four months. But Mr. Pettie wished to get this job, and he signed the affidavit I have read. And there is also the letter of Mr. France who has had a long standing feud with Mr. Beeman. It is perfectly clear in my mind that this Liberal literature which did so much harm to the Conservatives in the last provincial election was placed in the boxes by the Conservative farmers along this route. I would like to have a little explanation from the Postmaster General of this case. Did he have any other evidence than that contained in the papers brought down?

Mr. PELLETIER: This is the case of a contractor who knows or ought to know that anything that is carried as mail matter ought to be paid for. We have in the record absolute proofs that this carrier took these pamphlets—this Liberal literature of the Quebec Government, as my hon. friend calls it—and distributing it in the boxes as he went along. This was a fraud; it was against all the regulations of the department, and deprived the Government of the legitimate revenue which these papers would give to the department if mailed in the regular way.

Mr. MACLEAN (Halifax): What is the regulation prohibiting that?

Mr. PELLETIER: The provision that postage stamps have to be put on these papers.

Mr. MACLEAN: If they were not mailed there would be no loss so far as postage stamps are concerned.

Mr. PELLLTIER: If they are not stamped and mailed, and if the carrier performs the service of distributing them, I think he does not fulfil his duty. He deprives us of the revenue which we would receive if he himself as our contractor did not distribute that literature, which should go through the mails. It seems to me there cannot be any doubt that the man should have been stopped from doing this and should have been punished for having done it.

Mr. KAY: Has the hon. member any further proof of this than that contained in this return?

Mr. PELLETIER: There were the affidavits.

Mr. KAY: Affidavits from men who wanted a job; I do not think they are worth very much.

Mr. MACLEAN (Halifax): The fact remains that since the Postmaster General has administered the Post Office Department, he has frequently cancelled mail contracts before the expiration of the period of the contracts, upon the ground of partisanship. I submitted once before in this House—and I think the position taken was sound—that the Postmaster General has no right to cancel mail contracts because of any act of partisanship on the part of the couriers. I can conceive of some acts on the part of a mail carrier which perhaps might deserve punishment in the nature of the cancellation of his contract, but I would like to ask the Postmaster General upon what principle or upon what theory he justifies the cancellation of a mail contract merely because the carrier is a partisan? Why should not the mail contractor canvass on his mail route during the election period, provided it does not interfere with the performance of his duties?

Mr. PELLETIER: It does interfere with his duties.

Mr. MACLEAN: He secures that contract by public tender; he is under bonds to perform his duties under that contract, and that is all this country should require of him. The Government of Canada should not expect a man to refrain from active participation in any work on behalf of his political party merely because he has been successful in securing a mail contract. I do not know whether this ever occurred under the predecessors of hon. gentlemen opposite; I trust it never did, but if so, it deserves condemnation as strongly as the same course does to-day. Of all the many things done by hon. gentlemen opposite since they came into power which were unjustifiable and censurable, I think the cancellation of mail contracts upon charges of partisanship is most unjustifiable, and deserving of the severest censure of this House. I am not going to discuss any particular cases in my province, but many instances have come to my attention where contracts have been cancelled on the flimsiest evidences of partisanship. I take the ground that even if the mail contractor was as partisan as the hon. Postmaster General himself, that affords no reason for the cancellation of his contract.

Mr. SINCLAIR: It appears that the Postmaster General has no reply to make to this charge, and we have to assume that it is to be the policy of his department. If it is to be the policy of his department, then it is useless for a Liberal to tender for a mail contract in this country while the hon. gentleman is in charge of the department.

Mr. BURNHAM: In my county the Liberals have almost entirely monopolized the new contracts.

Mr. SINCLAIR: If so, it has not been drawn to the attention of my hon. friend the Postmaster General. If a Liberal gets a contract in open competition, puts in his sureties, and performs his contract without giving cause for complaint, the minister has no right to cancel his contract. I have known of cases where mail contractors have been compelled to carry out their contracts at great inconvenience and loss to themselves and where sureties have been compelled to carry out contracts. If we are to allow a principle of this kind to enter into the contracts given by this Government, then we may as well abandon altogether the principle of asking for tenders, because if a Liberal is successful in securing the contract by open competition, he is up against the claim of the minister to the right to cancel the contract after it is executed, and after the carrier has entered upon the performance of his duties. There never was such a principle laid down by any Postmaster General in this country prior to my hon. friend's taking office, and I do not believe it should be tolerated in any free country. It is an abandonment of everything we formerly looked upon as right and proper in the management of the Post Office Department. It is now late in the session, and the minister has not heretofore given us an opportunity to discuss these questions. Our desks are full of complaints of this kind, but I do not think we ought to allow this session to pass without giving the public some light as to the manner in which the Post Office Department is being administered. It would take me a longer time than I would care to devote to the matter to tell the committee all that has happened in my own consituency. The

Postmaster General has dismissed postmasters right and left without any just cause. I have not been able to obtain a complete list of the postmasters dismissed in my county, but while sitting in my seat I have been making out a list of those which come within my recollection, and here are some of them:—J. F. Reeves, Mulgrave; Capt. Carrigan, Sand Point; Abner Carr, St. Francis Harbour; Parker Hart, South Manchester; Patrick Shea, Tompkinsville; W. McKinnon, Erinville; Parker Sangster, Upper New Harbour; Capt. F. Myres, Cole Harbour; F. Fougere, Port Felix; W. H. Harris, White Head; Capt. A. Roberts, Canso; R. Hendsbee, Half Island Cove; W. Conroy, Country Harbour; J. Millward, Stormont; A. D. Archibald, Glenelg; George Taylor, Beckerton; J. J. McNeil, Grant's Lake; John M. Rogers, Roman Valley; James Bowles, Alder River; Sanford Langley, Isaac's Harbour North. These men were all dismissed from offices in my constituency, and there are many others. Most of these postmasters have been dismissed without any just cause, many of them without any investigation, and some of them after a sham inquiry. I have not time to go into all these cases, but there is one of which I wish to speak for a moment, that of Parker Hart, of South Manchester. When the agitation commenced with regard to this matter, I drew it to the attention of my hon. friend the Postmaster General. A petition was sent to him, in which he was asked not to dismiss this man, but he paid no attention to that petition. Mr. Hart's office was in a central place in the district, and the neighbours receiving mail from that office were desirous that Mr. Hart should continue to keep the office. This is not confined to the Liberal party. Both parties were anxious that the post office should remain with Hart. But my hon. friend disregarded the request of the people in that district, and dismissed Mr. Hart without any investigation whatever or any complaint having been made against him. He could get no one else along the main road from Boylton to South Manchester to take the post office, and what did he do? He had to go to a by-road, one and a half miles away, to a man named Callahan, who consented to accept the office, making it useless to the people in the district. The consequence was that the people ordered their mail to be retained at the Boylton post office, three miles away, and farmers there had to travel to Bolyton to get their mail, rather than go over a bad road in the country, over hills for a mile and a half to Callahan's house. That is the situation in South Manchester. The petition that was sent to my hon. friend in December, 1911, before he took the step of dismissing Hart was as follows:

To the Honourable the Postmaster General of Canada.

May it please Your Honour:

Your petitioners are residents of South Manchester, in the county of Guysborough, and province of Nova Scotia.

Parker Hart, Esq., has been postmaster of the said South Manchester for a period of six years, when he was placed in charge.

There are twelve families in the district, which is somewhat scattered, and the present holder of the post office lives in the centre of the district, and is able to accommodate the public much more satisfactorily than could be done if the office were elsewhere.

Mr. Hart during his incumbency of the office has given the utmost satisfaction and is courteous and obliging to all, and it would be regretable if any change were made which would lessen the efficiency of the postal service in this district.

Wherefore your petitioners pray that no change be made in the post office in the said district, but that Mr. Hart be continued in the service.

And your petitioners will ever pray.

Dated December, 1911.

Thos H. Callahan,	South Manchester.
Mrs. Mary J. Callahan	"
Howard Callahan	"
Mrs. John O'Brien	"
J. R. O'Brien	"
John H. Myers	"
Mrs. John H. Myers	"
Mrs. Abner S. Myers	"
John A. McMaster	"
Mrs. J. A. McMaster	"
J. J. McMaster	"
Mrs. Cutler J. Marshall	"
Ella A. Marshall	"
Mable L. Hart	"

These people are not all Liberals; some of them support the party of my hon. friend. I forwarded this petition to the Postmaster General, with a letter in which I said:

I am inclosing herewith a petition received by me from the inhabitants of South Manchester asking that the post office be retained in the same place as it is at present.

My hon. friend asknowledges the receipt of this letter, and the next news I have is that the postmaster is dismissed without any investigation and that the post office is placed in this very inconvenient place. The effect of moving the post office to Mr. Callahan's house, one and a half miles away from the settlement, was to increase the cost of carrying the mail from $100 a year to $165 a year. The Postmaster General has made the service useless to the people of the district, and has increased the cost to the public by $65. That is a sample of the way the minister is managing the postal service in my constituency. I could give a large number of similar cases, but this is the only one that I care to mention at the present. These things are not justifiable, the minister cannot justify them, such

a thing should not be done, and it is a disgrace to the department and the minister that he permits such things to be done in the Post Office Department.

Mr. D. B. NEELY (Humboldt): I shall not find any particular fault with the Postmaster General for the dismissals in the constituency of Humboldt, because I know there have been a certain number of them, and I would not undertake to say in all cases that if political partisanship is a fault that is deserving of the penalty of dismissal, some of those dismissed were not rightly dismissed. My complaint is with reference to the way in which the post office service at a particular point in that constituency which I have the honour to represent was held up for practically a whole year awaiting the decision and the redecision of the defeated candidate in that constituency in the recent election as to who should be appointed to fill the vacancy as postmaster. I refer to the case of the village of Wakaw, a new village on a branch line of the Grand Trunk Pacific from Young to Prince Albert. The steel was laid into this point some time in the fall of 1911 and immediately a small village sprang up, as they do in the West very quickly. The old post office was some three-quarters of a mile away. It became necessary at once, as the former postmaster had a business at the point where he was, that the post office should be removed for the convenience of the village. The matter was brought to the attention of the department, according to a file which was brought down in the Senate pursuant to an order dated February of this year:

For a return of all papers, telegrams, petitions, letters and other documents in any way referring to the appointing of Mr. McCloskey as postmaster at Wakaw, Sask.

In February of last year a widow woman supporting herself by keeping a boarding house or restaurant in the village applied for the position of postmistress, and she accompanied the request with a petition signed by all the citizens of the village that she should be appointed. The matter was referred to the defeated candidate at the last election, Mr. Hearn, and he recommended this woman's appointment as postmistress. I have no fault to find with the course of the department in referring this recommendation to the defeated candidate, I understand that is the recognized practice, but I do find this fault that to suit the views and change of views of the defeated candidate, the public service in this particular village was a disgrace for the whole of last year, the service was absolutely unsatisfactory from every standpoint to the citizens, and, notwithstanding protest after protest which was made to the department over the delay in the change of the post office and the appointment of a postmaster, and with reference to the character of the person to be appointed, the minister deliberately awaited the pleasure and the will of the defeated candidate and kept the people at this point with the most inefficient and inadequate service through the whole of 1912. As I say, in February, the petition of the citizens to have this woman appointed, was signed, and in April—I suppose the department had inquired whether this would be a proper appointment or not—Mr. Hearn wrote to the department that this woman should be appointed. Later in April, Mr. Hearn changed his recommendation, and recommended that a man by the name of McCloskey, who at the time was teaching a school a few miles from the village, should be appointed, the understanding being that Mr. McCloskey was likely to move into the village. Why that change of view on the part of Mr. Hearn, the defeated candidate, I do not know. It must surely have been represented to Mr. Hearn that Mr. McCloskey had been a faithful supporter of his in the election of 1911. I do not know what the reasons were, but I do not think I am far afield in supposing that that was the motive which induced him to change his recommendation. In May, immediately following Mr. Hearn's recommendation, the citizens of Wakaw became aware that that recommendation had been made, and the board of trade sent a strong protest to the department against Mr. McCloskey's appointment on the ground that he was not a fit person to hold the position of postmaster of the village; certain allegations of improper conduct, while he was acting in the capacity of teacher in a school in the vicinity having been made. The deputy took the proper step of wiring to the inspector to suspend Mr. McCloskey's appointment until the protest of the board of trade had been given proper consideration, and an investigation had been held. On the 29th of May, the department wrote to Mr. Hearn, the defeated candidate, informing him of the protest of the board of trade against Mr. McCloskey's appointment, and asking him to further advise them. In the same month, not only the board of trade, but the citizens generally of Wakaw, sent a petition asking to have Mr. McCloskey's appointment cancelled. Seventy-eight people signed the petition, everyone of whom was sworn in the presence of a notary in the village. During the same month, the department received a letter from the inspector at Saskatoon, advising them that he had received serious complaints against Mr. McCloskey to the effect that he was not a fit person for the position. The depart-

ment then notified Mr. Hearn of the petition and protest, and sent him the inspector's report on the matter. After the protest against Mr. McCloskey's appointment had been referred to Mr. Hearn for consideration and further advice, no reply came from Mr. Hearn. In the month of June he was notified that the board of trade had again petitioned for the appointment of this woman as postmistress, instead of Mr. McCloskey as postmaster. In July the department wrote to Mr. Hearn asking him for further advice as to Mr. McCloskey. In August the member for Prince Albert (Mr. McKay) became somewhat interested, because Wakaw is in the northwest corner of the constituency adjoining that of my hon. friend from Prince Albert, and I think my hon. friend is fairly well acquainted with the people of the village. He wrote to the department asking why Mr. McCloskey had not been appointed. This was in August. The department replied to the hon. member for Prince Albert informing him that they had received complaints against Mr. McCloskey, that he was not a fit person to hold the position of postmaster, and giving him details of the complaints. On the 21st of August, the department again wrote to Mr. Hearn. You can see, Mr. Chairman, that during all the summer months of last year, the department refused to act upon the recommendation of the board of trade or upon the petition sent by practically every citizen in this village in favour of the appointment of a proper person to act as postmistress. They allowed the post office service to be utterly demoralized at that point, waiting month after month for the decision of the defeated candidate as to whether or not he still wished to recommend Mr. McCloskey for the position. In the latter part of August, the department again wrote to Mr. Hearn regarding the appointment, and he replied stating that he had consulted with the member for Prince Albert and asking the department, notwithstanding the complaints that had been entered against McCloskey, to go on and make the appointment. Then, early in September, the department wrote to the post office inspector instructing him to carry out Mr. McCloskey's appointment and to install him as postmaster in the village, and I believe the inspector carried out those instructions and Mr. McCloskey was appointed. Later in the month, further serious complaints having been made to the inspector at Saskatoon, with reference to the character of this man who was appointed, that inspector was sent to inquire into the complaints, and he made a report to the effect that the people had absolutely no confidence in Mr. McCloskey as a person to hold the office. As a matter of fact, a great many of the citizens were compelled to change their post office address, and to have their mail sent by special couriers to outlying post offices, rather than trust their mail in the hands of this person against whom the department had been warned, not only by the people of the village, but by the inspector who had investigated the matter on the ground, and who had found out for himself that the complaints were well founded. During this same month, the residents of the village again protested to the department against McCloskey's appointment, and on the 23rd of October, the assistant deputy postmaster general wrote on behalf of the department to Mr. Hearn telling him of the continued serious complaints against the postmaster. In November, Mr. Hearn wrote to the department confirming his former recommendation of Mr. McCloskey, and expressing the hope that no change would be made. That was a strange situation, Mr Chairman, that the people of that district should be compelled to accept the recommendation of the defeated candidate of Humboldt, a man who was something like 1,000 votes short of saving his deposit at the last election, should be compelled to accept the appointment of a man as to whose suitability he could not very well know personally, or only to a limited extent. I say it was a strange thing that his recommendation should be taken against the repeated protests of the citizens of the village and of the inspector himself, who, I assume, is no partisan, and who gave the department the results of his impartial investigation into the matter.

Fortunately for the people, the appointment did not last very long. This postmaster was arrested in the month of December on the streets for disorderly conduct, conduct unbecoming to any decent citizen, and he was brought before the magistrate in the village and fined. Other serious charges were laid against him and amongst them was the charge of a patron of the office who brought a certain sum of money to the post office, gave it into the hands of this gentleman, who claimed he had no money orders in his possession, and gave his own personal cheque which was worthless to this individual with the result that the patron of the office was defrauded by this postmaster out of $88 which he desired to send to Winnipeg or some other place to meet some business liability.

Mr. SINCLAIR: Does he still hold the office?

Mr. NEELY: He held the office until he voluntarily skipped out of the country when charges were preferred against him, one by his wife of assault and the other by the clergyman of the church which he attended, when he did attend church, also

of assault. With these charges pending against him and the mounted police on the way to secure his person, this worthy appointee, recommended by my opponent in the last election, saw fit to decamp leaving the post office to take care of itself.

I have no fault to find with the Postmaster General for accepting, or appealing to the defeated candidate in Humboldt for his advice in reference to an appointment of this sort. But surely the Postmaster General should not have put the citizens of this village to the inconvenience of a practical suspension of the postal service for a whole year awaiting the pleasure of this gentleman, or until he should make up his mind who was the proper person to fill the office, but the appointment should have been made immediately. In the second place, I do not think that the advice of the defeated candidate or anybody else should induce the Postmaster General to make an appointment when charges as serious as those which were made against this individual are laid before a minister because that is the time when the Postmaster General ought to assert his authority and say to the defeated candidate or to the member representing the constituency: We cannot appoint that man, our information is that he is not a fit and proper person and therefore we would ask you to recommend somebody else. Notwithstanding this information, these reports from the inspector and these protests from other citizens of the village, the Postmaster General appoints this man. The next thing after his appointment that we know is that he is arrested on the street, fined for disorderly conduct and, very serious charges having been made against him, he finds it necessary to give up his office and skip out of the country so as to elude the mounted police who are on his trail, and who are endeavouring to secure his person and make him suffer the penalty of his misdeeds. That is the case which has been brought to my attention by the people of the district repeatedly and I have awaited this opportunity to bring the matter before the Postmaster General. Surely the Postmaster General could not have had a matter like that brought to his personal attention; otherwise, he would not have carried out the recommendation of the defeated candidate and appointed a man of this character. Yet, on the other hand, I maintain that whatever be the practice the department follows in making appointments, it is not fair to the people, it is not fair to the public service, that the people should be deprived of a proper postal service for months and months simply awaiting the pleasure of the man who happened to be the Government candidate in the elections. There is surely no reason why the whole community should suffer the penalty of his delay and inaction in making a proper recommendation to the department.

I have been asked to bring to the attention of the Postmaster General a case which is of a somewhat different character and one which is outside of my own constituency. I think the Postmaster General as he did give this case his personal attention, will recall the case when I tell him that I am referring to the dismissal of a postmaster at Lloydminster which is in the constituency of Battleford. Looking over the return that was also brought down in the Senate on the 20th February, it seems to me, giving it a cursory examination, that this is one of the most flagrant instances of the abuse of the spoil system that has come to my notice for some considerable time. The postmaster, at Lloydminster, when this Government came into office was Mr. Lyster. The documents in connection with Mr. Lyster's dismissal and the position of the postmaster constitute a very interesting comment on the methods that are evidently being adopted and pursued in the Post Office Department in reference to these dismissals. It appears that a complaint was sent to the Postmaster General some time in October, 1911, that Mr. Lyster was an active partisan, that he should be compelled to resign from his office and that another gentleman should be appointed in his place. This protest was sent to the minister by two gentlemen by the name of Hill and Daly, president and secretary, respectively, of the Lloydminster Conservative Association. In the month of December, these gentlemen wrote again to the Postmaster General asking him that the matter of dismissing Mr. Lyster be left for the time being in abeyance. The reason why the dismissal was to be left in abeyance for some time is given in one of the letters which I find on this file. On the 21st March of last year a Mr. Keith, a barrister of the town of North Battleford, who had been appointed to investigate into charges of partisanship against Mr. Lyster sends the following letter to the department. He had received instructions apparently to investigate these charges and report on them to the Postmaster General. He writes:

> I would be obliged if you would favour me with your further instructions in regard to holding the judicial inquiry as to the charges made against N. S. Lyster, postmaster at Lloydminster. I wrote you some time ago that I had received a letter from the Lloydminster Conservative Association requesting that the matter be not proceeded with in view of the coming provincial elections, and the association sent me a copy of the resolution which had already been forwarded to your department.

I am sorry to say that I do not find that resolution on the file, although I have gone through the file pretty thoroughly. Mr. Keith, however, writes that this is the purport of the resolution passed by the Lloydminster Conservative Association that the

suspension of Mr. Lyster be not proceeded with in view of the coming provincial elections. That was written on the 21st of March. Something evidently annoyed the executive of the Lloydminster Conservative Association, because on the 23rd of March, last year, they write to the Postmaster General in a totally different manner, as follows:

Referring to our letter of the 16th December, asking that the dismissal of Mr. Lyster be left in abeyance, we would be glad if you could carry out the recommendation of our letter of 27th November that Mr. Lyster be dismissed and George M. Mayberry appointed in his stead, and that the dismissal be carried out without the formality of an inquiry.

That is a good Tory method. That was the second request for the dismissal of Mr. Lyster. It does not look as if these gentlemen had any serious complaints to make against him. Just as soon as the citizens of Lloydminster heard of what had happened, they sent in a petition, signed by no less than three hundred and fifty of the patrons of this office, protesting against the removal of Mr. Lyster as postmaster, and stating that he had given the very best service to the community. These three hundred and fifty names probably represent the great majority of the supporters of both political parties; certainly they are not confined to supporters of the Liberal party. The gentleman who forwarded this petition, stated that it had not been circulated. but had been left in one place, and that the people had come and signed it voluntarily. Notwithstanding this protest, the defeated candidate in that district, Mr. Howell, who lives in the town of North Battleford, became mixed up in the matter and also urged the dismissal of Mr. Lyster. The Postmaster General, however, did not accept the advice of the Lloydminster Conservative Association, and ordered an investigation. He sent Mr. Keith, a Conservative lawyer of North Battleford, to Lloydminster to conduct the investigation. On the file appears the evidence taken by Mr. Keith at that inquiry and also his recommendation to the department. I just want to show that, even when the Postmaster General undertakes these fair, impartial investigations, he does not always hold himself to be bound by them. This is the letter sent by Mr. Keith to the Postmaster General, summing up the result of his investigation:

As instructed by your department in your letter dated the 20th ultimo, I held an investigation at Lloydminster on the 4th instant as to the charges made against N. C. Lyster of political partisanship during his incumbency of the office of postmaster at Lloydminster.

I interviewed first Messrs. Hill, Daily, and Farley, who are the officers of the Conservative Association, and obtained from them the names of all witnesses. All of the witnesses were called, and gave their evidence, and a number of witnesses were also called by the postmaster. I find that there is no foundation for any of the charges made against Mr. Lyster. The only evidence that was brought out that could be considered at all by me, was that of two witnesses, Herbert B. Hall, and Ivan Frederick Crossley, both of whom stated that Mr. Lyster was around the Lloyminster polling booth on the last Dominion election day for part of the day, but neither of them would state that he was taking any part in the election proceedings. As his post office is only two or three doors from the polling booth, it might be quite natural for him to be in the street on a day of excitement such as election day, without taking any part in the election at all. The evidence of Crossley and Hall is, however, contradicted by a number of witnesses produced by Mr. Lyster.

I shall read the parts that are pertinent to the point I am making. (Reading):

Mr. Lyster himself, and a number of witnesses, stated in their evidence that since the appointment of Mr. Lyster as postmaster he has taken no part whatever in politics, and the officers of the Conservative Association, called by me, stated that they had no complaint to make against him.

I have therefore to report that the charges made against Mr. Lyster are unfounded.

(Sgd.) D. Keith.

One would think that that would satisfy the hon. minister. His own investigator had looked into the matter. He had a protest of three hundred and fifty patrons of the office against the dismissal of this man who was giving excellent public service. It does not satisfy him, however, because on the same file I find a letter under date of September 26, 1912, addressed to M. J. Howell, North Battleford, signed, 'Yours faithfully, L. P. Pelletier,' and reading as follows:

Dear Sir,—With reference to the charges of political partisanship made against the postmaster at Lloydminster, I beg to say that nn examination of the evidence taken in this case shows unmistakably that the postmaster took part in the election.

If the Postmaster General were only to furnish me with some light to justify that remarkable conclusion, I am ready to say that he is the greatest genius alive. He appointed a lawyer of his own political faith to make the investigation. And after that gentleman had, by calling witnesses and taking their evidence, come to the conclusion that the man accused had not been guilty of partisanship, the Postmaster General, taking the same evidence, reads it in such a way as to come to the remarkable conclusion that this man had acted as partisan in the election.

Mr. PELLETIER: Has the hon. gentleman notes of the evidence?

Mr. NEELY: Yes.

Mr. PELLETIER: I thought the hon. gentleman said that I had only the report of Mr. Keith before me.

Mr. NEELY: No, but I say that the man who was on the ground, who went to the office of the Conservative Association before he held the investigation, who heard the officers of that association give evidence and afterwards heard Mr. Lyster's witnesses, though his sympathies were undoubtedly against Mr. Lyster, who supported Mr. Howell, yet being a fair-minded man—and I am glad to say there are fair-minded men among the Conservatives, at any rate among the rank and file—came to the conclusion that the man was not guilty. The Postmaster General takes the same evidence, taken in long hand, I suppose, and by the commissioner himself, and comes to an absolutely different conclusion from that of the man who had made the investigation. After the investigation, Mr. Lyster wrote to the department asking for the result, and it would appear from the letter he sent afterwards that Mr. Leschinger told him that the commissioner had absolved him from the charges of partisanship, and naturally Mr. Lyster and his friends, the patrons of the office, came to the conclusion that his appointment would not be cancelled. But they had not counted on the Postmaster General. Reading the same evidence, he comes to a totally different conclusion. I have read that evidence, I hope I was not prejudiced, but I failed to find one line of it that would in any way justify the conclusion that this man had acted as a partisan in the election.

Now, this country paid Mr. Keith for his services $10 a day, with $3 for living allowance and travelling expenses as well. I do not know how many days he consumed in his different trips to make this investigation. I suppose I could find his account on the file or in the department. And that commissioner makes his report that this man had not acted the political partisan in the election; yet at the request of the candidate that he should be dismissed, the Postmaster General takes the commissioner and the commissioner's report and throws them overboard and decides that this postmaster has played the partisan. Why, the whole thing is a travesty upon decency and fair play. Why does not the Postmaster General give up the farce? I am coming to the conclusion that the only reason he appoints these commissioners is to give his friends remuneration of $10 a day, $3 a day living expenses and travelling expenses besides. I said at the outset that I was not complaining of dismissals in my own constituency, though a number of dismissals have been made. But let the Postmaster General tell us that the position is that if he finds out that a man has Liberal leanings in his heart, whether he expresses them or not, he is going to be fired from public office, if that office is in the Post Office Department. If the minister will say that we shall know where we stand and the country will know what he means and how he intends to carry on his department. Some of the dismissals—and the two I have selected are among the number—are certainly altogether unworthy of a great department of the Government which we have looked upon in the past as probably more free from partisan manipulation and control than any other department of the Government.

Mr. PELLETIER: As to the first case the hon. gentleman referred to, I am getting the thick file which we have in the department put in brief form in order to be able to speak about the matter when the supplementary estimates are taken up. As to the postmastership of Lloydminster, I had enough trouble about that to remember something of it. The view I take is that if the commissioner in holding an investigation does not take down or have taken down, notes of the evidence, his report is binding; I have no power to go over it even if I wanted to,—which I never did. But if evidence has been taken down and is placed before me, and if I am satisfied on reading that evidence that the commissioner has made a mistake either in favour of the postmaster or against him, I will give my own judgment on the evidence. The commissioner is only the representative of the Postmaster General for the purpose of holding an investigation; he is not the man who decides whether the postmaster remains or not; that is the duty of the postmaster himself. I read the evidence in this case, and it seemed to me that the proof had been made. My judgment may be good or it may be bad. But the hon. gentleman is wrong when he says that it suffices for a man to have Liberal leanings to be dismissed. In my own county there are forty-five or fifty postmasters, not ten per cent of whom are Conservatives; and out of the whole, only two have been dismissed for political partisanship.

There have been more in other counties, but this rule which has been followed in my county will show my hon. friends opposite that they should not be surprised when these Liberal postmasters are dismissed.

Mr. J. DEMERS (St. John and Iberville): Mr. Chairman, the Post Office Department has sent Mr. Joseph Barsalou, the mail carrier in the city of St. John, a notice stating that his contract would expire on the 16th of August next, whereas it should not expire before April, 1915. I wish to know from the hon. Postmaster General

what reasons the department can allege for putting an end to this contract?

Mr. PELLETIER: We shall take note of this, and I shall give my hon. friend that information.

Mr. D. D. McKENZIE (North Cape Breton): To the average mind there might appear to be a possibility that the newspaper and other reports have been unfair to the Postmaster General. I am always prepared to believe that in the criticism of their actions, public men are not always fairly dealt with, that any slip which they make may be somewhat exaggerated, and that when we get at the real facts they are not so bad as they appear on the surface. The reverse of that situation, however is altogether true in respect of the department of the Postmaster. I have had a great deal to do with the department of the Postmaster General during the last 12 or 15 years. I never received any favours from that department, and I am not aware that I ever asked for any. I represent a very large constituency, in which there are a great many mail contracts. I am in the presence of the officials of the Postmaster General, and I ask them to speak out if they can say that I ever asked the Postmaster General to do the slightest favour to anyone aside from acting on the principle of accepting the lowest tender. The lowest tenderer got the contract every time, and if any gentleman who was tendering made any inquiries with regard to the matter, the invariable answer was: Things are done in an honest way in the Post Office Department; if you are the lowest tenderer you will get the contract. That is the treatment the public would expect to receive at the hands of the Postmaster General. I heard the Postmaster General this afternoon talking about a certain character in ancient history known as Ananias, and he characterized some of his opponents as being connected with that particular sort of humanity. If the hon. Postmaster General exhausted his comparisons, and had nothing left with which he himself could be compared, I would remind him that Ananias left a widow. The Holy Book points out that when Ananias fell dead, his wife came in a few moments afterwards, not knowing that she was a widow. She also lied before the Lord, and she also fell dead. The Postmaster General had better be careful, for, if he does not bear any relationship to Ananias, he may be found to have a striking resemblance to his widow. The hon. gentleman talks about trials and about evidence; the idea, he says, asking the Post Office Department or the Postmaster General to be governed by evidence is absurd. The hon. gentleman went back to the days of Ananias, and there found something upon which to base his comparisons. I wish to refer him and those of his followers who are fond of quoting cases and precedents to the fact that in the old day there was a court in or about the very same place which is brought to the mind by the reference of my hon. friend to ancient history. In that court there sat a distinguished jurist known as Pilate. He found that there was no evidence, but that had nothing to do with his decision, and he reached the conclusion that he had to play to the mob. My hon. friend the Postmaster General finds that there is no evidence; he has got a mob to play to, and he must, Pilate-like, give a decision to please that mob. Not only has he a mob to play to, but invariably he has his Barabas who must be relieved from poverty and put in a position of affluence. So we have the widow of Ananias as to facts, we have the Pilate as to the court and the evidence, we have the same old mob to cater to, and the Barabbas who has to be relieved. I notice that the Postmaster General was delighted this afternoon in the thought that he had discovered something to say against the ex-Postmaster General, the hon. member for Rouville. But I am afraid the hon. Postmaster General exploded too soon. He thought he had found something upon which he could create a scandal, or find fault of some substantial character in respect of the ex-Postmaster General, but on the slightest investigation it turns out that there was nothing behind this storm and fury. When I was sitting here and watching the veheminance and eruptions and explosions of the Postmaster General, I could not help thinking of an old Scotch preacher who had come down from the Highlands to visit a small Gaelic-speaking congregation in London. On the way down he stayed with a brother preacher, who asked him to preach in English to his congregation. This he seldom did, and then not very well, but he did not like to refuse, and he accordingly consented. He took as his text: 'The devil, as a roaring lion, walketh about seeking whom he may devour.' In opening his address he said: My brethren, I want to deal with this text under three headings; who the devil he was, where the devil he was going, and what the devil he was roaring at. That is the way I felt about this tremendous explosion of the Postmaster General. What was the trouble, what did he explode about? What did he do about the contract? He had the opportunity, according to the best legal opinion we could get here in the House to-night, and it was not contradicted. The hon. member for Welland, who is regarded as a clear-headed lawyer, gave him an opinion on this contract which he accepted. He said

that opinion is good, I have no quarrel with it. It was that he could have cancelled that contract. What did he do? He ratified the contract although he could have cancelled it and he added another clause to it and is willing to carry it forward in its fulness. He says there was a very dangerous clause in it that the contract had to be filled 'substantially' in order to get an extension for a further period. He changes that, saying it is poor legal phraseology and he says 'properly.' That is the result of this ponderous investigation and the product of the brain of my hon. friend. He said it was a tremendous thing that this country should be submitted to this contract as it passed the hands of the department in the first instance. I was watching him here to-night as I would have watched Pilate of old if I had had an opportunity of watching Pilate when he had given his decision, when he had catered to his mob and satisfied his Barabbas. He had his officials around him and when one basket after another was placed before him, with the gruesome heads in it, with the blood streaming off them, freezing on the basket, he delighted over them and laughed to his officials: Are we not doing splendidly? That is the hon. gentleman who is supposed to be representing the King in connection with this contract. I have a copy of the contract here. As I said the other night, the Prime Minister, when he was first returned to power, said that his victory was not a party victory but a national victory.

Mr. LEMIEUX: He meant Nationalist.

Mr. McKENZIE: That may be. We would expect the several departments which are under the general control of the Prime Minister to act according to this principle and this extreme bitter partisanship could not be expected. Here we have a contract signed by Mr. Louis Phillipe Pelletier, K.C., Postmaster General of Canada, acting for and on behalf of His Majesty the King. He dismissed this man down in Quebec on no evidence at all. The man was supposed to have carried a newspaper in his pocket and to have passed it to somebody in an election, although of that there is no evidence. He had only an extra judicial oath which is contrary to law, at least in my province, and in spite of that he breaks a solemn contract given for four years. There was not a particle of evidence to show that this man did not do everything he was required to do under the contract which he had entered into after competition and public tender. I ask hon. gentlemen if they are proud of their national victory, proud of being the representatives of the King, when a poor man in this country cannot compete for a contract and perform that contract to the letter, relying on the principle that the King can do no wrong; but is thrown to the wolves, his contract is cancelled and he has no remedy whatever. The poorest man in the land, when he enters into a contract, has his remedies if that contract is violated. But I submit we are taking cowardly advantage of the name of the King, and, sheltering ourselves behind it, in breaking contracts every day simply to cater to the mob and to make room for a new Barabbas every time. A Pilate is at the head of it all, for the Postmaster General is the guiltiest of the guilty in connection with these matters. He is the Radcliffe of the Tory party; that is giving him a character which he deserves. I have had other cases in my own county, but when I heard of the cases from Antigonish, where tenders were asked for and some of them were lower than those which obtained the contracts, and when I find letters going out of the office of the Postmaster General asking some heeler in the county of Antigonish to devise some miserable scheme by which they could outwit the lowest tenderer and give the contract to another, it is so far beyond anything that happened in my county that I am not going to say anything more about it. I am not exaggerating this. The letters were read here to-night, and they are on file. They were most shocking to me, because I never thought that anything could happen in the Post Office Department which would prevent an honest man who put in the lowest tender from getting the contract. We have heard the cases of two men who were turned down, and both of them were lower in their tenders than the men who got the contract, and all by reason of the fact that some Tory heeler in Antigonish wrote to the Postmaster General. What further evidence is required, and what more can we expect? Is there any member who will now write to his constituents and say that the honest, clean thing is being done in the Post Office Department, that if you are the lowest tenderer you will get the contract? There is no hope for that now. What we will have to say is: do not tender at all; or if you do, get into some conniving scheme with a Tory heeler in order that you may get into this Pilate's court which caters to the mob, and perhaps a Barabbas will get it, and you will get it under him. That is the machinery that is provided now in the Post Office Department. Let us hope that the cancer is confined to this department, and that the Prime Minister will see that the yellow flag is put on the door, and that the people

will keep away from that poisonous, pestiferous institution where nothing honest can be done. Let me advise the minister to put the yellow flag there, and to see that the disease does not spread to other departments.

Mr. MACLEAN (Halifax): Are the salaries of any of the assistant postmasters in the larger cities, such as Halifax, being increased?

Mr. PELLETIER: We are trying to fix that.

Mr. LEMIEUX: May I expect that the hon. gentleman will bring down the complete file relating to this stamp vending machine contract?

Mr. PELLETIER: The moment the hon. gentleman requested it, I gave orders that it be done.

Mr. LEMIEUX: When may I expect it?

Mr. PELLETIER: As soon as it is copied. I have given instructions to have it done without delay.

Mr. LEMIEUX: May I expect it on Monday or Tuesday?

Mr. PELLETIER: Monday.

Mr. LEMIEUX: I would like to see the original contract.

Mr. PELLETIER: I will bring it down.

Mr. LEMIEUX: My hon. friend from Richmond wishes an opportunity to bring up one or two cases when the supplementaries are considered.

Mr. PELLETIER: I told him it would be all right.

Mail subsidies and steamship subventions, $1,916,934.

Mr. LEMIEUX: Are we to take these and the Trade and Commerce items on the last page, too?

Mr. PERLEY: We could leave one item in each, so that any question could be asked by hon. gentlemen later, if they wish.

Mr. LEMIEUX: I would like to bring up the question of the Paris agency. Is that in the Prime Minister's estimates?

Mr. BORDEN: Yes.

Mr. LEMIEUX: When can I take it up?

Mr. BORDEN: When the supplementaries come up.

Mr. PERLEY: We can let item 168 of the Mail Subsidies stand.

Steam service between Halifax and Sherbrooke, $2,000.

Mr. SINCLAIR: Will the minister tell me the ports of call between Halifax and Sherbrooke?

Mr. PERLEY: The ports of call are Port Dufferin and Moser river, in Halifax county and Ecum-Secum, Marie-Joseph, Liscomb and Sonora in Guysborough county.

Steam service from the opening to the closing of navigation in 1913, between Pictou, Mulgrave and Cheticamp, $7,500.

Mr. MACDONALD: Who is the contractor?

Mr. PERLEY: The contractor is the same man as last year, Captain W. A. Beattie.

Mr. MACDONALD: What is the cause of the increase?

Mr. PERLEY: He gets $7,000 and there is a small service to be performed for $500 between Pictou and Mulgrave calling at some of the smaller places. I have forgotten the contractor for this service, but I can get it for my hon. friend.

Mr. CHISHOLM (Antigonish): Referring to the larger service to be performed by Captain Beattie, does the boat call at ports in Antigonish?

Mr. PERLEY: It makes a round trip every fortnight between Mulgrave and Pictou, and two round trips each week between Mulgrave and Cheticamp, calling both ways at Port Hastings, Port Hawkesbury, Port Hood, Margaree harbour, Grand Etang, Eastern harbour and Big Pond, and calling once each week at Pleasant bay.

Mr. CHISHOLM: Then this boat will not call at any ports in Antigonish?

Mr. MACDONALD: The places that the minister has named are in Inverness county.

Mr. CHISHOLM: The boat going from Pictou to Mulgrave will call, I understand, at several points in Antigonish.

Mr. PERLEY: The boat running from Pictou to Mulgrave calls both ways at Arisag, Georgeville, Cape George, Morristown, Malignant Cove, Livingstone Cove, Ballantyne Cove and Cribbin's Point.

Mr. CHISHOLM: Why do you reduce the frequency of calls there?

Mr. PERLEY: As I have explained, we are putting on a smaller boat. I am sorry I have not got its itinerary, but my hon. friend can get it in the department. This smaller boat will make trips also from Pictou.

Mr. MACDONALD: Is it a motor boat or a steamer?

Mr. PERLEY: It is an auxiliary gasoline schooner.

Mr. CHISHOLM: I am not complaining of the smaller boat service. I think it is proper, but I do think that once a fortnight is cutting out that shore pretty badly where they have no railway communication. With the increasing revenues of the Government there is no reason why there should not be a boat calling at Arisaig, Cape George, and Morristown once a week.

Mr. PERLEY: We had much trouble arranging this service and thought we could meet the requirements by reducing the number of trips of the large boat and putting on an additional small boat.

Mr. CHISHOLM: It may be that the manner in which these harbours were neglected during the last two years has impressed the Government with the difficulty of calling as regularly as the needs of the people require and I suppose that is why this smaller service has been put on. I hope the Government will see that these harbours are dredged and that the boat will be able to call at them regularly.

Steam service between Pictou and Montague and between Charlottetown and Montague, calling at Murray Harbour and Georgetown, $6,000.

Mr. PERLEY: This service has been altered a little and the description is not correct. I move that the words 'and between Charlottetown and Montague' be struck out.

Amendment agreed to.

Steam service between Prince Edward Island and Cape Breton and Newfoundland, $12,000.

Mr. McKENZIE: What is the name of the steamer that is performing this service and where does she call in Cape Breton?

Mr. PERLEY: This service is carried on by the Dominion Coal Company. The steamers start from Montreal and call at Summerside and Charlottetown and in Cape Breton and North Sydney and Sydney.

Mr. McKENZIE: Yes, I am familiar with the service.

Progress reported.

THE CUSTOMS TARIFF.

Hon. W. T. WHITE (Minister of Finance) moved second reading of Bill No 231, to amend the Customs Tariff.

Mr. CARVELL: When addressing the House on the budget debate, I discussed the question of the small reduction in duties which were made upon raw sugar by reason of the West Indian agreement and the Customs Tariff Act. I stated at that time that it would not assist the consumer to any great extent, because all the sugar refiners in Canada were in the combine. I have since been informed that one refining company, the Dominion Sugar Company, Limited, was not actually in the combine. I am told that they sell direct to the retailer. I do not wish to mis-state any position and I take this opportunity of making these remarks.

Motion agreed to, and Bill read the second time.

Bill considered in committee, reported, read the third time and passed.

CONSERVATION ACT AMENDMENT.

House proceeded to consider an amendment made by the Senate to Bill No 204, to amend the Conservation Act.—Mr. Borden.

Mr. LEMIEUX: What is the nature of the amendment?

Mr. BORDEN: The amendment is merely to the effect that the Bill shall come into force at a date to be fixed by an order clause published in the Canada Gazette. It was thought that some little inconvenience would be occasioned if the Bill came into effect at once. Therefore it was postponed to a date to be fixed.

Amendment read the first and second time, and concurred in.

On motion of Mr. Borden, House adjourned at 1.25 a.m. Saturday.

HOUSE OF COMMONS.

SATURDAY, May 31, 1913.

The SPEAKER took the Chair at eleven o'clock.

THE PUBLIC ARCHIVES.

Rt. Hon. R. L. BORDEN (Prime Minister) moved for leave to introduce Bill No. 240, to amend the Public Archives Act. He said: This Bill proposes a very slight amendment to chapter 4 of the statutes of 1912. It provides that:

Unless otherwise ordered by the Governor in Council, the powers and duties of the minister under this Act shall not be exercised or discharged by deputy except so far as the Dominion Archivist is authorized to act for or as the deputy of the minister.

It has been suggested that the archives should be created into a separate department, inasmuch as there is some difficulty in carrying on the business of the archives owing to the fact that its location is altogether separate from the Department of the Secretary of State, who is the minister of the department. This does not seem necessary; but at the same time it should be placed in such a position that the Archivist can, with the assistance of an accountant or other suitable officer, carry on the business of the archives with a much less

amount of red tape as to very small transactions than has been necessary in the past.

Mr. LEMIEUX: Will Dr. Doughty become a deputy minister under this Bill?

Mr. BORDEN: He was accorded the rank and status of a deputy minister last year; but, as the archives was not created into a department, it has been necessary, every time the officers have required a small amount of stationery, a bottle of ink, or any trifling article of that kind, to make a requisition and get in touch with the Department of the Secretary of State. If they have desired to send out $50 or $100 to any of the men who are constantly employed in doing work for the archives in various parts of the country, there has been a good deal of delay and inconvenience. I am quite convinced that the arrangement now proposed will be attended with considerable advantage in the administration of all matters connected with the archives.

Motion agreed to, and Bill read the first time.

THE LATE MR. JAMES P. BROWN.

Mr. BORDEN: Before the Orders of the Day are called, I think it only fitting that reference should be made to the untimely decease of one of our colleagues, who has been a member of this House for more than twenty-two years. I refer to Mr. Brown, the late member for Chateauguay. I am sure that all of us, irrespective of party, will join in conveying to the family and friends of the deceased our deep sympathy and our appreciation of his worth as a member of this House. It was not my privilege to know Mr. Brown very intimately, but I do know that he was highly respected on both sides of the House; that he was a man who gave very devoted and constant attention to his duties as a member; and I am sure that his death is a loss not only to hon. gentlemen on the other side of the House, whose colleague more especially he was, but to the House as a whole. On behalf of the members on this side of the House, I beg to tender to hon. gentlemen on the other side as well as to the family and friends of the deceased, our very deep and appreciative sympathy on this occasion.

Sir WILFRID LAURIER: I am grateful to my right hon. friend for the very kind words he has just spoken regarding the decease of our lamented friend and colleague, Mr. Brown. As my right hon. friend has stated, Mr. Brown was a highly respected member of this House. Although he did not take a very great part in our discussions, it was my privilege to know him for many years and to appreciate the soundness of his judgment, the integrity of his character, the firmness of his disposition, and the cordiality of his relations with his friends and neighbours. He represented the county of Chateauguay, which contains a mixed population of Scottish and French descent, and he represented it to the satisfaction of all races. He was a man of broad sympathies, who could reach all races and creeds without giving offence to any whilst firmly maintaining his convictions. His departure from this life, as my hon. friend has said, will be a severe loss to his friends. I sincerely appreciate the kindness of the remarks my right hon. friend has offered, especially with regard to Mr. Brown's family, and it will be my privilege to convey to them the observations which have been made by the Prime Minister with regard to our late lamented friend and colleague.

RAILWAY SUBSIDIES.

Sir WILFRID LAURIER: With regard to the railway subsidy resolutions, I asked my hon. friend the Minister of Railways yesterday for the correspondence he has on the subject. My hon. friend would simplify and expediate matters if he would bring down the correspondence and with everything concerned with the applications lay it on the table to-day.

Mr. COCHRANE: In reference to the Canadian Northern, there is no correspondence.

Sir WILFRID LAURIER: There is no correspondence?

Mr. COCHRANE: No. An application was made verbally or personally, and it was worked out by the auditor of the company and the auditor of the department. That has all been done personally.

Mr. BORDEN: There are of course statements as to the financial position of the road, as to the amount of capital invested, the amount which has been raised, and matters of that kind. Would the right hon. gentleman like to have some of these statements in advance?

Sir WILFRID LAURIER: No. If there is no correspondence, I cannot ask for what does not exist. We shall have more information when we take up these resolutions in committee on Monday.

Mr. COCHRANE: The correspondence with reference to the others will be laid on the table to-day.

Mr. OLIVER: There are some questions asking for information in regard to the Canadian Northern. As it might be possible for my hon. friend to overlook these questions, I suggest that as they are important, he be prepared to answer them on Monday.

Mr. COCHRANE: I can answer them all but one. In fact, I have the answers here

now. The one exception is in reference to the guarantees and subsidies; we have not got them all. Many of the lines are branch lines and having charters from the provinces, and subsidized by the provinces, by guarantee or otherwise. We have no record of them, and I was going to ask that that question be changed into a notice of motion for a return.

Mr. SPEAKER: This is hardly the time to discuss these questions.

CONVEYANCE OF LETTER CARRIERS.

On the order for the second reading of Bill No. 120, respecting the Conveyance of Letter Carriers on Electric Railways:

Mr. PELLETIER: This Bill being controversial, and likely to take up some time, and everybody having an earnest and sincere desire for prorogation as soon as possible, I will ask the House to allow me to drop this Bill for this session. One of the purposes for which it was introduced has been attained. I do not like to use harsh words, but we had difficulty in coming to an agreement with an important tramway company as to the conveyance of our letter carriers. They wanted a price which was out of the way, and we thought it was in the public interest to introduce legislation so that we could control that, as we control everything we ask the railway companies to do for us. I am happy to say, however, that we have made a temporary arrangement with the company which, though it cost almost double, will enable us to wait until next session, as legislation will not be needed for some ten or eleven months. I only desire the House to understand the situation. Our letter carriers have been transported over the electric tramways in Canada for a long time. When the arrangement was started, the letter carriers found this to be a great convenience to them. The arrangement did not necessitate any increase in the number of cars, and the companies consented to give the service for a very low price. Little by little they increased the price, until we have now reached this situation, that the tramway company which for some years got $8,000 asked this year $20,000. That created a situation which had to be met. Fortunately, as I say, we have made this temporary arrangement.

Mr. LEMIEUX: What is the price agreed upon?

Mr. PELLETIER: We have come to the conclusion to give $15,000, instead of $20,000, which they asked.

Mr. LEMIEUX: That is for Montreal?

Mr. PELLETIER: For Montreal.

Mr. LEMIEUX: In Toronto, how much?

Mr. PELLETIER: I have succeeded in coming to a very satisfactory arrangement with the Toronto company, who met the Post Office Department in a very reasonable way. Last week we signed an agreement with the company in Toronto for four years at the rate of $12,000 a year. Toronto has three hundred and fifty-five letter carriers and special delivery messengers, and, as the number is likely to increase, we are going to gain as the second, third, and fourth years come along. That figure, $12,000 a year or $1,000 per month, represents a little over $34 per head. In Montreal we have three hundred and eight letter carriers, for whom we are paying $50 per head. That is the price we are obliged to pay—I am using the words advisedly. We have been obliged to make that arrangement, otherwise our letter carriers would have had to walk, and that is impossible in these days. But that arrangement is for only a year. I am prepared to enter into any arrangement with all the companies in Canada at the reasonable rate agreed upon between the Toronto company and the department.

Mr. LEMIEUX: What do we pay in Quebec?

Mr. PELLETIER: $42.50 per man.

Mr. LEMIEUX: What is the number of letter carriers there?

Mr. PELLETIER: The total number is sixty-five. We have another grievance, which we have not settled so far, with regard to Ottawa. Whilst we pay the prices I have just indicated in Toronto, Montreal, and Quebec, we pay in Ottawa the enormous price of $75 per head, and, though I have tried my best, I have not been able to induce the Ottawa company to do as the others have done.

Mr. LEMIEUX: How many carriers are there in Ottawa?

Mr. PELLETIER: Eighty-seven. Comparing these prices the House will see how unreasonable some of these companies are. I do not want to go too far at the moment, but I hope that those people will realize that they should give us as good an agreement as the one we have with Toronto, without legislation being necessary. I hope that before next session we shall be able to agree, for I would prefer not to reintroduce this Bill if we can agree. I would have preferred not to have presented the Bill if we could have agreed. The railway and tramways companies had a kind of understanding, which is now gone because Toronto and Quebec have agreed that they should not stand by it. The understanding was that they should ask sixty dollars per head. Toronto has now consented to this, and I hope that I shall be able to settle all the

other questions. Under these circumstances, I ask leave to withdraw the Bill.

Mr. PROULX: How is it that Toronto has more letter carriers than Montreal, a very much larger city?

Mr. PELLETIER: The revenue of Toronto is much higher than that of Montreal. It is very much larger than that of any other city in Canada.

Mr. CARROLL: Is there any arrangement at present with tramway companies in the maritime provinces?

Mr. PELLETIER: We have not much diffculty there. There is one point in the West—I do not like to mention it—where we have some difficulty, as we also have in Ottawa.

Sir WILFRID LAURIER: If you mention Ottawa, why do you not mention the other recalcitrant?

Mr. PELLETIER: I have no objection to mention it. It is the same company practically as the Ottawa company.

Mr. NICKLE: May I ask the Postmaster General if the opinion of the law department is that it is within the jurisdiction of this Parliament to pass an Act that would compel a provincial corporation to carry letter carriers at a rate to be fixed by the Postmaster General?

Mr. PELLETIER: This point came up, and before introducing this legislation I consulted the Department of Justice about it, because I had some doubts myself. The Department of Justice sent me an official answer telling me that there was no doubt that we had the right.

Mr. LEMIEUX: One of the last Bills of my own administration as Postmaster General was similar to this. We had a Bill passed to give our inspectors and assistant inspectors the right to travel on the trains of any provincial or federal railway company on the business of the department, and the Department of Justice agreed that it was within our jurisdiction.

Mr. OLIVER: Has the Postmaster General had the advice of the Department of Justice in regard to jurisdiction over municipally owned electric railways?

Mr. PELLETIER: My question did not go that far. It was about tramway companies having provincial charters. I do not think I asked about municipally-owned tramways.

Sir WILFRID LAURIER: Would there be any difference?

Mr. PELLETIER: I do not think there would be.

Sir WILFRID LAURIER: I cannot see any difference.

Mr. PROULX: The Ottawa company has a Dominion charter, if I am not mistaken.

Mr. PELLETIER: The Ottawa company has, I think, a Dominion charter.

Bill withdrawn.

PRISONS AND REFORMATORIES ACT AMENDMENT.

Bill No. 236, to amend the Prisons and Reformatories Act—Mr. Doherty—read the second time, considered in committee, read the third time, and passed.

TORONTO TERMINALS.

Bill No. 237, respecting the Canadian Pacific Railway Company, the Grand Trunk Railway Company of Canada, and the Toronto Harbour Commissioners—Mr. Cochrane—read the second time, considered in committee, read the third time and passed.

SUPPLY.

House in Committee of Supply.

Harbours and Rivers, Nova Scotia—Bay St. Lawrence—excavation of channel, $4,000.

Mr. McKENZIE: This work, commenced five or six years ago, is an earnest endeavour to connect the small harbour with the sea, in order to make a boat harbour for fishermen in that part of the county of Victoria. So far the work has not been very successful. Two piers were built extending out at each side, but the minister will have to extend those piers further to keep the stones and gravel from filling in the bottom of the harbour. I think it will be necessary to extend the piers.

Mr. ROGERS: The recommendation of the engineer is for excavation and some extension to the piers.

Mr. McKENZIE: The extension of the piers is highly necessary.

Beaver river wharf, $2,000.

Mr. LAW: How many feet will this wharf be extended, and in what direction?

Mr. ROGERS: The report does not give the direction; there are 18,000 cubic feet of cribwork.

Bear river wharf, $4,500.

Mr MACLEAN (Halifax): What is the cost of the land for this wharf, and from whom was it purchased?

Mr. ROGERS: The property cost $1,800.

Bluff Head breakwater—repairs and extension, $3,400.

Mr. LAW: This is one of the most important works we have in the county. It is largely used by the fishermen, and if it

is extended it will be a great public service. Will this vote complete the construction?

Mr. ROGERS: The extension will be 100 feet; the engineer reports this amount sufficient.

Boisdale wharf, $5,000.

Mr. McKENZIE: This work has been rendered necessary because the former wharf was carried away by the ice when it broke up in the spring. The wharf is near the Intercolonial railway station and it is of great public service, especially to the people from the island, who land there. I hope the minister will see that the money shall be expended during the summer.

Mr. ROGERS: The proposed wharf will be 174 feet long extended to 11 feet at low water. I think it is about the same size as the former one.

Mr. LAW: Will the work at Bluff Head be done by day work or by tender and contract?

Mr. ROGERS: Tender.

Brooklyn breakwater, $110,000.

Mr. MACLEAN (Halifax): What is the present position of this work?

Mr. ROGERS: The work is under contract; the contract price is $119,500.

Mr. MACLEAN: Who is the contractor?

Mr. ROGERS: The contract was with the Nova Scotia Construction Company, and it has been transferred to Falconer & Macdonald of Halifax.

Caribou Island—raising causeway, &c., $6,400.

Mr. MACDONALD: Does the minister propose to spend $6,400 this year, and for what purpose? Will the work be done by contract or by day labour?

Mr. ROGERS: It is proposed to carry on the work by day labour owing to the difficulties in the way. It will be done this year.

Mr. MACDONALD: What are the difficulties?

Mr. ROGERS: The work varies. One part is the raising of the causeway, and the other is something else, so that it would be difficult to do it by contract.

Mr. MACDONALD: This is simply a permanent connection between the island and the mainland. Is there any defined time, or is it simply a case of putting in stone and earth in a desultory fashion, because that would be very unsatisfactory? I am anxious that this work should be done properly. The department should formulate a plan in connection with it, and call for tenders.

Mr. ROGERS: The work for the present fiscal year consists in repairing and pointing the brush protection work on the seaward side; placing brush and stone and raising the lower part of the causeway to the level of twelve feet three inches above high water. During the year 1911-1912 about $1,000 was spent in placing some brush there and raising and repairing the roadway.

Mr. MACDONALD: It is not very satisfactory to appoint a foreman and to employ men in the vicinity to haul stone and earth in a desultory way. This work has reached the stage that the department, before they expend any more money, ought to have a plan which would involve the permanent completion of the work. I want to urge upon the minister to have a work out of which the country will get full service, and which will mean the completion of proper connection between the island and the mainland.

Mr. ROGERS: We are taking a note of it, and will see that it is done.

Coal Harbour—wharf, $8,500.

Mr. MACLEAN (Halifax): Is this a new work?

Mr. ROGERS: The estimated cost is $8,000.

Mr. MACLEAN: Will tenders be asked for?

Mr. ROGERS: Yes.

Comeau's Hill—breakwater repairs and extension, $3,300.

Mr. LAW: How much further extension will be made on Comeau's Hill breakwater? Will this extension complete the work?

Mr. ROGERS: One hundred feet. This extension is supposed to complete the work.

Mr. LAW: What is it to be built of?

Mr. ROGERS: Cribwork.

Mr. LAW: The breakwater itself is built of granite, and the piers alongside of it where the boats lie. The fishermen find some fault with it because it required woodwork on the side. Is this work to be done by contract?

Mr. ROGERS: Yes.

Devil's island—extension of breakwater, $20,000.

Mr. ROGERS: This is a new work. The contract is let to O. A. Ham.

East bay, north side—repairs to wharf, $2,600.

Mr. McKENZIE: This is a wharf on one of the arms of Bras d'Or lake. It is important because we are getting a boat to

ply between North Sydney and this place. What does the minister propose to do with this $2,600?

Mr. ROGERS: The approach to the wharf, which consists of brush and stonework covered with gravel, requires some replacing of the brush and stone that is broken down. The wood blocks in the approach and the head block require repairs and new fenders. The head block is in a bad condition and has been useless for many years. This is for the purpose of building an outer block. It will be done by contract.

East river—improvements, $75,000.

Mr. MACDONALD: Early in the session I moved for plans in regard to this work. They have not been brought down yet.

Mr. ROGERS: I can let my hon. friend have a plan now, and shall be glad to supply a larger plan to him.

Mr. MACDONALD: I shall be glad if the hon. minister will send me a complete plan of the work.

Mr. ROGERS: All right.

Mr. MACDONALD: What information has the department as to the time in which the work ought to be completed?

Mr. ROGERS: It is a pretty large work, and we have a further amount in the supplementary estimates. It will probably be completed in two years.

Mr. MACDONALD: I call the minister's attention to the necessity of making some repairs to the boat shelter at Lismore. This shelter was constructed four or five years ago and has been of great advantage to the fishermen of that part of the country. But it was injured by storm last year, and has been allowed to fall into bad repair. It is an absolute necessity that it should be kept in good shape. Will the minister be good enough to see that the present condition of the work be inquired into and take the responsibility of preserving it?

Mr. ROGERS: The chief engineer will take a note of it.

Englishtown—repairs and renewals to wharf, $1,100.

Mr. McKENZIE: This is a very important point, and these repairs are much needed. Will this work be done by day labour or will tenders be asked for?

Mr. ROGERS: This is simply for repairs and renewal of certain parts and is made up of small items. I am afraid it will have to be done by day labour.

Mr. McKENZIE: I am not afraid of it, because the minister can get good men to do the work, and I only hope that he will instruct his engineers that it should be done as soon as possible.

Feltzen South—breakwater in Spindler's Cove, $10,000.

Mr. MACLEAN (Halifax): Where is the work to be located—upon the site selected two years ago?

Mr. ROGERS: Yes, on the same location as originally asked for.

Mr. MACLEAN: Some three years ago tenders were asked for, for the construction of this work at a certain point. The lowest tenderer was one O. H. Ham. The present Government on coming into office postponed the completion of the work for some reason, alleging as the reason the possibility of a change in location. The minister probably will not find that upon the record, but it is the fact. Now that they are reverting to the former location, would it not be fair that the contract should be awarded to the lowest tenderer of that time?

Mr. ROGERS: I have no record here of the tenders my hon. friend refers to.

Mr. MACLEAN: There is no question about it. The tenders were called for in 1910 or early in 1911. The contract was not awarded, but it snould have been awarded.

Mr. ROGERS: I will have it looked up; I have no record of it here.

French river, north shore—breakwater, $5,000.

Mr. McKENZIE: What is this work for? I thought that was commenced last year.

Mr. ROGERS: It has been let by contract, and should have been completed on the 20th December, 1912.

Mr. McKENZIE: Is it not completed?

Mr. ROGERS: According to my record it appears to be, but there is nothing definite to say that it is.

Gabarus harbour—beach protection, $1,500.

Mr. CARROLL: What is the nature of this work? Will it be awarded by tender?

Mr. ROGERS: This is asked for by the district engineer, and is for piling and bush protection work, 1,600 feet in length, needed for protection of boat harbour inside the beach.

Mr. CARROLL: Is this the engineer's estimate for the work? It seems very small.

Mr. ROGERS: Yes, this is the engineer's estimate.

Glace bay—beach protection, $2,000.

Mr. CARROLL: Is this to make repairs to the protection already provided there?

Mr. ROGERS: Yes, it is for repairs.

Mr. CARROLL: Will it be done by day work or by contract?

Mr. ROGERS: I think by day work.

Hantsport and Walton wharfs, $20,000.

Mr. MACDONALD: Why are these bracketed? Are they close together?

Mr. ROGERS: This is simply a vote repeated from last year. I do not know the reason for putting them togetner.

Mr. MACDONALD: What is proposed to be done?

Mr. ROGERS: Build two wharfs, one at each place.

Mr. MACDONALD: Will the work be done by tender and contract?

Mr. ROGERS: Yes.

Harbour au Bouche—repairs to wharf, $1,000.

Mr. CHISHOLM (Antigonish): What is to be done there?

Mr. ROGERS: This is for repairs, including cribwork, placing the floor stringers, &c.

Mr. CHISHOLM: How much was spent there last year?

Mr. ROGERS: Two hundred dollars.

Harbours, rivers and bridges—generally—repairs and improvements, $45,000.

Mr. MACDONALD: Would the hon. minister give us a list of the items of which this amount is made up?

Mr. ROGERS: This is simply for general repairs.

Mr. MACDONALD: But could the minister give a list of the works in contemplation on which this amount is to be spent?

Mr. ROGERS: I could give some, but I have not the complete list. Church Point, Southwest Cove, Middle river, Chebong harbour, and Spray harbour. These are a few of the items that have come in so far.

Mr. LAW: Is there anything in this amount for repairs to the Sanford breakwater and the Port Maitland breakwater? These are two of the most important breakwaters in the county of Yarmouth. I hope the hon. member may be able to make these repairs out of this vote.

Mr. ROGERS: That is what this vote is for, to meet just such cases as that.

Mr. McKENZIE: The minister has mentioned Middle river; there are quite a number of Middle rivers in Nova Scotia. There is a Middle river in my riding.

Mr. ROGERS: This is for Cape Breton North.

Mr. McKENZIE: What is the proposed expenditure for?

Mr. ROGERS: Repairs to sheer dam, $250.

Inverness—harbour improvements, $15,000.

Mr. McKENZIE: The hon. member for Inverness was obliged to leave, and asked me to look after this. I understand that improvements were being made to the harbour by opening the mouth. I would like to know what stage the work is now in; will this amount finish the work, and will it be finished this year?

Mr. ROGERS: This item is intended to provide for the opening of the channel, and it is expected that we will be able to complete the work this year.

Mr. McKENZIE: Is this amount to be used for dredging purposes?

Mr. ROGERS: Excavation two feet below low water mark, 9,666 yards; cribwork for piers, 554,000 cubic feet. Dredging of channel, ten feet at low water, 25,000 yards.

Mr. McKENZIE: Then there is some dredging to be done this year with this money?

Mr. ROGERS: The dredging will be in connection with the contract.

Mr. McKENZIE: I want to impress upon the minister the fact that this place is on a coast which is entirely exposed to the Atlantic, and that it is only during the mildest and warmest part of the season that any dredging can be done there. In the fall or spring, it is absolutely impossible to face that shore with a dredge. I would urge on the minister the necessity of seeing that whatever dredging he has to do there is done in the month of July or in the early part of August.

Mr. MACDONALD: I would like to join with the hon. member for North Cape Breton in what he has said with regard to this matter. There is a sweeping sea, with a northwesterly wind, running from Anticosti down to Inverness, and unless the work is undertaken in the summer months, it cannot be done. It is a question of very great doubt as to whether it is worth while undertaking the work at all, unless the minister is prepared to make a sufficiently large expenditure to build a permanent breakwater. I do not know what the plans are, but the town is a thriving coal mining town, and it would be desirable, if possible, that it should have shipping facilities by sea. Any mere trifling with the matter, or any expenditure on a small basis, and not of a per-

manent character, will be inadequate. I hope the minister will take up this matter with confidence and a determination to put it through. The conditions described by my hon. friend are so imperative that they require immediate action.

Mr. ROGERS: The engineer informs me that they have several reports in the department on this work, and he understands that it has been explained that it is necessary to take this work up in July.

Kelly's Cove—extension to breakwater, $7,000.

Mr. LAW: I am pleased to see this amount in the estimates. It is the nucleus of one of the most important fishing villages we have in this county, and considerable money has been spent there. I would like to ask the minister if this $7,500 will complete the work, and how much will be added to the length of the present breakwater?

Mr. ROGERS: One hundred feet. This will afford the shelter desired for the fishing fleet.

Mr. LAW: Will not $7,500 build more than one hundred feet. It looks to me like a large amount for the building of only one hundred feet.

Mr. ROGERS: I understand that the water is fairly deep. This is simply a revote; it has been in the estimates before, but has not been used.

Mr. LAW: I hope the minister intends to use it this year.

Mr. ROGERS: Yes.

Kraut Point—wharf, $1,500.

Mr. MACLEAN (Halifax): Is that to complete this work?

Mr. ROGERS: It is to complete the work begun in 1912.

Little Bras d'Or—construction of breakwater, $12,800.

Mr. McKENZIE: I would remind the minister that this is a revote; that we have been carrying this amount in the estimates for the last three or four years and that nothing has been done. It is highly desirable that that breakwater should be built. Your department has succeeded in opening the mouth of this harbour at Little Bras d'Or, and a splendid harbour has been the result of the dredging operations carried on at that place. The engineer thought it was necessary to complete the efficiency of the harbour by building a breakwater, and I hope that the minister will see that tenders are called for the construction of the breakwater this summer

Mr. ROGERS: It is already under contract.

Mr. McKENZIE: Who has the contract?

Mr. ROGERS: MacNutt & Landry.

Malignant Cove—repairs to breakwater, $800.

Mr. CHISHOLM (Antigonish): In the estimates for 1911-12 there was an appropriation for Malignant Cove, of $2,300. That was dropped the following year, and in the supplementary estimates for this year there was an appropriation of $4,000, due to the fact that the expenditure that should have been made last year was not made, and the damage went on increasing to such an extent that a larger amount is now required. I am not aware that anything was done last year, and I would like to know what this $800 is for.

Mr. ROGERS: It is for repairs to the wharf

Mr. CHISHOLM: The wharf has been virtually carried away, and it would require $4,000 to put it in shape. I do not see where the $800 would come in at all.

Mr. ROGERS: The engineer informs me that the $800 is for urgent repairs, and the balance to replace the wharf is in the supplementary estimates.

Mushaboon wharf, $1,200.

Mr. MACLEAN (Halifax): Is that a new work?

Mr. ROGERS: Yes.

Mr. MACLEAN: Will it be built by tender and contract?

Mr. ROGERS: It is a very small item; it will all depend on the engineer's recommendation.

North West Cove—(Tancook Island)—breakwater, $42,000.

Mr. MACLEAN (Halifax): Is that an extension of the present work?

Mr. STEWART (Lunenburg): The engineer advises that the most satisfactory arrangement would be to place the new work on the site of the old work. It would be practically a new work covering the site of the old.

Port Dufferin harbour—wharf on west side of harbour, $4,200.

Mr MACLEAN (Halifax): Is this a new work?

Mr. ROGERS: Yes.

Mr. MACLEAN: What will it cost?

Mr. ROGERS: The total cost will be $4,200.

Porter's lake—boat channel to Three Fathoms harbour, $10,000.

Mr. MACLEAN (Halifax): Is this work to be done by contract?

Mr. ROGERS: Yes.

Mr. MACLEAN: Have tenders been called for?

Mr. ROGERS: Not yet.

Seal Island—wharf, $1,000.

Mr. LAW: Will this complete the work?

Mr. ROGERS: No, the estimated cost of all that will be required is $3,000.

West Pubnico—repairs to wharf, $1,400.

Mr. LAW: I suppose this is for ordinary repairs?

Mr. ROGERS: For ordinary repairs.

Mr. LAW: Considerable hand dredging has been done there. The wharf is a long distance from the channel. A lot of business is done at West Pubnico; it is a very important place, and I would like to impress upon the minister the advisability of having one of his small dredges go there and dredge from the channel into the wharf. The hand dredging is very slow work and very expensive. If the minister had a light draught dredge which could go in there, it would be very much appreciated by the fishermen and the commercial community.

Mr. ROGERS: What is the distance from the channel to the wharf?

Mr. LAW: About half a mile. With a light draught dredge I think the work could be done for a few thousand dollars, and it would be a great relief to the people there.

Mr. ROGERS: The trouble will be to find a light draught dredge.

White Point breakwater, $4,000.

Mr. McKENZIE: We have a White Point in the county of Victoria which needs a breakwater. Does this item refer to that place?

Mr. ROGERS: I am afraid this refers to the White Point in Queens and Shelburne.

Mr. CHISHOLM (Antigonish): I see two items for breakwaters at Blue Rocks. There is a Blue Rocks in Antigonish and a Blue Rocks in Lunenburg. Which is the Antigonish one?

Mr. STEWART (Lunenburg): The first is Lunenburg, and the second Antigonish.

Yarmouth harbour, improvements, $87,000.

Mr. LAW: The late Government agreed to purchase the wharf property at East Pubnico for the sum of $2,500. Some dredging was done there, and I would like to ask the minister if he has a memorandum of any negotiations with Henry T. D'Entremont, owner of the wharf at East Pubnico.

Mr. ROGERS: I have no memorandum, and the officers seem to have no recollection of the matter.

Mr. LAW: That is quite a shipping place, and I think that if the department purchased that wharf it would be a first rate investment. They have fairly deep water there, but the owner of the wharf is not keeping it in the best of repair. There are two other points to which I wish to direct the minister's attention. First there is Pickney's Point. I wrote to the minister during the session about this place, as I had a letter from some of the residents there asking for an extension of the breakwater. There have been one or two extensions, and the increase in the number of fishing boats has been very apparent indeed. I hope the minister will keep Pickney's Point in mind, and that next session he will have something in the estimates for it. There are two other important breakwaters which have not received attention from the department this year, Short Beach and Chegoggin Point. Both breakwaters are needed by the fishermen. I trust the minister will be able next year to give this harbour and breakwater some attention and spend some money there. In reference to Yarmouth improvements, I would like to ask the minister when the work is to be done.

Mr. ROGERS: This amount is asked for deepening, straightening and widening the channel approach, the enlargement of the anchorage in the upper part of the harbour, improving the pier approaches and the berthing facilities at the wharfs, $85,000; also repairs and renewals to beach protection work, $2,000; total $87,000.

Mr. LAW: Does the minister intend to dredge the dock between the Dominion Atlantic Steamship Company's property and the Parker Eakins Company property?

Mr. ROGERS: Yes, but I am not sure that it is included in this.

Mr. LAW: Will it be done whether included in this item or not? Our dockage facilties at Yarmouth are very poor. Of course the tide leaves the flats bare for a long time. The Dominion Atlantic Steamship Company, operating the boats between Boston and Yarmouth have decided to coal their boats in Yarmouth this season. There is no place where the boats can get coal discharged unless a dock is made at the south of the Dominion Atlantic wharf property. I hope the minister will

carry that idea out. When those large steamers come there it is hard to get berths for them because the docks are all used, whereas if dock facilities were provided at the south of the wharf, they could get their berths all right. I am pleased to see this amount in the estimates for Yarmouth and I must congratulate the minister for putting it in. The only regret I have is that it is not a little larger, but still we must be thankful for all the favours we get. I want to impress upon the minister the importance of the port of Yarmouth. We have been handicapped ever since it has been a town, 150 years, because it is one of the meanest harbours that any place could have. A large amount has been spent on it, but a large amount is still required to make the harbour what it ought to be. I would like to call the attention of the minister to the fact, and I think I am perfectly correct in making the statement, that we handle more first-class passengers in Yarmouth than are handled at any other port in the maritime provinces, and perhaps in the Dominion. We have a daily line of boats between Yarmouth and Boston and I have no doubt that in the near future there will be a line between Yarmouth and New York. The steamship company operating the line between Boston and Yarmouth desire to put on a larger boat, longer and of much deeper draught. I trust that the minister will see his way clear to advertise for tenders as soon as possible so that the work may be done this summer. Last year there was $100,000 in the estimates for Yarmouth harbour but only about $19,000 was spent. I feel satisfied that the minister, realizing the importance of that trade, will immediately ask for tenders for dredging there and also for the removal of the solid rock shoal. This is not only important to the port of Yarmouth but Yarmouth itself is the vestibule of Nova Scotia. Passengers come to Yarmouth from Boston, they return from Yarmouth to Boston and they come from and are distributed to points all over Nova Scotia. Thereupon it is not only important to Yarmouth, but to every other part of Nova Scotia. I quite believe the minister will realize the importance of the work and that he will see that no time is lost in asking for tenders.

Mr. ROGERS: I remember the deputation that came from Yarmouth in regard to the dredging close to the wharfs, they made a very strong case; we have the memorandum of their representations in the department and we will take it up the first day we get time to give it careful consideration with the view of trying to meet their wishes.

Mr. CHISHOLM (Antigonish): I observe that there are six items in the main estimates for Antigonish county for trifling amounts, partly revotes, which, with the rest are to be spent on ordinary and incidental repairs. In the case of Bayfield, I find that there is an appropriation of $2,500 for 'repairs to wharf and breakwater,' while in the estimates for 1911-12 of the late Government there was an appropriation of $15,000 for this harbour. I desire to know how the engineers have been able to reduce the requirements of Bayfield harbour from $15,000 to $2,500. Knowing the conditions there, the requirements of the place, and that nothing has been spent upon the harbour since the estimates for 1911-12 were passed, appropriating $15,000, an appropriation which the present Government dropped, I wish to know how they are able to get along with this small amount, particularly as I observe there is nothing in the supplementary estimates for this work. I regret that I cannot join with my hon. friend from Yarmouth in congratulating the minister upon the very generous manner in which he has treated Antigonish county in so far as his estimates are concerned. If I find, when all the supplementary estimates are down, that I have reason to change my opinion, I will make the amende honorable and render justice where justice is due.

Mr. ROGERS: This item is for repairs.

Mr. CHISHOLM: To the wharf or breakwater?

Mr. ROGERS: To the wharf and breakwater.

Mr. CHISHOLM: What repairs are required?

Mr. ROGERS: Renewal of decayed superstructure, creosoted crib work, covering crib work and replacing of grouting.

Mr. CHISHOLM: That is for repairs to the wharf, and not the breakwater at all.

Mr. ROGERS: Yes, that is entirely for repairs to the wharf.

Mr. McKENZIE: I suppose the minister is not familiar with the items that were contained in the estimates for 1910-11, and perhaps some years before that. I wish to call his attention to some of the items that, after due consideration and investigation, were put into the estimates of the year 1910-11. I must make a general remark about expenditures in Nova Scotia and my part of the country. An observation was made by the hon. member for Brantford (Mr. Cockshutt) the other night which I thought was unjustified and altogether uncalled for. He made a dead set on expenditures in Nova Scotia, saying that we were having harbours here and breakwaters there, which were not required. I speak in the presence of the officials of the department,

who are aware that these expenditures in Nova Scotia are highly necessary, and that it was improper for the hon. member to make the vicious attack he did. I am not speaking for one side or the other; whichever party is in power it is necessary these expenditures should be made. I was trying for a great many years to get a harbour at Dingwall, in Victoria county, an important place, and after a struggle of many years we had an amount put in the estimates of 1910 and 1911. I am sorry that item has been dropped. There was another item in the estimates to help the fishermen out at Meat Cove and another for a breakwater at Cape Dauphin, and another item to help another fishing village at a place called Point Aconi. For some reason or other, which I never have been able to discover, those items have been dropped from the estimates. I am sorry for that. The minister will understand that the only way we have to compete with the American fishermen, who have large vessels outside the three-mile limit, and who sometimes come within the three-mile limit, is to have good sized boats that they can get out from these breakwaters. If a boat is any size at all it must have shelter on that exposed coast, and if boats are so small that they can be pulled up on the beach at night, they will not stand the sea and the fishermen cannot go out in them. That is the reason why we are looking for those breakwaters and small harbours along the coast, so as to enable our fishermen to have good-sized boats. I am pleased to tell the minister that wherever we have a decent harbour our fishermen are getting good, large, gasoline boats and are able to compete with the Yankee fishermen, and go out in rough weather to share in the harvest of the sea. If the minister will look into the records of the department he will find that his officers have reported in favour of these places I have mentioned. I am sorry that on the change of Government these items were dropped from the estimates, and I hope the minister will restore them and proceed with the work.

Mr. ROGERS: I have never had the pleasure of visiting Nova Scotia and am not familiar with the conditions to which the hon. gentleman refers, in that province, but I will undertake to remedy that this summer by paying a visit to Nova Scotia with a view to making personal inspection of the harbours and breakwaters. I can assure my hon. friend I shall give every consideration to providing necessary public expenditure in Nova Scotia, so far as my recommendation will go.

Prince Edward Island—Georgetown, repairs to wharf, $1,000.

Mr. HUGHES (Kings, P.E.I.): Will this be done by day labour?

Mr. ROGERS: I think it will be necessary to do it by day's labour.

Harbours and rivers generally—Prince Edward Island, $10,000.

Mr. HUGHES (Kings, P.E.I.): I spoke to the minister this morning about the Government wharf at Montague, called Steven's wharf. A year or two ago there was an item in the estimates for a freight shed at this wharf, and it was dropped I suppose inadvertently. The minister will agree that a wharf is not much good without a freight shed on it. The Government wharf is the best wharf, but the steamer has to use a small private wharf because there is no freight shed on the Government wharf. Can the minister build the shed out of this vote?

Mr. ROGERS: It has been the practice for the Government to erect a small shed on these different wharfs. I am not quite certain whether it will be possible to take an amount out of this vote to provide a shed, but I will take the matter up with the officials of the department. I understand the amount would be small.

Mr. HUGHES: About $700, I suppose.

Mr. ROGERS: The officers will take a note of it, and if it is possible it may be provided for.

Mr. HUGHES: The shed is very necessary.

Mr. ROGERS: I have no doubt about that.

Naufrage pond, $2,500.

Mr. HUGHES (Kings, P.E.I.): Will this complete the work and will tenders be called for?

Mr. ROGERS: Yes. We will call for tenders if we can.

Souris—extension of breakwater, $40,000.

Mr. HUGHES (Kings, P.E.I.): How many feet will the breakwater be extended?

Mr. ROGERS: Twelve hundred and fifty feet long. The extension is to be forty feet wide over the whole length of twelve hundred and fifty feet; it is to extend to a depth of eighty feet and is to be constructed of creosote timber, with a protecting stone slope on the seaward side, similar to the existing work.

Mr. HUGHES: What is the addition?

Mr. ROGERS: Four hundred feet.

Mr. HUGHES: Is it the intention of the department to extend it any further than what is under contract at present?

Mr. ROGERS: No, I think that is quite enough.

Tracadie breakwater, $2,000.

Mr. HUGHES (Kings, P.E.I.): There is no item here for dredging. Two or three Government dredges belong to the island, and I think they have been slow in getting to work this year. What is the cause of the delay?

Mr. ROGERS: I did not know there was any delay. I shall be glad to look into the matter. I understood all the dredges are at work.

Mr. HUGHES: In regard to the Prince Edward Island item, although the Public Works Department build all the wharfs, they transfer some of them to the Department of Marine and Fisheries and keep some themselves. Is there any policy in that respect?

Mr. ROGERS: I understand there is no fixed policy. It has been found convenient at certain times and at certain places to make the transfer of wharfs, that were constructed by the Public Works Department, to the Department of Marine and Fisheries. It is due probably to the fact that the work of the Department of Marine and Fisheries was more closely connected with particular wharfs.

Quebec—Anse aux Gascons—breakwater repairs and extensions, $3,000.

Mr. MARCIL (Bonaventure): What is that for?

Mr. ROGERS: This is just to complete the work of the repairs and improvements which have been in progress for the past two seasons.

Mr. MARCIL: How much is the extension?

Mr. ROGERS: It will be one hundred feet in length and forty feet deep.

Baie St. Paul—repairs to wharf, $1,500.

Mr. LEMIEUX: Repairs have been made already to Baie St. Paul?

Mr. ROGERS: This is to continue the repairs that have already been started.

Mr. LEMIEUX: Have any repairs been done this spring?

Mr. ROGERS: No.

Cap à l'Aigle—extension of wharf, $31,000.

Mr. LEMIEUX: What is the work there? This point is frequented during the summer by a large number of tourists, and the wharf is very deficient?

Mr. ROGERS: This amount is to remedy that. We wanted to extend the wharf by one hundred and fifty-six feet.

Cap Chatte—extension of training pier, $7,500.

Mr. LEMIEUX: If this extension is made, it will give more chance for sailing vessels to get into the river. There was rock right in front of that wharf.

Mr. ROGERS: That is what the extension is for.

Gaspé—deep water wharf, $94,000.

Mr. LEMIEUX: When do you expect to complete that wharf?

Mr. ROGERS: This season.

Mr. LEMIEUX: The railway tracks run on the wharf. What is the sub-structure?

Mr. ROGERS: Timber. It will be completed this year.

Isle Verte—extension to main wharf, $4,500.

Mr. GAUVREAU: What kind of extension does the minister propose to make at Isle Verte?

Mr. ROGERS: On the east side.

Mr. GAUVREAU: The extension is not to be in the front, but on the side?

Mr. ROGERS. Yes.

Isle Verte—dredging near wharf, $4,500.

Mr. GAUVREAU: This amount is not large. I do not see what kind of dredging can be done around the wharf, especially for such a sum as this. There is only six inches of water at low tide, and at high tide about eight feet. If this were for the removal of rocks, I should say it was all right.

Mr. ROGERS: This work is supposed to be done by scrapers. In view of the fact that the water is very shallow, a certain amount of work can be done to advantage.

L'Anse à Beaufils—harbour improvements, $4,500.

Mr. LEMIEUX: What is proposed to be done there? I would like, while the chief engineer is here, to say that there is a difficulty about the bridge which the municipality intends to remove. When we built the first pier two years ago, the works of the department abutted on the pier of the bridge, and, as a result, the municipality claims, the pier was displaced; and they now intend to erect a bridge a little further up the river. I do not know whether this work under the department is to be up the river or whether it is to extend into the sea. This is a very useful work.

Mr. ROGERS: It is from the present site to the old site of the bridge.

At one o'clock, House resumed and then took recess.

House resumed at three o'clock, and again went into Committee of Supply.

Public Buildings, Ont.—Athens public building, $12,000.

Mr. GRAHAM: When does my hon. friend expect to have this building completed?

Mr. ROGERS: It will be finished some time this summer.

Brantford—new public building, $120,000.

Mr. GRAHAM: Will the hon. minister explain that item?

Mr. ROGERS: This vote is to make provision for the erection of a new public building at Brantford, on the north side of Dalhousie street, to be used for post office purposes. The contract has been let.

Mr. GRAHAM: There was something said about selling the building that belongs to the Government in Brantford; has that been done?

Mr. ROGERS: It has not been sold yet.

Dominion public buildings—renewals, repairs, improvements, &c., $25,000.

Mr. GRAHAM: I suppose these buildings are in different places?

Mr. ROGERS: This covers general repairs to public buildings throughout the whole province.

Mr. GRAHAM: There is an inspector, is there not, in Toronto?

Mr. ROGERS: Yes.

Mr. GRAHAM: What is his name?

Mr. ROGERS: Mr. Hastings.

Mr. PROULX: Is Mr. Charleson still in the employ of the Government?

Mr. ROGERS: No.

Mr. PROULX: Has he been dismissed?

Mr. ROGERS: The position has been abolished; there was no work for him.

Mr. PROULX: Was Mr. Hastings in office at the same time as Mr. Charleson?

Mr. ROGERS: Yes.

Eganville—public building, $10,000.

Mr. GRAHAM: Has the contract been let for this building, and on which side of the Bonnechere river is it to be erected?

Mr. ROGERS: A site has been purchased, but the contract has not been let. There is some difference of opinion as to the best site; whether it should be on one side of the river or the other.

Mr. GRAHAM: Which side is the lot on?

Mr. ROGERS: There is a site on both sides now, I think.

Mr. GRAHAM: The Bonnechere river runs through the village of Eganville. The south side is in the south riding of Renfrew and the north side is in the north riding. The post office has always been on the south side, in the south riding of Renfrew, and the majority of the people who get their mail there live on the south side of the river. Fire swept the village a few years ago, and the post office was destroyed. The late Government placed an amount in the estimates for a new post office, but did not take any steps towards the purchase of another site.

Strong representations were made by those on the north side for the establishment of a post office there, and as the result a lot has been purchased on the north side, in the north riding of Renfrew, which would indicate that the post office is to be removed from the south to the north side. It has been intimated that that was the result of a certain event that took place in South Renfrew in February last. I would hardly think that the minister would allow himself to be influenced to such an extent as to take the post office away from a riding in which it has been ever since there was a post office in that district, and place it on the other side of the river merely for that reason. Looking at the matter from a political point of view, I may tell my hon. friend that the people who get their mail at this post office voted for the candidates of the Government in the South Renfrew by-election, far above and beyond the Conservative strength in that vicinity, and in taking away that post office for the purpose of punishing South Renfrew, the hon. minister is really punishing a good many Liberals and Conservatives who voted for his candidate, because the candidate resided in Eganville on the south side of the river, and got a much larger support in that vicinity than the voters' list would seem to give him. Ever since there has been a post office in Eganville it has been on the south side of the river, and the greater number of the people get their mail on the south side. There are many other reasons which I could submit to the hon. minister why he should leave the post office on the south side of the river. It is very convenient for everybody, and if left on that side will prevent a lot of friction that will arise if the office is removed to the north side.

Mr. ROGERS: As my hon. friend is aware, I am rather unacquainted with the local conditions which he has so clearly described, but I know something about the facts to which he has referred. There are two locations proposed for this office, and there are also two opinions among the people as to where the new post office should be erected. Owing to this fact the contract has not been let, and, although tenders were called for, the matter is still in abeyance and is receiving consideration. We hope that the department will be able

to have the matter adjusted in some form that will be satisfactory to the great majority of the people. We certainly do not desire to do an injustice to any particular section or locality of that district. My hon. friend has said that the post office has always been located on the south side, and I may say that everything he has said will receive careful consideration before a final decision is reached.

Mr. GRAHAM: Is my hon. friend prepared to say that it will be on the south side?

Mr. ROGERS: I would not like to say that, because I am not personally acquainted with the facts.

Mr. GRAHAM: Is my hon. friend going on with this new building this year?

Mr. ROGERS: I hope so, if we can decide where we are going to put it.

Mr. PROULX: What was the recommendation of the defeated candidate in the last election? Did he recommend the south side or the north side?

Mr. ROGERS: The south side.

Mr. GERMAN: There have been several strong representations made to the minister to have a public building erected in the town of Thorold for the purposes of a post office. I had hoped to see something either in the main estimates or in the supplementaries this year, but I do not see anything in that regard. I would like to know if the minister is favourably considering the proposition, and if next year he will see his way clear to erect a post office building in Thorold. Like other towns in that locality, Thorold has reached a degree of business propsperity not hitherto known. Large manufacturing industries have been established there, including one of the largest paper mills in the country. I trust the minister will be able to consider favourably the representations made by the residents.

Mr. ROGERS: I recall the representations made by the deputation which came from Thorold. My impression at the time was that they had a fairly strong claim. The town seems to be growing, and there are good prospects for the future. I can assure my hon. friend that we will take it up before next session, and see if we cannot meet their views.

Lindsay—drill hall, $35,000.

Mr. GRAHAM: The other day I had an inquiry from a town that has been asked to furnish a site for a drill hall. The Government proposed to build a drill hall for that town if a site was furnished, and as the description of the hall is like the one in Lindsay, they pertinently asked whether the town of Lindsay had furnished a site.

Mr. ROGERS: Lindsay appears to have furnished a site.

Newmarket—public building, $20,000.

Mr. GRAHAM: How much of this work is done? Has the site been purchased?

Mr. ROGERS: Nothing has been done, but the site has been purchased.

Mr. GRAHAM: From whom?

Mr. ROGERS: The Rev. D. Jones.

Mr. GRAHAM: What was the price?

Mr. ROGERS: $2,650 and $2,100.

Orillia—drill hall, $30,000.

Mr. GRAHAM: There seems to have been a standard drill hall adopted, costing $25,000. Here is one at $30,000. It would look as if Orillia were not giving the site. Perhaps that would account for the extra $5,000.

Mr. BENNETT (East Simcoe): Orillia is giving the site, and quite a valuable one.

Mr. GRAHAM: Would it not be wise to adhere to the uniform standard of drill hall, costing $25,000?

Mr. ROGERS: We are trying to keep to that unform price, but I think in nearly every case the cost of these buildings will reach $30,000.

Mr. BENNETT: The tender in this case is under $25,000, as a matter of fact.

Mr. ROGERS: The fittings are, of course, extra. We have estimated correctly in the case of Orillia, and perhaps a little less in some of the others. We had full and complete information about the Orillia hall before the estimate was made.

Oshawa—drill hall, $40,000.

Mr. GRAHAM: Here is one at $40,000. I am afraid there will be trouble with some of those towns that have $25,000 buildings.

Mr. ROGERS: This building seems to be a little larger than some of the others, for some reason or another.

Mr. GRAHAM: It may be that they have a greater number of companies. Will $40,000 finish the building?

Mr. ROGERS: Yes.

Ottawa fuel testing—enlargement of concentrating laboratory, $15,000.

Mr. GRAHAM: Has this anything to do with the testing of peat?

Mr. ROGERS: This is the peat factory.

Mr. GRAHAM: Can we get the information from the Minister of Inland Revenue as to what the success has been there?

Mr. ROGERS: You will get that information when we reach his estimates.

Ottawa Parliament Buildings—improvements, $15,000.

Mr. ROGERS: This is for general improvements and maintenance.

Ottawa—new drill hall, $50,000.

Mr. GRAHAM: Is this to be an armoury or a drill hall? I see there is nothing spent on it. I saw in a paper last night something about an armoury in Ottawa.

Mr. ROGERS: This is a combination of armoury and drill hall.

Mr. GRAHAM: If it is to be a building of that kind, $50,000 will not amount to much.

Mr. ROGERS: It will cost much more than that.

Mr. FRIPP: A drill hall in Ottawa will cost $300,000. This is only a partial vote for the purpose of obtaining a site.

Mr. PROULX: Would not the new drill hall be erected on the site you have at present?

Mr. FRIPP: There is not enough room for it there. This amount was in the estimates last year, to make a commencement by securing the site, but nothing has been done.

Mr. GRAHAM: Have you an estimate for the building.

Mr. ROGERS: Not yet.

Mr. GRAHAM: How big is the building to be? I do not mean how big a building does the hon. member for Ottawa (Mr. Fripp) want, because that would only be limited by the corporate limits of the city, but how big a building does the Minister of Public Works intend to erect.

Mr. ROGERS: My deputy tells me that we shall require at least $200,000, for what will be wanted.

Mr. FRIPP: We have twice as many volunteers in the city of Ottawa as there are in any other city in Canada outside of Toronto, and our present drill hall is grossly inadequate. It is an old building which was erected thirty or forty years ago, and it is unsanitary and in a very bad condition. If we were to use the present site, the militia authorities claim that there would not be sufficient ground for the drilling of the corps upon the space left.

Mr. NESBITT: Can they not drill in the park?

Mr. FRIPP: That would spoil the driveway.

Mr. PROULX: You would have to go outside of the city to get sufficient ground.

Mr. GRAHAM: Is there any idea as to where this new site is to be? I suppose it is pretty valuable property where the old building is?

Mr. FRIPP: Yes. The first idea was to try to obtain the property known as the Arena rink. Most hon. gentlemen know where that is, as it is the building in which large public meetings are usually held. It is close to the canal, and the idea was to have the lower part, which is lower than Laurier avenue, used for the guns and batteries and the upper part for ordinary militia purposes. The difficulty is that the Canadian Pacific railway, I think, want to come in on that side of the canal, and that would destroy the property as a site for the drill hall. The hon. Minister of Militia and Defence (Mr. Hughes), I understand, is in negotiation with the Ontario Government for the present site of the Normal school, or the rear end of it, and it is generally agreed that if that could be secured it would make an ideal site, because the whole square would then be left for drill purposes.

Mr. NESBITT: What about the boys playing ball there?

Mr. FRIPP: They are allowed to play ball there during the day, but not when the soldiers are there.

Mr. GRAHAM: I suppose the purchase of this site will be made by the Department of Public Works and not by the Department of Militia and Defence, although the Militia Department will make a recommendation. The Minister of Public Works is wise in not saying where the drill hall is likely to be located, because the price of land will soar immediately if there is any suggestion as to where it is going to be. If it were intended to have it on the Arena property, it would be bad policy to say so in advance, because the Arena property will be almost in the clouds by the time the department is ready to buy it.

Mr. FRIPP: It has been negotiated for, and a price has been obtained in case that site is determined upon.

Mr. NESBITT: I thought the minister had adopted the policy of making the towns give the sites.

Mr. GRAHAM: That is the small towns. I suppose the Ontario Government would not be very hard to make a bargain with since the minister is proposing to give them a nice big subsidy for their railway. Could not a deal be made in the way of a trade—they want something from us and we want something from them?

Mr. ROGERS: We are awaiting the action of the Senate before we go any further with that matter.

Mr. GRAHAM: It seems to be a wise precaution.

Picton—armoury, $20,000.

Mr. GRAHAM: Is Picton giving the site?

Mr. ROGERS: Yes.

Port Arthur—drill hall, $49,000.

Mr. GRAHAM: How much is that going to cost?

Mr. ROGERS: That will be over $150,000.

Mr. GRAHAM: Is that located on the park site or near the park?

Mr. ROGERS: Yes, on the park site.

Mr. GRAHAM: This amount appeared last year and the year before, and it seems to be a revote this year. The hon. gentleman will put up a much larger building than that sum will indicate?

Mr ROGERS: Yes, there will be a further vote in the supplementaries.

Mr. GRAHAM: Nothing has been spent yet?

Mr. ROGERS: We are just letting the contract.

Toronto—Customs examining warehouse, $500,000.

Mr. GRAHAM: What has been done in connection with this building?

Mr. ROGERS: We are getting out the plans; the contract has not yet been let.

Mr. GRAHAM: Where is this building?

Mr. MACDONNELL: It is on the south side of Front street adjoining to the west, the present customs house. As I understand it, the property has not yet been purchased, but expropriation proceedings have been taken and the usual notice given.

Mr. GRAHAM: $370,000 has been spent; that must have been for the site?

Mr. ROGERS: That is for the site.

Mr. MACDONNELL: I did not know the purchase had been completed.

Toronto military building—barracks for permanent corps to replace property sold to the city, $250,000.

Mr. GRAHAM: What is this for?

Mr. ROGERS: This is for a new barracks to replace Stanley barracks.

Mr. NESBITT: What did you get for the old property?

Mr. ROGERS: $180,000.

Mr. GERMAN: Where are the new barracks to be situated?

Mr. MACDONNELL: At Long Branch, which is ten or fifteen miles out along the lake.

Mr. GRAHAM: What became of the negotiations between the Militia Department and Toronto with reference to some lands owned by the Government, which the exhibition people wanted?

Mr. MACDONNELL: That is the Stanley barracks, and it has gone to the exhibition. This vote is for the erection of a new barracks in place of the Stanley barracks.

Mr. ROGERS: Before luncheon some hon. gentlemen asked that the items for public buildings in New Brunswick should stand: I understand that since an arrangement has been come to, and that we are to proceed with them now.

Mr. GRAHAM: It was asked that the New Brunswick estimates stand until Mr. Pugsley, who is ill, could be present; but an arrangement has since been made by the whips that the items may be gone on with, on the understanding that on the supplementary estimates any item may be discussed although it may have been adopted.

Mr. ROGERS: We will be glad to agree to that. We will endeavour to make what progress we can with the main estimates this afternoon, and this will not debar any hon. gentleman from discussing any question when the supplementary estimates are reached.

Mr. NESBITT: That is satisfactory.

Winnipeg postal station south, postal station west, and railway postal station, $275,000.

Mr. OLIVER: This seems a pretty liberal allowance of postal stations. There is a general post office in Winnipeg which is a fairly central and good building. What is the purpose of these postal stations?

Mr. ROGERS: These are to be erected entirely on the recommendation of the officials of the Post Office Department. It is impossible in a growing city to have one post office serve the public as quickly as the establishment of postal stations at different places would do. As far as the items referred to here are concerned, I do not know anything about them. I have never been consulted.

Mr. OLIVER: This is the first time these votes appear. Does this amount give any indication of the total cost of the buildings?

Mr. ROGERS: They will not be at all expensive.

Mr. OLIVER: What is the intention in regard to these three buildings for the one city in addition to the existing post office? What is the proposed total expenditure on

each building? The first vote is fairly liberal and we would like to know what is to follow.

Mr. ROGERS: The plans have not yet been prepared. My deputy minister informs me that from $80,000 to $100,000 will be the cost of each building. In addition to that there will be the cost of the site.

North Battleford—public building, $30,000.

Mr. ROGERS: This is a new one. The contract has been let recently.

Mr. OLIVER: What is the estimated total cost?

Mr. ROGERS: About $40,000.

Prince Albert—drill hall, $40,000.

Mr. ROGERS: This is a new one and the plan has not been completed yet.

Mr. OLIVER: The contract is not let.

Mr. ROGERS: No.

Regina—armoury and drill hall, $100,000.

Mr. ROGERS: The contract has not been let yet.

Mr. OLIVER: What is the estimated total cost?

Mr. ROGERS: About $200,000.

Mr. OLIVER: With the site?

Mr. ROGERS: Probably not.

Athabaska Landing—addition to public building, $1,000.

Mr. OLIVER: My information is that the building which is being used there at present for the post office, while it was quite adequate at the time the building was erected, is woefully below the requirements at the present time. The post office, the sub-land agency and the Government telegraph office all occupy the one building. I think some branches of the business have been moved out. A mere repair or improvement of the existing building to the amount of $1,000 will not even measurably meet the requirements at that point now that it has become an important railway terminus.

Mr. ROGERS: This item is rather small, but there is a further item in the supplementary estimates which will help in this work.

Bassano— public building, $10,000.

Mr. BUCHANAN: Last year a vote was passed for this building. I understand that during the past year a free site was offered to the Government; that an official of the department examined the site last year, and was satisfied with it. I have a letter here from the municipal council of Bassano, asking me to urge that this building shall be placed under construction immediately, because the present postal facilities are very inadequate. They would like to ascertain whether the contract will be let and the building placed under construction this year. If the site has been given to the Government, I would urge upon the hon. Minister the commencement of this work as soon as possible in order to meet the demands of the growing town of Bassano.

Mr. ROGERS: We got a free site from the town, and the work will go on this year.

Calgary—immigration building, $20,000.

Mr. OLIVER: Is it proposed to erect a new building where the old one is, or is it proposed to have a new site?

Mr. ROGERS: This completes the new building.

Mr. OLIVER: When will it be completed?

Mr. ROGERS: It is practically finished now.

Edmonton—new drill hall, $100,000.

Mr. OLIVER: What is the position in regard to this? Has the contract been let, or has any action been taken? The hon. Minister of Militia (Mr. Hughes) said the other night that a site had been arranged for by the city.

Mr. ROGERS: We have got the site, but the contract has not yet been let.

Mr. OLIVER: Have the plans been prepared?

Mr. ROGERS: They are in the course of preparation.

Mr. OLIVER: What is the amount proposed to be expended on the whole building?

Mr. ROGERS: At least $200,000.

Mr. OLIVER: When will the contract be let?

Mr. ROGERS: As soon as we get the plans we will go right ahead.

Mr. OLIVER: The contract will be let during the summer?

Mr. ROGERS: Yes.

Mr. OLIVER: In time to do work this fall?

Mr. ROGERS: The chief architect says he will be sure to get the foundation in this fall any way.

Lethbridge—public building, $150,000.

Mr. BUCHANAN: Has the minister kept in mind in this case the fact that in Moosejaw, Saskatoon and other western cities, it has been found necessary to build larger post offices within a very few years after new buildings had been erected? Will the Lethbridge building be up to the standard of the new buildings at Saska-

toon and Moosejaw? We expect development in Lethbridge, and in designing this building attention should be paid to the future and a building provided that will meet development, so that it may not be as in the other cases where new buildings have to be constructed? What will be the ultimate cost of the building at Lethbridge?

Mr. ROGERS: We have kept in mind the rapid development and future prospects of Lethbridge. The building when completed will have cost $275,000, and that ought to be sufficient to meet the requirements for some time to come.

Mr. BUCHANAN: When will it be completed and ready for occupation?

Mr. ROGERS: The contract is let and the building is under way. Under the contract it is to be completed in September, 1914.

Medicine Hat—immigration building, $20,000.

Mr. OLIVER: I see that there is provision for immigration buildings not only at Medicine Hat but at Calgary. In this connection I desire to call attention to the fact that the immigration building at Edmonton is very seriously below immediate requirements. There is no fault to be found with the buildings in themselves, but with the conditions that now exist they are insufficient. Edmonton is a central point for railway distribution, with six or eight lines radiating into the country that is now being occupied. It will necessarily be such a point as Winnipeg for the distribution of immigration. I think the time has come when it would be much in the interest of immigration work if an up-to-date building were erected of a capacity to properly take care of the movement of immigration which must necessarily for many years radiate from Edmonton. The country to the south and east is very largely filled, but the country to the north, northeast and northwest of Edmonton is still vacant except within a short distance.

Mr. ROGERS: We will take a note of that, and will take it up with the Immigration Department and learn what their recommendations are. Of course, we only provide the building.

Mr. BUCHANAN: Will the buildings at Medicine Hat be placed under construction this year?

Mr. ROGERS: Yes.

Strathcona—armoury, $8,000.

Mr. OLIVER: What is the condition with regard to this building?

Mr. ROGERS: The contract has been let. This vote is to complete the work.

Strathcona—public building, $8,000.

Mr. OLIVER: And how about this?

Mr. ROGERS: This is to complete.

Mr. OLIVER: Last year $30,000 was appropriated?

Mr. ROGERS: Yes; $42,000 has been paid out thus far.

Vegreville—public building, $15,000.

Mr. OLIVER: Has anything been spent on this building yet?

Mr. ROGERS: No.

Mr. OLIVER: Have the plans been prepared? Has anything been done?

Mr. ROGERS: No.

Mr. OLIVER: Is it contemplated to go on with the erection of the building at an early date?

Mr. ROGERS: Yes.

Mr. OLIVER: To what purpose is this building to be devoted?

Mr. ROGERS: Customs, inland revenue, post office and land offices.

Wetaskiwin—public building, $8,000.

Mr. OLIVER: The same question with regard to this.

Mr. ROGERS: Substantial progress has been made with this building, and this vote is to complete. Twenty-one thousand dollars has been paid out thus far.

Public Works—chargeable to income—British Columbia—Ashcroft—public building, $25,000.

Mr. FOWLER: I understand that there has been some dispute with regard to the site for this building and that a protest was filed against the proposed site which is in the Chinese portion of the town near the Thompson river. A considerable number of the people were anxious to have a site in a different part of the town. The Minister of Agriculture (Mr. Burrell) might be able to give information, as Ashcroft is in his constituency, I believe. I have had correspondence with people there on this subject. I have some interest in Ashcroft personally, and that is why I ask the question.

Mr. ROGERS: I have no special knowledge of the location, never having been in Ashcroft. But the site was selected on the recommendation of officers of the department as the best in the public interest.

Mr. FOWLER: Were officers sent there specially to ascertain?

Mr. ROGERS: Yes. We will send my hon. friend their report, and will let him know the amount paid.

Mr. FOWLER: I should like it if the minister would do that.

Magdalen Islands—breakwaters and piers, $15,000.

Mr. LEMIEUX: I suppose this item applies not to new works, but to the extension and repair of the old?

Mr. ROGERS: Yes. 350 foot breakwater extending from Cape Gridley to New Channel, $4,000; completion of New Channel, $3,000; Pointe à Elie, to construct 100 foot extension to breakwater, $8,000; total $15,000.

Nicolet—repairs and renewals to wharf, $1,500.

Mr. LEMIEUX: Has a contract been let for this work?

Mr. ROGERS: The contract has not been let.

River Batiscan—landing piers, $20,000.

Mr. LEMIEUX: What is the nature of the improvements here? Is this for dredging or for an extension of the pier?

Mr. ROGERS: Repairs to and extension of present wharf.

Mr. LEMIEUX: It is a very useful work, because when the wind is high, vessels get near that wharf. Some dredging was done there some years ago, which unfortunately was not very well performed. I hope it will be well done this year.

Rivière du Loup—wharf improvements, $50,000.

Mr. GAUVREAU: What does the hon. minister intend to do at Rivière-du-Loup? How much will the work cost?

Mr. ROGERS: I understand that it will cost about $400,000. Part of it is in connection with the Railway Department.

Mr. GAUVREAU: I have asked the Minister of Railways what he intends to do with the $78,000 he is prepared to spend at Rivière-du-Loup, and he says that as soon as the Minister of Public Works is ready to start, he will follow him. Is the minister going to start this work this summer?

Mr. ROGERS: We will call for tenders right away.

St. Jean des Chaillons—wharf improvements, $3,200.

Mr. FORTIER: What has been done at the wharf there?

Mr. ROGERS: Improvements have been made on the approach to the present wharf.

Ste. Majorique—approaches to bridge, $10,000.

Mr LEMIEUX: Does that cover the last gap?

Mr. ROGERS: It is expected to do so.

Trois Pistoles harbour—repairs to south pier and approaches, $5,000.

Mr. GAUVREAU: Is the minister going to ask for tenders for this work? I see there are two items, one for the repairs to the south pier and approaches, and the other for an extension to the south pier.

Mr. ROGERS: The engineer thinks the work can best be done by day's labour.

Ontario, harbours and rivers—Callender—wharf extension, $7,000.

Mr. NESBITT: What are you doing at Callender?

Mr. ROGERS: Extending the wharf.

Lake Nipissing—improvement of navigable channel in west arm leading through Shanty lake to Monetville, $1,500.

Mr. NESBITT: What is that for?

Mr. ROGERS: For a small canal between the two lakes. This is to complete the work.

Madawaska river—deepening channel, $5,000.

Mr. GRAHAM: Where is that work to be done?

Mr. ROGERS: Three miles above Combermere, in the county of South Renfrew.

Mr. GRAHAM: Between Combermere and Palmer Rapids?

Mr. ROGERS: Yes.

Montreal river—improvements above Latchford, $50,000.

Mr. NESBITT: What do you propose to do on Montreal river?

Mr. ROGERS: This is for the completion of the Latchford dam.

Mr. NESBITT: How is this amount made up?

Mr. ROGERS: Log slide, piers, booms, and river improvements, $17,000; log lifting machinery, &c., for dam, $3,000; improvements in Port Rapids, $3,500; balance of land damages, estimated at $5,000; to pay contractors for plant, materials and effective unwatering $26,500; contingencies $5,000.

Oshawa—harbour improvements, $50,000.

Mr. GRAHAM: Is that for the purchase of the wharf, or for the improvement of the wharf? A number of small towns had harbours of their own, which have been taken over by the Government, I think.

Mr. ROGERS: This is for repairing the wharf.

Mr. GRAHAM: Do we own the wharf?

Mr. ROGERS: Yes.

Picnic Islands—improvement of channel, $100,000.

Mr. GRAHAM: This is a new item.

Mr. ROGERS: This is for the channel between Manitoulin island and the mainland.

Mr. BENNETT (East Simcoe): Seven or eight years ago, I made very serious charges relative to the dredging contracts in the province of Ontario. These were afterwards brought up before what was known as the Morine Commission, and it was shown that during the decade ending 1910 some $20,000,000 worth of dredging had been done under contract. Among the charges which I made, and which were established by that commission were that persons who put in what were ostensibly competitive tenders, frequently had in advance an understanding as to what price each should charge. The commission reports:

That persons, who put in what are ostensibly competitive tenders, frequently have an understanding with each other in advance, as to what prices each shall bid, is quite evident on the face of the tenders themselves. The following is a clear instance, though it is not the only one. In 1907, tenders were called for dredging at Midland and Waubaushene, and the Canadian Dredge and Construction Company, and the Penetanguishene Dredge Company each put in separate tenders for the work to be done at each of these two points, the tender of one company being the lower of the two at Midland, and the tender of the other company being the lower at Waubaushene. All four tenders bore the same date, were apparently filled out in the same handwriting, and were inclosed in envelopes endorsed by the same person. That no importance was assigned to this incident is shown by the fact that the contract for Midland was nevertheless awarded to one of these two tenders.

Mr. CARVELL: That is all ancient history, and we want to pass these estimates to-day.

Mr. BENNETT: I have made my statement inside and outside of this House, I have been contradicted by the ex-Minister of Public Works, and I am going to put myself right.

Mr. CARVELL: Nobody will read it.

Mr. BENNETT: As a result of the inquiry that has been held, every statement made by me that there was fraudulent tendering, has been proved up to the hilt. I make the charge now, and I am sorry that the ex-Minister of Public Works is not in his place.

Mr. NESBITT: There is an arrangement that we should give this afternoon to the supplementaries.

Mr. GRAHAM: We have made an arrangement, we are trying to put these estimates through, and if the hon. gentleman will allow me, the ex-Minister of Public Works will be here on Monday, and the discussion can take place then.

Mr. BENNETT: Then I will reserve my remarks until the ex-minister is here.

Port Burwell—harbour improvements, $99,000.

Mr. GRAHAM: A claim was made by a company about work at Port Burwell some years ago, I understand, to the Public Works Department. Perhaps I am mistaken in the place.

Mr. ROGERS: Yes, it is Port Stanley.

Mr. GRAHAM: Has that claim been settled?

Mr. ROGERS: No.

Mr. NESBITT: How much more expense is likely to be incurred at Port Burwell?

Mr. ROGERS: This is the full amount for the final estimate.

Port Credit—purchase of property for harbour, $30,000.

Mr. GRAHAM: That seems to be new.

Mr. ROGERS: We are purchasing a harbour there.

Port Stanley—harbour improvements, $132,000.

Mr. NESBITT: What further expense is likely to be incurred there besides this amount?

Mr. ROGERS: This work is under contract, and this amount is expected to complete the work.

River St. Lawrence—improvement of Canadian channel between Kingston and Brockville, $40,000.

Mr. GRAHAM: How long will it take to complete that work? It has not gone on very rapidly.

Mr. ROGERS: This is supposed to complete the work. It has been rather slow up to date.

Mr. GRAHAM: This must be the channel between Brockville and Kingston. It will make a channel on the Canadian side, or what we call the inside channel, between a group of islands and the Canadian side. This is a good deal of importance to shipping as it makes a shorter channel. It is of somewhat more importance to Gananoque perhaps than to Brockville. On the American side there is so much tourist traffic and there are so many small boats that the larger vessels are impeded in their progress. This new channel will relieve that to a great extent and the vesselmen are anxious that the work should be completed as quickly as possible.

Mr. ROGERS: It will be completed right away.

Sault Ste. Marie—harbour improvements, $150,000.

Mr. GRAHAM: These improvements appear to be pretty extensive.

Mr. ROGERS: This is dredging for widening the channel at the entrance to the canal.

Mr. GRAHAM: What entrance?

Mr. ROGERS: Below the Canadian lock.

Public works chargeable to income—Manitoba—Gull harbour—repairs to wharf, $3,000.

Mr. OLIVER: Where is Gull harbour?

Mr. ROGERS: It is fifty-one miles from the mouth of the Red river on Icelandic island.

Le Pas—wharf, $30,000.

Mr. OLIVER: Why is it that the wharf at Le Pas costs $30,000 and the wharf at Edmonton on the same river only costs $10,000?

Mr. ROGERS: Has the wharf at Edmonton been completed?

Mr. OLIVER: I do not think it has been completed; it is in progress.

Mr. HENDERSON: It may cost $20,000 more.

Mr. OLIVER: This is only a preliminary vote for Le Pas and I want to start them even.

Mr. ROGERS: I will have to get my hon. friend the information as I do not know the facts.

Mr. GRAHAM: On which side of the river at Le Pas is the wharf? There are two wharfs on the south side now.

Mr. ROGERS: It is opposite the Hudson Bay wharf, wherever that is.

Mr. GRAHAM: That is on the south side; it is in Le Pas proper. The Hudson Bay stores are on the south side too.

Red river—improvements, $80,000.

Mr. OLIVER: What are these Red river improvements?

Mr. ROGERS: This is for blasting rock in the channel of the Red river just below the lower entrance to St. Andrew's lock, estimated at 10,000 cubic yards. It is an extension of the work commenced in 1910 which consists of two rows of piles, part bolted together and sheet piled and it is to extend this work to nine feet of water that the appropriation is asked. We are getting much larger boats on the Red river than we had previously and there are some rocky parts below the locks.

Mr. OLIVER: I asked the question with the view of ascertaining whether the object of this work was to secure greater depth and a better flow.

Mr. ROGERS: That is the idea.

Athabasca river—removal of boulders and improvements to channel, $11,000.

Mr. OLIVER: What work was actually done under the last vote, and what is to be done under the present vote. I have personal knowledge of the conditions there and it is a very important work.

Mr. ROGERS: The work to be done is the removal of boulders and general improvement of navigation at the Grand Rapids and at a number of smaller rapids between Grand Rapids and Fort McMurray; also removing scattered rocks at the Athabasca Landing which are a menace to the steamers navigating the river. The work started in 1910-11 and since then a large portion of the channel has been improved, but a number of rocks must still be removed.

Mr. OLIVER: Is it intended to do work at the rapids known as the Big and Little Cascades?

Mr. ROGERS: The chief engineer has no definite information on that point.

Mr. OLIVER: The removal of the boulders in the Grand Rapids and the rapids below opened the channel, but at the Big and Little Cascades there is a limestone ridge right across the river, which would require to be cut through to make the improvement substantial.

Mr. ROGERS: This vote would not be sufficient to cover that.

Mr. OLIVER: I impress on the minister the desirability not only of clearing boulders out of the rapids above and the rapids below, but also making such a cut in the Big and Little Cascades as will allow loaded scows to run down. At present the scows have to be partially unloaded to navigate there, and the portaging of the freight adds greatly to the expense. Were the work I suggest done, it would be of tremendous advantage to the trade of that northern country. I would urge on the minister to provide sufficient money to make a clear scow channel all the way from the head of the Grand Rapids to the foot of the Mountain Rapids. I also urge on the minister the necessity for constructing a roadway or tramway on the right bank of the Athabasca at the Grand Rapids which are about half a mile long. On an island in the river there the Hudson Bay Company built a tramway, and while the scow runs down the current the goods are taken over that tramway, but, at the foot of the island, where there is another rapids called the Little Grand, the water is extremely rough.

There should be a substantial roadway or tramway on the right bank of the river, starting at the head of the rapids and terminating below the Little Grand.

Mr. ROGERS: What distance?

Mr. OLIVER: Perhaps a mile. It is hardly likely the channel could be so cleared that a full loaded scow could navigate down, but with the improvements I suggest, a partially loaded scow could pass there. My suggestion is that the minister should make provision to cut a channel in the Big and Little Cascades, and provide a roadway or tramway from the smooth water above to the smooth water below the Grand and Little Grand Rapids.

Mr. ROGERS: The chief engineer has taken note of the representations made by the hon. member (Mr. Oliver) and the district engineer at Edmonton will be asked to make an official report so that we may understand the needs of the situation.

Prince Albert—protection works, $16,000.

Mr. OLIVER: What protection works are needed at Prince Albert?

Mr. ROGERS: Protection of the bank of the river right at the city where there is a wharf.

Mr. OLIVER: At Edmonton there is a condition requiring the protection of the bank, which is much more extreme and urgent than that prevailing at Prince Albert. At Prince Albert the bank is low; whereas at Edmonton the bank is 200 feet high, and the main street of the city passes within 200 feet of the top of the hill. There has been a great deal of sliding in the past. The idea is that the current of the river, since the bridge has been erected, has been driven more strongly against that bank than before. The late Government had that matter under consideration; surveys were made, and the wharf that is now under construction was, as in the case of Prince Albert, partially intended for protective purposes. I am glad that the Government has seen fit to continue at Prince Albert the protection afforded by the wharf. Recognizing the responsibility of the Government for the protection of the banks of the river, I wish to urge that a similar but a more extreme condition of affairs exists at Edmonton. It would be right that an appropriation should be made for the further protection of the bank, which is now being protected by the wharf but only to a limited degree.

Mr. ROGERS: I do not know the conditions at Prince Albert; but I know the conditions at Edmonton, and they require some consideration in view of the fact that the banks are very high and the water seems to wash away the earth very rapidly. I understand considerable work has been done in the way of piling in order to protect the bank. The matter will be looked into imemdiately.

Mr. DOUGLAS: On the south side of the river the same conditions prevail as on the north side. There is a valuable piece of land on the south side of the river which the bend of the river is cutting away. I have had representations from the city of Edmonton regarding the matter, and I understand that one of the aldermen was here during the winter in regard to the same matter. I have not heard what the result of his interview was. I trust the minister will see if he can do something to protect the bank on the south side.

Mr. ROGERS: I was asked by the gentleman to go to Edmonton. As soon as the session closes I shall be pleased to do so.

Saskatchewan river—improvements, $50,000.

Mr. OLIVER: What has been done in regard to the improvements and in regard to the special surveys of the rapids?

Mr. ROGERS: This is just confined to surveys that have been going on for some time with a view to the improvement of navigation.

Surveys of rapids, &c., on north and south Saskatchewan rivers and other navigable streams, $45,000.

Mr. OLIVER: That seems to be a new item.

Mr. ROGERS: The deputy minister informs me that these are special detail surveys that have to be made in order to ascertain exactly whether we can overcome the difficulties. The first item was a general survey of the river for some distance.

Mr. OLIVER: Are these surveys with a view to development of water power or for navigation?

Mr. ROGERS: For navigation.

Lewes and Yukon rivers improvements.

Mr. OLIVER: I see that the usual appropriation for Lewes and Yukon rivers improvements has been dropped.

Mr. ROGERS: It was dropped because no application was made for its renewal. There did not seem to be any necessity for it.

Mr. OLIVER: It was a sort of standing item. The conditions on the Lewes and Yukon rivers are very changeable, and I am under the impression that there is a continual necessity for taking care of the channel. Possibly it would be unfortunate if means were not provided to have the channel taken care of from year to year.

Dredge vessels repairs, $452,000.

Mr. NESBITT: Why is there such a

large increase in dredge vessels repairs this year?

Mr. ROGERS: We are getting more dredges every year, and we sometimes require to refit the old ones.

Mr. NESBITT: This is for repairs. It does not take in the new ones.

Mr. ROGERS: We sometimes take in old dredges and refit them. This covers matters of that kind.

Mr. GERMAN: A year or two ago I brought to the attention of the House a proposition, which I believe is thoroughly sound, that is, that the Government is losing money by keeping dredges and doing dredging work itself instead of allowing it to be done by public tender. I wish to call the hon. minister's attention to what I said and the figures I gave at that time, and to ask him to look into the question. I am convinced that the dredging which is done by the Government with the Government dredges is costing in this country more money than the same dredging would cost if done by public tender. In estimating the cost of dredging the department does not take into consideration such items as depreciation, insurance and many others for which the dredging contractor must provide if he is to succeed. And it is certain the employees on Government dredges do not do in a day anything like the quantity of work that is done under a contractor. Not that the captains on the Government dredges are not good men, but they cannot get the work out of the men under them. It is time the Government considered seriously whether they should continue to maintain their great fleets of dredges. The suggestion I now make, I brought before the former Government. I believed then as I believe now, that it would pay the Government to do away entirely with their dredging plant and have all dredging work done by tender and contract. I know the suggestion is made that the contractors form a pool. If there is a considerable amount of harbour work to be done, the contractors get together and agree to put in bids on the various works in such form that it is decided in advance who is to be the lowest tenderer for each work. I believe that is done and probably always will be done. But, notwithstanding that, I believe that the department would get the work done more cheaply under contract than by keeping up this enormous cost of dredging plant. There is this item of $452,000 for dredge vessels repairs, and a similar amount must be spent every year. Then there is the new dredging plant for the maritime provinces, $119,800; the new dredging plant for Ontario and Quebec West, $257,000; new dredging plant for Manitoba, Saskatchewan and Alberta, $10,000; new dredging plant for British Columbia, $195,000; new dredging plant generally—whatever that may mean—$170,000. And there are other items besides. These are enormous sums. I feel very strongly that if the question were fully looked into by the officers of the department they would find that the work could be done better by contract, doing away with this great Government dredging plant.

Mr. ROGERS: I confess that when I went over to the Public Works Department I had exactly the same idea as my hon. friend appears to have, and one of the first things I discussed with some of the officers of the department was the question of endeavouring to do away with Government dredges and let the work by contract. However, that will take a very considerable time; there are many practical difficulties in the way when one comes to work it out. There are a number of dredges in inland places. It is impossible to move these dredges, because they cannot be got into navigable streams to be floated to other parts of the country. Then there is the argument, mentioned by the hon. gentleman, that the fact that the Government has these dredges, regulates prices and controls contractors to some extent. Of course, I have not gone into the matter in detail and am not in a position to say whether the opinion expressed by the hon. gentleman is correct or not. But I confess I had the same idea, and I confess I have the same idea still. Perhaps, after a time, when I am able to give more consideration to it, it will be my endeavour to work to the end of doing away as far as possible with our own dredging plant and adopting the system of doing our dredging by contract. But the hon. gentleman will understand that the practical working out of this plan will take a considerable time.

Mr. GERMAN: Quite so. One other thing I would like to mention: The minister must remember that a contractor, in order to be in a position to do work required of him, must maintain a very considerable plant, and if there is not work for that plant to do, the owner cannot keep it in shape. We are often met here in Canada with the suggestion that American dredges should come in, and American dredges have been brought in. Why? Simply because the Government maintains a large dredging plant which is in opposition to the contractors, who are in that business, and who may find it unprofitable to maintain their plants under that opposition. I cannot believe that the fact of the Government having this plant really regulates or keeps down prices. It certainly cannot always do so. These Government dredges are more or less tied to certain localities, and certainly when

work is to be done in a locality where there is no Government dredge, the Government dredging plant cannot be a regulator of prices. I am glad to have heard what the minister has said. I know the problem is a serious one. It has been in existence for thirty or forty years, and to work out the solution of it will take time. I am glad that he agrees with me to a certain extent at any rate, that it is well to work out this problem.

Mr. NESBITT: Are these repairs done in Canada?

Mr. ROGERS: Yes.

Mr. NESBITT: I see that the minister is building a new dredging plant for British Columbia, and also one for Ontario and Quebec. Are these dredges built in Canada, or do you contract for them elsewhere?

Mr. ROGERS: They are all built in Canada.

Mr. BURNHAM: As to this idea that the Government cannot do in relation to dredging what contractors can do, I do not see why that conclusion should be accepted. I maintain that the keeping of the Government dredging plant is the best method. If there is any argument against the keeping of a dredging plant, it applies against the private owner as well as against the Government. That is quite plain. I doubt if there is any other branch of service with which greater swindles have been connected than with dredging. There is no such thing, however, in connection with dredging done by the Government. Under the system of dredging by private firms or contractors, unnecessary work is frequently done and dredges often unnecessarily employed, in many cases for the purpose of giving jobs to persons owning private dredges. The department may not be to blame but the system should be cut out.

New dredging plant—Manitoba, Saskatchewan and Alberta, $10,000.

Mr. OLIVER: Where is the work to be done in Saskatchewan and Alberta?

Mr. ROGERS: There is some dredging to be done near Qu'Appelle.

Mr. OLIVER: Where is this dredge to be employed?

Mr. ROGERS: It is for general river work in Saskatchewan.

Mr. OLIVER: On the Saskatchewan river?

Mr. ROGERS: Yes.

Mr. THOMSON: I understand that there is some dredging to be done at Fort Qu'Appelle?

Mr. ROGERS: Yes.

Mr. OLIVER: I do not see here any mention of dredging work to be done in Alberta.

Mr. ROGERS: There is nothing in this item for Alberta.

Mr. OLIVER: Then the item is hardly proper, as it says: 'Manitoba, Saskatchewan and Alberta.' Has the department any intention of entering upon a policy of dredging the Saskatchewan river?

Mr. ROGERS: No.

Mr. OLIVER: They are dredging only on the Qu'Appelle river?

Mr. ROGERS: The dredge is to be employed in doing light work; picking up small boulders and things of that kind.

New dredging plant—generally, $170,000.

Mr. BOIVIN: What is the meaning of this item?

Mr. ROGERS: This is simply a term used in connection with the bookkeeping of the department, applying to a plant used in two provinces—in Quebec and Ontario, for example.

Dredging—Ontario and Quebec, $875,000.

Mr. BOIVIN: I would like to ask the hon. minister if the Government has any intention of continuing the dredging on the Richelieu river, county of St. Johns, or if that work has been entirely abandoned? A certain amount of dredging was done by the late Government, which was of great benefit to the farmers on the Richelieu river between the town of St. Johns and lake Champlain and which at the same time had a lot to do with the level of the water in the harbour at St. Johns.

Mr. ROGERS: That matter was rather mixed up with the levels of lake Champlain; it was an international affair in a way.

Mr. BOIVIN: I do not understand that the work in the harbour at St. Johns could have anything to do with the level of lake Champlain, because I understood that a dam was to be installed lower down in order to maintain the level of the water.

Mr. GERMAN: How much of the dredging under this item will be done in Ontario, and how much in Quebec?

Mr. ROGERS: It takes about $300,000 to run our own dredging plants, and we try to divide the balance as equally as we can between the two provinces.

Mr. BOIVIN: I did not quite understand whether the minister told me he had definitely decided to abandon the work at St. Johns.

Mr. ROGERS: No, quite the reverse; we are going on with the dredging.

Roads and bridges—Edmonton bridge across North Saskatchewan river—renewing of flooring, &c., $3,000.

Mr. OLIVER: Was $4,000 spent on the flooring of the Edmonton bridge last year?

Mr. ROGERS: Only $362 was spent last year.

Mr. OLIVER: This bridge was built by the Dominion Government as a traffic and railway bridge. In order that it may be used as a traffic bridge the flooring has to be kept up, but during last summer it was not kept up. The city was allowed to lay street car tracks on the bridge, and in that connection some responsibility rests on it in regard to the flooring. But, I submit, the Dominion Government is responsible for its upkeep. During last summer, under my own observation, the flooring was in very bad condition. I see that $3,000 is voted for this year, and I would urge the minister, and upon the Government, to take the responsibility of seeing that the flooring is kept in good order. I am not asking that the city be relieved of its proper share of the responsibility, but the main responsibility rests upon the Dominion Government, who built the bridge, and it is for them to see that the city does its duty.

Mr. ROGERS: I am afraid my hon. friend is a little mistaken in regard to this bridge. As he knows, it was originally built by the Dominion Government, and afterwards an arrangement was made with the city and with the railway company, by which they were to do certain things, and the city, the Government and the railway company were each to pay one-third of the upkeep. It was understood that the city was to look after the work, and render an account to the Government and to the railway company for their respective shares. We have had a bill for only $362 for work done last year, so it would appear that the fault lies with the corporation of Edmonton, and not with the Government.

Mr. OLIVER: I have no desire to shield the city. This bridge is the Government's bridge, towards the construction of which the city contributed $25,000. Whatever agreement the Government may have made with the city and the railway company, it is for the Government to see that it is lived up to, and that the bridge is kept in good condition. If the other parties to the agreement do not make good, it is for the Government to see that they do.

Mr. ROGERS: One would naturally suppose that the city, which is directly interested, would see that the bridge was kept in proper repair, when all they have to do is to have it properly attended, and to render an account to the Government and to the railway company, that being the arrangement which exists. Apparently, they are at fault in this case. Of course we can get after them and see that they do the work next year.

Interprovincial bridge across Ottawa river at Hawkesbury, the Ontario and Quebec Governments to each contribute $15,000—revote, $50,000.

Mr. PROULX: Is it the intention of the Government to go on with this work this year?

Mr. ROGERS: Yes, at any rate, we are going to try.

Mr. PROULX: Has the right of way from the town to the river been purchased?

Mr. ROGERS: Not yet.

Mr. PROULX: The bridge would have to cross an island which belongs to the Hawkesbury Lumber company. In 1911 we could not come to any arrangement with the company, and the Government expropriated it, that is, they registered the plan and description of the right of way. The department had previously offered $5,000 to the Hawkesbury Lumber company for the right of way but they would not accept it. Have they now accepted the compensation offered?

Mr. ROGERS: No, but the engineer thinks we can get a more desirable line.

Mr. PROULX: I suppose the right of way will have to cross the island anyway?

Mr. ROGERS: Yes.

Mr. PROULX: It would not be so straight a road as the one selected in 1911?

Mr. ROGERS: I am told that it will make no material difference in regard to the location. The object is to get round the difficulties which the proprietors are trying to create in regard to the securing of a site.

Mr. PROULX: Have they offered to sell the right of way?

Mr. ROGERS: We will have to expropriate.

Telegraph lines—Saskatchewan and Alberta—construction of line from Athabasca Landing to Fort McMurray, $7,700.

Mr. OLIVER: What progress has been made in the work of constructing this line? When is it likely to be completed?

Mr. ROGERS: It is expected that the work will be completed this summer.

Mr. OLIVER: I understand they made very little progress last summer?

Mr. ROGERS: They were getting out the poles and material, and they hope to make better progress now.

Mr. OLIVER: Does the line follow along the Athabasca river, from Athabasca Landing to House river, or does it go to Lac la Biche and back to the river?

Mr. ROGERS: The line follows the Athabasca river.

Mr. OLIVER: All the way to House river ?

Mr. ROGERS: All the way to House river, a distance of about thirty miles.

Public Works—chargeable to income—miscellaneous—monument to the memory of the late Hon. Thomas D'Arcy McGee, $10,000.

Mr. LEMIEUX: I have noticed this item in the estimates for several years. I have seen the statue in Mr. Hill's studio in Montreal. When do you intend to erect the statue and where ? As regards the Lafontaine-Baldwin monument, an amount has been voted several times and I understand that the monument is completed, too. Have you arrived at any conclusion as regards this monument ?

Mr. ROGERS: The monuments are not completed, but will be very shortly.

Mr. LEMIEUX: The McGee monument is completed; I have seen it.

Mr. ROGERS: Yes, but the other one is not; it will be completed in about three months. We have not yet selected the site. We will be glad to receive suggestions from any hon. gentleman who can give us an idea as to the most desirable location.

Mr. LEMIEUX: The monument to Lafontaine and Baldwin is a peculiar one, it is not of the same style as the monuments we have around the building here, and you will have to select a special spot for it.

Mr. ROGERS: We will take note of that.

Monument to His late Majesty King Edward VII., $20,000.

Mr. LEMIEUX: Who obtained the contract for that ?

Mr. ROGERS: Mr. Allward.

Monument to Madeleine de Verchères, to be erected at Verchères, $20,000.

Mr. LEMIEUX: Hebert, I suppose, has that ?

Mr. ROGERS: Yes.

Mr. LEMIEUX: When do you expect to have that monument erected ?

Mr. ROGERS: It is being cast in France now.

Mr. LEMIEUX: Belgium.

Deep Waterways Commission—inclusive of payments authorized to William J. Stewart, chief hydrographic surveyor, Department of Naval Service, as a member of the board of commissioners, also for the definition and demarcation of the international boundary between the United States and Canada from Pigeon river to St. Regis, as provided for by article 4 of the treaty of April 11, 1908, $60,000.

Mr. GRAHAM: What are they doing now ?

Mr. ROGERS: They are charting the boundary line and then they have to complete their report on the proposed dam at the outlet of Lake Erie.

Mr. GRAHAM: Has that work been done by the American Government ?

Mr. ROGERS: No, they are just investigating it.

Mr. GERMAN: Is it contemplated that there should be a dam put across the Niagara river at the foot of Lake Erie in order to keep the water of the lake up to a certain specified level ?

Mr. ROGERS: That has been suggested and the idea of this commission is to make us a report upon it so that we will know whether it is feasible or not.

Mr. GERMAN: Is Mr. Coste acting as engineer for the Deep Waterways Commission?

Mr. ROGERS: Yes, he is supposed to be acting, but he is away now.

Mr. GERMAN: His idea was to put submerged dams in the Niagara river. Can the minister give us any information sa to what is being done in regard to that?

Mr. ROGERS: We have no report from them as to the feasibility of that idea.

Mr. GRAHAM: Who are the members of that commission? This is the commission that was composed of American members and Canadian members, is it not?

Mr. ROGERS: No, this commission is composed of Sir George Gibbons, Mr. Coste and Mr. Stewart. You are referring to the International Waterways Commission. That does not come under my department.

River St. Lawrence and Great Lakes Waterways Commission, $40,000.

Mr. GRAHAM: What commission is that?

Mr. ROGERS: This item has been in the estimates for some time and we have not been able to get the commission appointed, but we hope to shortly. This is the commission that was practically arranged for by my predecessor in appointing Mr. McLeod and Mr. Surveyor of Montreal. Mr. McLeod found it impossible to

act and give his whole time to the work. It is very desirable to secure him as head of the commission. He was here a few days ago and he informed us that he hopes shortly to be able to give us a decided answer, as to whether or not he will be able to devote practically all his time to this work.

Mr. PROULX: Is he a civil engineer?

Mr. ROGERS: Yes, he is in McGill University.

Mr. GRAHAM: As I understand, they are to make an investigation of the St. Lawrence, the powers upon it and the effect of the development of these powers upon navigation. What portion of the St. Lawrence will their work cover?

Mr. ROGERS: All the way from Montreal to lake Ontario and all over. You can understand the difficulty which confronts the department. We are continually receiving applications about power plants and so on, and it is very difficult for the department, without having a commission of that kind to advise us as to what the effect of the granting of such an application might be upon the water or upon existing powers, to deal with these applications.

Mr. LEMIEUX: Who have been selected for this commission?

Mr. ROGERS: We have selected Mr. McLeod, Mr. Suveyer and Mr. Coutlée of the department.

Mr. GRAHAM: There is this difficulty connected with getting a report with regard to power in one locality only: You might send your departmental engineers to get a report upon the effect of the development of a water power in one locality. The report, as far as that locality was concerned, might be quite accurate but the development of the power might affect some other locality upon which you have no report. The commission is the only means of getting the information.

Mr. ROGERS: That is the idea.

Mr. GRAHAM: The deepening of the canal through to Montreal is a pretty big problem in relation to the water supply in some of the lakes.

Mr. ROGERS: This extends their power to make an examination of the lakes tributary to the St. Lawrence river, so that they may have the widest possible power to examine into these questions.

Slides and booms generally, $5,000.

Mr. GRAHAM: I have a complaint to make. An employee of the Government in South Renfrew took a very active part in the election, on the wrong side, of course for me, but on the Conservative side. I have not asked for his dismissal because to err is human, and I know he would not be dismissed anyway. But another Government employee was favourable to me, and he was dismissed. The man who opposed me got a bouquet, and the other poor fellow was discharged.

Mr. ROGERS: That must have been before I went to the department.

Mr. GRAHAM: To save any heated discussion, we will blame it on your predecessor.

Land and cable telegraph lines—Lower St. Lawrence and maritime provinces, $5,000.

Mr. LEMIEUX: Some years ago, Mr. Pugsley, when Minister of Public Works, granted to my old constituents in the Magdalen Islands a cheap rate for telegraph letters, between Meat Cove and the Magdalen Islands. That was a great boon to the people, who are cut off from communication with the outside world for several months in the winter. Later, I was able to obtain Marconi wireless connection with the islands and I asked the Government to send a weekly summary of news to the people. The Government sent this summary by wireless and sometimes by cable, and it was supposed to be an unbiassed and non-partisan account of the news. The gentleman now charged with this correspondence is Mr. J. E. LaForce, now I think in the employ of the Minister of Inland Revenue.

Mr. NANTEL: I do not think so.

Mr. LEMIEUX: Have you a gentleman by that name in your department?

Mr. NANTEL: I do not know but I do not think so.

Mr. LEMIEUX: He was in the employ of the Inland Revenue Department last year, and now I am told he is in the Interior Department. I have no objection to the Government giving him a job nor have I objection to him drawing his regular salary, as he is paid $5 by the Postmaster General for sending this news to the Magdalen Islands. Since the opening of navigation I have received some of these reports and I regret to say they are very biassed, strongly partisan, and such as should not be countenanced by the Government. I do not wish to injure Mr. LaForce in the least, but the ministers from my province especially should warn Mr. LaForce that this news is being sent at the expense of Liberals and Conservatives alike, and should be an unprejudiced and impartial account of what takes place.

Mr. GAUVREAU: That same Mr. LaForce is now the secretary of a commission nominated by the Department of the Interior to make investigation as to immigration to the province of Quebec. He is the

same man who has been charged in the newspapers in Quebec as having tried to bribe the Rev. Ivanhoe Caron to make him testify against Mr. Devlin's department in the provincial Government. It is really a case of blackmail, and as Mr. LaForce is in the Department of Public Works, the minister should see that he conducts himself properly.

Mr. ROGERS: This is entirely new to me. I have never heard of Mr. LaForce that I know of, but I shall be pleased to draw to the attention of the minister in charge of the department in which he is, the remarks that have been made.

Telegraph lines—construction of line from Athabasca Landing to Fort McMurray, $7,700.

Mr. OLIVER: I wish to make a suggestion to the minister in regard to this telegraph line, which is very important and desirable. On the route followed by this telegraph line along the Athabasca river there are at present parties boring for petroleum and gas. If they achieve any success, there will be more of them. It is desirable that they should have the benefit of whatever conveniences of civilization come past their door. In order to avoid the necessity of establishing a number of telegraph offices, and in order to give the advantage of communication to such enterprises as may be established along this river, I would suggest that two wires be strung, one for the telegraph business and the other for telephone business. The expense of a second wire would not be very serious; and, if the minister was called upon to establish a telegraph office at Pelican Portage—which he certainly will be called upon to do—because there is an important boring outfit there—and another telegraph office at House river, which is a little above the head of the Grand Rapids and where it is very desirable to have communication established, I think it would be less expensive to have the second wire and have telephone communication at these intermediate points. The telephones could be multiplied indefinitely without serious increase in expense to the department. If my hon. friend does not see his way to accept that suggestion, I would urge that provision be made for a telegraph office at Pelican Portage, because that is where the boring for gas and petroleum is going on. There should also be a telegraph office at House river; or rather I would like to suggest that a loop be carried from House river—which is the point where the line leaves the Athabasca river going direct to Fort McMurray—to the head of the Grand Rapids, so that there will be communication all the time from the head of the Grand Rapids with Athabasca Landing. Steamers ply between Athabasca Landing and the head of the rapids. Cargo has to be discharged and a great deal of business is done there. If the office were located at House river, which is eight miles above the rapids, it would be inconvenient. I would suggest that a loop be run down to the rapids, so that the business along the river would have the advantage of telegraphic communication from the head of the rapids as well as from Pelican Portage and Fort McMurray.

Mr. ROGERS: In so far as the loop to which my hon. friend refers is concerned, there should be no difficulty in arranging that. I shall undertake to have it provided. My hon. friend's suggestion as to a double wire is not a bad one in this sense, that where you have a telegraph or telephone line and only the single wire, you have exactly the same expense for repairing and maintenance that you have for the double wire.

Mr. GRAHAM: Do these Government lines pay for themselves, or nearly so? I can understand that lines in not very thickly populated districts would hardly pay as well as lines where the population is more dense.

Mr. ROGERS: I do not think they pay their way, and it could hardly be expected that they would do so. They are built in localities where a business company would not undertake to do work of this kind. For example, no business company would undertake the construction of the line to which my hon. friend from Edmonton has referred. It is a very necessary and desirable work, however, and one that serves a worthy purpose. I do not think that the loss is very heavy, and there are certain localities in which these lines pay. They serve the country to a great extent by indirectly bringing in settlers.

Mr. GRAHAM: Can the hon. Minister of Railways (Mr. Cochrane) tell us if the communication or exchange of telegrams between the Marconi company and the land lines has been quite satisfactory. I think we amended the Railway Act so as to give the Board of Railway Commissioners power to make rates in case there was friction. At one time it was said that the land lines made it difficult for the Marconi company to forward messages. Has any friction occurred?

Mr. COCHRANE: I have not heard any complaint at all in regard to it, and I have not paid much attention to it.

Rivière du Loup (Fraserville)—wharf improvements, $50,000.

Mr. GAUVREAU: Can the hon. minister tell me if any dredging is to be done there

around the wharf or in the river leading up to the town?

Mr. ROGERS: There is a certain amount of dredging to be done there in connection with the contract.

Mr. GAUVREAU: But none besides, not during the next summer for the deepening of the river that goes up to the town?

Mr. ROGERS: We have not been asked for any up to date, as I understand.

Mr. GRAHAM: Whose estimates do we take up to-night?

Mr. ROGERS: The Minister of Inland Revenue. We are going to try to clean up the main estimates if we can, but on the distinct understanding that any discussion desired to be raised any day next week will be acceptable.

Mr. LEMIEUX: When are you going to take up immigration?

Mr. ROGERS: We have the supplementary estimates, and if the hon. gentleman wants to discuss anything on that, he may have the discussion on Monday or Tuesday.

At six o'clock, House resumed and then took recess.

After Recess.

House resumed at eight o'clock, and again went into Committee. (Mr. Deputy Speaker in the chair.)

Department of Inland Revenue—salaries, $114,050.

Mr. GRAHAM: Who is the deputy minister?

Mr. NANTEL: There is no deputy minister. Mr. Gerald has been superannuated since last October. The acting deputy minister is Mr. W. Himsworth. We expect to appoint a deputy shortly.

Mr. PROULX: When does the hon. minister expect to appoint a deputy minister? The office has been vacant for quite a long time.

Mr. NANTEL: We expect to appoint one shortly.

Mr. GRAHAM: It has been intimated that my hon. friend is keeping that office for one of the members of the House.

Mr. ROGERS: I think my hon. friend is mistaken. I have never heard the name of any member of this House mentioned in connection with that.

Mr. PROULX: The name of the hon. member for l'Islet (Mr. Paquet) has been mentioned.

Mr. NANTEL: No application has been received from any member of the House.

Mr. GAUVREAU.

Mr. GRAHAM: When my hon. friend wants to make a promotion, how does he do it? That has to be done upon the recommendation of the deputy minister.

Mr. NANTEL: The recommendations are made by the minister upon the advice of the acting deputy.

Mr. LEMIEUX: Mr. Chairman, will the Minister of Inland Revenue allow me to give him my opinion? He is looking for a deputy minister. Why, there is one already found. Mr. Laflamme, the present secretary of the Department, ought to be appointed to that important office. It is not necessary that I should praise him.

Mr. Laflamme is a French Canadian who has a fine record in journalism. As such he has met with great success in the New England States and in Canada.

From what I know, Mr. Laflamme would be fully qualified to act as deputy minister. I know that the appointment of French Canadians should be based on efficiency. I will not insist any more than I should upon the fact that, as a distinct race, we are entitled to a certain proportion in the Civil Service. Efficiency should be first of all taken into consideration. Other considerations being equal, should we not happen to have among deputy ministers the representation to which we are strictly entitled, when there is a vacancy to which one of our own people might fairly have a claim, I would recommend this gentleman to the kind consideration of the Government.

I believe that should the hon. minister appoint Mr. Laflamme he would have an efficient and upright deputy minister. I take the liberty of recommending him.

Although I am not a believer in Mr. Laflamme's political views, I feel bound to admit that he would do credit to the office of deputy minister.

Mr. NANTEL: I thank the hon. member for Rouville for the good suggestion he makes in connection with the future deputy minister. Mr. Laflamme has been secretary of the department for over nineteen months. He certainly is a well qualified man and I shall take note of the hon. gentleman's recommendation.

Salaries of officers and inspectors of excise, and to provide for increases depending on the result of excise examinations, $551,807.

Mr. CARVELL: There is an increase here of $43,000 which, compared with the $508,000 of the previous year, is an increase of eight per cent or nine per cent in the salaries. How is it that there is such an enormous increase depending on examinations?

Mr. NANTEL: The number of officers has been largely increased on account of the increase of revenue. These men will receive their regular increases after they pass their examinations.

Mr. GRAHAM: How many are there?

Mr. NANTEL: There are the inspectors of the inland revenue districts and of all collectors, deputy collectors and excise officers. Their regular increase is statutory under excise regulations.

Mr. PROULX: I am told that there are some offices which should be closed because the revenue has largely decreased, and is exceeded by the expenses of the office.

Mr. NANTEL: I do not think my hon. friend is well informed. The revenue has not decreased; on the contrary, it has increased generally.

Mr. PROULX: An officer has been appointed at Victoriaville, the former member for Drummond and Arthabaska, and I am told that he goes to his office only once a week.

Mr. CARVELL: I can cite a worse case than that. About four years ago it was decided to abolish the office of collector of inland revenue at Woodstock, for the simple reason that there was nothing for him to do. There was at one time some business in the collection of the revenue on liquors, but fortunately no liquors are now sold in the county of Carleton. The Scott Act has been enforced there for many years, no liquor is bought or sold, and consequently there was nothing for the officer to do. The predecessor of my hon. friend came to me some three years ago and said he would have to abolish the office. I begged as hard as I could for retention of the office; the officer was an old man seventy-six years of age and had served for something like thirty-five years. I agreed with him, however, that when that officer died there should be no further appointments made. By some means or other—I never knew the modus operandi—certain fees were paid by some of the officials to retain the bonded warehouse as a justification of the retention of the office. When the old official died, somewhere about eight or nine months before the late Government went out of power, I had plenty of friends who were willing to take upon themselves the burden of filling this office, because there was $300 a year attached to it, and nothing to do, but, according to the agreement I made with the former Minister of Inland Revenue, no appointment was made, and the office was abolished. I am satisfied that my hon. friend will find in his department records to show that that office was not to be filled. About two months after this Government came into power the position was filled and I am told that the appointee, a Mr. Brown, was given a salary of $400 a year. Mr. Brown was a good Tory worker, and he had to get something. He wanted the post office, but that had to be given to somebody else, and he was given the position of collector of excise at $400 a year. That was not bad enough, for they have since appointed another man as some kind of an inspector. He is a man named Clark, and he is getting $300. Of course he is a Tory. He is a very respectable old gentleman of seventy-five or seventy-six years of age. He does not do any harm, but I am just as sure he does not do any good. My hon. friend from Prescott (Mr. Proulx) thinks he has a bad case, but I think the case I have cited is a great deal worse than his. Two officials have been appointed since my hon. friend took office and they have nothing to do, and $700 is paid out to good Tory heelers. Perhaps my hon. friend will explain how this happened.

Mr. CHISHOLM (Antigonish): The minister seems to be rather slow in giving explanations. There is an increase in this item of $43,870 or about ten per cent. I think it is due to the House and to the country that the minister should give his reasons for the increase. The suggestion is made that it is owing to the fact that numerous office seekers have to be provided for, and that this is how provision is made. I found a case in a return which was brought down by the Minister of Inland Revenue.

Mr. NANTEL: Is that the case of Chisholm?

Mr. CHISHOLM: Yes. I asked for a return of all the papers and documents in connection with the dismissal of Donald Chisholm and the appointment of his successor. I had inquired previously whether a successor had been appointed. When the former preventive officer was dismissed, there appeared to be no reason for his continued existence, and there seemed to have been no reason for his existence for many years before he was dismissed. When I asked for the information, the minister stated that he had dismissed Chisholm on representations made to him by persons whose statements he had reason to trust. He rather evaded the question, and did not give me much information. But I persisted in my inquiries, and in his kind good natured way he came and asked me what further information I wanted. After speaking to him, he kindly brought down certain papers and among them a memorandum dated Ottawa, February 10, 1912, relative to the dismissal of Donald Chisholm, temporary preventive officer in the Pictou division. You will observe Mr. Chairman, that this man was only a temporary preventive officer. The memorandum says that Donald Chisholm was temporarily employed on 24th December, 1896. I may explain that about that time there was a certain amount of illicit distilling in some sections of the county and in the adjoining county of Pictou, and it

was considered necessary that an officer should be appointed, and Chisholm was appointed. The officer who had held the appointment prior to 1896 removed from the district or died. When Mr. Donald Chisholm was appointed a number of people felt there was no necessity for the appointment of such officer, and he was appointed only temporarily. Though there was no real reason for his continuance in the office, in later years his services were retained, the explanation being just the same as that suggested by my hon. friend from Carleton (Mr. Carvell) in reference to the case in his county. Chisholm was a very respectable old gentleman, an honest conscientious fellow who was esteemed by everybody in the community in which he lived, and it was expected that in a short time the office would be done away with. The salary he received was only $200, and it was thought that perhaps his retention of the position would be a deterrent of any further distilling in the district. The memorandum brought down by the minister states that at the time of his dismissal he was seventy-two years of age. There are some men who at seventy-two are old in vigour, as well as in years, and some who are not. Let us suppose that this man who had to deal with moonshiners was really old. The suggestion is made that he should have been dismissed many years before, but his services were not dispensed with until 1st November, 1912. Let us see what his services consisted of. The memorandum sets forth that during sixteen years he took part in five seizures. The seizures were initiated by R. P. Fraser, the very efficient collector of customs in Pictou, who has jurisdiction over the whole eastern portion of Nova Scotia. Chisholm took part in five seizures, three in 1897 and two in 1896. The records of the department show that after 1897 he did no work whatever. The fact of the matter is that the curse of illicit distilling of whiskey disappeared shortly after Mr. R. P. Fraser initiated his crusade against it, and possibly the fact that Mr. Chisholm was a local man had a deterrent effect upon the moonshiners. However, being an old and very respectable gentleman, he was continued in office from year to year, although, as I have shown, there was really no necessity for his being kept in the position. When I read the minister's memorandum I thought that it was because a preventive officer was no longer required that his services had been dispensed with, but to my amazement I found that the minister appointed a new man.

Mr. NANTEL: A young man.

Mr. CHISHOLM: He dismissed Chisholm because there was nothing to do.

Mr. NANTEL: Because he was doing nothing.

Mr. CHISHOLM: Because there was nothing to do. No man, Grit or Tory, will venture the assertion that there has been any illicit distilling there in recent years. As a matter of fact, the criticism directed against the Liberal party and against myself in this connection was because this man was kept in office. It was said that we were simply keeping him there to provide a salary for a respectable old gentleman. The minister, and every officer in his department, knows that there was no necessity for this officer's services after 1897, but he has appointed a successor, and given him a salary of one hundred dollars more than the previous officer received, an increase of fifty per cent and he did this in the face of his own records. Where did my hon. friend get any justification for appointing a new officer? It was not because such an officer was needed. My hon. friend got his authority by appointing a food inspector. Think of it, a food inspector. A food inspector is needed there just as much as a newly born baby needs a beefsteak, to quote Gadsby, or a fifth wheel to a cart. I would like to know what food he has inspected since his appointment, or what food he will ever inspect. It is the most absurd thing. It would have been a perfectly proper thing for the minister to have dispensed with the services of Donald Chisholm when the present Government came into power. He expected that, and everybody else expected it, but the idea of appointing a successor to him is preposterous. It cannot be characterised as anything but a small steal out of the public treasury to provide for a man who is a good, active partisan. Why was this man appointed? Because he was a good active partisan, and for no other reason for no one can suspect him of having any qualification for a food inspector even if such were needed there. We have heard a great deal about men being dismissed for partisanship. Charity covers a multitude of sins it is said; but partisanship covers every excuse for needless dismissals and appointments. Charity cannot cover as wide a range as what is called partisanship. This thing covers everything discreditable to the present Government. It is illimitable in the extent to which it is worked. They bring this charge of partisanship against men who have given faithful service for the salaries they have received, and make it cover their sins of tyranny and injustice. This memorandum states that this man was 72 years old at the time of his dismissal, that he was appointed at a salary of $200, that his services were dispensed with on the 1st November, 1912, and that during the sixteen years he was employed, the records

show that he took part in five seizures—three in 1897 and two in 1896. There seems to be no doubt at all that they had an ample excuse for dismissing that man independently of any charge of partisanship. What is the explanation of it? The minister knew that this man, Donald Chisholm, should have been dismissed because his services were not required, but they wanted to find a place for this other man, Moses Delorey, who was recognized as an active political heeler, a man who, in season and out of season, had been engaged in active political work. Yet the minister appoints that man, knowing his record as an active partisan. Will he be removed from his present office on account of partisanship? No, he will not be. Recognizing that there was no need to appoint any person to this office, they said: We will have to get rid of this man on some other ground, not because he is too old, not because he is not needed, but we will have to specify something else, and therefore we find in this memorandum:

His removal was caused by political partisanship as will be seen by copies of affidavits attached.

Who gave that evidence? Has the minister any conscience at all?

The CHAIRMAN: Order.

Mr. CHISHOLM: If I am out of order, Mr. Chairman, I will withdraw that and ask what kind of a conscience he has. We expect something from him. All you have to do is to look at him. You will see an honest countenance; you will see a man who will not be disposed to allow the public treasury to be looted.

Mr. GRAHAM Or diluted.

Mr. CHISHOLM: You will see a man who in a person embodies the virtues of good nature and honesty. That is why I appeal to him particularly. Of course, if it were the hon. Minister of Public Works (Mr. Rogers) or the hon. Postmaster General (Mr. Pelletier) it would be different; they are men who are out for political scalps they are playing the game, all the time. They care not, they are bold, they are brazen, and they will defy public opinion afterwards. The Minister of Inland Revenue will not do that; he is seemingly honest, frank and sincere. I find that on March 21, 1912, in answer to some questions that I put to the minister, 'Hansard,' page 5819, the minister laid down this rule:

If a member states that he is aware of his own personal knowledge than an officer has been guilty of offensive partisanship, we shall probably decide to dismiss him without investigation.

This is a careful minister; he is not too bold. He says that we shall probably dismiss him without further investigation Then he says further:

If the charge is by the member on his own personal knowledge we will act on it——

Quite properly too.

If it is by the defeated candidate, who gives sufficient facts and proofs, affidavits and so forth, to convince me that there is reason to act and dismiss, I will dismiss; and each case will be decided on its merits.

Not on political expediency. I want to admit that in so far as I am concerned I never recommended the dismissal of that man, Donald Chisholm. I must plead guilty to the fact that I should have recommended his dismissal some years ago. But the circumstances were extenuating; he was an old man, he was very much respected in the community, his home was open to everybody who travelled through that section of the country, and I never had the heart to recommend his dismissal in his old age. True, in so far as his services were concerned, they could have been dispensed with years ago as there was nothing for him to do. But now the minister dismisses him, turns around and appoints another man in his place and gives this other man an extra salary by stating that he is a food inspector. How many government food inspectors are there in the province of Nova Scotia? What are their duties, and how long are they to be retained? These are questions that I would like to have the minister answer.

Mr. NANTEL: Does the hon. gentleman mean preventive officers or food inspectors?

Mr. CHISHOLM: I am speaking of preventitive officers who are salved by the title of food inspectors, preventive officers who are absolutely unnecessary, whose duties ceased long ago, and who, upon being appointed, are given an extra salary of $100 under the excuse that they are to act as food inspectors. What are the duties of these food inspectors? The memorandum says:

Mr. Chisholm was replaced by Mr. Delorey who was appointed preventive officer and inspector of food, from the 12th December, 1912, for which he is receiving $200 as preventive officer and $100 as food inspector.

I wish, Mr. Chairman, to draw your attention to the fact that this appointment was made a short time previous to the local bye-election in the county of Antigonish, but the appointment was concealed from the public until after the election was over and until I made inquiry in this House, by reason of the fact that the Conservative machine down there had to use this office and many other offices to try to bait the people along. They not only instituted a system of terrorism in that constituency as to existing officials

but they tried to give the people to understand that there were new offices to be filled and they promised one of these new offices to every man whom they thought to be doubtful. This man, Moses Delorey, was not doubtful, but he was somewhat disgruntled. He had worked long and faithfully for the Conservative party, he had done good work and they rewarded him by giving him this office of preventive officer at a salary of $200 with $100 extra as food inspector. Will the minister tell me why he appointed a food inspector down there, and why, if he was going to make the appointment, he did not make it at some place where such an officer might be of some use. Why was he not appointed in the shire town where there are butcher stalls and where meat and other kinds of food are being exposed for sale? Instead of that, he appointed him in—a very fine district—I have not a word to say against it—but in a district where there is no particular business done.

Mr. NANTEL: I am really at a loss to know why the hon. member for Antigonish takes so much interest in the fate of that Mr. Chisholm. I do not know if he is a relation of his, but any way he is greatly interested in him. At all events, I have judged proper to dismiss Mr. Chisholm, because complaints have been made against him.

Mr. CHISHOLM: I will explain to you now; that he is not. The only relative I have had in the Government service was a brother who was the station master in Heatherton on the Intercolonial railway and he was the only station master from Halifax to Montreal who was dismissed. His offence was that he voted for his only brother. He was quite satisfied to take his medicine if that rule was to be applied and the principle was to be laid down that to the victors belong the spoil, but it is rather a significant circumstance, and rather a reflection upon the man who recommended the dismissal, as well as upon the Minister of Railways and Canals (Mr. Cochrane), that the only man singled out for such treatment was the brother of a member. The father of the man who recommended that dismissal, the father of Senator Girroir, was postmaster for many years in Antigonish county, and I was asked to dismiss him, but I said no, I will never be guilty of doing such a mean, contemptible thing.

Mr. NANTEL: In any case, Mr. Chisholm was a temporary employee since December 24, 1896, as a preventive officer. He was an old man whose only occupation was to draw his salary.

When I was asked to dismiss him, he was accused of having taken an active part in the last election. Mr. Girroir has declared that himself in a personal letter which runs as follows:

I have personal knowledge that Mr. Chisholm at each election spent considerable time in visiting his friends with whom he had influence in canvassing them to vote for the Liberal candidate. He has always been outspoken in the Liberal cause and even meetings of the organization have been held at his house. He was, during the last election, a member of the Liberal organization committee for the polling district of Tracadie. I would recommend that Mr. Moses Delorty be appointed.

Mr. CHISHOLM (Antigonish): Are you reading from a letter of Mr. Girroir?

Mr. NANTEL: Yes.

On receiving that letter I asked the deputy minister for a report. I have received that report in which it is stated that Mr. Chisholm had been really a preventive officer since December 24, 1896, and that from that date up to 1911 he had done nothing else but drawing his salary of $200 a year. I have thought proper to dismiss him, giving as my reasons that he had not shown enough activity in the fulfiilment of his duties. A long while after that, I was asked to appoint a new preventive officer, and I have appointed Mr. Delorey, and I gave him at the same time the charge of food inspector.

If Mr. Delorey does not show more activity than did Mr. Chisholm, his predecessor, I will dismiss him, on the necessary proofs.

Mr. BOIVIN: Why have you increased his salary?

Mr. NANTEL: Because we have given him a new employment, that of food inspector, and I may assure you that is no sinecure. That inspector is under the control of the analyst who often asks him for samples of foods which the inspector must send to the analyst's office. We are thus in a position to administer the law concerning the adulteration of food.

For that other function, I have given him an additional salary of $100 a year.

Mr. CHISHOLM (Antigonish): I have accomplished my purpose. I am very glad indeed to get the information that the dismissal of Mr. Donald Chisholm was recommended by Mr. Girroir. I moved in this House for all papers, letters, telegrams and correspondence in connection with the dismissal of Donald Chisholm, and a return was ordered by the House, and that return was brought down, and you will search in vain for a line from Mr. Girroir or anything to indicate that Mr. Girroir had made any charge against Donald Chisholm. In that return I found three affidavits, one from Moses Delorey, who was seeking the job, and another from W. H. Delorey, and another from Geoffrey Delorey. These

affidavits are perfectly harmless and they state nothing except that Donald Chisholm had been a Liberal all his life. But that he was an offensive partisan is absolutely untrue, and no man knows it better than Senator Girroir; no man enjoyed the hospitality of his house more than did Senator Girroir, and no Conservative ever hesitated to enter the house of Donald Chisholm and hold a political meeting there if they thought fit to do so. Mr. Donald Chisholm was not afraid to express his views; but he always expressed them in a gentlemanly manner. I wanted the information from the minister which I have now obtained, so that the people of Tracadie, where Mr. Girroir was born and lived himself and where Mr. Donald Chisholm lives, would know where the recommendation came from that Donald Chisholm be dismissed. I am glad I asked the question and I am satisfied with the explanation.

Mr. GRAHAM: Has the minister nothing to say to the charge that he did not bring down the full return to the House? Why, that constitutes a contempt of Parliament.

Mr. NANTEL: There were contained in that report all the documents which were on file at the department. Mr. Girroir's letter was private and confidential. I have not seen fit to produce it, and I don't believe I am obliged to do it, because it is a personal affair. But I have given communication of it to the hon. member.

Mr. GRAHAM: If it is a personal and private letter it has no business to be read in the House.

Mr. CARVELL: And the minister has no business dismissing a man on a personal letter.

Mr. NANTEL: It was not on the regular file.

Mr. GRAHAM: The minister has read a private and confidential letter to the House and that letter must go on the official record.

Mr. NANTEL: I have no objection.

Mr. GRAHAM: The minister does not appear to realize the situation; if he does he has been guilty of contempt of an order of the House.

Mr. CHISHOLM (Antigonish): Report him to the Governor General.

Mr. GRAHAM: The House ordered that this complete return should be brought down and the minister brought down the return on his responsibility, and it is not a complete return, and the Prime Minister should ask for his resignation.

Mr. NANTEL: The report I have submitted to the House comprised all the documents which were in the possession of the deputy minister.

Mr. CHISHOLM (Antigonish): What is the date of Mr. Girroir's letter?

Mr. NANTEL: The 27th June. Later on my hon. friend (Mr. Chisholm) asked me for some information. I am quite sure that I have given a copy of that letter. That I do not positively recollect, but I am sure I gave him the contents of that letter.

Mr. CHISHOLM (Antigonish): I will explain that. The minister may be in good faith; he is in good faith in making that statement, and he probably believes it. But this is the explanation; when I moved for the papers in the House and they were brought down, the papers did not contain all the details that I required. The papers did not make any reference to Senator Girroir. By reference to 'Hansard' you will find that I asked on whose recommendation Donald Chisholm had been dismissed, and the minister replied on representations made to him verbally and on affidavits he had received. When I put the further question by whom these recommendations were made the minister refused to give me that information, or at all events gave me what I considered an unsatisfactory answer. Then I raised a question of privilege and I complained the minister was not giving the information he was required to give, even to an humble back-bencher if you wish to call me so. The minister then came over to me and said: What further information are you asking; what are you complaining about. I said: I want to know from you who was it gave you the oral information, and what is the nature of it, and the minister said: Mr. Girroir told me certain things. I said: Are these in writing, and the minister said, no.

Mr. NANTEL: Did I not send you a copy of that letter?

Mr. CHISHOLM (Antigonish): The minister did not send me a copy of the letter, and the minister stated to me that the representations made to him by Senator Girroir were oral, and that is precisely why I brought the matter up to-night to see if I could not entrap the minister and get the facts. All the minister has to do is to look up 'Hansard,' and he will see that my statement is correct.

Mr. NANTEL: I will look into the matter.

Mr. McKENZIE: I can assure you, Mr. Chairman, that there is no member of this House who would like to be more liberal to the feelings or prejudices of any member of this House than I am. I am proud of the fact that hon. members who speak the French language are privileged to speak that language in the House. I take pride in the fact that hon. members

in this House speak the French language and have the privilege of expressing their views in that language. I protest that it is receiving money under false pretenses for a minister of the Crown to be holding a portfolio of the Crown and to refuse to answer an English-speaking member in a language that he can understand. The hon. minister can speak the English language. I am an English-speaking member, who is under the disability of not being able to understand the French language. I must, therefore, put up with that disability when an hon. member is speaking in French; but, when a minister of the Crown, who is discharging the responsibilities of his office, is speaking to me in this House, I have a right to be addressed in a language that I can understand. I protest that, when the right hon. gentleman who leads this House selected his Nationalists, he selected Nationalists who evidently cannot speak the English language or who decline to show the courtesy of speaking to English-speaking members in a language that they can understand and of giving them the opportunity of criticising if necessary their conduct. I make this protest, not in the slightest heat, and with every respect to the rights of hon. gentlemen to speak the beautiful French language which I regret exceedingly I cannot speak or understand. I submit, if a French member addresses an English minister in this House and if that English minister can speak French, that he is not treating the French member properly, if the latter cannot speak English, if he addresses him in a language that he cannot understand.

Mr. NANTEL: I protest against the hon. gentleman's protest. Both languages are official. I have the right to speak in French to my hon. friend. If he does not understand French, that is not my fault. I have the right to speak French in this House as much as any other hon. member has the right to speak English to a French member who is not supposed to understand English. When a French member from Quebec is obliged to express himself in French to an English member of the Cabinet who does not understand French, nobody complains. I have a perfect right to do the same. I protest against your own protest.

Mr. BOIVIN: I am very pleased with the result of the protest made by the hon. member for North Cape Breton (Mr. McKenzie). It at least shows the Opposition and the members of this House that the hon. Minister of Inland Revenue can, when he desires to do so, speak the English language and speak it very fluently. As a matter of right, I would be the last man in this House of Commons to say that a member has not the right to speak the French language. It is a right which is very sacred, a right of which we French-Canadians are very proud and very jealous; but I certainly do not think that the hon. Minister of Inland Revenue was justified in giving the answer he did to the hon. member (Mr. McKenzie), especially after the example which was set for him by the right hon. the leader of the Government. Upon several occasions the right hon. the Prime Minister, who certainly does not speak French better than the hon. member speaks English, has been addressed by hon. members on this side of the House in the French language and very courteously has answered them in that language. I think that the hon. minister misunderstood what he calls our protest. We are not speaking about the question of right whatever; we are speaking of a question of courtesy; and, as he is able to speak the English language so fluently, I think it would be very much better for every one concerned if the deliberations in committee were carried on in English, and if he would show the English-speaking members the same courtesy that the Prime Minister has on several occasions shown to French speaking members on this side of the House.

Mr. NANTEL: I did not speak French as a lack of courtesy to the hon. member for Antigonish (Mr. Chisholm). I spoke the French language because it was easier for me to do so. I regret very much not being as conversant with the English language as my hon. friend is.

Mr. CHISHOLM (Antigonish): That is not the point. The hon. member for Cape Breton is referring to the constitutional right and duty of a Cabinet Minister to speak in either language when he is able to speak in both languages. A minister should speak in the language in which he is addressed when he has command of both tongues.

Mr. ROGERS: I do not think my hon. friend the Minister of Inland Revenue had any thought or intention of showing discourtesy to the hon. member for Antigonish (Mr. Chisholm) when he undertook to answer his questions in his mother tongue. All hon. members know that the French and the English languages are the official languages of this House. I was pleased to note that, when my hon. friend the Minister of Inland Revenue answered my hon. friend from Antigonish in French, the latter apparently perfectly understood the hon. minister, and was able to make answer in the manner in which he did, so that I do not think that any injustice has been done or any attempt been made on the part of hon. gentlemen to show any sign of discourtesy. I trust that hon. members opposite will understand that no discourtesy was intended. We have had a very pleasant and useful day in carrying on the pub-

lic business. I hope it will be continued for the balance of the evening. I want to congratulate the hon. member for Antigonish on his knowledge and understanding of the French language.

Mr. CHISHOLM (Antigonish): I am sorry that not only my modesty but my ignorance prevents me from accepting the compliments paid to me by the acting leader of the Government (Mr. Rogers). I regret to say that I do not understand French, although I can read it rather indifferently. In this case I had the benefit of an interpreter.

I want to direct the hon. Minister of Inland Revenue to page 440 of the Votes and Proceedings where he will find that an order was passed on January 29, for a copy of all letters, correspondence on file referring to the dismissal of Donald Chisholm, of Tracadie, in the county of Antigonish, as preventive officer. I ask him to look at the papers that were brought down; and I ask him if, in that light, he realizes his position in failing to respond to that Order of the House.

Mr. NANTEL: When the returns were prepared by the deputy minister, the letter of Senator Girroir was not on the official file. When my attention was called to the fact by the hon. member for Antigonish, if I remember rightly, I asked him if he wanted that letter. I gave him the information and I am quite sure that I gave instructions to furnish him with that letter.

Mr. CHISHOLM: I have not got it.

Mr. NANTEL: I will verify that. I am quite sure that I gave instructions to furnish my hon. friend with the letter. That letter was in my private file; but it is not marked private, and I gave instructions to my officer to send it to my hon. friend. I am quite sure that the letter was addressed to him. Have you received that letter?

Mr. CHISHOLM (Antigonish): I did not receive the letter, so far as my memory serves me. In the conversation which I had with the Minister of Inland Revenue, he told me that Senator Girroir had made his representations orally. I had reason to believe that Mr. Girroir was at the bottom of this, and that is why I asked for the correspondence. What I object to is this, that the letter, which was not marked private had not been brought down with the other papers. There is no such letter on my file and I think I am pretty careful about keeping my papers together. But I would not contradict the minister when he says he sent it, for there are two of us by the same name, members in this House, and our letters sometimes go to the wrong man. Letters intended for the member for Inverness come to me and vice versa. Why was it not on file? What kind of administration have we in this country? What confidence can the people have in the way affairs are administered when letters are left off these files as a mere matter of choice? This is not public business at all; it is secret, dangerous business that is going on.

Mr. CARVELL: Now that the minister has shown that he can talk fluently in either language, I would like him to answer in French or in English, I do not care. What is the use of making appointments in my town if the services of these officers are not required?

Mr. NANTEL: What appointments?

Mr. CARVELL: The two appointments I spoke of, one at $300 and one at $400. What is the use, when there is nothing for these officers to do? One is Mr. Brown and the other is Mr. Clarke.

Mr. CLARK (Red Deer): I would like to say a word with regard to the complaints made by my hon. friends here. I do not know that it is a good argument that they are putting up. If a place is particularly free from crime, we do not think of dispensing with the policeman merely for that reason. We congratulate the place on its morality and the police upon the effectiveness of their work. If this place is free from the illicit manufacture of whiskey, I think the minister is to be congratulated upon finding a place in which there is not much to do for his officers and perhaps not very much for himself. If the minister or anybody else connected with politics has little to do, I think that is a matter for congratulation. It means that he can take his food well. I do not agree with my hon. friend from Carleton that the fact that there has been no illicit manufacture or distillation of this pungent fluid known as whiskey is a sign of anything but that the officers are doing their duty well. I do not think that the minister should have to answer charges of that kind.

Mr. ROGERS: I join with the hon. member for Red Deer, but I think that he has not gone far enough. The hon. member for Carleton said that not only was there no illicit manufacture of liquor, but he went further and said that there was no sale or use of it.

Mr. CARVELL: We do not know what illicit distillation means down there. No officer was ever appointed in New Brunswick for the purpose of keeping that down. The duty of the officer at one time was when the liquor was manufactured to put it in the bonded warehouse and receive the duty on it.

Mr. BOIVIN: I desire information concerning the appointment of the officer re-

ferred to by the hon. member for Prescott (Mr. Proulx) a few moments ago, Mr. Gilbert, of Arthabaska. When was he appointed, what are his duties, and what is his salary?

Mr. NANTEL: Mr. Gilbert is collector of inland revenue for Drummond and Arthabaska; his salary is $600, and he was appointed to replace Mr. Poirier.

Mr. PROULX: What is the revenue of the office?

Mr. NANTEL: I am not in a position to give that information to-night, but will make a note of the point and give it later.

Mr. BOIVIN: Another bit of information, I should like to get is, whether this Mr. Gilbert is the same Mr. Gilbert who was Nationalist candidate in the Drummond and Arthabaska by-election in 1910. That was a very important by-election in the province of Quebec, in fact the minister said he changed his opinion at the time of that election. Since that date, and especially in the past few months, some members have gone so far as to say that there was a chance of an alliance between the Nationalists and the Liberals. Are we to understand that this Nationalist candidate in Drummond and Arthabaska has been appointed to office by this Government?

Mr. NANTEL: Mr. Gilbert is the same man. I made a mistake in saying that his salary is $600; I have ascertained that his salary is $800.

Mr. PROULX: How often does he go to his office? I am told that he resides quite a distance from Victoriaville, on his farm, and goes to his office very infrequently.

Mr. NANTEL: I am told that Mr. Gilbert keeps his office well. I have never received any complaint concerning him.

Mr. GAUVREAU: I have personal knowledge of the facts, because I was living there for quite a while. Mr. Gilbert is farming on his farm at Stanford. He goes to the office when he is telephoned for.

Mr. NANTEL: This is the first complaint I have received concerning this officer. I will make a note of it, and if there is any irregularity I will try to remedy it.

Mr. GAUVREAU: I do not complain of it, so long as those who are in need of Mr. Gilbert do not complain.

Mr. PROULX: I am told there are quite a few offices that should be closed, the revenue not being sufficient to pay the expenses of the office. I have been told that this is that kind of an office.

Mr. NANTEL: I am informed that Mr. Gilbert makes his return very regularly to his chief, Mr. Benoit.

Mr. BOIVIN.

Mr. CARROLL: Have there been any increases recently in the salaries of inland revenue officers in the city of Halifax?

Mr. NANTEL: I am not aware of any.

Mr. CARROLL: I desire to bring to the attention of the minister the case of Mr. Patrick Tompkins, who has been an officer of the department in the city of Halifax for the past twenty-five years. He happens to be a close personal friend of my own, but a political friend of the minister. A good many years before 1896, he was appointed to office by the Conservative Government. He was a strong Conservative then, and is the same to-day. He has been a most efficient officer. He has succeeded in capturing many of these distilleries that they have in the eastern part of Nova Scotia, and has done much to stamp out that business. Personally, I tried to get an increase in his salary from the late Government, but did not succeed. As a matter of fact, Mr. Tompkins came near being dismissed from office at one time on account of his political complexion. I do not care what his politics may be, he has been in the service a long time, and has always fulfilled his duty faithfully and well. He should receive more than his present salary, which, I think, is $800 a year.

Mr. BORDEN: I do not know anything about Mr. Tompkins' qualification. I really was not aware of his political opinions, but I have known him a long time, and I have believed him to be a very faithful and efficient officer. I remember years ago that I had occasion to note the manner in which he performed his duties, and I entirely agree with what my hon. friend says as to his efficiency and devotion to duty.

Mr. NANTEL: Patrick Tompkins, third-class exciseman, was appointed on August 14, 1879. He his now receiving a salary of $1,000, which is the maximum he is entitled to receive, because he has never passed an examination. I must say that the salaries of all these officials are certainly small, and I have thought of increasing them.

Mr. McKENZIE: I am glad that the minister intends to increase the salaries of these officials. I do not know exactly whether he has made any increase in the salary of his official in the prosperous and growing town of Sydney. In Sydney, living is just as expensive as it is in Montreal or Toronto. When the late Government was in power, I was trying to get an increase in salary of this official, Mr. Macdonald by name, but I did not succeed in getting anything for him. I hope that my hon. friend the minister has done some-

thing for him, or has some intention of increasing his salary. I think he is receiving about $800, entirely too small a salary for anyone living in Sydney.

Mr. GAUVREAU: I have only one word to say. I would like to know from the hon. minister why Mr. Martin, of St. Arsène, has been dismissed and who has been appointed to take his place?

Mr. NANTEL: What is his name?

Mr. GAUVREAU: Elie Martin.

While the deputy minister is looking over his papers, in order to enable the minister to answer my question, I will ask him if he knows that at Rivière du Loup prohibition prevails, the dry régime is in force and there are no more licenses to sell liquor, wholesale or retail? I therefore warn the hon. minister that the man they have appointed, Mr. Frenette, has no revenue at all, although he is a married man and the father of a family. The salary he is receiving is pitiable. What I blame the Government for is that they have divided the office of collector, held by one Mr. Pelletier, an office which gave a man a decent living, but is not enough for two. Having divided it in two you simply have two men starving.

Although Mr. Frenette is one of my political opponents, I will readily give him the credit of being an honest man, and I feel it my duty to ask the minister if, under the circumstances, he could not find somewhere else for him a posifion that would give enough to live upon. I am against dismissals, especially when women are the victims, and I am always ready to help those who are in want and who properly fulfil their duties. I believe the hon. minister is well disposed, so that I shall ask him whether he could not give Mr. Frinette another position with a proper salary that would enable him to earn his living.

Mr. PELLETIER: That is very well spoken.

Mr. NANTEL: As to Mr. Frenette, his salary must be provided for, that is evident under the circumstances, because the position he is now occupying at Rivière du Loup is a sinecure which brings him nothing. He will have to be transferred somewhere else, into another division, because there is nothing for him to do where he is.

As to Mr. Elie Martin, of St. Arsène, I have not the information just now to give an answer to the hon. member.

Mr. BOIVIN: Can the hon. minister give us the name of the officer of his department in the city of Farnham, which is situated in the Bedford division?

Mr. NANTEL: Have you his name?

Mr. BOIVIN: I have not his name. I believe he took the place of a Mr. Portelance.

Mr. NANTEL: Is he a preventive officer?

Mr. BOIVIN: No, I believe he is collector of excise, because there is a cigar factory in Farnham.

Mr. NANTEL: We have several officers who are only temporary. I have not at the present moment the information required by my hon. friend. I am making a note of this and I will give it later on.

Adulteration of food and the administration of the Act respecting fertilizers, fraudulent marking and commercial feeding stuffs, $30,000.

Mr. BOIVIN: Before this item is adopted, can the hon. minister tell me who is the food inspector in the Bedford district?

Mr. NANTEL: I may say that all the revenue officers are inspectors, according to law but the chief inspector of that district lives in Montreal. As I just said, it is the duty of the revenue officers to see that this law is properly carried out.

Mr. BOIVIN: Will the hon. minister tell me what is the salary paid to Mr. Van Antwerp, who is at the same time excise and weights and measures officer, whether he is a permanent officer or only working temporarily?

Mr. NANTEL: I am taking note of this.

Mr. BOIVIN: Are all the food inspectors living in Montreal, and are they sent from there to all parts of the province?

Mr. NANTEL: No. The province is separated into divisions and a certain number of inspectors reside in these respective districts.

Mr. CHISHOLM (Antigonish): Can the hon. minister tell me how many food inspectors there are in Nova Scotia, giving the number in each county if possible?

Mr. NANTEL: I will get the information for my hon. friend.

Mr. BOIVIN: How many divisions are there and how many inspectors? The hon. minister might give me that information on supplementary estimates.

Mr. NANTEL: Yes.

Mr. CHISHOLM (Antigonish): Am I to understand that the minister will furnish the information later on? If so, I would ask him to give the date of appointment of each of those food inspectors, and the names and addresses of the parties appointed.

Miscellaneous—distribution of parliamentary documents, $1,500.

Mr. LEMIEUX: Might I draw the attention of the leader of the House to a

question which has been put to me by several members? The distribution of parliamentary documents is made during the session in a very fair manner by the distributing officer, but several members would like to receive documents after the session is over. They have called at Mr. Davidson's office and have been informed that he would distribute the documents between sessions with pleasure, but that he does not enjoy the franking privilege after the session is over. It seems to me that when members require blue-books or other parliamentary documents, the franking privilege ought to be given to the distributing officer, so that those members who live at a distance could receive them after the session. Mr. Davidson says he is obliged to pay for the stamps necessary to send those documents. Perhaps the Postmaster General will take a note of that.

Mr. ROGERS: I do not know what my hon. friend's request would amount to. I have not heard of it before, but the matter will be taken up and considered. If it is simply a question of franking in sending out certain material, I do not think it would be very serious. Of course, there have been times when it appeared to the post office authorities that the franking privilege was being very much abused, and they naturally have to curtail the privilege as much as possible. However, this matter will be looked into, and if it is possible to meet the suggestion of my hon. friend, something will be done.

Mr. BOIVIN: I would like to say a word concerning the distribution of blue-books during the session. In previous years we had a room called the 'blue book room,' where the blue books for the different members were left, and where they could be called for at any time, used in the members' rooms, or sent to their homes. I understand that that blue book room has been abolished, and the result is that during the present session we have had blue books piled on our desks and tables in the different rooms without knowing where they came from, or whether we had already got them or not. In certain instances several important reports have not come to us at all, while we have been overwhelmed with other blue books for which we have no use. I think that the blue book room was a great convenience to all the members, and I regret very much that it has been abolished. Would it not be possible to have something of the same nature in use next year?

Mr. ROGERS: Of course the Government are very anxious to provide hon. members with every facility in regard to obtaining all the information and all the books that are printed from time to time, and if there is any mistake, or any delay, we will certainly be glad to remedy it.

Mr. LEMIEUX: Whilst we are on this subject I would like to call the attention of the French-speaking ministers to something which is not new, but which I hope will not happen again in view of the nomination made recently of ten new translators. To give an instance of the poor service we have had in the distribution of public documents or blue books, I may say that we have received only this month the Auditor General's report in French for 1911-12. I understand that a radical change is about to take place, the Speaker and Deputy Speaker having arranged to appoint new translators, who, I am told, are all very competent. They have passed a Civil Service examination, and I understand they are to be appointed shortly. I hope that in the future we shall have the French blue books within a reasonable time.

Mr. PELLETIER: That is one of the reasons why the Speaker and the Committee of Internal Economy have come to the conclusion that instead of having the translations done all over the country, and the work consequently delayed, these new translators should be appointed to take care of the work. As the hon. member has said, I think we can rely on the Speaker and the Deputy Speaker to see to it that these translations are made within a reasonable time.

Mr. PROULX: Have these translators been appointed in order of merit?

Mr. PELLETIER: They have been appointed by the Speaker, with the concurrence of the Committee of Internal Economy.

Mr. PROULX: An examination was held?

Mr. PELLETIER: Yes.

Mr. PROULX: I understand that no age limit was fixed before the examination was held. Candidates were invited to come to Ottawa to pass an examination, but, after the examination had been held, the commission fixed an age limit at forty years, I think, and some of the candidates who were over forty years of age, were among the first ten in the list of those who passed. I know one candidate who took fifth place, but he did not get an appointment because he was over the age limit.

Mr. PELLETIER: The translators appointed were recommended by the commission.

Mr. PROULX: What I find fault with was that the age limit was fixed before instead of after the examination.

Mr. PELLETIER: If my hon. friend finds fault with the commission, there are probably a good many people who will agree with him.

Mr. PROULX: I am told that these appointments were made not by the Civil Service Commission, but by the Speaker, the Deputy Speaker, and the Committee of Internal Economy, and that they, and not the Civil Service Commission, fixed the age limit.

Mr. PELLETIER: The Committee of Internal Economy do not fix the age limit. They make the appointments, but like the various departments of the Government, they have to take the recommendations of the Civil Service Commission. We have two commissioners. Sometimes they agree, and sometimes they do not. When they do agree, they make recommendations to the departments, and the appointments go through by Order in Council. In the present case, the appointments have been made by the Speaker with the concurrence of the Committee of Internal Economy.

Mr. PROULX: The candidates in that examination had to pay a fee of $8. Will the fee be remitted to those who succeeded in passing the examination, but who could not be appointed because they were over forty years of age?

Mr. PELLETIER: I cannot tell my hon. friend that, but I might inquire and let him know.

Mr. SINCLAIR: Before the item relating to the distribution of blue books is passed, I would suggest to the leader of the House that the whole system of distribution be reorganized. I would suggest, not another blue book room, but a proper organization of the present room. It is a common thing for members to go to the distribution office, and to be told they cannot get the book they ask for. The messenger has to search in various offices around the city to find small publications issued by the departments of the Government. Sometimes he comes back after a long search without the documents required, and sometimes we are told that these documents can be obtained at the King's Printer's office or at other places. I see no reason why a distribution office should not be so organized that every publication of the Government would be available to every member on application. I would suggest that the Government look into the question with the view of reorganizing the system and of placing it under proper management, so that when members ask for any publication of the Government at the distribution office, the officers in charge would be able to find it.

Mr. ROGERS: The statement made by my hon. friend is a serious one. If any officer in the employ of the Government has been guilty of refusing to give consideration to members—

Mr. SINCLAIR: I am not suggesting that anyone has been guilty of that. I say that the distribution room is not furnished with all the publications of the Government. I think the officers in the distribution room are very efficient; they do everything they can to find publications required by members. But the system is such, that a good many publications are not under the control of the distribution staff at all.

Mr. ROGERS: If the statement of my hon. friend is correct, the matter should certainly be looked into, and we will endeavour to do so with the view of rectifying any grievance that may exist. The room to which he refers should be supplied with every blue book and Government publication. I will take note of the matter and endeavour to see that it is put right.

Mr. McKENZIE: I wish to make a simple request to the leader of the House. Would it not be possible in future for members to obtain a few more copies of 'Hansard' than they get now? Each member gets three copies, but I would be very glad to get more. The expense of printing a few more copies would not amount to very much.

Mr. ROGERS: The question of the number of copies of 'Hansard' available to members is entirely in the hands of the Debates Committee. They have the matter in hand, and as my hon. friend well knows, it has been the practice for a very long time to allow only so many copies to each member. So far as I understand the question from the information I have, it might be a good thing for the public business of this country if we had less 'Hansard' than we have.

Some hon. MEMBERS: Hear, hear.

Mr. ROGERS: However, I might be mistaken in that. At the same time, the matter of which my hon. friend complains is entirely in the hands of the Debates Committee, and I have no doubt they will take a note of what he has said, and if they choose to find a remedy there will be no objection on this side of the House.

Mr. MACLEAN (Queens, P.E.I.): I would suggest that the Debates Committee take into consideration the advisability of abolishing 'Hansard.'

Mr. CARVELL: I quite agree with the statement made by my hon. friend from North Cape Breton. I do not think that the Minister of Public Works ought to grumble at the number of 'Hansards' so much as at the fact that there is a 'Hansard' at all. If he could get rid of 'Hansard' entirely,

there might be something in his argument, but seeing that it exists, I do not see that it makes very much difference whether the number given to each member is three or six. This matter has come up a good many times, and I could never understand why the number should be restricted. But there seems to be a desire on the part of the Debates Committee to restrict the number of unrevised 'Hansards' given to each member; for what reason I do not know, unless it be that 'Hansard' is not perfect. But a member should be held responsible for what he says in the House, and I do not think he ought to be allowed to change 'Hansard' to any great extent. I think the 'Hansard' reports as a rule are pretty accurate, and I do not see why members should not have a reasonable number of copies, if they want them, to send to their constituents. Personally I would like to have more than three copies, and I think I am voicing the sentiment of many members on both sides of the House in saying so.

Mr. GRAHAM: I do not send 'Hansard' to my constituents, but I have been surprised at the number of requests for copies from people all over Canada. It has cost me probably $50 this session to send copies.

Mr. NESBITT: I would like to suggest to the minister that when he is looking into this matter he should try to find some means of avoiding the printing of so many parliamentary documents that none of the members want. They are piled on the desks and tables, and it has seemed to me that there was a great waste that might be avoided. I would suggest that he deivse some system of supplying the documents that people generally want and that are not too heavy.

Mr. ROGERS: As my hon. friend can understand, it is very difficult for the officers who have matters of this kind in charge to decide what documents are more useful, acceptable, or desirable, than others. It would be very difficult for those officers to say that only a certain number of copies of a certain document should be printed, and that a certain number of another document should not be printed, though I presume they have some kind of rule which they follow in matters of that kind. I can quite understand that certain documents are not being made use of by members of the House, and that they accumulate and become practically useless. I do not know that that can be remedied, but it is a point that might well be considered by those who have the matter in charge. It will be brought to their notice, and some saving might be made in the direction suggested.

Mr. SINCLAIR: The matter might be arranged by a circular form of application sent to each member to be returned to the distribution office asking for such blue books as he would want. Then the Government would only be required to supply a certain number. There are a number of blue books that I do not want at all, they are a nuisance to me and I cannot find room for them, while there are others that I would like to get more of.

Mr. STANFIELD: The printing committee at the last meeting took that matter up, and they are trying to provide some means whereby useless blue books shall not be sent to members.

Mr. SINCLAIR: I think it might be worked out in that way. I would like a few more copies of some blue books and the cost would not be any more to the Government to give me what I need. There are certain blue books that are of interest to the people of my constituency, and others which are not required at all. I think we should have a chance to make some choice.

Mr. BOIVIN: I think the difficulty could be very easily gotten over if the distribution office upstairs were enlarged and if instead of the books being sent around to different members, as they are at the present time, whether we want them or not, these reports were left in the blue book office to be called for by the members as required, at the end of the session. The officers of the different departments would very soon see how many books of each kind would be required, they could govern themselves accordingly in future years, and there would be a saving to the country in future. It would be much more satisfactory because there are a number of blue books that many members do not look at, and there are others of which they would like to have more than a limited supply.

Mr. ROGERS: That rule might suit certain hon. gentlemen, but take for example the hon. member for South Renfrew (Mr. Graham)—do you suggest that he would take the trouble to go around to the distribution office for a blue-book and take it with him?

Mr. BOIVIN: It is not necessary to go around; all you have to do is to ring for a messenger.

Mr. ROGERS: However, there might be some advantage in the suggestion.

Public Archives—formerly voted under Art, Agriculture and Statistics, $35,000.

Mr. LEMIEUX: I would like to ask my hon. friend the Postmaster General (Mr. Pelletier) if the Government has considered the succession to the late Mr. Roy, who for so many years was one of the archivists, one of the most distinguished men

of letters this country has produced, and who died a few weks ago. The other day, while I was attending the sittings of the Royal Society, they were discussing the question of a successor to Mr. Roy. I understand that a recommendation is generally made by the Committee on Archives. I hope the successor to Mr. Roy will be selected for his ability and not for his party affiliations. I will recall to my hon. friend that Mr. Roy was appointed by a Liberal government because he was a most competent man for that very important position. I know that if somebody has the ability in the Conservative party the position goes of right to him, but the Government should find the best man and give it to him. It is very important that Mr. Roy should be succeeded by a man of the highest ability. You may find somebody to succeed him but nobody to replace him.

Mr. PELLETIER: Whilst I have no authority to speak on the question, as the matter is in the Department of the Secretary of State, I acknowledge that what the hon. member for Rouville (Mr. Lemieux) has said is perfectly true. The late, esteemed Mr. Roy had been a Conservative but he was appointed on account of his very great ability. Now that he is gone I can give my hon. friend the assurance that the appointment would be made with the same idea and the same end in view. Without giving any names for the moment, I may say that one gentleman who has been recommended, and highly recommended, by a very great many of the most influential men outside of politics will very likely get the appointment.

Mr. OLIVER: Has the amount of the vote for the Archives been increased over what it was last year?

Mr. ROGERS: I understand from the officer in charge that it is the same amount as last year.

Salaries and expenses of the Paris agency, $13,000.

Mr. LEMIEUX: Mr. Chairman, I am glad to find that the salary of our representive in Paris has been increased. The hon. Mr. Roy, I am happy to give him that testimony, does credit to Canada. We must bear in mind the fact that Paris is the leading salon of Europe. But, Mr. Chairman, while approving the increase of the hon. Mr. Roy's salary, I deeply regret that the widow of our former commissioner, the late Mr. Fabre, has remained in circumstances which are nearly akin to dire straits.

Mr. Fabre had been one of the most prominent men of our race. For a long time he has wielded a clever and alert pen in the service of Canada. As a literary man he certainly ranked among the best. His hand and purse were always widely opened to greet our countrymen who come to his door asking for help. His kindly heart made it impossible for him to get accustomed to the sufferings of others. I have gathered a whole lot of evidence which I might read to the House and which show that the lamented Mr. Fabre gave without reckoning to send back to Canada, for instance, Canadians who had been stranded in France. His banker gives on this subject particulars which are very touching. In short, with but a poor salary, and through excessive generosity this good man left his widow, if not in straitened circumstances, at least in circumstances which are not becoming to her position.

I asked the Government to remember the services rendered to the country by the lamented Mr. Fabre at a time when, so to speak, he had to reveal Canada to its old Mother Country. With his speeches and with his pen, instruments which he wielded wonderfully well, Mr. Fabre has traced a deep furrow which his successors will only be too happy to follow.

It seems that the Government would do credit to themselves and to the country by giving the widow of our late commissioner either an annuity or a pension which would enable her to live in a manner becoming her position.

Mr. PELLETIER: The remarks just made by the hon. member for Rouville are very appropriate. Last year, I had occasion to visit Paris and to see what is going on in our agency in France. Mr. Roy, who is our representative, does credit to his position. He was appointed by the late Government. We considered that he did his duty so well that we felt bound to create for him a special position and a better one than that which the late Government had given him; because he had managed the business of the agency in a manner nearly perfect. They think and say a good deal of him in Paris.

Moreover, we considered that the province of Quebec, or any other province in the Dominion, may have, if they see fit, their own representative in Paris or elsewhere. But we wanted Mr. Roy to be exclusively the representative of Canada. We came to the conclusion that the representative of Canada in Paris should have no other position than that of representative of Canada as a whole.

The position of our representative in Paris is altogether special. There is in our country a large number of French Canadians, whose ancestors came from France, and they therefore desire that we should be represented in the French capital by a man who will be a credit to us and who will occupy the important position we have created for Mr. Roy.

I asked that our representative in Paris should hold a position higher than that of

a trade commissioner. The Prime Minister and his colleagues have concurred in that view, and consequently we have appointed Mr. Roy as special representative under the direction of the Prime Minister in his quality of Secretary of External Affairs.

We are paying Mr. Roy a proper salary, which will enable him to do honour to his position, which he does very creditably.

I am glad of the support given us in this matter by the hon. member for Rouville. A word as to the second question the hon. member for Rouville has dealt with. Mr. Fabre had a miserable salary. He spent part of that paltry income in doing the good which his kind heart prompted him to do. Mr. Fabre was a distinguished citizen and he did great credit to our country during the whole time that he was there as our representative. Mr. Fabre kept nothing for himself. His purse was always open to help whoever appealed to his kindness and generosity. As a result, he left no fortune after him, and Mrs. Fabre, for whom I have the greatest esteem and a sincere friendship, has repeatedly written to me asking that we should do something in recognition of what Mr. Fabre has done for his country. Unfortunately, we have had such numerous demands since we came to power, that we have been compelled, owing to the short time at our disposal, to postpone for the moment the consideration of several of these questions.

I regret to say that Mrs. Fabre's claim is one of them. We have not rejected it, but we postponed its consideration and we will probably consider them all at the same time.

The hon. member for Rouville has just stated facts that are true, and his remarks are such as to help bringing about the result he desires. I take a great deal of interest in the settlement of that question, and speaking in my own name, I may say that I concur in much of what has been said by the hon. member for Rouville.

Grant to the National Battlefields Commission, $125,000.

Mr. LEMIEUX: Will my hon. friend the Postmaster General give me some details of this item? How is the work progressing?

Mr. PELLETIER: This is in the department of my hon. friend the Minister of Finance. As I take some interest in it, I may tell my hon. friend something about it; but I do not pretend to be very accurate, because I know only from visits which I make now and again to the place. The National Battlefields Commission continues to do its work under the presidency of Sir George Garneau. It is absolutely the same commission. They submit plans for the approval of the Governor in Council, and then are allowed to go on with the work according to their own judgment.

Mr. LEMIEUX: How is the work progressing in Quebec?

Mr. PELLETIER: They did very well last year.

Mr. LEMIEUX: They have opened new avenues?

Mr. PELLETIER: Yes. They have got down as far as the monument. There is a gap which they have not touched in order not to prevent the public from having free access on both sides.

Mr. LEMIEUX: I understand they were authorized to expropriate a lisière to connect the battlefields with St. Foye. Has that been done?

Mr. PELLETIER: That has been done and very fine avenues will be thrown open; they are now well under way. When it is finished it will be one of the beauties of beautiful Quebec.

Mr. LEMIEUX: I remember having seen the plans in Sir George Garneau's office several times. There is a terrible eye-sore, however, and I hope my hon. friend will help Quebec out of the difficulty. The Quebec Ross rifle factory, with that tub on top of one of the Martello towers is an eye-sore. I hope that the commission will find means, if not by expropriation, at least of arranging with the Ross rifle factory to have that eye-sore removed as soon as possible.

Mr. PELLETIER: I believe Sir George Garneau is thinking of doing something in regard to that.

Customs salaries, miscellaneous, &c., $3,830,000.

Mr. GRAHAM: This is a customs item?

Mr. ROGERS: My hon. friend knows that this is the only item left in the Customs Department that is open for any discussion. In view of the fact that we have changed the order, and that any discussion that any hon. gentleman on the other side may desire to enter into, next week, will be quite open; it does not matter whether this item is passed or not. It is only in order to facilitate business that we desire it passed.

Mr. BUCHANAN: I would like to impress upon the Government a matter concerning the city of Medicine Hat. I brought the attention of the hon. Minister of Customs to the question early in the session at a personal interview. I do not know whether he has changed his mind in regard to the matter or not. At present the city of Medicine Hat is an outport of Calgary. Medicine Hat is now a city of fourteen thousand inhabitants. It is a very important industrial centre with a very heavy customs business, and the inhabi-

tants feel that it should be created into a port of entry. I believe the members of the Government, especially the Minister of Public Works, who is acquainted with Medicine Hat, will agree that Medicine Hat should be a port of entry. This city is ambitious and wants to have all the advantages of a growing city.

I would also like to impress upon the Government the importance of two other points in my constituency, the town of Gleichen and the town of Taber, both of which I understand have made requests to the Government to be made outports of customs, Gleichen an outport of Calgary and Taber an outport of Lethbridge. They are in well settled districts where there is a considerable trade and quite a business in the line of customs.

Mr. ROGERS: I am sorry that the Minister of Customs is not in his place at the moment. But, so far as Gleichen and Taber are concerned, I know these places, and they are thriving and growing towns, and will certainly merit, at all events, consideration of the claims that my hon. friend has put forward. So far as Medicine Hat is concerned, I entirely agree with the hon. gentleman that it should be made a port of entry. It is one of the most important towns in the West and it is growing as fast as it is possible for a town of its size to grow. I will direct the attention of the Minister of Customs to the suggestion with the statement that in my judgment Medicine Hat should be created a port of entry.

Mr. McKENZIE: I did not notice the passing of the item with regard to telegraph line in Nova Scotia. Perhaps I may be permitted to say that I am informed changes are being made or are in contemplation, substituting telephones for telegraphs on certain of these lines. Can the minister give me information about it?

Mr. ROGERS: I am not acquainted with the lines to which the hon. gentleman refers, but I may say that I am a great believer in telephones instead of telegraphs. I have asked the department to make a report on the subject showing where telegraphs can be replaced by telephones. That report is in course of preparation, and no doubt the lines to which my hon. friend refers will be considered.

Mr. McKENZIE: I have reference to lines in different parts of Cape Breton. They are very useful, but I think that in some cases telephones would be better.

Mr. ROGERS: It would be impossible for me to give a definite answer before the report of the officers on the subject is made. I can only say that, so far as my recommendation goes, I will certainly favour telephones wherever they can reasonably be used. We will make sure of supplying the public wants and giving a good service but, subject to that, we will use telephones wherever possible to replace telegraphs.

Mr. McKENZIE: Is the minister taking a vote in the estimates to make the change?

Mr. ROGERS: We have the general vote, and there will be very little expense in connection with the change.

Civil Government—Department of the Secretary of State—salaries, $67,062.50.

Contingencies, $9,500.00.

Mr. GRAHAM: Is the Secretary of State (Mr. Coderre) here?

Mr. ROGERS: I expected he would be here. But my hon. friend will see that there is no change except increases of $300 in salaries and $500 in contingencies—very small increases and incidental to the growing department.

Mr. McKENZIE: I understand that the Printing Bureau is under the direction of the Secretary of State. Could the hon. gentleman who is leading the House give information with regard to a matter which has been brought to my attention. I may be misinformed, but I am told that there are young girls working in the Printing Bureau at $3 a week. I submit to the minister that it is absolutely impossible for any person to live respectably in this city on so low a salary. Would he tell us what salary is paid to these people, and at what rate do they advance?

Mr. FRIPP: I can enlighten the hon. member with regard to the Printing Bureau. Young girls hitherto have begun there at $3 a week working up to $8 a week. Last summer the present Secretary of State increased their wages ten per cent; and yesterday I had a deputation of the women before him and I think he promised to give them a further increase.

Mr. GRAHAM: He will have to ask a vote in the estimates.

Mr. ROGERS: It will come in the supplementaries, I suppose.

Mr. McKENZIE: I submit that no girl or man should be asked to work for six days a week for $3. The Government, of all people, should not accept the services of any young woman at so paltry a wage as $3 or $3.50. This country is big enough and wealthy enough to pay for good services in a respectable, sufficient and satisfactory way. You should not have the services of people who are not worth a higher wage. I hope that at once the Government will inquire into the matter to learn what rate of wage a girl needs to keep herself respect-

ably in this city, and let that wage be paid, or let them go somewhere where they can get wages worthy of the services they render.

Mr. ROGERS: I quite agree with my hon. friend. But the difficulty appears to be that the printing offices in the city of Ottawa pay the same rate of wages, and evidently the department have been following the wage paid by these printing offices. I recognize that the amount is certainly very low and the matter should be considered. But we are met with the same condition when we discuss the general question of the Civil Service. Any girl or man appointed is paid at the start only $500 a year. In my judgment you cannot get a good public servant at that price, and I think that this and the question of the Civil Service tariff should certainly receive consideration.

Mr. OLIVER: There is this difference between the civil servant at five hundred dollars and the girl at three dollars a week. In the case of the civil servant at five hundred dollars, it is a question of getting efficient service; but in the case of the girl at three dollars a week, it is an absolute case of getting a livelihood. I think it would be a very proper thing for the Government to establish a minimum wage for their employees in the lower grades, because these are the employments in which the people concerned are not so circumstanced so that they can protect themselves by the formation of unions. Men in the higher classes of employment can and do protect themselves by the formation of unions, but it is the people in the lower classes of employment who cannot do so, and they should have such protection as the Government may be able to give them.

Mr. ROGERS: Judging from what the hon. member for Ottawa (Mr. Fripp) has said, increases have been made very recently in connection with the salaries, and when my hon. friend the Secretary of State is here we will give a detailed statement of the increases that have been made.

Department of the Interior—salaries, $1,018,993.77.

Mr. CROTHERS: Hon. gentlemen will notice that the increase in this case is $43,757.50. $28,537 of that is the statutory increase. The salaries of the following clerkships, two in 1 A, seven in 1 B, eight in 2 A, fifty in 3 A, twelve in 3 B, and twelve sorters, messengers, and so on, amount to $90,100. Decreases: fifty clerkships, amounting to $40,000, and twelve clerkships amounting to $19,200, were cancelled. The decreases affected by the filling of vacanies occasioned by deaths and so on, where appointments have been made at a lower salary than the maximum, amount to $15,680, a total decrease of $74,880. The increases were $118,637, leaving a balance of $43,757.50. The contingencies are not increased at all.

Mr. OLIVER: I notice that in the third division 'A' there is a large increase, and in the third division 'B' a large decrease. Is that caused by transfers from 'B' to 'A'?

Mr. CROTHERS: Yes.

Mr. GRAHAM: Could the acting minister give us any information as to the health of the Minister of the Interior?

Mr. CROTHERS: I am very glad to be able to tell my hon. friend that we hear from him frequently, and that he is improving quite satisfactorily in the Old Country.

Immigration—salaries of agents and employees in Canada, Great Britain foreign countries, $485,000.

Mr. OLIVER: What accounts for this increase?

Mr. CROTHERS: It is caused almost entirely by the growth of immigration. The immigration is very much larger this year than it ever was before; I think the increase for the month of April was sixteen per cent greater than it was a year ago.

Mr. OLIVER: Is this an increase in the number of officers, or in the salaries paid?

Mr. CROTHERS: Both.

Mr OLIVER: Where are the new officers employed?

Mr. CROTHERS: Principally in boundary inspection and at ocean ports.

Mr. OLIVER: It is on the restrictive rather than the attracting side.

Mr. CROTHERS: The number of regular immigration employees in Canada, exclusive of the boundary inspection staff, is 225, salaries $209,473. Regular boundary inspectors, 115; customs officers doing immigration inspection work, 89; aggregate salaries of these two classes, $123,000.

Mr. OLIVER: Has the hon. minister opened up any new agencies for the attraction of immigration?

Mr. CROTHERS: There are some new offices in the United States.

Mr. OLIVER: Where are they?

Mr. CROTHERS: I think there is one at Philadelphia; I remember sending a man down there a short time ago. There are many immigrants coming in there; we had no office in that city, and it was represented that it would be in the interests of immigration to have some one on the ground.

Mr. OLIVER: Can the minister give us a list of the new offices that have been

opened, and the offices that have been closed?

Mr. CROTHERS: No offices have been closed.

Mr. OLIVER: Is the Philadelphia office the only new one?

Mr. CROTHERS: An office has recently been opened at Harrisburg, Pennsylvania.

Mr. OLIVER: Are there any more in the western States?

Mr. CROTHERS: The same number this year as last.

Mr. OLIVER: Have any new offices been opened in England?

Mr. CROTHERS: There are the same number of offices in England as there were last year.

Contingencies in Canada, Britain and foreign agencies, and general immigration expenses, $1,000,000.

Mr. SUTHERLAND: What attention has been paid to the requirements of Ontario in the propaganda that has been carried on in the United States in regard to immigration?

I see by the Auditor General's report that last year there was considerably over half a million dollars spent in the United States for promoting immigration to Canada and about a quarter of a million dollars spent in Great Britain. Is there any attention beind paid to the unoccupied lands in Ontario in the advertising that is being done in the United States? Is there any effort being made to colonize the lands in Ontario or is the effort being devoted chiefly to western Canada?

Mr. CROTHERS: I am told that there is one special pamphlet published by the department and distributed throughout the United States and England dealing with Ontario alone.

Mr. SUTHERLAND: But the agents as a rule are devoting their energies to promoting immigration to western Canada.

Mr. CROTHERS: I am told that Ontario gets about one-third of the total immigration.

Mr. SUTHERLAND: I have seen reports stating that about 100,000 settlers were brought into Ontario last year. The department have, I believe, eighty-six agents appointed in Ontario for placing immigrants on their arrival and, according to a return brought down in the House a short time ago, there were only 1,356 placed by these eighty-four agents in Ontario. There is surely something radically wrong in regard to the figures that have been published in the press when it is stated that these eighty-six agents who have been appointed in Ontario have only been able to place 1,356 people during the last year. There is no use talking, there is something wrong in regard to the methods of bringing out and placing agricultural help in this province. The energies of the department have for years been confined almost entirely to promoting immigration to western Canada. Ontario has, for some reason or other, been singled out by the late Government as the one province where little or nothing would be done, and I am sorry to say that the same system has been continued by the present Government and that no reform has been made in that direction.

To-day, instead of attempting in any way to do justice to that province, they are depending on the provincial Government and not only depending on the provincial Government, but the different counties are organizing and forming associations to bring people into these counties and to see that the requirements are looked after. In view of the enormous expenditure for immigration some reformation should be made in regard to this matter. In my own county last week I noticed that there was a meeting called by the various boards of trade and that an association was formed with this object in view. The same thing occurred in Middlesex, Norfolk, Lambton and a great many other counties because of the fact that the system that has been in vogue in this province for the last eight years is considered a joke. They do not think of making application to the Department of the Interior for the help that is required on the farm. Why is not the same policy pursued in regard to Ontario that is pursued in the West? I notice in the report, made to the department by Mr. J. Bruce Walker, Commissioner of Immigration at Winnipeg, that in that city there is an office where they receive applications for farm help from the farmers of western Canada and they endeavour as far as possible to supply the demand there. There is nothing of the kind in existence in Ontario.

The province is being drained of every man who is available every year to meet the requirements of the West. Even before the crops are ready for the harvest large excursions are run from every town and village in Ontario and every inducement is being offered to the labourers of the province to go to western Canada and harvest the crops there. The railways, I believe, are doing something that they should not be permitted to do in that respect. They are giving transportation for about ten dollars from points in Ontario to any point in western Canada, but you can get that rate only at these particular times. In view of the condition of affairs, I think

it is very important and very essential that the department should see that the requirements of the farmers of Ontario are met to some extent at least. You have a great many officials in Ontario, but you have no office where applications for farm help are received. You have eighty-four agents this year, and you had eighty-six last. They are termed agents, but they receive no salary. Their instructions are: that if they will communicate with a booking agent in Great Britain, get people to come out here, and place them on a farm in Ontario, they will get a commission for every one so placed. All the work that is being done and all the money thas is being expended is entirely outside of that. You allow a beggarly commission of two dollars—or it may be five dollars—I am not sure which—

Mr. NESBITT: Two dollars.

Mr. SUTHERLAND:—for getting into communication with a British booking agent, and placing a man upon an Ontario farm. Very few agents succeed under this system, and Ontario is being neglected in that respect. You say to the man who is appointed that he will get his little commission of two dollars if he will induce somebody to come out and settle in Ontario. There are a great many counties in Ontario in which not a single man has been placed by any of these agents or by any means of the department during the past year. Instead of getting better it is getting worse year after year. There should be some better system adopted in that province, a province that has contributed generously towards promoting the welfare of Canada, and which does not take any exception to a generous expenditure in this direction. But we do insist that we shall receive fair treatment along with every other province in that respect That is being denied to us to-day. I submit that the system that is in vogue in this Dominion in regard to the province of Ontario is a discriminatory one, that the agents of the maritime provinces and of the province of Quebec are permitted to go to the port of landing, engage labourers and place them in those provinces. Until last year the province of Ontario was denied that privilege. The British booking agent was told that he would not receive the commission or bonus of five dollars each on the immigrants that were sent to Toronto through the instrumentality of the Provincial Government. That has been remedied by the present Government. I go even further than that and say that you should establish in Ontario a system similar to that which they have in western Canada. In Winnipeg, as I have said, they have an office where applications for farm help are received and where an effort is put forth to provide help. I have here the report of Mr. J. Bruce Walker, Commissioner of Immigration, and I will read what he says on the matter:

The department, as you are aware, takes no part whatever in finding employment for skilled labour, but for the unskilled labourer who is anxious for employment at agricultural work, as well as at railway construction, the Labour Bureau of this office arranges immediate employment. During the past year the applications for experienced help received at this office numbered 17,716, while we were able to place only 11,189.

In that office alone 11,189 were placed, whereas in all the broad province of Ontario there were only 1,356 placed by the eighty-six agents of that province. There never was such a dearth of farm labour in Ontario as there is to-day. During the naval debate the hon. member for Red Deer (Mr. Clark) told us there were enough unemployed men in Calgary alone to man a navy, but I can tell him that he will not find any unemployed men in the province of Ontario. It is as difficult to-day to get farm labour in Ontario during the winter months as in any other season of the year. There are thousands of acres of the best land in that province that are to-day practically producing nothing for want of labour. Ontario has been neglected in this respect in the past, and I contend it is absolutely necessary that the Government should see that justice is done to that province in this respect. From year to year we are increasing the vote for this purpose; last year over half a million dollars was expended in the United States, and it would appear from the supplementary estimates that the Government is about to greatly increase the agencies in Great Britain. But, so far, we have heard of nothing been done to meet the requirements of Ontario. Of course, it is only a short time since the present Government came into power, and there has been in the interval a change in the head of the Department of the Interior. The present minister unfortunately has been ill, and has not been able to devote attention to the matter, and the Interior Department is being administered by the Minister of Labour who has a great deal of work to do in his own department. I believe that if justice is to be done to Ontario it will be necessary to separate the immigration branch from the Department of the Interior. We have had a member from western Canada head of the Interior Department for a great many years past, and it is probably only right and proper that that should be so, but in my opinion the immigration branch should be entirely separated from the Department of the Interior and some one minister should have charge of it who will see that equal justice will be done to every province and the requirements of the different parts of the Dominion attended to. If that were

the case you would not find the state of affairs referred to by the hon. member for Red Deer, who told us that in Calgary alone there were enough unemployed to man a navy.

Mr. BRADBURY: He was romancing.

Mr. SUTHERLAND: He made the statement anyway and we know as a matter of fact that in certain seasons of the year there are a great many men out of employment in the cities of western Canada. We also know, according to the report of Mr. J. Bruce Walker, that they had placed 11,185 immigrants from that office alone, and we know that the whole 86 agents only placed 1,356 men in Ontario. This is a question that demands the immediate attention of the Government. I might refer to the fact that in a great many of the very best counties of Ontario not a single man was placed, and in some of these counties the census returns show the population has decreased more rapidly than in others. For example, in Dufferin, Waterloo, Essex and Perth, not a single man has been placed by the Dominion Government; in Elgin ten men were placed; in Huron thirteen; and in Lambton four. Twenty-eight agents did not place any; eight placed one each. The county councils of Lambton, Norfolk and Middlesex have organized themselves and entered on a propaganda in the old country to supply the counties with labour, entirely ignoring the Government immigration service. The fact that these counties have decided to depend on their own resources is an illustration of the injustice done, not only to those counties, but to almost every county in the province of Ontario.

Mr. McKENZIE: I have listened to the speech of the hon. member (Mr. Sutherland) with a great deal of interest, and I have to ask him a favour. Last year he put some figures on record showing the falling off in the rural population in many important counties in Ontario. If the hon. member has these figures at hand I will be much obliged if he would put them on 'Hansard'; they show how the cities are increasing and how the rural population is falling off.

Mr. SUTHERLAND: I am sorry I have not the figures at hand, but it is easy to find them in the census returns. In the old rural settled districts of Ontario, outside of some of the newer districts, there has been an actual falling off of somewhere in the neighbourhood of 140,000 in the population during the past ten years. I regret to say that practically very little effort is being made by the Government to settle the lands in northern Ontario. We hear a great deal about western Canada in the literature published and circulated broadcast through Great Britain and the United States, but we hear nothing of Northern Ontario, and many people do not realize that we have still unsettled there millions and millions of acres of the best land to be found in the world. Some reasonable effort should be made to induce settlers to go on that land. It may be said that the federal Government controls the lands in western Canada and that the province of Ontario owns and controls the lands in Ontario, but that is not sufficient justification for the discrimination which takes place. I think the same even-handed justice should be dealt out to every province. That is another reason why I believe the Immigration Department should be separated entirely from the Department of the Interior.

Mr. CROTHERS: In view of the statement made by my hon. friend (Mr. Sutherland), which I have no doubt is practically correct, I would commend to the House some figures touching on immigration to Ontario and to the other provinces. In 1900-1, Ontario got about one in eight of the immigrants coming to Canada, and in 1905-6 one in four. The last year for which we have figures, 1912-13, shows the destination of the immigrants as follows:

Maritime provinces	19,806
Ontario	122,798
Quebec	64,000
Manitoba	43,813
Saskatchewan	45,147
Alberta	48,073
British Columbia	57,960
Total	402,632

While there may not have been very many farm labourers settled on the farms in any particular county, the result seems to be that Ontario has got a very fair share of the total immigration last year, namely, 122,798 out of 402,452.

Mr. FRIPP: They could not have stayed in this province.

Mr. OLIVER: The subject of immigration is sufficiently important to attract the attention of everyone concerned in the welfare of Canada.

Mr. OLIVER: Following what my hon. friend from South Oxford (Mr. Sutherland) has said, complaining that immigration has gone to the West rather than to Ontario, I find from the homestead returns that there were 10,000 fewer homestead entries made during the fiscal year ending March 31, 1913, than in the fiscal year ending March 31, 1911, so that, if immigration has gone to the West, it has not gone on to the land. I am afraid that the tendency of immigration has been to the towns rather than to the land, either in the West or in the East. I just bring these figures to the attention of the hon. minister and of the Government for their careful consideration,

and for such action as they may deem necessary in the matter. I further find, by a comparison of figures given by the hon. Minister of Finance in his budget speech that the proportion of immigration coming from continental Europe is increasing in comparison with the proportion coming from the British Isles and from the United States. It is desirable that we should as far as possible keep up the proportion coming from the British Isles, however high our flow of immigration reaches.

Mr. CROTHERS: In the year 1909-1910 there were 59,790 immigrants from the British Isles; 103,000 from the United States and 45,000 from other countries. In the year 1910-1911 there was a very great change; there were 123,000 from the British Isles as against 121,000 from the United States. In the year 1911-1912 there were 138,000 from the British Isles as against 133,000 from the United States. Last year there were 150,000 from the British Isles as against 139,000 from the United States. Therefore the proportion is getting larger.

Mr. OLIVER: I was not making that comparison; I was making the comparison between the proportion coming from the British Isles and the proportion coming from continental Europe. The proportion from continental Europe is increasing more rapidly than that from the British Isles.

Mr. CROTHERS: That seems to be true. In the year 1911-1912, the total from all other countries was 82,000. In the year 1912-1913, the total was 112,000.

Mr. SINCLAIR: When we reach the supplementary estimates, I would like to get some information from the hon. Minister of the Interior as to the number of Canadians who are leaving Canada for the United States. In the province from which I come there is a constant drain of our young people to the United States. I understand a record is kept of all those who go to the United States with the intention of living there, and there is a working agreement between the Government of the United States and the Government of Canada by which this information is obtained from the officers of the United States Government. I am informed that correspondence is taking place between the department and the post offices in various parts of Canada, inquiring the reasons why our young people go across the boundary line for the purpose of remaining there. It would be interesting if that information were tabulated and were available to members of Parliament.

A few days ago I received from a gentleman in my constituency a very interesting letter in which an inquiry was made as to a young man who had left that part of the country to go to the United States with the intention of remaining there permanently.

A letter was sent from the Department of the Interior to the postmaster in the village of Sherbrooke, where this young man lived, asking him to ascertain why this young man had left for the United States. The letter is as follows:

Sir,—It has been brought to my attention that the party, whose name and address is given below, went during the month of August last to the United States with the object of taking up permanent residence there. The department, feeling that any large number of departures of good settlers means a serious loss to the Dominion, has decided to make inquiries regarding the truth of reported departures and the cause which brought about the same. I would therefore consider it a favour if you would make inquiries ascertaining if the party mentioned below really went to the United States with the intention of residing there permanently. If so, give if possible, the reason which led to such action and in general terms make as full a report as is necessary to put the department in possession of all the facts affecting the case. I would appreciate it if you would make your reply on the reverse side of this sheet and for that purpose I enclose herewith an addressed envelope upon which no postage is required.

Your obedient servant,
(Sgd.) W. W. Scott.

The name of the young man is Lloyd Fielding Pye, age seventeen, Canadian, residence, Sherbrooke, N.S.; intended residence, Salem, Mass. This letter was handed to the father of the young man, and he was asked to give the reason why his son had left Canada. This is the letter sent to the department.

Sir,—Your inquiry of 11th instant addressed to the postmaster at Sherbrooke, N.S., has been handed to me for reply. The boy, Lloyd Fielding Pye, aged 17, is my third son, born at Sherbrooke, N.S., as were also his seven brothers and one sister.

The reason he and others have left this part of the country is—the want of transportation facilities. This part of the country has been and is at present producing a good class of citizens, much better than the European immigrants; but the products of our labour cannot reach a market until its value is used up in transport charges, therefore the labourer or producer must go to the market of his labour or production. The Canadian Pacific railway was built into British Columbia when it had less white population than this county, Guysborough. Truly British Columbia has grown but there have been more people left Nova Scotia, New Brunswick and Prince Edward Island and went to the United States, never to return, than the whole population of all that part of Canada, west of Manitoba, leaving the old folks and the little children at home. The former, unable to work the farm, struggle along unproductive, then die; the latter go to join their brothers and sisters in the United States, as soon as their age will allow them to work in a Massachusetts factory, leaving many old abandoned homesteads so overgrown with spruce and fir that now and

for some years past our lumbermen have been cutting and shipping to the United States lumber that grew on the exact spot which formerly grew grain or vegetables.

So long as our country is governed by politicians instead of statesman who care nothing for our people unless and until they have a vote, we must expect our natural resources to lie undeveloped, and our best crop, our fellow Canadians, to be gathered and harvested by a Government that knows the worth of our citizens better than our own Government does. In this particular case, a brother preceded him by two years and there are five more brothers may follow as soon as they are old enough, probably one of them this coming summer and with companions as well, for some families here have as many relations in the United States as they have here. Give us railway communication with the markets for what we produce and our boys will stay home, and some of those who have gone will return.

Yours truly,
C. W. Pye.

I hope that letter will soften the already soft heart of the Minister of Railways, though I do not read it for that purpose. It suggests a very interesting phase of the works of the Department of the Interior and I think it would be interesting if we could discover the reason why so many of our young people go to the United States. If this information is in such shape that it could be tabulated to be placed before the members of the House, I am sure it would be read with great interest.

Mr. BLAIN: The young men referred to by the hon. member for Guysborough do not need to go to the United States to get employment in factories; they could find splendid employment at remunerative salaries in the province of Ontario and other provinces in manufacturing establishments of the same kind. They must have had some other reason.

Mr. SUTHERLAND: I understood the minister to state that of the 402,000 immigrants that came to Canada last year, 122,798 came to Ontario. If anything were required to condemn the system that has been in vogue for placing farm labourers in Ontario, this statement would do it. Last year 1,356 men were placed by the eighty-six agents in Ontario. We are told of 122,000 people coming, and we know of the thousands of men required on the farms of Ontario. As to these 122,000, we know that, as a matter of fact, a great many of them were returned Canadians, and not immigrants at all. We know also that a great many of those who come into Ontario or into the other older provinces want to engage only for a short period, and other are diverted from their destinations by agents, their intention being to see the West as soon as possible, and in a short time they go west. And of the young men growing up in Ontario, tens of thousands have gone west. What I strongly object to is the system that has been pursued by our railways. We have been building railways—we shall be asked in a short time to grant large subsidies to a railway to develop our country—and I believe these railways are doing a rank injustice to the farmers of Ontario by seducing away from their province the help that is necessary to work their farms, by giving low rates at certain seasons of the year, a system that would not be tolerated if applied to any other class than those in the rural districts. If you ascertain the ultimate destination of the larger portion of this 122,000, you will find that it is not the province of Ontario. The very fact that we have so large an immigration into Ontario as shown by the figures condemns the system adopted in this province. I may say, candidly, it was adopted in this province for political purposes, to prevent the province of Ontario from meeting the demands of the province in 1907, and it has been carried on ever since that time. I had hoped and expected that a change of policy would take place when there was a change of Government, and I exceedingly regret to see the old system still in vogue and the same injustice done to the province of Ontario as before.

Mr. CARVELL: I do not want to do anything to prevent the passage of the minister's estimates, but the hon. member has brought forward a most interesting question. Will he tell me how the Government is to blame if 122,000 immigrants have come to Ontario and then gone on west, and that so large a portion of the natives of Ontario have done the same? And would the hon. gentleman point out the remedy? We in the East are interested, as well as the people of Ontario. They tell us that 19,000 immigrants come to the maritime provinces. But unfortunately, after ten years you take the census, you find that you have an increase of not more than 19,000. Our people go away, but we do not think that the Government deliberately plans to take them away.

Mr. SUTHERLAND: The hon. member would have known that I pointed out the remedy if he had followed my argument. I pointed out that under the system in western Canada, applications are received from the farmers for the help they require, and the department at Winnipeg endeavours to see that the requirements are met. But in Ontario we have no such system. We have a large number of appointees, not on salary as they are in the West, but on commission. The Department of Immigration furnishes them with a list of booking agents in Great Britain and elsewhere to communicate with, and tells them that if they will get an immi-

grant to come, they will be paid two dollars.

Mr. CARVELL: And they do come into Ontario at the rate of over 120,000 a year. Why do they leave?

Mr. SUTHERLAND: If they come to Ontario, why is not the same means provided to place them? Is it owing to the lack of system that they come here and then take the next train out of the province? If that is the system, then I think the argument of the hon. gentleman condemns it more strongly than anything else. If 120,000 come here, there ought to be means to meet some of the thousands of applications sent in by the farmers of the province.

Mr. BURNHAM: In my county in the past there has been a disposition on the part of the people to move, but it is not so now, and that is due not to the fact the hon. gentleman points out, that there are not agents, but to the fact that the wages are rising. I think now of the case of a man who demanded not $30, but $35, a month and his board, and he got it.

Administration of Chinese immigration, salaries, $21,000; contingencies, $13,000.

Mr. McKENZIE: A document has been placed in my hands which I wish to bring to the attention of the acting Minister of the Interior. It is from a very deserving class of people who come from eastern countries to the province of Nova Scotia, and particularly to the county of Cape Breton. I understand that there is a regulation under which immigrants are compelled to have a certain amount of money when they come into this country —I think it is two hundred dollars—and this blanket regulation, which covers all Asiatics, applies to Syrians coming into Canada. I think I can place before the minister what I have to say in regard to this matter by reading this petition which has been placed in my hands:

The petition of the undersigned Syrian residents of the county of Cape Breton humbly showeth:

That the Syrian population of Nova Scotia is 2,000.

That with the exception of immigrants arriving within the last three years, all the Syrian population are naturalized British subjects;

That in the entire Syrian population there is not one person receiving aid as a pauper;

That the average wealth of the said population is equal to, if it does not exceed, the average wealth of all other nations residing in Nova Scotia;

That the percentage of crime among the said population is smaller than that of any other people in Nova Scotia, and that the entire population are Christians and active church attendants;

That the death rate is lower than the average, and that they are entirely free from disease;

That many of the said residents of Nova Scotia are separated from their wives and other members of their families, and that they desire that they should be permitted to immigrate into Canada, particularly in cases where they have homes awaiting them, without being obliged to show that they have two hundred dollars in cash.

Your petitioners humbly submit that it is an injustice to the said population to be placed with Chinese and Japanese in respect to immigration rights, and respectfully submit that they should be admitted into Canada on the same terms as any white European immigrant, and pray that such steps may be taken as will amend the law in this respect.

These Syrians in the county of Cape Breton, two thousand in number, are proving to be first-class citizens. Some of them left their wives and children behind them, and, although they are prepared to look after them, they find it difficult to send $200 to each of them in order to bring them to this country. When a man comes to Canada, becomes a naturalized British subject and establishes himself in a good position, he should be permitted without any restriction to bring his wife and children into this country, provided they are free from disease and are such persons as may reasonably be permitted to enter into Canada.

Mr. CROTHERS: This matter was brought to the attention of the Minister of the Interior some months ago. He gave it his attention at that time, but, I think, did not arrive at any decision. It will have further consideration.

Mr. OLIVER: I understand that last year about 8,000 Chinese came into this country. They pay a head tax of $500, and obtain employment in this country. The purpose of the head tax was to prevent Chinese immigration, but evidently it has not and is not doing so. For a time after the head tax was raised from $100 to $500, it did have the effect of preventing Chinese immigration, but circumstances have changed, and last year there was an immigration as I have said of 8,000 Chinese, all of whom paid the head tax and are now in employment. Is it the intention of the Government to recognize the fact that the head tax of $500 does not prohibit Chinese immigration? I think I am safe in saying that the immigration of Chinese into Canada last year was larger than it has been in any other year in the history of this country.

Mr. ROGERS: The point raised by my hon. friend is rather a wide one. It may be true that Chinese immigration has increased somewhat, but that increase is largely due to the fact that in the western provinces the demand for labour is so great

that the Chinaman coming in there finds ready employment. Of course one Chinaman always brings two or three others, because when he obtains employment at a satisfactory wage he writes home for his friends. I understand that the Chinamen in Vancouver and Victoria have recently raised their tariff of wages, and all this tends to attract Chinese immigration to western Canada. I quite agree with my hon. friend when he says that this is a matter which requires consideration. A few years ago the head tax of $100 prevented Chinese immigration to a greater extent, perhaps, than the tax of $500 does to-day, because conditions have changed, and there is a ready opening for their services. I think this is a matter that will require consideration at the hands of the Government, with a view to seeing that we do not get too great an immigration of Chinese into western provinces.

Mr. OLIVER: Of course my hon. friend is aware that Chinese immigration is not what would be called a free immigration. There are Chinese companies organized for the purpose of promoting that immigration, and they are very strong commercial organizations. They enter into an arrangement with the Chinese whereby the head tax is advanced by the company and repaid in due course. That is a perfectly legitimate transaction, of course, which can only be carried on when both the financiers who provide the money and the labourers who earn it are Chinese. My hon. friend must be aware that this is not an ordinary immigration by any means. While I do not want to press the Government on the subject, I take this opportunity of bringing to their attention a condition of facts which is measurably startling, and which certainly calls for consideration, and in my humble judgment, for action.

Mr. BRADBURY: Would you suggest raising the tax?

Mr. OLIVER: It is not my business to suggest, but it seems to me that that would be a reasonable proposition.

Mr. CROTHERS: Two days ago we received complaints along the line referred to by my hon. friend, and we are taking the matter into consideration.

Mr. DOUGLAS: Will the minister explain how the disposition of this money derived from the importation of Chinamen is made? I understand that the provinces through which the Chinamen enter Canada receive a certain proportion of the money. Naturally nearly all of the Chinamen enter through British Columbia, but many of them scatter throughout Alberta, Saskatchewan and Manitoba. Do these provinces receive a share of the money derived from the head tax?

Mr. CROTHERS: I think I am right in saying that the tax is $500 each, and that half of it goes to the Dominion, and the other half to the province through which they enter.

Mr. DOUGLAS: Naturally, nearly all of them enter through British Columbia, but many of them go into the prairie provinces. Would it not be fair for the other provinces to derive a share of the benefit, if it can be called a benefit, of that head tax?

Mr. CROTHERS: The law has not been changed since 1904, but my hon. friend's suggestion is worthy of consideration.

Mines branch, for apparatus and equipment, salaries of inspectors, chemist, machinist, clerical assistance, and travelling expenses in connection with the investigations of the manufacture and storage of explosives in Canada, $50,000.

Mr. OLIVER: What is the meaning of this item which refers to the investigations of the manufacture and storage of explosives? This year the estimate is $55,000, while last year it was only $5,000. Has the minister got some new scheme?

Mr. RHODES: The Minister of Mines is not in his seat, but my hon. friend's question will be called to his attention, and he will give an explanation.

Mr. GRAHAM: Several members have asked me whether, when the supplementary estimates come up next week any of the ministers will have gone away.

Mr. ROGERS: I do not think any of the ministers are going away. We will see that they are here.

Mr. HUGHES (Kings, P.E.I.): I would like to ask the Minister of Marine and Fisheries to be here next week, as I desire to put some questions to him particularly regarding the dismissal of the captain of a life-saving station at Souris.

Mr. HAZEN: When the supplementaries come up next week my hon. friend will have ample opportunity to ask me questions.

Mr. HUGHES: Will they be reached on Monday or Tuesday?

Mr. HAZEN: They will probably be reached on Monday or Tuesday.

Mr. HUGHES: I want to ask about that matter particularly, because I think it was a very improper dismissal. I also want some information with regard to the lobster hatchery at Georgetown, which has been afflicted by the application of the patronage system, and has gone all wrong.

Indians—Manitoba, Saskatchewan, Alberta and Northwest territories, $544,498.

Mr. BUCHANAN: I understand that the grazing lease on the Blood Indian reserve expires on the 1st July, this year, and I understand that petitions have been presented to the Government, asking that the leases be not renewed, but that instead the Government should establish a new method, if they cannot arrange with the Indians to remove their reserve to some other part of the country. The Blood Indian reserve covers about 550 square miles, or 350,000 acres, and is in the most fertile part of southern Alberta. It is very valuable land, and the people there are particularly anxious that it should be opened up to settlement. It has been the practice in the past to give grazing leases practically for the whole reserve. These will expire on the 1st of July, and it is suggested that, instead of renewing them, small tracts of land should be leased to the settlers in that district so that they can go into the raising of cattle, if the Indians refuse to allow the reserve to be opened up for settlement. At present the farmers, with only one-quarter or one-half section, have not much opportunity to go in for cattle raising. The people are anxious to have mixed farming developed, and the proposition is made that the Government should provide for small leases to the farmers. The Indians are quite favourable to it. I think it would help to encourage mixed farming and to make the reserve more productive to the people of southern Alberta.

Mr. CROTHERS: I am very glad that my hon. friend has brought this matter up, I have had it under consideration for some time and I quite agree with him that there is a very large tract of country that is substantially non-productive. I think something should be done with it. We are considering it very carefully.

Indians—British Columbia, $135,290.

Mr. OLIVER: I wish to make reference to a matter I brought to the attention of the House on several occasions, that is to say, the very remarkable action of the British Columbia Government in regard to the Kitsilano reserve. I do not intend to repeat what has been stated before. I saw quite recently in a Vancouver paper that an action was likely to arise out of this transaction; that a claim was being made for services rendered in securing the consent of the Indians to leaving the reserve. The article goes on to state that some person, whose name I do not remember, had been engaged at a very large amount of money by the British Columbia Government to secure the assent of the Indians. This person employed another, and this other person was now preparing to enter an action at law to recover the amount that he claimed to be due him for the services rendered. I want to say to the committee that the British Columbia Government has paid out in cash admittedly $219,000, besides other expenses. I imagine that they paid not less than $250,000 to the Indians for their land and moving expenses. They have also paid apparently some $30,000 or $40,000 to this private individual for securing the transfer. The British Columbia Government, being, I presume, a responsible institution, cannot be presumed to have paid out this money without knowing what their standing was going to be in regard to the land.

Mr. BRADBURY: How could they know?

Mr. OLIVER: I do not know how they could know, but my hon. friend can very well realize that the government of a province carrying on business according to the system we have—even the members of the British Columbia Government—would not dare to take a quarter of a million dollars out of the treasury of the province and pay it to a band of Indians unless they knew as a matter of fact how they were going to get that money back. They could not know how they were going to get that money back unless they had an understanding with the Dominion Government in regard to that transfer.

Indians, generally, $107,500.

Mr. McKENZIE: There are some Indians in my constituency and there are two buildings being put up for the teachers. There are two schools, one at Eskasoni, in North Cape Breton, and the other at Nyanza in Victoria. I understand that the Government has very properly agreed to build houses for these teachers, as the Indian reserve has no suitable place for their accommodation. There is a difficulty about the house bought at Nyanza. It was constructed to be heated with a furnace, but no furnace was put in. The teacher had a pretty hard time last winter, there being no furnace and no other means of heating. I would suggest to the minister that a furnace be put in, as the building was built with that intention. I have not seen the house, but I believe it is very nice, and I think a proper thing would be to put in a furnace, or if not a furnace, to see that the building is heated in some other way.

Mr. CROTHERS: My officer has taken a note of the question and I will be glad to answer it when we come to the supplementary estimates next week.

Dominion lands and parks, $3,084,909.50.

Mr. OLIVER: This is a very large item, the subject is a very important one, but I do not think it would be proper at this

moment to bring up any serious discussion or ask for any large amount of information upon it. I think the only thing to do is to pass it, and perhaps revert to it when we come to the supplementaries and when we will have more time than we have now.

Mr. ROGERS: I appreciate what my hon. friend has said. We will be glad to see that he has every opportunity that he may desire when we come to the supplementary estimates.

Mr. OLIVER: I do not wish to make any remarks myself, but I am sure that the Government would be able to place on record the particulars as to what they are doing, and I should think they would be glad of the opportunity.

Mr. GRAHAM: The public would be very glad to know about the Canadian national parks, and a concrete statement might be made when the supplementary estimates come up. Now that we have finished the main estimates, and as the Minister of Militia is absent, I would like him to be reminded of the promise he made me the other night, and that the dropped item for the drill hall in Renfrew be put in the additional supplementary estimates.

Mr. ROGERS: I will remind the Minister of Militia.

Mr. GRAHAM: Press it on him hard.

Mr. HENDERSON: Pound it into him.

Mr. ROGERS: I really think you are entitled to that.

Progress reported.

On motion of Mr. Rogers, House adjourned at 11.42 p.m.

HOUSE OF COMMONS.

MONDAY, June 2, 1913.

The SPEAKER took the Chair at eleven o'clock.

REPORTS AND PAPERS.

Report of the Work of the Archives branch, for the year 1912.—Mr. Coderre.

Criminal Statistics for the year ended September 30, 1911.—Mr. Borden.

PRIVATE BILLS.

CENTRAL RAILWAY COMPANY.

Bill No. 241, respecting the Central Railway Company—Mr. Bennett (East Simcoe)—read the first time.

Mr. LANCASTER moved that the order for the second reading of this Bill be discharged, and the fees paid thereon be refunded, less the cost of printing and translation. He said: This House reported against the preamble of a Bill respecting the same railway earlier in the session. This Bill has been sent here from the Senate, but the promoters realize that it would be impossible for this House to pass it, and I have their authority to ask that the Bill be withdrawn.

Motion agreed to.

CONSIDERED IN COMMITTEE—THIRD READING.

Bill No. 229, for the relief of Albert Britnell.—Mr. Sharpe (North Ontario).

RELIEF OF FRANK WILLIAM MEEK.

House in Committee on Bill No. 233, for the relief of Frank William Meek.—Mr. Pardee. (Mr. Deputy Speaker in the Chair.)

On section 1—marriage dissolved:

Mr. PROULX: Mr. Chairman, I am opposed to the passsing of this Bill. It was opposed in the Private Bills Committee. I consider that the evidence is not sufficient to grant the relief that is asked for. There was no direct evidence and, in fact, no circumstantial evidence, of the offence alleged, and the evidence would not warrant the passing of this Bill. I do not think that any divorce court would think of granting a divorce on such evidence. I understand that the hon. member for South Perth (Mr. Steele) also opposed the Bill in committee. I do not see him here to-day; probably he wants to oppose it in the House. Therefore, I would move that the consideration of the Bill be postponed.

Mr. MACDONELL: I also took the view in the committee that has been expressed by the hon. gentleman (Mr. Proulx). I was opposed to the granting of this divorce, but the majority saw differently. I think there is no evidence whatever to justify this Bill—there is a mere suspicion at most. I think the Bill had better stand. The Chairman is not in the House, because he is presiding over a committee at the present time.

Progress reported.

QUESTIONS.

(Questions answered orally are indicated by an asterisk.)

THE DOMINION STEEL WORKS.

Mr. VERVILLE:

1. Has the Government been asked before or during the present session, by officials of the Dominion Trades and Labour Congress of Canada, to appoint a Royal Commission to inquire into and report upon the conditions surrounding employment in the steel works and coal mines of the Dominion Steel and

Coal Company, in Sydney and the district of Cape Breton, N.S.?

2. If so, was it in respect to wages paid to mechanics and labourers?

3. Was it on the grounds that wages were wholly insufficient to insure a decent living?

4. Was it about sanitary conditions surrounding the homes of workingmen, or was it on the grounds of industrial liberty?

5. Was the Government made aware of a system of espionage carried on by special police employed by the company to interfere with the liberty of the workingmen?

6. Is the Government aware, or was the Government made aware, of the absolute secrecy maintained of the inner workings of the special police department of the said company?

7. Is it the intention of the Government to appoint such Royal Commission? If not, why not?

Mr. CODERRE:

1. Yes.

2, 3, 4, 5 and 6. These were among the matters mentioned in the representations made to the Government.

7. A preliminary inquiry is being made into the matter, and governmental action will be determined by the information gathered.

ALAIN MAIL SERVICE.

Mr. MARCIL:

1. Has the Post Office Department given notice to Jean Alain, mail contractor of Alain, Quebec, that his contract would be cancelled on three months' notice?

2. Were any complaints made as to the manner in which this contract was executed, what was their nature and by whom made?

3. Did the department hold an investigation or give the contractor an opportunity of meeting these charges? If so, was his defence deemed unsatisfactory to the department, and on what ground?

4. When was this contract first entered upon?

Mr. PELLETIER: The contract of J. Alain, dated from 1st October, 1908, was renewed from 1st October, 1912. A change was recently made in the postmastership of Alain, and the contractor wrote the department refusing to carry the mails to the new site of the post office. He was given three months' notice of the termination of the contract and contract was given to the new postmaster at the same price, viz:—$40 per annum.

STE. ANNE DES MONTS MAIL SERVICE.

Mr. LEMIEUX:

1. Has the mail contract of William Dochine of Ste. Anne des Monts, county of Gaspé, been cancelled?

2. Have any new notices been given? If so, why?

3. When does the present contract expire?

Mr. PELLETIER:

1. No.

2. (a) The department is inviting tenders for the mail service between Rivière à Claude and Ste. Anne des Monts to ascertain cost. (b) To effect an improvement in the performance of the service.

3. 31st December, 1914.

STAMP VENDING MACHINES.

*Mr. LEMIEUX:

1. Is the following announcement, which appeared in the Ottawa Journal of the 23rd ultimo, correct:

Buy Stamps and Mail Letters in same Machine —Innovation adopted by Post Office Department is the last word in Mail Box Invention.

A contract has just been entered into between the Post Office Department and the Dominion of Canada Postage Stamp Vending Company, Limited, of Toronto, which promises to be a great convenience and importance to the people of Canada.

Under the terms of this contract the company agrees, without any cost to the department, to erect pillar boxes of handsome design, to be placed on street corners and public places. This pillar box has a stamp vending compartment and a receptacle for the mailing of letters. In other words, one may, right on the street, buy a stamp and mail a letter without having to look around for a letter box.

Everything is provided for at the one spot. This box is the latest thing, and evidently the last word in stamp vending machines. The pillars are of circular design, handsome in appearance and stand about eight feet high. An arrangement is provided for on the crown of the pillar prominently displaying the names of the streets. These will be illuminated at night and should prove a most useful ornament to the streets of any well organized city.

The company intends to immediately start operations and to instal these pillar boxes throughout the entire country.

2. What are the exact terms of the above contract?

Mr. PELLETIER:

1. No. A contract was made on the 20th of May, 1911, between the Post Office Department and a lady (Miss Fawns) for stamp vending machines. Miss Fawns had by a clause of that contract the right to assign same as she thought fit, and she has assigned it; the company mentioned in the question is now representing Miss Fawns. When this contract was brought to the attention of the present Postmaster General, he asked the Justice Department if that contract could be repudiated. The answer being in the negative the Postmaster General insisted, at all events, on certain changes and after much discussion and difficulties he succeeded in getting the company to assent to some alterations which made that contract more acceptable.

2. The contract and amendments have been produced.

PETITION FROM ALBERTA FARMERS.

Mr. BUCHANAN:

1. Has the Government received the follow-

ing petition from certain farmers in the province of Alberta:

'We, of the United Farmers of Alberta residing in that part of Alberta, known as the dry belt, do petition you for a release from payment of the regular fee of $3 per acre for our pre-emptions on the following ground:

'Whereas, during our residence of three years or more here we have been unable to make expenses owing to the crop failure due to drought; and whereas the United States Government is giving settlers throughout the dry belt in that country the concession which we are now asking, and also allows them to make proof on homestead and pre-emption in three years;

'And whereas, one quarter section of land is not sufficient for successful dry farming, we believe it will be for the best interests, not only for this part of Alberta but for the whole province, to grant this petition, thereby encouraging the homesteader to remain on his homestead and master the art of dry farming, thereby developing this part of the Dominion in the only way possible.'

2. If so, is it the intention of the Government to take any action to meet the request made in this petition?

Mr. CROTHERS:

1. Yes.

2. This matter is receiving the consideration of the Government.

PRE-EMPTION REGULATIONS.

Mr. BUCHANAN:

1. Has the Government made any changes in the regulations regarding pre-emptions? If so, what are these changes?

2. If no changes have been made, has the Government under consideration any changes in the regulations concerning the payments made upon pre-empted homesteads?

Mr. CROTHERS:

1. No change of importance has been made in the regulations regarding pre-emptions. Some minor changes have been made by the department in its practice. (a) A settler is not now required to continue to own his patented free homestead until he has completed the duties on his pre-emption. (b) Where a settler earned his homestead patent by residence in the vicinity prior to the coming into force of the present Dominion Lands Act, the department accepts six months' residence in each of three years subsequent to the data of the pre-emption entry as sufficient to earn title to the pre-emption quarter section.

2. No change in contemplation at the present time.

HOMESTEAD REGULATIONS.

Mr. BUCHANAN:

1. Has the Government altered the homestead regulations to permit the homesteader to secure a patent upon his homestead by keeping upon his land a certain number of cattle or other live stock?

2. If not, is it the Government's intention to take such action?

Mr. CROTHERS:

1. No.

2. Not at the present time.

PORT MAITLAND POST OFFICE.

Mr. LAW:

1. What amount was received from sale of stamps at the Port Maitland, N.S., post office during the months of January, February and March, respectively, for the years 1912 and 1913?

2. What amount of money orders were issued at the Port Maitland, N.S., post office during the months of January, February and March, 1912 and 1913?

Mr. PELLETIER:

1. March quarter, 1912, $156.91; March quarter, 1913, $119.71.

2. March quarter, 1912, $2,778.87; March quarter, 1913, $1,354.45.

CANADIAN NORTHERN RAILWAY STATISTICS.

Mr. THOMSON (Qu'Appelle):

1. What is the total mileage of railway lines now controlled and operated by the Canadian Northern Railway Company?

2. What is the total amount of guarantees by the Dominion Government in aid of construction of such lines?

3. What is the total amount of the guarantees by provincial governments in aid of construction of such lines?

4. What is the total amount of land granted by the Dominion Government in aid of construction of such lines?

5. What is the total amount of money granted to date by the Dominion Government in aid of construction of such lines?

Mr. CODERRE:

1. The Canadian Northern railway controls and operates 5,969 miles.

2. The total amount of the guarantees by Dominion Government on lines referred to is $16,432,000

3. Information being obtained.

4. No land has been granted direct to the Canadian Northern railway, but that company, through purchase of other railways has acquired with them land grants to the extent of approximately 4,000,000 acres, of which 1,225,600 applies on its main line.

5. The total amount of money granted to date to the line referred to is $4,868,522.

INTERCOLONIAL RAILWAY—SUSPENSION OF EMPLOYEES AT CHAUDIERE CURVE.

Mr. BOURASSA:

1. Have Joseph Cantin, Abraham Cantin, Nazaire Fredette, Joseph Jean Cantin, Joseph

Blais, and Eusèbe Brusière, employed as trackmen of the Intercolonial railway at Chaudière Curve, county of Lévis, been suspended from the 1st to the 13th of March last, and their wages retained during the same time?

2. If so, does the Minister of Railways and Canals know that they were suspended, as alleged, because they placed themselves in shelter from the cold, the wind and the rain, when nothing remained to be done on the line of railway?

3. Was an inquiry held on the conduct of these men, and is it true that the inquiring commissioner, McDonald, refused the accused to be represented at this inquiry?

4. Are the wages of these suspended employees to be reimbursed to them?

Mr. COCHRANE:

1. Yes, suspended for ten days from May 1, for insubordination, without pay.

2. The department has no information.

3. Yes; the superintendent held an investigation and men were asked if any required to be represented by any of their mates and they answered, 'No,' and asked to be allowed to be represented by a lawyer, which the superintendent declined.

4. No.

EMPLOYMENT OF DR. LORD.

Mr. DELISLE:

1. Has Doctor Lord, of Deschambault, county of Portneuf, P.Q., obtained a position with the Government?

2. If so, in what department has he been placed?

3. What position does he occupy and what is his salary?

4. By whom was he recommended?

Mr. CODERRE:

1. Yes.

2. Department of Agriculture.

3. An inspector of mail steamers, Rimouski to Quebec, at a salary at the rate of $1,000 per annum.

4. By the Minister of Agriculture.

INTERCOLONIAL RAILWAY—ROADMASTER LAVERY.

Mr. BOURASSA:

1. Has an inquiry been asked for from the Minister of Railways and Canals respecting the contract of P. Lavery, roadmaster on the Intercolonial railway?

2. Has the said P. Lavery employed his son, Hugh Lavery, as a day labourer and clerk contrary to article 9, page 3 of the book of rules for trackmen of the Intercolonial railway?

3. Has the said Lavery employed men of the Intercolonial railway and had them work for his personal benefit, when they were being paid$ by the Government?

4. Has the said Lavery loaned things belonging to the Intercolonial railway, which have lost their value from the usage they received?

5. If so, does the Government intend to make an inquiry in order to know the truth of these complaints?

Mr. BOURASSA.

Mr. COCHRANE:

1. Yes.

2. P. Lavery's son, Hugh, is employed as a time-keeper; Lavery had special authority to do so from his superior, as per article IX, page 111, Book of Rules.

3. No.

4. No.

5. Yes.

EMPLOYMENT OF AMBROSE GRAY.

Mr. WHITE (Victoria, Alta.):

1. Is Ambrose Gray, the defeated Conservative candidate in the Beaver River constituency of Alberta, during the recent elections, in the employ of the Interior Department as homestead inspector?

Mr. CROTHERS:

1. No.

2. Resigned April 1, 1913.

CANADIAN NORTHERN RAILWAY—MAXIMUM GRADES.

Mr. DOUGLAS:

1. What is the maximum grade against eastbound traffic of the Canadian Northern railway, now under construction between Port Arthur and Montreal?

2. What is the maximum grade against westbound traffic on the Canadian Northern railway, now under construction between Montreal and Port Arthur?

3. What is the maximum grade against eastbound traffic on the Canadian Northern Railway, now under construction between Port Mann (B.C.), and Edmonton, Alberta.

4. What is the maximum grade against westbound traffic on the Canadian Northern railway, now under construction, between Edmonton, Alberta, and Port Mann (B.C.)?

Mr. COCHRANE:

1. 0.50 per 100 = 26.40 feet per mile.
2. 0.60 per 100 = 31.68 feet per mile.
3. 0.70 per 100 = 37.00 feet per mile.
4. 0.50 per 100 = 26.40 feet per mile.

FREIGHT RATES ON THE CANADIAN PACIFIC RAILWAY.

Mr. DOUGLAS:

1. What are the winter rates on the several classes of freight, from first to tenth inclusive by Canadian Pacific railway from Montreal to Winnipeg?

2. What are the winter rates on the several classes of freight, from first to tenth inclusive, by Canadian Pacific railway from Winnipeg to Montreal?

3. What are the winter rates on the several classes of freight, from the first to tenth inclusive, by Canadian Pacific railway from Winnipeg to Montreal for export?

4. What is the winter rate for wheat from Fort William to St. John?

5. What was the through rate of wheat from Fort William to Liverpool on January 15, 1913?

6. What was the lowest lake and rail rate on wheat from Fort William to Montreal at any time during the past five years?

7. What was the ocean rate on wheat from Montreal to Liverpool since lowest rate prevailed?

Mr. COCHRANE:

The following information is received from the Board of Railway Commissioners:

1, 2 and 3. All rail: 1, 161; 2, 236; 3, 109; 4, 83; 5, 69; 6, 64; 7, 50; 8, 49, 9, —; 10, 45.

4. All rail: local, 30; export, 23.

5. 40½ cents per 100 pounds, including all elevation and loading charges.

6. Fort William to Montreal—lake and rail—published tariff rates: local, 15; export, 14½. Fort William to Port McNichol, all water, special contract, July, 1911: 1 cent per bushel. Port McNichol to Montreal: export, 5 cents per bushel; local, 10 cents per 100 pounds.

7. Average rate, Montreal to Liverpool, on wheat during July, 1911, 6½ cents per 100 pounds.

SHERBROOKE-SUNNYBRAE MAIL SERVICE.

Mr. SINCLAIR:

1. When does the contract for carrying the mail between Sherbrooke, N.S., and Sunnybrae, expire?

2. Who is the present contractor?

3. What is the contract rate?

4. Has the service been advertised for tenders?

5. If so, on what date will the tenders be opened?

Mr. PELLETIER:

1. On the 30th June, 1913.

2. J. S. Cameron.

3. $1,100 per annum.

4. No.

5. Answered by No. 4.

DISMISSALS.

Mr. MARCIL:

1. Has Jean Alain, postmaster of Alain, Bonaventure county, Quebec, been dismissed? If so, who succeeded him?

2. Were any charges made against him, and did he reply to them under oath before a justice of the peace, and ask for an investigation?

3. Why was such an investigation not granted?

4. Who made the charges against Alain, and what was their nature?

5. Was Alain informed by the Post Office Department that an investigation would be held?

Mr. PELLETIER: Jean Alain has been dismissed for political partisanship and replaced by Albert Boudreau. No investigation was asked, and the information before the department was such that an investigation was considered unnecessary.

Mr. MARCIL:

1. Has Louis Thibodeau, postmaster of Maria East, Quebec, been dismissed? If so, who succeeds him?

2. Were any charges made against Mr. Thibodeau? If so, what was their nature, and by whom were they made?

3. Was an investigation held? If so, by whom, and did the commissioner find the charges proven?

4. Was any petition received by the department asking for a change, and from whom?

5. Who recommended the new postmaster?

6. Has the department cancelled Thibodeau's mail contract and on what grounds?

Mr. PELLETIER:

1, 2, 3, 4, and 5. Louis Thibodeau has been replaced by Pierre Bernard. The department wrote to Mr. Thibodeau asking him if he had taken an active part in the elections, and he has not even answered the two letters sent him. There was no investigation.

6. The department has not cancelled Mr. Thibodeau's mail contract.

Mr. CARVELL:

1. Has Mr. J. R. Standen, postmaster at Osage, province of Saskatchewan, been removed from office? If so, for what reason?

2. Has Mr. Chas. McAllister been appointed in his place?

3. Has a petition been presented to the department asking that Mr. McAllister be not appointed?

4. Has the department declined to place Mr. McAllister in the office on account of the allegations therein made? If not, then for what reason has he not taken charge of the office?

Mr. PELLETIER:

1. Yes. For political partisanship; and, moreover, the department was informed that the postmaster was leaving the place on the 1st of June.

2, 3, and 4. Instructions to post office inspector McNaughton had been issued for the appointment of Charles McAllister, but, on account of representations made to him, the inspector suspended the appointment until further instructed by the department. Finally Mr. Thomas Blain was appointed, and the post office inspector notified accordingly on the 20th May.

Sir WILFRID LAURIER:

1. Has Mr. A. L. Deseve been dismissed from the position of officer in charge of the Magog fish hatchery? If so, when?

2. Were any complaints made against him? If so, were they investigated?

3. Has Mr. A. L. Audette been appointed in his place? If so, when, and has he any special qualifications for the office?

Mr. HAZEN:

1. Yes, on May 13, 1913.

2. Yes, they were investigated.

3. Yes, on 1st June, 1913. He was appointed on probation, and if he satisfactorily performs the duties his appointment will be made permanent.

UNOPPOSED AND UNDISCUSSED MOTIONS.

For a return showing the names, dates of appointment and salary respectively of the employees of the Moosejaw post office.—Mr. Knowles.

1. For a copy of any applications made by J. W. Boyle for a hydraulic lease for a stretch of territory on the Klondike river, in the Yukon, beginning at Bonanza ferry and extending up the river, and of any lease granted in virtue of any such application, and of the regulations relating to the granting of such leases under which such lease, if any, was granted.

2. Also a copy of any other hydraulic leases in the Yukon granted to J. W. Boyle and held by him at the time he obtained the lease on the Klondike river above mentioned, and of the regulations under which the same were granted.

3. Also a copy of any applications for a hydraulic lease in the Yukon made by J. W. Boyle, F. Slavin and the Yukon Company of Montreal, Limited, jointly and of all letters, papers and documents relating to the several applications and leases above referred to.—Mr. Ames.

For a copy of all telegrams, papers and correspondence in the possession of the Post Office Department, or with any of the officials thereof, regarding the removal from office of the postmaster of Osage, Saskatchewan, and of the appointment of a successor thereto; and of all correspondence bearing upon the said removal or appointment with the post office inspector for that portion of the province of Saskatchewan, and of all other letters and documents with respect thereto.—Mr. Carvell.

For a copy of all correspondence and telegrams relating to complaints, political or otherwise, made against Mrs. Marcelline Roy, postmistress at Elm Tree, Gloucester county, N.B., which led the department to issue an order for an investigation, and the said postmistress to tender her resignation, and the appointment of her successor.—Mr. Turgeon.

For a copy of all petitions, letters, telegrams and resolutions in connection with the changes made in the names of the post offices at Letches Creek crossing and Letches Creek, North Cape Breton, N.S., the dismissal of Donald Johnson, the former postmaster at Letches Creek, and the appointment of his successor.—Mr. McKenzie.

For a copy of a certain contract dated May 20, 1911, entered into by the Postmaster General's Department, concerning a stamp vending machine, and of all papers, documents, correspondence, &c., connected therewith.—Mr Burnham.

For a copy of the application of Pacifique Leroux for damages sustained by removal of a bridge on the Soulanges canal, and of all reports and correspondence on the same.—Sir Wilfrid Laurier.

POST OFFICE ACT AMENDMENT.

On motion of Hon. L. P. Pelletier (Postmaster General), it was ordered that the House go into Committee to-morrow to consider the following proposed resolution:

Mr. MAZEN.

Resolved, that it is expedient to amend the Post Office Act, and to provide (a) that any railway mail clerk who, on the first day of April, 1913, has had fifteen years service, temporary and permanent, and who has given good and faithful service, may be given a special increase of $100, from the first day of April, 1913, but such increase shall not exceed the difference between his present salary and the maximum salary of a railway mail clerk; (b) that the period of service of letter carriers, messengers, porters, mail transfer agents and box collectors in grades B, C and D shall be reduced from two years to one year; and (c) that the minimum salary of the said persons shall be $2 a day, and the maximum $3 a day.

GRAND TRUNK PACIFIC RAILWAY COMPANY—LOAN.

On motion of Hon. W. T. White Minister of Finance), it was ordered that the House go into Committee to-morrow to consider the following proposed resolution:

Resolved, that it is expedient to provide for and to authorize an advance out of the Consolidated Revenue Fund by way of loan to the Grand Trunk Pacific Railway Company of a sum not exceeding fifteen million dollars, for the purposes of assisting the company in completing the western division of its railway; such advance to be repayable with interest half-yearly at the rate of four per centum per annum, not later than July 1, 1923, the advance to be secured by debentures charged upon the western division of the company's railway, and upon the undertaking, equipment and property, rights and franchises of the company, ranking next after the debenture stock of the company issued or to be issued under chapter 100 of the Acts of 1906, and the Act respecting the company assented to on the seventh day of March, 1913, such debentures to be guaranteed, both as to principal and interest, by the Grand Trunk Railway Company of Canada.

Further resolved, that the Governor in Council may, in addition to the sums now remaining unborrowed and negotiable of the loans authorized by any Act of Parliament heretofore passed, raise by way of loan in accordance with and under the provisions of that portion of chapter 24 of the Revised Statutes, 1906, relating to the public debt and the raising of loans authorized by Parliament, such sums of money not exceeding fifteen million dollars, as may be required for making the advance contemplated by these resolutions.

BANKS AND BANKING.

The House proceeded to consider the amendments made by the Senate to Bill No. 36, respecting Banks and Banking.

Mr. MACLEAN (Halifax): What are these amendments?

Hon. W. T. WHITE (Minister of Finance): The amendments made by the Senate are of a comparatively minor character. In section 15, the application presented for certificate to the Treasury Board

must be a sworn statement. In sub-section 8 of section 16, the word 'hereinbefore' is substituted for the word 'heretofore.'

In section 43 a provision was made whereby it was compulsory for the bank to open and maintain in each province in which it has resident shareholders, a shares registry office, in order that shares belonging to such residents might be transferred there. That was inserted not by reason of any request of shareholders or of banks, but having regard to the fact that under the present Bank Act it is possible that more than one province can collect succession duties upon the shares of shareholders of chartered banks. That results from a decision of Chancellor Boyd in Ontario, who held that a bank's shares are domiciled in the province in which the bank has its head office. Therefore it is possible for the Government of Ontario and the Government of Quebec each to collect succession duties in respect of shares belonging to the estate of a deceased shareholder resident in the province of Quebec. In the committee, it was thought that, if a provision were inserted in the Act whereby shares might be completely transferred in any province, although the head office of the bank did not happen to be in that province, it might possibly have the effect that only the province in which the deceased was domiciled would be able to collect succession duties in respect of his shares. In other words, it would make the shares follow the domicile of the owner, and I believe that is the general law in respect of personal property. It was doubtful whether the amendment inserted by the committee and approved by this House would effectuate that purpose. The opinion of the deputy Minister of Justice was obtained, but was not very positive in its character. He indicated that if this amendment were inserted, and if action were brought, the courts would probably give effect to the Dominion legislation because the banks come under Dominion jurisdiction. The banks pointed out that this would entail considerable inconvenience to them and some inconvenience to the shareholders. They further pointed out that the transfer of bank shares was a very important matter; that every care had to be taken against fraud or negligence, and that the head office organization in connection with the transfer of shares was very complete and efficient. They also pointed out that they would have to establish a similar organization in each of the provinces, and that this would be no convenience to shareholders because shares are sold principally in Montreal or Toronto. The Senate, instead of allowing the amendment to stand, making it compulsory for the banks to establish these offices, made it permissive, contending that the section, permissive as it now is, is quite as effectual as if it were mandatory. That is to say, if the shares may be completely transferred in a province, the courts would hold that the domicile of the shares is with the owner resident in the province, in other words, if the banks 'may' open offices at which shares may be completely and effectually transferred, the same legal consequences, in so far as the domicile of the shares is concerned, will follow as if the section were mandatory. I am of the view, especially as the Senate appears to have given the matter careful consideration, that we should concur in the amendment.

In sub-section 4 of section 54, the word 'detailed' is struck out before the words 'profit and loss account.' This amendment was introduced in the committee by the hon. member for Shelburne and Queens (Mr. McCurdy). The banks are in the habit of presenting to the shareholders simply a statement showing net profits after deducting amounts written off for bad and doubtful debts, cost of administration, &c. It was thought it would be in the interest of the shareholders that that statement should be elaborated a little. It has been pointed out, however, that the word 'detailed' in itself is equivocal and ambiguous, and that the sub-section does not particularize or indicate by any form, as a schedule to the Act, the extent of the detailed information to be given. As the sub-section stood, a bank could put its own interpretation upon the word, and the Senate practically unanimously came to the conclusion that it should be struck out. As it appears to be rather of minor importance, I think that we should concur in this change also.

The next amendment is in section 56. In the interpretation clause of the Act the words 'members of the association' mean the general managers of the banks. Under the Act incorporating the Canadian Bankers' Association, the words 'members of the association' mean more than this, and the Senate has struck out in the interpretation clause the words 'and members of the association means the general managers of the banks'; and in section 56 they have struck out the words 'the members of the association,' and have inserted the words 'the general managers of the banks,' and then in parenthesis: 'or, in the absence of the general manager of any bank, the official designated by him; or, in default of such designation, the principal officer of the bank next in authority.' Therefore the section as amended by the Senate reads:

> The general managers of the banks (or, in the absence of the general manager of any bank, the official designated by him; or, in default of such designation, the principal officer of the bank next in authority) shall, at a meeting duly called for the purpose,

Appoint the auditors. In other words, this follows the wording in the Act incorporating the Canadian Bankers' Associa-

tion, and is to provide for action on the part of the general manager, or, in his absence, by some one delegated in his place. It does not interfere with the principle that the general managers of the several banks shall name the auditors.

The next amendment is in connection with section 72. The Bill as it left the House provided:

The Treasury Board shall make regulations providing for the disinfection and sterilization by the several banks of all bank notes and Dominion notes which have come into the bank's possession before a re-issue thereof to the public.

This is a matter that was discussed at some length in the Banking and Commerce Committee, and we reached the conclusion that it would be well to make it compulsory for the banks to sterilize their own notes and Dominion notes that come into their possession, this to be done in the interest of public health. Since the Bill left the House there has been a report by a public officer in the United States, whose name I do not recall at the moment, to the effect that germs are not found upon bank notes, although the bank notes may be soiled and old. While I do not regard that as conclusive by any means, and while I think it is quite probable that filthy bank notes carry the proportion of germs we should naturally expect, at the same time, before the Treasury Board makes these regulations we desire to have time to inquire into the subject, and to have bacteriological tests made. The United States official to whom I have referred, evidently reached the conclusion that the ink on the bank bills did not afford a congenial lodging place for germs, and that therefore it was unnecessary to have bank bills disinfected. It is my intention to have the matter investigated carefully and bacteriological tests made, and if it is found that soiled bank bills carry germs of kinds dangerous to the public, we can pass the regulations provided for. The Senate took that view, and substituted the word 'may' for 'shall,' making the section permissive instead of compulsory.

In section 106 there is a verbal change due to a printer's error, changing 'there' into 'three.'

The next change of any importance is in section 114. It is a new amendment proposed by the Senate, and it seems to me to be unobjectionable and possibly desirable. It makes it incumbent upon the banks to transmit by registered post to the person to whom any dividend amount or balance is payable, a notice stating that such amount remains unpaid. Section 114 which is thus amended applies to the case of dividends and balances remaining unpaid for a period of five years, and the object of the Senate was to give notice, in so far as notice could be given, to the parties entitled to the dividends or sums payable as the case might be.

Section 131 (a), is struck out by the Senate. That section relates to the obtaining of the Treasury Board certificate and imposes a penalty for non-compliance with its provision. The section has been redrafted by the department and provides more explicitly that non-compliance with the section shall be deemed an offence against the Act. The change made is entirely with regard to the penalties and does not change in any way the substance of the section.

Sir WILFRID LAURIER: What are the penalties?

Mr. WHITE: I was just leading up to that. Section 131 (a) of the Act as it left the House is as follows:

Prior to the time at which the certificate permitting the bank to issue notes and commence the business of banking has been obtained from the Treasury Board, it shall be an offence against this Act for any provisional director or director to authorize or be a party to the payment of, or to receive, out of moneys paid in by subscribers or interest thereon, any sum for commission, salary or charges for services in connection with or arising out of the incorporation or organization of the bank.

2. After the certificate has been obtained from the Treasury Board, it shall be an offence against this Act for any director to authorize payment of, or any general manager or other officer of the bank to pay or cause to be paid any money for or on account of the incorporation or organization expenses of the bank, except and unless the sum so paid is mentioned or included in the statement submitted to the Treasury Board at the time at which the application is made under this Act to the board for a certificate permitting the bank to issue notes and commence the business of banking.

3. If no certificate from the Treasury Board has been obtained within the time limited by this Act, it shall be an offence against this Act for any provisional director or director to authorize or be a party to the payment of, or to receive, out of moneys paid in by subscribers, any sum for commission, salary or charges for services in connection with or arising out of the incorporation or organization of the bank, unless provision has been made pursuant to section 16 of this Act for payment.

In the case of the Monarch bank, which was incorporated and had a certain amount towards its capital subscribed but failed afterwards to obtain the Treasury Board certificate on account of not being able to comply with the provisions of the Act, especially as to the amount of capital to be paid up, I think $40,000 was paid away by the provisional directors, in commissions, salaries and charges. The case has

found its way into the courts and I believe it has been held that for the most part these charges were unauthorized, and judgment was obtained against the directors for repayment. But the money having been paid out, the liquidator tells me it will be impossible to collect more than a certain portion. This amendment is to prevent provisional directors, prior to the issue of the Treasury Board certificate, paying out money on account of shares other than for purposes which will not require large sums to satisfy; also with regard to commissions and expenses on account of incorporation or organization that a full statement must be made to the Treasury Board on application for the certificate, and must be approved by the Treasury Board. In other words, the Treasury Board obtains power to regulate the amount to be paid on account of organization and incorporation of the bank. I will read the section embodying the change:

If prior to the time at which the certificate permitting the bank to issue notes and commence the business of banking has been obtained from the Treasury Board, any provisional director or director authorizes or is a party to the payment of, or receives, out of moneys paid in by subscribers or interest thereon, any sum for commission, salary or charges for services in connection with or arising out of the incorporation or organization of the bank, it shall be an offence against this Act.

That is the principal amendment to the first sub-section. Then the amended subsections 2 and 3 are as follows:

2. If after the certificate has been obtained from the Treasury Board, any director authorizes payment of, or any general manager or other officer of the bank pays or causes to be paid any money for or on account of the incorporation or organization expenses of the bank, except and unless the sum so paid is mentioned or included in the statement submitted to the Treasury Board at the time at which the application is made under this Act to the board for a certificate permitting the bank to issue notes and commence the business of banking, it shall be an offence against this Act.

3. If no certificate from the Treasury Board has been obtained within the time limited by this Act, it shall be an offence against this Act for any provisional director or director to authorize or be a party to the payment of, or to receive out of moneys paid in by subscribers, any sum for commission, salary or charges for services in connection with or arising out of the incorporation or organization of the bank, unless provision has been made pursuant to section 16 of this Act for payment.

It must be observed that the two sections are practically identical, except that it is more specifically provided in the amendment that non-compliance with the section shall be an offence against the Act, and that those guilty of non-compliance shall be subject to penalties provided by the Act. Two new sub-sections, b and c, have been added to section 147. The purpose is to provide that non-compliance with an amendment suggested by the Banking and Commerce Committee and adopted by the House shall be an offence against the Act. Section 147 (b) is:

Every bank which neglects to make and send to the minister during the month of January in each year a return showing in detail the fair market value of its real and immovable property held under section 79 of this Act shall incur a penalty of $50 for each and every day, after the expiration of such time during which the bank neglects to make and send in such return.

They make the bank responsible for failure to send in an annual return as to the value of its property. It will be remembered that this House adopted an amendment that it should be incumbent on the banks to make returns showing the fair valuation of the property held by them under section 79. Sub-section 147c provides that:

Every bank which neglects to make and send to the minister a quarterly return as to the last juridical day of the months of March, June, September and December in each year, giving such particulars as may be prescribed by regulations made by the Treasury Board of the interest and discount rates charged by the bank, such returns to be made up and sent in within the first thirty days after the respective juridical days aforesaid, and signed by the persons by this Act required, shall incur a penalty of $50 for each and every day, after the expiration of such and every day, after the expiration of such and send in such a return.

That is to provide that it shall be an offence against the Act to fail to make returns as to interest rates. In the Bill as it left this House, no penalty was specifically provided.

I think those are all the changes and modifications made by the Senate. In view of the fact that they are few in number and of minor importance, that the Senate evidently gave the sections that were changed careful consideration, and that none of the principles incorporated in the Act and deemed essential by the Banking and Commerce Committee and by this House have been interfered with, I move that the amendments made by the Senate to this Bill be concurred in.

Mr. MACLEAN (Halifax): There is only one of the amendments which I would be disposed to question, but inasmuch as we are now approaching the end of the session, I do not intend to oppose the motion for concurrence in the amendments made by the Senate to this Bill. I have reference to section 43. I merely wish to say

that if, after giving that section as amended by the Senate a trial during the next few months, it does not operate as anticipated by the Committee on Banking and Commerce, I wish to be free at the next session of Parliament to reopen the matter.

Mr. W. F. NICKLE (Kingston): I have listened with considerable interest to the explanation of the amendments made by the Senate as outlined by the Minister of Finance, and, if I correctly understood his position, it is this: The adoption of these amendments in their entirety without criticism, although they practically overrule, in a great many instances at least, the result of the efforts of the Banking and Commerce Committee during the many hours that we listened to evidence and the debate on this subject when the Bill was under consideration, it is my intention to direct the attention of the House to what may be considered by the minister to be very trifling changes. The first is with regard to the sterilization of bank bills. That was adopted by the medical men of the committee for some two or three days and some evidence was given in regard to the matter. The unanimous opinion at the end of the discussion seemed to be that it was a very desirable principle, and had been successfully followed in the United States. We are told that the amendment as suggested by the Senate is based on scientific grounds, and if I might in epigrammatic language characterize the reason for this, it is that bank bills are obnoxious to microbes. There is no reason given to support the assumption that the bills are not unsanitary. The medical men in the Banking and Commerce Committee told us that these bills were unsafe, and that they should be sterilized, but the Senate has changed this, and there is no defence put up by the Minister of Finance for the reasons or conclusions of the Banking and Commerce Committee. In respect to another clause to which an amendment was made by the Senate, permissive power is given to the banks to establish transfer offices within the various provinces. The Banking and Commerce Committee of this House decided that the establishment of these transfer offices should be compulsory, and underlying their amendment to the original Act was the principle that dual taxation by way of succession duties was unfair. The best evidence was given with regard to this subject, and the best legal opinion obtainable was laid before the committee. This House may not be aware that at the present time, on the decease of a person practically two taxes are in many cases levied by way of succession duties. The law of the provinces lays it down that where personal property is situated within the province, it shall be taxable by way of succession duties, and the legislatures of some of the provinces have laid down also the principle that where the head office of a bank is in a province within which the testator or deceased did not live, a second tax will be levied. Let me cite a concrete instance. If a man dies in the province of Ontario leaving an estate sufficiently valuable to make succession duty payable, the province of Ontario levies a tax, and if the man has bank stock in the province of Quebec, the province of Quebec says that because the head office of the bank is in that province, no transfer of that stock shall take place unless a succession duty is paid to the province of Quebec. I have known cases—and I have no doubt that every lawyer from Ontario and lawyers in other provinces have had the same experience—where two duties have been paid on large estates, one to the province in which the testator lived and the other to the province in which the main office of the company was situated. The Senate get over the matter so easily, it looks so unsophisticated; they simply change the word 'shall' to 'may,' they say that a transfer office 'may' be established in each province. The Banking Committee laid down a principle that there should be only one tax on an estate and that that should be levied in the province in which the testator lived, on the well known principle of law that personal property has its situ where the person owning it is domiciled. That has been set aside by the Senate, and I was surprised that the Minister of Finance did not come to the rescue of his committee because I thought he was in favour of the principle they had laid down.

Mr. WHITE (Minister of Finance): Was the hon. gentleman present in the House when I dealt with the matter to-day?

Mr. NICKLE: A great deal of what my hon. friend said I could not hear, but, so far as I could follow him, I did follow him.

Mr. WHITE: I mentioned what I believed to be the legal opinion of members of the Senate that in so far as the section in the form in which it left this House would accomplish what my hon. friend has in view, namely, that two provinces should not be able to collect succession duties on bank stock, the amendment would be just as effectual. In other words, if the bank may establish offices in the several provinces so that a share may be completely transferred, the legal argument is that if the court would give effect to the section with the word 'shall' they would give precisely the same effect to the section with the word 'may.'

Mr. NICKLE: That is true as far as it goes, but the fallacy lies here, that if the word 'shall' is left in the Bill. as the

Banking and Commerce Committee of this House left it, then the bank must establish these offices and all ambiguity is cleared away; but as the Senate has amended the Bill, the banks may establish these offices if they so desire and if they do not there is no possibility of redress. In other words, the right to establish a transfer office is left with the bank and if the bank does not act there will never be a possibility of a testator getting rid of this second succession duty because I have my doubts as to whether the banks will ever act. The Banking Committee of this House laid down the principle that banks should have transfer offices in each province because it was radically unfair that an estate should be taxed twice in regard to succession.

There is a still more radical amendment. Hour after hour, in the Banking Committee, we fought for the class of statement that should be submitted by the banks and after a great deal of discussion, following the argument of the hon. member for Queens and Shelburne (Mr. McCurdy), the word 'detailed' was put in the section. The Senate have struck that word out, and in doing so they have cut the very heart out of the section. It does not mean anything like what this House intended. The committee on Banking and Commerce, or certain sections of it, fought the interests that wanted to leave the Banking Bill exactly as it was. We fought the matter fairly, day after day, before the committee, we brought evidence to substantiate our position, and, after hours of work, we made our report. Now we find everything nullified by the stand-patters in the Senate. It is all very well to say that the Senate have killed the Navy Bill, and in so doing have thwarted the will of the people. They may have thwarted the will of the people in killing the Navy Bill, but they have equally thwarted the progressive spirit of the province of Ontario in the amendment they have made to this Bill and I sincerely trust that the House will not concur in the amendment.

Mr. R. B. BENNETT (Calgary): I desire to associate myself with every word that has been said by the hon. member for Kingston(Mr. Nickle). I do not propose to go over in detai what he has already said, but I do say that every amendment that was forced upon an unwilling committee—I was not present a great deal of the time, and I very much regret that I was absent from the sittings—has been nullified and destroyed by the Senate, and the vital question is whether or not a few capitalists shall control the action of this Parliament. That is a large question, and I think that when we made imperative certain things that we felt should be made imperative, it was not open to the Senate of Canada to make those things permissive, because In making them imperative, we did that which we believed to be in the best interests of the people of Canada. It is a nice thing and parliamentary institutions have come to a nice condition when, merely to gratify the caprice of the Senate, that which we said should be imperative is changed and made permissive and then we are told, forsooth, that the courts will construe the word 'may' as 'shall.' Why not leave the wording as we had it and make certain that what we wanted to secure will be secured and not depend on a lawsuit to ascertain what we mean? In the ultimate analysis, I say it will be found that the Bank Act of 1913 is the Bank Act of twenty years ago without any change, without one single step forward or one motion towards progress and reform, except in so far as audit is concerned, and the clamour of public opinion necessitated that, and in one or two small instances. This Parliais now in the eighth month of its session and I can say, without any fear of successful contradiction, that the Bank Act over which it has laboured for six or seven months is, substantially speaking, broadly and generally, the Bank Act which was on the statute-books of Canada twenty years ago, or at least fifteen years ago, and I say that is not in accordance with the spirit of our institutions. I desire to associate myself with everything that has been said by the hon. member for Kingston (Mr. Nickle).

Mr. J. H. BURNHAM (West Peterborough): I am a member of the Banking Committee and I also wish to join in protest against the action of the Senate. It seems to me strange that, after the careful inquiry made by the committee, at great length, a certain number of gentlemen should offhand, nullify the whole proceedings and make permissive what would otherwise be compulsory. They dare not fly in the face of public opinion, but are trying to effect their purpose by means of the back door.

Mr. E. M. MACDONALD (Pictou): I think the hon. gentleman who have been expending so much indignation on this question are getting unnecessarily excited. To hear the hon. member for Calgary (Mr. Bennett) talk, one would have thought that the Banking and Commerce Committee of this House were absolutely unanimous on this and every other point. There was grave doubt as to the feasibility and advantage of the proposal to establish these offices in the way proposed here, and why there should be any tirade against the other part of this Parliament, because a collection of business men who heard the arguments in regard to this question, who considered it and all the suggestions that were made, and came to the conclusion embodied in this amendment, seems to me entirely inexplicable.

For myself, as a member of the Banking Committee, who attended the sessions of that committee, I want to protest against hon. members using the language they have used.

Mr. McCURDY: What about the change cutting out the word 'detailed.' That is a question on which I thought our committee was unanimous.

Mr. MACDONALD: I do not propose to discuss the various amendments of the Senate. The hon. member for Queens and Shelburne (Mr. McCurdy) proposed many amendments in the Banking and Commerce Committee which, had they been adopted, would have resulted in a very curious Banking Act, I only rose to protest against this unnecessary display of indignation, which is wholly unwarranted.

Mr. MICHAEL CLARK (Red Deer): I did not attend as frequently as I might have done the meetings of the Banking and Commerce Committee. One disadvantage of having our attention concentrated so much on foreign affairs is that we are not able to give a sufficient amount of attention to home affairs. But if my hon. friend from Calgary has only gathered as accurate information about what happened in the Banking and Commerce Committee as he has been able to gather about the length of the session he is not a very safe guide. He says that we are now in the eighth month of the session.

Mr. BENNETT (Calgary): Yes, that is right; it is the eighth—November, December, January, February, March, April, May—

Mr. McCURDY: June.

Mr. CLARK: That may be a very good mode of arguing in a law court, but it will not carry my hon. friend very far in Parliament. He undertakes to prove that not having completed the seventh month we are in the eighth. What a very clever lawyer my hon. friend is. I do not think he is serious in saying that. He has miscounted the months. I want to support what my hon. friend from Pictou (Mr. Macdonald) has said about the need for a little more calm as to what has been done in the other branch of the legislature. My hon. friend who has such peculiar views with regard to the length of the session says that this will be the same Bill that was passed twenty years ago if we pass it with these amendments. Not having the technical information necessary to enable me to form an opinion, I have to choose between the opinion of the hon. member for Calgary and that of the minister responsible for this Act. What does the minister say upon this subject? I think that the ordinary member of this House will be inclined to give a great deal of attention to what the minister responsible for this Act says, especially a minister who has given a lifetime to the study of this banking question. He has said that the amendments of the Senate do not interfere with the main principle of the Bill as it passed the House of Commons; thus, the statement of the hon. member for Calgary means that the Bill supported and approved by the minister is the Bill of twenty years ago. This is a quarrel that I may very well leave to be settled between the minister and the hon. member for Calgary. For my own part, I take the guidance of the minister especially as the hon. member for Calgary has such peculiar methods of arriving at his conclusions in matters respecting finance and arithmetic. I listened with interest to what the hon. member for Kingston (Mr. Nickle) said in regard to the disinfection proposition. We see so few bank bills in the West and we have so much fresh air in that part of the country that we are inclined to run a good deal of risk with the microbes if we have an opportunity of getting possession of a few bank bills. I do not think that there is foundation for a successful revolution in the objections which have been heard from the legal gentlemen who have addressed the House. I think we should be careful as to how we talk about a co-ordinate branch of the legislature and not use language in regard to it such as was indulged in by my hon. friend.

I am disposed to be guided by the minister. I am sorry that the hon. member for Kingston and the hon. member for Calgary seem to be inclined to form a cave at this point of the session. I do not think that their efforts will upset the Administration and, as I say, I will look to the minister on a matter of this kind.

Mr. ARTHUR MEIGHEN (Portage la Prairie): Mr. Speaker, it has been a matter of regret to me that throughout the consideration of the Bank Act in committee I was not able, by reason of some other special duties, to give the detailed attention to it that I would like to have done. I may say for the information of hon. gentlemen who smile, and especially the hon. gentleman who has just taken his seat (Mr. Clark), that I was fortunately able to give sufficient consideration to it to be in a position to stand on my feet in Parliament and give my opinion, with the sanction of my own intelligence, and not rest it on that of any other, be he however elevated in position in this House. My opinion is that the Senate, in so far as they have ventured to interfere with this Bill, have succeeded in a large degree in emasculating from it such amendments as the more progressive element in the banking and commerce committee succeeded in making to it. My purpose in rising is to

protest that the lobbyist has secured too easy an access to the House of Commons in recent years. While it is difficult to draw the line, while it is difficult to say that the lobbyist shall come this far and no farther, that he shall proceed to this door and not within it, it is not difficult to arrive at the conclusion that the lobbyist has too easy access both to this and the other House and that he interferes far beyond the limits within which he should be confined. I am informed that within the other House, while this Bill was under consideration, the paid solicitor of the Bankers Association sat within the rail of that House, or at all events immediately without it, and that he went so far as to interfere with statements being made by Senators on the floor of the House. That being the case, it would be a matter of extreme surprise to me if this Bill had come back unemasculated. We should address ourselves to the question and decide once and for all what shall be the rights of lobbyists, and what shall be the rights of representatives of interests in these corridors, in committees and in this House generally. If we decide that we will do a lot to remove the distrust that exists, and has existed for many years among the people of Canada, a distrust that, I venture to say, is not altogther unfounded.

Mr. E. W. NESBITT (North Oxford): I have paid some attention to the amendments made by the Senate to the Bank Act. That with reference to disinfection leaves it to the minister's department to say whether the requirement in that regard shall be followed or not. I think we can agree that it is in very safe hands and if the minister finds upon investigation that disinfection is necessary there is no doubt that it will be done. As to the word 'detail,' I agree with my hon. friend from Red Deer (Mr. Clark) that the minister in charge of the department is very capable and I believe that if he finds it necessary to improve the character of the returns made by the banks, steps will be taken for that purpose. This is not like the laws of the Medes and Persians; we can insist upon the returns being more elaborate if necessary next year. I think that the amendment which they have made to the penalty clause improves it as compared with the form in which we sent it to the Senate. I understand from the minister that this amendment was largely suggested by his own department and I know that Mr. Ross of the Finance Department has a good deal of knowledge upon this subject. With reference to what the hon. member for Portage la Prairie (Mr. Meighen) has said with regard to lobbying, I would say that I have been here for three or four years and no man has ever approached me to lobby me in the general sense of the term. I have never been asked to support a Bill previous to its going to the committee. I do not know why, but I have always been given a wide berth since I have sat upon any of the committees of this House. Since I have been in this House, I have taken a more or less active part on two committees.

I want to tell my hon. friend that my brother does not have to stoop to be a lobbyist for the Bankers' Association, or for any other body in this country. My brother is quite independent of any corporation in this country; he came here as a lawyer representing the Bankers' Association, and if he were asked by the leader of the Senate to take a seat on the floor of the Senate, he would have been rude to have refused. He did not come here to lobby. I venture to say there is not a man in this House who can get up and say my brother did try to lobby, and if there is any man who can say so I would like to see him get on his feet and say so now. My brother never had anything to do with lobbying, in the sense of lobbying as generally construed by members of this House. There is no one who resents lobbying more than I do; I refer to taking a member by the sleeve and leading him off and talking him into something that his own judgment would not let him do. But I have no necessity for defending myself here, because I am known to most of the members who attend these committees. As to my brother, the remarks of the hon. member are totally and absolutely uncalled for, and I resent them.

Mr. MEIGHEN: May I be permitted as a matter of privilege to say that the only reference I made at all to the gentleman referred to by the hon. member for Oxford (Mr. Nesbitt) was as to what took place in the Senate. I said that was my information. If the hon. gentleman is in a position to rise in his place and deny the correctness of that statement, then he will say something that has reference to my remarks about his brother. His remarks so far have had no reference whatever to what I said about him.

Hon. FRANK OLIVER (Edmonton): For once, at any rate, I agree measurably with the hon. member for Calgary (Mr. Bennett), in that, so far as my judgment goes, the Bank Bill as it is now before the House, is practically the Bank Act of twenty years ago. But, I want to disagree with him in the suggestion that it is as it is because of the action of the Senate. I want to say that it is as it is because of the action of this House of Commons, and no member of this House can justify himself for the present position of that Act by raising an issue against the Senate for the trifling amendments which they have made, and which the Minister of

Finance has asked the House to agree to. My hon. friend from Portage la Prairie (Mr. Meighen), in his pathetic appeal to be protected from lobbyists, by law, or by authority of the House, or by authority of the Speaker, will certainly give out to the country an impression with regard to this House of Commons that I believe never prevailed before. I presume my hon. friend made his appeal for himself and on his own behalf, or on behalf of those who are nearly associated with him; but I want to say that so far as I am concerned, just as the hon. member for North Oxford (Mr. Nesbitt) has said, I do not require the protection of a statute to keep my skirts clear from the control of the lobbyists. I would like to know by what authority my hon. friend passes out to the public of this country such an insult upon this House of Commons, in which he sits and in which he has sat for a number of years. My hon. friend will not protect himself from the censure of his constituents or the other people of western Canada by the excuse that he did not attend to his duties in the Banking and Commerce Committee or in this House, because he was otherwise engaged or because he was not able to protect himself against the lobbyists.

Mr. NESBITT: He was making up the closure rules.

Mr. OLIVER: Certainly. Nor, will he protect himself by the assertion that other members were improperly subject to the influence of lobbyists. There were a number of gentlemen, members of this House, with whom I did not agree, because I did not think their action was in accord with the best interests of the country, but I said so on the floor of Parliament, and took the responsibility of what I had to say. I would suggest respectfully to my hon. friend that before he hands out such insinuations and insults to Parliament, he should take measures to protect himself by stating his position upon the floor of Parliament.

This Bank Act is an important one; it is one that certainly brings members of Parliament personally within the danger of the great financial institutions of the country. A member of the House is taking some chances in taking a position that is in any way antagonistic to the views of these organizations. It is not for me to say that my hon. friend from Portage la Prairie or any of his friends are influenced by such an idea as that; I would be sorry to think they were. But I certainly object most strenuously to the suggestion he has made, in his own protection. When he finds it necessary in order to protect himself, to insult the whole House of Commons, I think the hon. gentleman goes too far.

Mr. SPEAKER: I think the hon. gentleman is going too far in saying that an hon. member insulted the House. In my judgment nothing has been said that was an insult to the House. It seems to me the hon. member is going a little too far in that statement.

Mr. OLIVER: If your ruling is that I withdraw the word—

Mr. SPEAKER: That is my ruling.

Mr. OLIVER: I certainly will withdraw it, but I wanted to emphasize the idea, which I am sure will be in your mind, Mr. Speaker, that my hon. friend did derogate from the dignity of Parliament by the suggestion he made.

Mr. J. D. TAYLOR (New Westminster): I am rather surprised at the lack of perception displayed by the hon. member for Edmonton (Mr. Oliver). He surely has not observed the operations of lobbyists around this House of Commons recently. I take exception to his remarks in so far as they refer to the hon. member for Portage la Prairie (Mr. Meighen), who, having spoken already, is not privileged to speak again. I wish to place upon record the fact that the hon. gentleman has entirely misquoted the remarks of the hon. member for Portage la Prairie, giving to them an interpretation and significance which they do not properly bear. I listened attentively to what the hon. member for Portage la Prairie said. He stated that a lobbyist for the banking interests of this country was permitted to occupy a seat within the rail of the Senate, to interfere with the deliberations of that body, and to make suggestions to members of that body as to the course of legislation which they should pursue in respect of the Act under consideration. I was surprised to hear that statement confirmed by an hon. member who seemed to be very conversant with the standing of the lobbyist referred to, and with the brief which he held in this connection. I join my protest with that of the hon. member for Portage la Prairie against permitting proceedings of this kind, particularly when they result, as they appear to have resulted in this case, in nullifying the will of members of this House, who, on this revision of the Bank Act, made some amendments in order to protect the interests of the public.

Mr. F. B. McCURDY (Shelburne and Queens): I wish to refer to the amendment made by the Senate to section 54, by which the word 'detailed' is struck out. The hon. member for Edmonton (Mr. Oliver) refers to it as a 'trifling' change. If he will give the matter a little more attention, I am sure that he will come to

the conclusion that his words were spoken without proper consideration.

Mr. OLIVER: That was the general impression I gathered from the tenor of the remarks of the hon. Minister of Finance. I did not refer to a particular section; I spoke of the amendments as a whole.

Mr. McCURDY: The hon. member I understand, attended the Banking and Commerce Committee fairly regularly.

Mr. OLIVER: I was never able to attend that Committee. I dealt with the Bill in the House, not in that Committee.

Mr. McCURDY: Anyone who was present at this committee's sittings heard the complaints received through different channels to the effect that rates charged by banks were not at all satisfactory. Any criticism of these rates was met by tabulated statements brought forward by leading bankers, showing that the earnings of the banks did not justify a smaller 'spread' between the present 3 per cent paid on deposits and the rates charged for discount. All their figures were based on the assumption that the profit and loss statement issued by each bank at the end of the year was correct and showed the exact earnings of the bank. Some members of the committee thought these figures did not represent the earning capacity of money used by the banks. It is well known that the figures shown as profit in the statements published annually by the banks are arrived at after deducting not only expenses of management, losses on branches which are unproductive, operating expenses of all kinds and the writing off of bad debts, but a provision for undisclosed losses still sleeping in current loans, so that, without a detailed statement of profit and loss to guide us, it is utterly impossible for an intelligent opinion to be reached as to the rate of interest earned by banks on the money which they handle. Therefore any amendment which tends to disclose the amount of money actually earned by the banks is fundamental and important. Therefore the ' slight ' amendment referred to by my hon. friend from Edmonton turns out to be a very important one.

The bankers before the Banking and Commerce committee pointed out that, if detailed statements of profit and loss were required, a tendency might ensue on the part of some banks to provide insufficient amounts out of earnings to meet losses which must occur and which are at present undisclosed. Therefore it might tend to weaken the position of such banks. This is a matter of great importance, but there is another very important matter for us to consider, and that is the interest of the public in the cost to them of banking facilities.

It was in order to ascertain whether or not a lower rate of interest could be charged to borrowers, or a more attractive rate of interest granted to depositors, that I thought it was necessary to have a detailed statement of profit and loss. If the real earnings of the banks, as would be shown in a ' detailed ' statement are greater than those shown by the statement of earnings as the banks have published it heretofore, their argument regarding the small value to them of the money they have on deposit, etc., falls to the ground.

The hon. member for Pictou (Mr. Macdonald) dubbed as ' curious ' a number of propositions which were made in the Banking and Commerce committee, many of which were not accepted. Of the many amendments suggested, some no doubt were inadvisable, but a great number of them had to do with different phases of the Bank Act which are at present agitating the public mind. I may be pardoned, perhaps, for stating that one 'curious' thing that impressed me in the committee was that nearly all the amendments of a far-reaching nature which were negatived in the Banking and Commerce committee, were negatived by the votes of members of the committee who were present in time to vote, but who had not been sufficiently 'curious' to be present at the discussions. And, notwithstanding all the discussions and the putting forward of 'curious amendments,' as the hon. member for Pictou calls them, not one fundamental change was made in the committee, if we except section 54 which has now been amended again by the Senate.

I am satisfied that it is possible to improve several of the important provisions of the Bank Act. Along with the hon. member for Kingston (Mr. Nickle), I went to the Banking and Commerce Committee with hopes—not that radical changes would be made in our banking system, but that changes would be embodied in this measure which would facilitate business and yet make no great disturbance in the operation of the structure known as the Canadian banking system.

But I think the difficulty of dealing with this matter in committee has been impressed upon the members who have taken an active part in the committee's labours. I have about come to the conclusion that the best way to have the work done is by a reference to a small commission which will be more compact, and which, I hope, could achieve some tangible results which will work out, not only to the advantage of the public, but also to the improvement of the system and therefore to the advantage of the banks themselves.

I think that business conditions today are not such as to render violent changes desirable. Especially under

such conditions, it is not well to make sudden changes in our system. Business accustoms itself to whatever conditions surround it. We have been doing business under a certain system for a long time, and the present is not, perhaps, the time for violent change. But it seems to me that investigation and discussion should go on with a view to bringing about the changes that are desirable.

It is with reluctance that I feel that I must express my opinions as to the acts of a House of equal jurisdiction to this; but perhaps I may be pardoned for saying that it is my opinion that the changes proposed in the Senate are not such as are desired by the public. The changes proposed in the Banking and Commerce Committee, I am satisfied, were approved by the public. With regard particularly to section 54, I am satisfied the public are desirous of knowing what toll they pay the banking system for carrying on the banking business of the country. In taking out this word 'detailed' in section 54, the Senate have, in my opinion, placed themselves entirely in opposition to the public will in this matter, as they already have in other matters.

Mr. W. F. MACLEAN (South York): I accept whatever responsibility rests upon me for the Bill as it is now going through the House. I took part in the early discussion of the measure and tried to bring before the House what I considered to be a substantial issue in connection with this measure. I stated that we had an old-fashioned system, that there was an absolute need of banking currency sufficient to carry on the business of the country, and that we ought to consider soon some means of relief. I suggested, in the first speech I made—and I endorse what my hon. friend from Shelburne and Queens (Mr. McCurdy) says that there will be no solution of the bank question until we have a commission of competent men to inquire into the matter, to study it and bring in a report on which legislation can be founded. There is nothing now before the people that will cause such disappointment as the form in which this Bill is passed. There is no progress shown in this measure. We ought to have a Bank Act embodying some of the progressive ideas in banking that obtain in Europe and Australia, if not in America. After the United States Congress has dealt with this banking question—and I understand they are about to take it up—I believe this country will be more and more impressed with the idea that a commission should be appointed to study and report on this question with a view to having another Bank Act for Canada and another Currency Act as well.

Mr. McCURDY.

Mr. J. E. ARMSTRONG (East Lambton): I am sorry that I had not the opportunity to hear the Minister of Finance and some of the earlier speakers in this debate. But I was here in time to hear my hon. friend from Shelburne and Queens say that far-reaching amendments were voted through by members of the committee who were not present at the discussion. I think I was as regular—

Mr. McCURDY: I said that many of those who voted against important amendments were not present at these discussions.

Mr. ARMSTRONG: I am confident that the bulk of the members voting from time to time took a very active interest in the work of the committee. I am surprised at some of the statements I have heard this morning, such as those about men lobbying and having a great deal of influence with members of the commitee. The Banking Bill has been before the committee for months, and I must say that the Finance Minister and the chairman of the committee have made the greatest possible efforts for the solution of the important problems that have arisen in connection with the measure. These efforts should be appreciated by the members of this House, as I know they are appreciated by the people at large. I have also heard the hon. member for Edmonton (Mr. Oliver) make the statement that members of the House are taking chances——

Mr. SPEAKER: Order. Hon. members should confine themselves to the amendments to the Bill proposed by the Senate. It is not permissible at this stage to have a general discussion of the Banking Bill.

Mr. ARMSTRONG: I am sorry if I have departed from the rules of the House. I was not here at the time the amendments were read; I wished merely to express my opinion as to the position taken by the committee and the work they have done. The amendments proposed by some hon. gentlemen when the Bill was under consideration by the Banking and Commerce Committee were withdrawn by themselves, and I am sorry that they now object because these amendments are not incorporated in the Bill.

At one o'clock, House took recess.

House resumed at three o'clock.

Hon. W. T. WHITE (Minister of Finance): With the indulgence of the House I should like to refer to a few points brought up this morning in the discussion of my motion that the House should concur in the amendments proposed to the Bank Act by the Senate. Of course, the Senate is a body possessing co-ordinate jurisdiction with this House; and therefore I think it is not only proper

for them, but their duty, to amend any provision of an Act such as the Bank Act if they so desire. The changes that have been made, as I pointed out, are all of a minor character. The principal amendments to the existing Bank Act, such as the additional provisions which we have made to safeguard the public during the period of the organization of the bank; the provisions as to audit, which are entirely new and which were very carefully considered in the committee; the important provisions in relation to the gold reserves, as to more complete returns and as to extending the principles of the bankers' lien to grain, have all been preserved in the Act. Therefore the changes made by the Senate, while important, are still of minor consequence. None of the leading features of the Act or of the principles underlying it have been modified by the Senate; and, having regard to the fact that the Senate is undoubtedly within its right in making modifications of the Act, just as this Commons would be in declining to concur in the Senate's amendments, and to the further fact that we are all desirous of bringing this session to a close as soon as possible, it occurred to me that, even if the Commons deemed these matters to which I have referred of importance, as I do myself, still, with reference to the whole Bill, they are, in my judgment, of minor consequence, and therefore I consider that it would be well for the House to concur in the amendments in order to bring this legislation with regard to the Bank Act to a conclusion.

With regard to the word 'detailed,' which was stricken out by the Senate, it is, I think, only fair to say that while that important amendment was introduced into the present Act by the Commons, at the same time the word is of equivocal or ambiguous meaning, and I know it was the opinion of a number of members in the committee that banks would be able to put their own interpretation on the word. One bank might give more detailed information than another. No provision was made as to what the details should consist of and therefore, while I think the striking out of the word 'detailed' inadvisable and while I would be glad to see it retained, it is, after all, a matter of relative inconsequence, having regard to the fact that the Senate have practically adopted the Bill as sent to them.

Then, as to the transfer office, the object of the committee was not to provide facilities for the transfer by residents of different provinces of shares, but to avoid the possibility of two provinces levying succession dues upon the shares of a testator resident in either province. I think there is a simpler way of getting over that difficulty, and I concur in what the hon. member for Halifax (Mr. Maclean) has said that if, after a trial, we find that this provision does not work out well, we may take it up again, and even apart from that, I am disposed to consider the advisability of bringing in, next session, legislation that the domicile of shares is in the particular province in which the shareholder happens to reside. There was no demand by shareholders or the banks for this legislation; it was solely to meet that one objection, namely that two provinces might levy succession duty upon the shares of a deceased resident of either. A simple way to deal with it, if the House should so decide, would be to declare that the domicile of a share is the domicile of the owner. Personally I think that is the best way to deal with it, and will be glad to consider that between now and the next session of the House.

The other matter was as to the sterilization of notes. That matter was brought to the attention of the committee by a physician, the hon. member for South Perth (Mr. Steele) who took it up very earnestly and zealously, and before the Bill came into the House, after I learned that the Senate had made permissive what had been made mandatory by our committee, I consulted with the hon. member for South Perth and told him that I thought it desirable that certain bacteriological experiments should be made before this legislation of a compulsory character was put in force, because as the legislation stood, the Treasury Board would be obliged to make regulations and then the banks would have to carry them out and yet no preliminary work had been made that would show the necessity of it or the best methods of accomplishing what the the hon. member had in view. He entirely concurred in the view that it would be well that the legislation would be permissive and therefore I had no hesitation in moving that the House of Commons concur in that amendment by the Senate.

One or two general observations were made as to the Act not being sufficiently progressive. I know the Banking Act and the whole subject of banking is one about which very great differences of opinion exist and I would agree with the hon. member for Calgary (Mr. Bennett) that, substantially, the Bank Act in its leading principles is as it was twenty years ago, and I would agree further, if anyone should state it, that it is substantially, in its leading principles, the Bank Act of 1871, forty years ago. That does not necessarily mean that because that is so we must radically change it on any particular revision. The business of banking in Canada is vitally interlaced with the general business of Canada, with the commercial, industrial and agricultural interests, and my policy

with regard to such an Act as the Bank Act is to confine a measure of progressiveness with caution because, even although we may be very sure in our own minds as to the effect of a certain measure or an amendment to an existing measure, when you are dealing with a matter as complex and as far-reaching as banking, and a matter in reference to which it is so difficult to estimate in advance all the consequences of legislative action, for my part I adhere to the view that we should proceed as I have said, progressively but cautiously, and that has been the spirit with which I approached the revision of the Act. I wish to pay this tribute to the Banking Committee of this House. I do not believe that any committee in any legislative assembly in Canada ever exhibited a greater interest in the subject with which it had to deal than did this committee in dealing with the Bank Act. I think everyone was impressed with the intelligence and interest with which the several sections were discussed and with the devotion to their public duty shown by all members of the committee. Personally I never sought to influence the judgment of one member with regard to any clause. The discussion was open and fair, everyone had an opportunity of bringing forward any amendments, and having them discussed on their merits and I cheerfully bear tribute to the interest, intelligence and zeal with which the members of the committee, without exception so far as I know, devoted themselves to the very responsible duties which evolved upon them in the consideration of the Bill as it left this House. The hon. member for South York (Mr. Maclean) has stated that there is a lack of currency in Canada at the present time. I would like to say that that lack of currency is not confined to Canada, that condition which he draws to our attention is world-wide. There is a lack of currency all over, tight money conditions prevail in Great Britain, in Germany, in France, all over the continent and in the United States. It is a world-wide condition of financial stringency, and I may say further that lack of currency has been a very general fact since the beginning of time.

Mr. MACLEAN (South York): Oh, no.

Mr. WHITE: It would not be too much to say that lack of currency is coeval and coextensive with mankind, and I think it will always be. It will always be difficult to get money, and speaking personally I think it is a good thing because if you get too much money, if you can get money by a credit system too easily, the tendency is to over-expend and you bring about a condition that is not desirable. The history of finance abounds with examples of what I am stating to the House. The revision of the Bank Act itself is of a very complex nature and great and grave care and consideration must be devoted to it. So far as my attitude goes I have given to the new Act my most careful attention for a period of two years. I have welcomed the advice of all who tendered it and sought that of those who I thought could assist me in framing a measure that would reflect credit upon the Parliament of Canada, and I think that on the whole, although I know there is a difference of opinion with regard to it, the Act we have put through is satisfactory. It is an Act, not only of the Government but of the House as a whole, because I never regarded it as a controversial measure, and attempted to deal with all of its sections with the utmost impartiality, as I think hon. members will testify. Thus the Act as it now stands substantially represents the views if not of all, at least of a very considerable majority of the members of the House.

During the year 1912-13 there has been a very great financial stringency. I do not think we have all realized just how stringent the conditions have been. In Canada I think we are not suffering more than in other countries, in fact I am greatly gratified that in Canada we have borne the strain so well. Personally I am of the view that the tight money period will gradually disappear and that in the natural course of things easy money conditions will reassert themselves. I should not be surprised if that would come more rapidly than is generally thought. In a year of this kind to revise the Bank Act has not been the easiest matter imaginable, and, under the circumstances, I feel that in moving this concurrence of the House in the amendments of the Senate for the reasons I have given, I should express to all the members on both sides my thanks for the great assistance they have given in bringing this legislation to its present condition. It is not by any means a perfect Act there never will be anything perfect in this world, but I believe we have made substantial progress in it and I believe that that is the view of this House.

Mr. STEVENS: I understood the minister to say that he was prepared to introduce an Act next year embodying the amendments which have been rejected here.

Mr. WHITE: No. There is one section in the Act, I think number 43, in which the committee endeavoured to make provisions under which the courts would hold that the shares, let us say belonging to a shareholder in British Columbia, would not be subject to succession dues levied by the Government of British Columbia and also by the Government of Ontario, if the shares happened to be those of a bank whose head office was in Ontario, because it has been held by a decision of the courts

that the domicile of the shares of a bank is the head office of a bank. What I said this morning was that the amendments by the Senate, I am advised, will not prevent the courts from holding that the domicile of the shares is in the province in which their holder resides, if the section as it left the Commons would cause the court to hold that. In other words, the Senate, as I am advised by the leader of the Senate, were of the opinion that their amendment would bring about precisely the same decision as the amendment proposed by the Commons. What I said this afternoon was that I would consider, between now and next session, whether the best way to meet the difficulty was not to introduce a Bill which would declare, as far as the Parliament of Canada has jurisdiction and authority to declare, that the domicile of the shares of a Canadian bank is the domicile of their owner. That is to say that if a Nova Scotia shareholder, holding certain shares, should die, the shares held by him would be subject to succession dues levied by that province but not to succession dues levied by any other province.

Mr. STEVENS: Is it possible for the amendments which have been rejected by the Senate to be reintroduced next year or is the Act fixed for ten years?

Mr. WHITE: This Act, while there is a decennial revision, is subject to be changed or modified in any or all sections in any year in which Parliament assembles.

Mr. MACLEAN (South York): I would like to say, in answer to the hon. gentleman—

Mr. SPEAKER: The hon. member is not in order.

Mr. MACLEAN: What about the previous speaker?

Mr. SPEAKER: I submitted the question to the House, and it was agreed—

Mr. MACLEAN: Then there are two rules to be applied to members of this House.

Mr. ARMSTRONG: I would like to speak too, if it is open.

House divided on motion of Mr. White:

YEAS:

Messieurs.

Armstrong (Lambton),	Laurier (Sir Wilfrid),
Barker,	Lavallée,
Beattie,	Law,
Bennett (Simcoe),	Lemieux,
Best,	Macdonald,
Blain,	Macdonell,
Blondin,	MacLean (Halifax),
Boivin,	McKay,
Borden,	McLean (Queen's, P.E.I.),
Boulay,	Merner,
Bowman,	Michaud,
Boys,	Molloy,
Bradbury,	Mondou,
Burnham,	Morphy,
Burrell,	Nantel,
Carroll,	Nesbitt,
Carvell,	Neely,
Charlton,	Nicholson,
Clare,	Oliver,
Clark (Red Deer),	Paquet,
Clarke (Wellington),	Pardee,
Clements,	Pelletier,
Cochrane,	Reid (Grenville),
Coderre,	Rhodes,
Cromwell,	Ross,
Crothers,	Sharpe (Lisgar),
Currie,	Shepherd,
Doherty,	Smith,
Elliot,	Stanfield,
Fortier,	Steele,
Fowler,	Stewart (Lunenburg),
Fripp,	Thomson (Qu'Appelle),
Garland,	Thornton,
Gauvreau,	Tobin,
German,	Turgeon,
Girard,	Walker,
Graham,	Wallace,
Guilbault,	Warnock,
Guthhrie,	White (Leeds),
Hazen,	Wright.—83.
Henderson,	
Hepburn,	
Lancaster,	

NAYS:

Messieurs.

Bennett (Calgary),	Meighen,
Buchanan,	Nickle,
Emmerson,	Sexsmith,
Maclean (York, O.),	Stevens,
McCurdy,	Taylor.—10.

Motion agreed to, and amendments read the second time, and concurred in.

SUPPLY—CONCURRENCE.

House proceeded to consider resolutions reported from Committee of Supply.

Resolutions read the first and the second time and concurred in.

WAYS AND MEANS—THE SUPPLY BILL.

On motion of Hon. W. T. White (Minister of Finance), the House went into Committee of Ways and Means.

Mr. WHITE moved:

That towards making good the Supply granted to His Majesty on account of certain expenses of the public service for the financial year ending the 31st March, 1914, the sum of $123,288,860.64 be granted out of the Consolidated Revenue Fund of Canada.

Motion agreed to.

Resolution reported, read the first and the second time, and concurred in.

Mr. WHITE thereupon moved for leave to introduce Bill No. 242, to grant to His Majesty certain sums of money for the

public service for the financial year ending the 31st March, 1914.

Motion agreed, and Bill read the first time.

Mr. WHITE moved the second reading of the Bill.

Sir WILFRID LAURIER: The next stage should be taken at the next sitting of the House.

Mr. WHITE: I thought we could read it the third time, and send it to the Senate.

Sir WILFRID LAURIER: I see no objection, but with prorogation so near why have two Supply Bills?

Mr. WHITE: My right hon. friend knows that, so far as five-sixths of these estimates are concerned, there is an immediate demand—because of the needs of the public service.

Sir WILFRID LAURIER: If no other Supply Bill were coming, I could understand that. Still, if the hon. gentleman says that it is desirable—

Mr. WHITE: I understand my right hon. friend's point, but I think it is better to proceed.

Motion agreed to, and Bill read the second time, considered in committee and reported.

Mr. SPEAKER: When shall this Bill be read the third time?

Sir WILFRID LAURIER: At the next sitting of the House.

Mr. SPEAKER: At the next sitting of the House.

CONSIDERED IN COMMITTEE—THIRD READINGS.

Bill No. 239, to amend the Penitentiaries Act.—Mr. Doherty.

Bill No. 238, respecting Pelagic Sealing.—Mr. Doherty.

CRIMINAL CODE AMENDMENT.

On motion of Hon. C. J. Doherty (Minister of Justice), Bill No. 211, to amend the Criminal Code, was read the second time, and House went into Committee thereon. (Mr. Deputy Speaker in the Chair.)

On section 3—definition of peace officer:

Mr. GERMAN: This section includes as peace officers:

Any police officer, police constable, bailiff, constable or other person employed for the preservation and maintenance of the public peace or for the service or execution of civil process.

This goes very far. Many police officers are excellent officials, but there are some so-called police officers and constables, who, I fear, would not make the best kind of peace officers.

Mr. DOHERTY: The only change made by the amendment to the section of the previous Act is that of adding the permanent employees of the penitentiary to that class of persons at present known as peace officers.

Section agreed to.

On section 4—dangerous weapons:

Sir WILFRID LAURIER: What is the nature of the amendment proposed by this section?

Mr. DOHERTY: As the law stands at present, everyone, with the exception of police officers and that class of persons, is prohibited from carrying any pistol or air gun upon his person unless he has a certificate of exemption. The first change we make is to extend that prohibition to the carrying of pistols, sheath-knives, bowie knives, daggers, stilettos, metal knuckles, skull crackers, or other offensive weapons that may be concealed upon the person, or any air gun or any device or contrivance for muffling or stopping the sound of the report of any firearm. The prohibition as it stands at present applies to the carrying of the articles referred to without having a certificate of exemption from the operation of the section. The amendment says: 'Without having a permit granted under this section.' It seemed to be more simple to require a permit than to make a law and provide for exemption. The next change is with regard to the authority who may issue what we now call the permit, and which under the old Act was called a certificate of exemption. Under the old Act, any justice of the peace might issue a certificate of exemption. In view of the necessity of restricting the carrying of weapons of this kind, the importance of which, I regret to say, is more and more impressed upon us every day by the number of the crimes of violence committed by the use of such weapons, it has been thought well not to leave this power of issuing permits in the hands of all justices of the peace, but to restrict it to specific officers. The officers who are authorized to issue these permits under the regulations we propose are:

Any officer of the Royal Northwest Mounted Police or commissioner Dominion police or superintendent of provincial police or stipendiary or district magistrate or chief constable of any city, incorporated town or district municipality.

It has been pointed out that there are certain portions of the country where officers coming within this express legislation are not to be found, and that we should make provision for them. For the purpose of pro-

viding for such cases, I move that subsection 2 of section 4 of this Bill be amended by inserting in the fourth line thereof, after the word 'magistrate,' the words 'or sheriff.'

Amendment agreed to.

Mr. DOHERTY: I would move to amend subsection 5 of section 4 by adding in the third line, after the word 'or,' the words 'carried by any.' Without this amendment, there would be no authority for a peace officer to carry arms. Authority is given to the militia and naval officers to carry arms under other legislation of this Parliament, or under lawful regulations or orders respecting them.

Amendment agreed to, and section as amended agreed to.

On section 8—seduction by employer:

Mr. GERMAN: It has been suggested to me by a county Crown attorney and other officers of the law that this section is going a little too far. I do not know that there has been any public demand for extending it to other classes, such as domestic servants. I did think that the section as it was had gone pretty far in that we had placed factory girls under its protection. You can understand that when a man seduces a girl employed under him in a factory he takes her away for that special purpose, but it is different in the case of a domestic servant. It opens the way very largely for blackmail. You get a girl of bad repute in your house, the family may be away, the man may be the most innocent man in the world, she can run out of doors, raise a row, the man does not want to go before the magistrate, and he would rather settle than have his name put before the public in that way. I think this is going a little farther than the law should go. I am saying this not on my own motion, but at the suggestion of gentlemen of the Bar and others who have spoken to me about it. I think it should not be extended to domestic servants.

Mr. DOHERTY: There has been a very persistent demand, coming from many people—

Sir WILFRID LAURIER. From whom?

Mr. DOHERTY: From numbers of people who have actively interested themselves in looking after domestic servants and others, especially immigrant girls coming into the country. It is not an offence if the girl be of bad repute, nor is it an offence if the girl be over twenty-one years of age. The law as it at present stands makes it an offence for an employer to seduce or have carnal connection with a girl in his employ in a factory, mill, workshop or store. The modification is simply to strike out these words and to make it an offence for a man to seduce or have illicit carnal connection with a girl under twenty-one years of age of previous chaste repute who is in his employ. It would seem to me that such a man is a proper subject to be dealt with by the criminal law, and that if a man is guilty of an offence under the circumstances mentioned we should make provision for his punishment. It has been suggested as an objection to this provision that there is the possibility of an abuse of it. If we were to look merely at the possibility of abuse, it seems to me that it is just as possible for the factory girl, or the typewriter girl, or the girl employed in any of these places, to bring an unfounded complaint against her employer under the present law as it would be for the servant girl. If you come to a well-founded case it does seem to me that a man who so abuses the position that a girl occupies as a domestic in his own household, so to speak, a member of his own family, as to lead her astray is perhaps more blameworthy than the man who has mere casual relations with a girl in his employment in the workshop or mill. If the law be justified, and I believe it is, it would seem to me proper to extend it in this way and as against any possible abuse it might give rise to, such as blackmail or any disadvantage that might result from it in that way, we can safely consider that the protection thrown around that class of young women who have to obtain their livelihood by becoming domestic servants, is more than a balancing advantage.

Mr. GERMAN: I wish to throw around these young girls every protection that possibly can be given them. You have provided in section 221 for the protection of all girls under sixteen years of age. Section 213 is applicable to girls under twenty-one years of age working in shops. My hon. friend says that there is the same possibility of blackmail in regard to girls who work in shops as in regard to domestic servants. I say 'no' because, in the case of girls who work in shops, the circumstances surrounding the whole situation would be such that it would be more difficult to make proof against the person charged. I should think that section 211 provides ample security, and that this new provision is not necessary. My hon. friend spoke of immigrants coming out here. I have in my mind the case of a man who was charged by a girl who had come out here and who was tried in Welland county. I defended him. He was absolutely innocent and was shown to be by the evidence. It was blackmail from the beginning. He was honourably acquitted by the jury, but it was only after

a trial and an exposure which he did not like. I think it would be better to leave this section out.

Mr. PROULX: I agree with the minister that a man who has a domestic servant in his employment is more blameworthy than the employer in a shop or store. But he must remember that it is often difficult to prove the previously unchaste character of the girl. The presumption is in her favour and the burden of proof is shifted to the accused. I do not think we should open the door to any blackmail. I agree with the hon. member for Welland (Mr. German) that if we gave more protection in a case of that kind it might open the door to blackmail.

On section 14—neglect to provide for wife and children:

Mr. McKENZIE: It would seem that under this section the penalty of $500 is fixed, leaving no discretion to the judge to reduce it.

Mr. DOHERTY: By section 1029 of the Criminal Code, the magistrate is empowered to impose a penalty within the limit fixed, and that section is interpreted as entitling the magistrate to impose any penalty not exceeding the penalty in the section.

Mr. PROULX: Does the minister mean that the magistrate could impose a fine of less than $500?

Mr. DOHERTY: Yes.

Mr. PROULX: Then why not say in this clause, 'not exceeding $500?' Some of the magistrates do not know all the provisions of the Code, and they would take this section alone and say they had no discretion to fine less than $500.

Mr. DOHERTY: The words, 'not exceeding $500,' might make this section more clear, I admit; but there are a number of existing sections in the Criminal Code which proceed after the same method as this. If we were to add the words 'not exceeding' in this section, it might be supposed that we differentiated it from the other sections, and that where these words did not appear, there was no discretion given a magistrate but to impose the maximum penalty. If the idea suggested by my hon. friend had been adopted as the general rule in the Criminal Code, it would have been the better way.

Mr. PROULX: I am pretty certain that some magistrates will not know they have discretion to impose less than the maximum penalty, under the reading of this section. As to the penalty itself, as a rule it is not the rich who desert their families, and those who do could hardly pay a fine of $500, so it would mean imprisonment for them.

Mr. DOHERTY: I know it is a very violent assumption, but everybody, including magistrates, is presumed to know the law.

Mr. PROULX: Does the hon. minister not think that the maximum is a little large?

Mr. DOHERTY: I do not think so.

Mr. FRIPP: I beg to draw the hon. minister's attention to the fact that the section reads 'not exceeding one hundred dollars.' Why should any distinction be made between section 12 and section 14, which imposes a fine of five hundred dollars? If a magistrate is to interpret that to mean that he can impose a fine of five hundred dollars as the maximum, and that he can inflict any fine up to that, I think that the sections ought to read alike. If a section reads, 'not exceeding one hundred dollars,' I understand that in practice the magistrate is limited to from one dollar up to one hundred dollars. In section 14 the language is different, and I should say that the magistrate would have no discretion whatever.

Mr. DOHERTY: I think both sections should read alike. The reason the words 'not exceeding' are in section 12 is because they were already in the section, and we altered simply what was required to be altered. I think it would be better to strike the words out of section 12 rather than to put them into the other section, because we must remember that these will be sections in the entire criminal code.

Mr. McKENZIE: I think the hon. minister will find that the term 'not exceeding' is the more common one, running through all criminal legislation. I would have no objection to this section if it were to be interpreted by the higher courts, but it is placing jurisdiction in the hands of a magistrate, who is not apt to read a number of sections and draw inferences.

Mr. DOHERTY: I have not gone through the whole Criminal Code and put myself in a position to determine which form of expression is most frequently used; but it seems to me that, once we know that in some sections, at all events, the words 'not exceeding' are not used, it is better for us not to insert them in particular sections, because this might give strength to the suggestion that where they are not inserted the magistrate has to impose the maximum penalty. I turn up the Criminal Code and find section 415, which reads clear as follows:

Every one is guilty of an indictable offence and liable to seven year's imprisonment, &c.

According to section 1029, that is quite clear.

Mr. McKENZIE: My hon. friend finds himself there in a higher court. In that case I have no objection to make. I do not feel so safe, however, when you are putting jurisdiction in the hands of a magistrate.

Mr. PROULX: That is my contention. When you go before a magistrate or a justice of the peace who is not very conversant with the Criminal Code, there may be a danger of his not interpreting the section correctly and thinking that he has to impose the maximum penalty. If the hon. minister goes through the different sections of the Code, he will find many sections that contain the words 'not exceeding.' Will the hon. minister not insert the words in this section?

Mr. DOHERTY: I hesitate to do it without first going through all the sections and seeing what the effect would be. When we have a clear statement of law on the matter why do hon. members assume that a magistrate will read this section, and not read section 1029? If I were quite sure that I would run no risk of creating doubt in regard to a large number of other sections, I would have no objection to inserting the words 'not exceeding' in this section. I submit, however, that, when we have a perfectly clear rule in the law itself, it is not wise for us, because we are afraid that with regard to this section the magistrate will not know the rule, to put something in this section that will make him feel justified in refusing to apply the rule to other sections where the words 'not exceeding' are not used.

Mr. McKENZIE: I always understood section 1029 to apply to the higher courts. I may be mistaken, but I never knew it to be invoked in a magistrate's court.

Mr. DOHERTY: I think it has a general application. It forms part of part 20 of the Code, which is entitled 'Punishment, fines, forfeitures, costs, and restitution of property.' The first section of it says:

In the sections of this part relating to suspended sentence, unless the context otherwise requires, 'court' means and includes any superior court of criminal jurisdiction, any judge or court within the meaning of part XVI.

Under the heading of 'Punishment generally' are sections 1027 and 1028, which do not bear upon this. Then comes section 1029 and its terms are absolutely general. (Reading):

Whenever a fine may be awarded or a penalty imposed for any offence, the amount of such fine or penalty shall, within such limits, if any, as are prescribed in that behalf, be in the discretion of the court or persons passing sentence or convicting, as the case may be.

Mr. McKENZIE: There are no limits here at all. There is no maximum nor minimum; there is only a certain amount given. I think my hon. friend will find that section 1029 has particular reference to cases where the magistrate can go to either extreme; but here he has no discretion at all; he is told he must impose a fine of a certain amount. My hon. friend may be perfectly right, but I think he will find that as regards summary proceedings in a court, the legislation says: a fine not exceeding a certain amount.

Mr. DOHERTY: There is no doubt it would be better that all the sections should have the same form. As some of the sections use the words 'not exceeding,' it becomes less objectionable to insert them here, but we are adding still one more section to those which may be invoked as creating a suggestion that section 1029 does not apply to the case with which we are dealing, and the magistrate will say: In every other case where there is only a sum mentioned, I shall and will impose the maximum penalty. The hon. member for Cape Breton North (Mr. McKenzie) says there is no limit. There is no limit downwards, but there is a limit upwards, and all that section says is that the offender shall be liable to a penalty of $200, and if he is liable to a penalty of $200, he is liable for every one of the dollars that make up $200.

On section 15—husband and wife: theft while living apart:

Mr. PROULX: There might be some difficulty in identifying the property carried away by the deserting husband or wife.

Mr. DOHERTY: It will be on the prosecution to prove that the property belongs to the person claiming it. If they fail to prove that they will not be able to secure a conviction.

On section 16—false statements in writing:

Mr. FRIPP: This is a very dangerous clause to add to the Criminal Code. It seems to me that it is giving power to a magistrate or court that ought not to be placed in such hands, and is making a criminal offence of that which is well known now simply to be the subject of civil action. I am personally opposed to turning our police courts and criminal courts of justice generally in collecting agencies for commercial purposes. In my experience at the Bar, I have found that some of our magistrates are not capable of distinguishing between a statement made in good faith and one made with the intention of committing fraud. Take the sub-section:

(b) Knowing that a false statement in writing has been made respecting the financial condition or means or ability to pay, of himself, or such person, firm or corporation in which he is interested, or for whom he is acting, procures upon the faith thereof, either for the benefit of himself or such person, firm or corporation, any of the benefits mentioned in paragraph (a) of this section.

Many a merchant gives a statement to his banker in perfect good faith as to his ability to pay, and six months afterwards the charge may be laid against him that at that time he committed a fraud and is liable to punishment under this section. It seems to me this legislation is going very far and that it would be well for this Parliament to proceed very cautiously in making this a criminal offence.

Mr. DOHERTY: The hon. gentleman will notice that the essential thing to this being a criminal offence is that the falsehood should be known to the person who makes the statement or seeks to benefit by it. It is one thing to make a mistaken statement and another to make a false statement. As the law stands at present, if a man obtains goods by false pretences, he is guilty of an offence, and it is no easier, when dealing with a case of that kind to prove that the man knew the falsity of the statement he was making than in this particular case. I do not see any reason to apprehend that because the making of the false statement is made an offence—not merely the actual procuring of goods—that there is any greater danger, that a man who did not knowingly make a false statement will be convicted than there is under this Act of a man who procures goods by a false statement. In both cases it will be on the prosecution to prove that there is a statement made that is knowingly false. These two section have been asked for by numerous boards of trade, and especially pressed for by the credit men's association of Canada which is an incorporated body composed of the credit men of practically all the wholesale firms of this country who find that they are placed in this position: Men make false statements of their assets and liabilities, for instance, showing a solvent condition. They hand them in to different commercial agencies in whose charges they may be scrutinized more or less carefully. On the strength of that they get credit and goods are sold to them. The only difficulty under these circumstances of obtaining a conviction is that you cannot prove the direct communication of the false statement to the man who sells the goods, but the practical result is precisely the same as though the accused had walked into the shop, presented his false statement and on the strength of it got the goods. This section will go no further than the punishment of a man who knowingly makes a false statement with a view to thereby obtaining goods, or cash, or credit; and further to make liable to punishment the man who knowing that a false statement of that kind has been made on his own behalf, or on behalf of some firm or corporation or company in which he is interested or for whom he is acting, avails himself of the false statement that was made for the purpose of procuring the actual delivery of goods. For my part, I cannot connect this change in the criminal law with providing a means to collect civil debt by means of the criminal law. What is going to be punished here is the false and fraudulent statement that a man made, and that alone. It can hardly be said that when you provide a penalty for stealing, you provide a method by which a man may be frightened into paying back what he stole, and that you are thereby providing a means to enforce a civil obligation. There is no doubt that out of every fraud there arises a civil obligation to indemnify the party defrauded, but it does not necessarily follow that there may not be sufficient reason to make a criminal offence of certain methods by which fraud is perpetrated, and that is all this legislation proposes.

At six o'clock, House took recess.

After Recess.

At eight o'clock, House resumed and again went into Committee.

On section 24—arrest without warrant for procuring:

Mr. DOHERTY: This adds to the cases in which persons may be arrested without a warrant, the persons being offenders against section 216 that we passed this afternoon, defining offences in connection with what is generally called the white slave traffic and the procuring of women for prostitution. The necessity of getting a warrant, it has been found, has facilitated numerous escapes. Men are observed under circumstances where there is conclusive, or at all events, very strong, reason to believe that they are engaged in taking females from one place to another for immoral purposes, and officers have been powerless because they have to get a warrant.

On section 25—summons or warrant for witnesses:

Mr. McKENZIE: What is the change?

Mr. DOHERTY: Section 655 of the Criminal Code was amended in 1909 so as to provide that the magistrate, when a complaint is laid before him, may hear witnesses. It seems that this has been interpreted as imposing upon him the obligation to hear witnesses. The amendment

merely provides that when a complaint is made the magistrate may, if he considers it desirable or necessary, hear witnesses. This is to make it clear that he is not bound.

On section 26—depositions in writing or by stenography:

Mr. DOHERTY: The only change is that where there is an official court stenographer, who has been sworn to accurately report and transcribe the evidence, it shall not be necessary for him to testify under oath that in the case of each deposition the transcription is correct.

Mr. McKENZIE: It is hardly worth while to amend the Criminal Code for such a slight change. It is desirable to leave the code alone as much as possible and not to make changes except where it is necessary.

Mr. DOHERTY: In large centres like Montreal, where there is an official sworn stenographer, it adds very greatly to the work if he has to make a separate affidavit for each deposition. Where you have a large number of cases, and where you have a stenographer or stenographers to the court who are officials and who are sworn to transcribe the depositions correctly, you save a good deal of time and a considerable amount of inconvenience by this amendment.

On section 27—notice of appeal:

Mr. DOHERTY: The changes that are affected by this section are two in number. In the first place, there is a provision made for a surety justifying under oath of the sufficiency of his bond. But the principal change is that application for admission to bail pending an appeal must be made to the justice who pronounced the conviction. If refused, the application may be made to the judge of the court to which the appeal is directed. If it is impossible to get it from the justice who pronounced the conviction, then application may be made to the judge of the court directly to whom the appeal will go, or in the province of Quebec, except in the districts of Montreal and Quebec, to any judge of the Superior Court. The evil that is sought to be remedied is that persons convicted of offences under the portion of the code which deals with the summary trial of indictable offences may take an appeal, and may then apply to practically any justice for bail. They may apply to a county court judge, the clerk of the peace, a justice of the peace or the clerk of the county court before which the conviction has been made. It has been found that under that system there has been considerable abuse. These people have gone to some justice of the peace who has no information concerning the case, and in many cases they have been admitted to bail, where a man knowing all the circumstances probably might have refused it. The particular instances which have made it seem desirable to legislate in this matter have arisen in the city of Montreal, and particularly in the case of prosecutions for keeping bawdy houses. Under this system, when a conviction has been obtained, bail has been put in before some one of these officers, frequently valueless bail has been accepted and the prisoner has disappeared before the appeal came on. This is to ensure that under the circumstances substantial bail shall be obtained.

Mr. McKENZIE: While there is no doubt such evils as those which the minister has described should be provided for, this amendment is going to create a good deal of trouble in some parts of the country. Take a case that every lawyer in the province of Nova Scotia meets with. I may go with my client twenty or twenty-five miles to a magistrate in a remote section of the country in order to have a case tried, and find that the magistrate reserves his decision until the next day or maybe a week afterwards. I get notice that he has given a conviction against my client, with which I am not satisfied and from which I desire to appeal. Under former conditions I could send my notice of appeal, complete my bonds right in the town in which I live, file them in the regular way and the magistrate would be obliged to send the papers to the Court of Appeal. As my hon. friend proposes to amend the law, I or my client would be obliged to go a distance of twenty or twenty-five miles to that magistrate and then perhaps find that he refuses to accept a bond. I would then be put to the trouble of going to a higher court. If it is possible to confine this new remedy to the cities, I would suggest to my hon. friend that it is desirable to do so. It would not work any great hardship in a city like Montreal where all the parties are, as a rule, confined to the city. In the country districts it would work a very great hardship.

Mr. CARROLL: The point made by my hon. friend from North Cape Breton (Mr. McKenzie) is very well taken so far as the country districts are concerned. There is another point in connection with this section; sub-section iv of clause (c) says:

> Upon making a deposit of the fine or costs or entering into recognizance, as the case may be, such appellant shall be liberated from custody.

Sub-section 1 of clause (c) says:

> If the appeal is from a conviction or order adjudging imprisonment, the appellant shall

either remain in custody until the appeal is heard by the court to which the appeal is given or shall enter into a recognizance as hereinafter provided; or, if the appeal is from a conviction or order whereby a penalty or sum of money is adjudged to be paid, the appellant shall deposit the amount of such fine with the justice, together with such further amount as the justice deems sufficient to cover the costs of the appeal, or shall remain in custody until the appeal is heard by the court to which the appeal is given or shall enter into a recognizance as hereinafter provided.

Sub-section iv might mean the costs of the justice who convicts. For instance, a fine of $20 and costs of $4.50 is imposed. That would mean that the appellant would have to deposit $24.50 before he would be liberated. According to sub-section 1, the costs of the appeal might be $10. There seems to be a conflict between these two sub-sections.

Mr. DOHERTY: I do not think it would be difficult to make it perfectly clear. The intention certainly is that the appellant shall deposit the sum that it is declared necessary to deposit. I would be willing to adopt any form of words that would make the matter clear. I might say 'the deposit above provided for.'

Mr. CARROLL: All right.

Mr. McKENZIE: I wish seriously to impress upon the minister the advisability of leaving the law as it is at present, and of providing by some substantive section for such cases as are brought to his attention. It would meet the necessity and avoid the chaos that would be created in the country districts by this radical departure from the practice of appeals from magistrates' courts.

Mr. DOHERTY: Under the law at present, a man who has been convicted before one justice may start out and hunt up some other who does not know anything about the circumstances and who possibly is in no good position to appreciate what would be sufficient bail. I apprehend the difficulty suggested by the hon. member. Would it be met if we gave to the man convicted the option of going to the county court judge instead of to a justice of the peace. The law at present gives too wide choice to a convicted person to find his own justice to take the recognizance.

Mr. McKENZIE: I never knew of a case in my own province, in my experience of twenty years' practice at the Bar, where any abuse arose because of that privilege extended to the man convicted. In civil matters, the law formerly was that you had to go before the magistrate who tried the case, but that was found to be a great hardship and the legislature changed the law, so that you may now in civil cases complete bonds before any justice.

Mr. DOHERTY: Perhaps it would meet the objections of the hon. gentleman if the law were allowed to stand as it is, with a provision added prefixing the words: Where the conviction has been pronounced in a city or town?

Mr. McKENZIE: That would be very much better. My object is to provide against obliging a man to travel long distances. You might add the words: Where the cause of action arose and the case tried and conviction obtained in a city or town.

Mr. DOHERTY: There might be difficulty in ascertaining where the cause of action arose.

Mr. McKENZIE: Suppose a North Sydney man is taken to Louisburg thirty-five miles away to be tried for an alleged offence, and he is convicted by the magistrate there, he is then sent to the jail at Sydney which is twenty-five miles nearer, but still ten miles away from his home. He would have to go back these twenty-five miles to Louisburg to make application for bail, instead of going to his own town where he is known and could get his bondsmen all the time he remains in the custody of an officer. Under the old system he could send for two bondsmen to his old home and go before a magistrate in the vicinity of the jail. Tremendous confusion is capable of being created by this amendment.

Mr. CARVELL: There is much in what has been said by the hon. member. The suggestion that the man convicted should go before a judge of the county court would not be convenient in the maritime provinces, where the judge may live one hundred miles away from the locus in quo. In Ontario they have two judges for most of the counties, and in Quebec you have one judge for each judicial district, while the suggestion to go before the county court judge might suit in these provinces, it would not suit in the maritime provinces. I would suggest that the appeal be given to the police magistrates who are located in the towns and who are a very respectable class of men in the maritime provinces. I think he will meet the objection of my hon. friend from Cape Breton North and yet place every person in as good a position as they ought to be placed in in order to prosecute an appeal. Perhaps the minister would not feel like making the change, but I wish he would at least consider that phase of it.

Mr. DOHERTY: It is not the desire at all to create a situation under which a person fairly entitled to appeal shall be put under any hardship. I confess, I did not realize the difficulties that have been referred to.

Mr. CARVELL: If the minister would pardon me, I would like to make another suggestion. The hon. gentleman has never practised in the country, and does not know what we have to contend with. In many cases the county magistrate is counsel for the plaintiff, and if the plaintiff comes before him, he feels it his duty to make a conviction, and having made the conviction, does not wish to go back on his client, and will hesitate before he will grant an appeal. That does not apply to police magistrates; they take a broader view of the case. I am afraid the hon. minister is making it almost impossible for a man to appeal. It may be that he ought not to have the right to appeal, but if he is given the right, no obstacles should be placed in his way.

Mr. DOHERTY: Would it meet the hon. gentleman's view if this were confined to convictions taking place in cities, or, possibly towns? The evil sought to be remedied which has been very pronounced, is so far as I know, principally confined to the city of Montreal. You see we have numerous—I might almost say innumerable—justices of the peace, and even among justices of the peace there are some people who are not exceedingly scrupulous. Take the case particularly of a woman convicted of keeping a bawdy-house. These women go before a practically unknown justice, and enter into the recognizance with a couple of their friends, and the first thing the convicting magistrate knows, they are out of jail, and that is the last that is seen of them. I want to meet that situation; at the same time, I do not want to do wrong to people situated in the position suggested. It seems to me that we might meet the requirements on both sides if we let the law stand generally as it is, and enacted these two clauses, while inserting some such provision as 'when the conviction has been pronounced in a city.'

Mr. PROULX: Will the hon. minister add 'or town'?

Mr. DOHERTY: I am trying to find the form of words that—

Mr. PROULX: And better add 'or incorporated village,' because in Ontario we have many incorporated villages in which there is a police magistrate.

Mr. CARROLL: The amendment will greatly improve this new Bill. At the same time it scarcely covers the objection taken by my hon. friend from Cape Breton North. Take that county in which we both reside. We have perhaps eight or nine incorporated towns, some of them forty or fifty miles apart. If the conviction takes place say in Louisburg of a man belonging to North Sydney, the amendment would not allow the police magistrate of North Sydney to accept the recognizance in this instance, and the police magistrate in Louisburg might not know whether the sureties offered were men of straw or good men, not knowing the locality from which the alleged criminal came. If some amendment could be made that would give police magistrates in any town the right to take bail for any person convicted in any part of the same county, the difficulty would be overcome.

Mr. DOHERTY: Perhaps we might let the clause stand. I will see if I can find some formula that will meet the justice of the case, and at the same time attain the object which we seek to attain.

Mr. GERMAN: Why is it necessary to make the change in the law? I do not agree with the hon. member for Carleton (Mr. Carvell) that the justice of the peace is counsel for the prosecutor. So far as the province of Ontario is concerned, our justices of the peace are as absolutely impartial, so far as my experience goes, as the judge on the bench. I have never found they were acting as counsel for the prosecutor. But I cannot see why the minister desires to make the change.

Mr. DOHERTY: I endeavoured to point that out some time ago. We want to prevent people who have been convicted from picking out some justice of the peace who knows absolutely nothing of the circumstances of the case and making their application before him to put in the recognizance provided for.

Mr. GERMAN: They should not be allowed to do so, and I never heard they did.

Mr. DOHERTY: Under the present law they do. The recognizance may be put in before any justice of the peace, and it does work out that people pick out a justice of the peace—not that he is necessarily dishonest or unreasonable or does not want to be impartial, but that he may be an ignorant man, and in many cases when he is not generally speaking an ignorant man, he is apt to be selected by reason of unfamilarity with the nature of the offense and of the people—their one object being to get in the recognizance. These people do not turn up for their appeals; they escape. In the city of Montreal, it is no exaggeration to say, this has become a crying evil.

Mr. GERMAN: I do not know why, when a person is sent up for trial by the magistrate—

Mr. DOHERTY: This is not the case of a man who has gone for a preliminary inquiry and has been sent up for trial, but

of the man who has been sentenced and convicted.

Mr. CARVELL: Summarily.

Mr. DOHERTY: Yes, summarily; and he has the right to appeal, and he remains in custody unless he gives the recognizance in question. The law provides that he—

—shall enter into a recognizance in form 51 with two sufficient sureties, before a county judge, clerk of the peace, or justice of the peace for the county in which such conviction has been made, conditioned personally to appear at the said court, and to try such appeal, and to abide the judgment of the court thereupon, and to pay such costs as are awarded by the court; and upon such recognizance being given, the justice before such recognizance is entered into, shall liberate such person, if in custody.

Mr. GERMAN: Then I think he should enter the recognizance before the justice of the peace convicting him.

Mr. DOHERTY: That is the provision I am trying to make, and I will give him the opportunity, if he cannot go to that justice of the peace, to go to somebody else. I am giving him also the right of appeal, as it were, from the refusal of that justice of the peace; all I am requiring is that in the first instance he should go to that justice. Possibly we might get at this in a more satisfactory way if we defined what constitutes inability to go to that justice. I should think that in the majority of cases the man is before the justice when he is convicted. No doubt there may be some inconvenience under the law as proposed, but on the other hand the law as it exists is certainly exceedingly faulty in so far as the condition of affairs to which I have alluded exists.

Mr. CARVELL: It seems to me that the minister should redraft this clause for the purpose of carrying out the principle which he suggests, namely, that it shall apply to cities and incorporated towns and villages. I am satisfied that if this were done the requirements of the maritime provinces would be met. There is no doubt that in many instances decisions are given by the magistrates before the accused, but in the country districts the parties concerned do not always get full justice in this regard. As the hon. member for North Cape Breton (Mr. McKenzie) pointed out, in many cases great hardship results from the fact that the justices of the peace do not like to decide these cases in the presence of the accused; they usually look as learned as possible, take time to consider the matter, and then give their decision.

Mr. McKENZIE: As I have pointed out, it is sometimes necessary to go twenty, thirty or forty miles to appear before a magistrate who is to try the case. Very often he reserves his decision, and two or three days afterwards we find that he has given a decision with which we do not at all agree. That means that we have to retraverse the forty miles in order to file a bond before him, taking our bail with us. If he is convinced that his own conviction would be sustained, he does not accept our bail bond; then we have to go back over the same forty miles, perhaps returning with another two men, whose sureties he may also refuse to accept. We may then endeavour to persuade a county court judge that the man should be given bail. I have said in the presence of the hon. Minister of Justice that I have never known of a case where this privilege was abused in Nova Scotia. The principle followed in our province is that the right to appeal should be made as easy as possible, and that no impediment should be placed in the way of a man's getting to a higher court. To give a magistrate the power to refuse an appeal is giving him a power he should not have. I am sorry I cannot say for the magistrates in my own province what the hon. member for Welland (Mr. German) said about the magistrates in the province of Ontario. We have in our province many magistrates who practise as a profession, and they are not at all generous about granting appeals and giving the higher court an opportunity to reverse their decisions. I must protest as strongly as possible against any change whatever being made in the law as it is now. I submit to the minister that if there are cases for which he must provide, he should provide for them by substantive sections dealing specifically with those cases, and leaving the law as it is. As the law stands it is all right, and the addition of substantive clauses will remove the difficulty with which the minister has had to contend in large cities.

Mr. CARVELL: Has the minister considered the advisability of changing the whole method of appeal? I know I could not ask the minister to accept my suggestion to-night, but I want him to think it over. Under the law as it now stands, an appeal is really not an appeal at all; it is a re-trial. You file your bonds, go before the county court judge and bring up and re-examine all the witnesses, together with any new ones, if you can get them, and really it is a re-trial of the case. I have always thought that this is a rather cumbersome and expensive proceeding, and I think contrary to the general principles of the administration of justice in the lower courts. I have often thought that we should have what we call the review system, by which a civil case is taken up from a lower court to a higher court in the form of an appeal, and the judge of the higher court having the record of

the case as tried in the lower court before him, has the right to consider the whole case and decide according to the very right of the matter. If some such system could be devised regarding appeals in criminal matters, it would be much more satisfactory than the present system, and if the record of the lower court went up to the higher court, the judge could deal with it and decide the case according to the rights thereof. I think we would get better justice under this system, and that much of the expense and delay and inconvenience of getting these matters before the higher courts and getting an opinion upon them would be dispensed with.

Mr. DOHERTY: We have had before us in the department many suggestions which are not acted upon in the amendment now before us. We realize that there is a wide field for improvement in the Criminal Code, and I hope that some time we shall be able to take it up and deal with it in a more general way, and when that time comes I shall be glad to consider the suggestion of my hon. friend, together with any others he may offer. With regard to this particular section, as I am not in a position to say offhand that there may not be cases such as those to which my attention has been called, and inasmuch as the session is drawing to a close, I am disposed to drop the latter portion of this section for the present, and to allow to stand simply the amendments to paragraph b of article 750, to which no objection has been taken, and to which I do not think any can be taken. When a party appeals it is required that he give notice to the respondent or to the magistrate. This amendment modifies that by prescribing that he shall give notice to both. I would move that section 27 be amended by making the verbal changes necessary to express this meaning.

On section 29—appeals in certain cases:

Mr. DOHERTY: The change here is to restore the law to the condition in which it was prior to the revision of the statutes in 1906. The practical effect is to provide that when a party is convicted under clauses 'e' and 'f' of section 773 of the Criminal Code of theft of an amount under $10, or of the offence of keeping a disorderly house under section 228, and the trial is had under Part XVI, there shall be no appeal save in the case where his trial is before two justices of the peace. Wherever he has been tried before a magistrate or a judge of a higher court there shall be no appeal.

On section 31—deposition on preliminary inquiry may be read in evidence in certain events:

Mr. DOHERTY: The effect of this amendment is to add to the cases in which the deposition on preliminary inquiry may be read in evidence, the case in which a witness at the preliminary inquiry, where there has been full opportunity of cross-examination at that inquiry, refuses to be sworn or to answer questions in a subsequent proceeding. One case of this kind that has arisen was in connection with a charge of incest, where a daughter gave evidence on the preliminary inquiry, but on the subsequent inquiry refused to give evidence.

Mr. McKENZIE: That is a law that I think it is recognized in jurisprudence may be capable of producing collusion.

Mr. DOHERTY: It is only in cases where there has been full opportunity for cross-examination in the court below.

Mr. CARVELL: But there must be full opportunity in any case, because there could be no preliminary inquiry if the prisoner were not present. Therefore, under any circumstances, this evidence will be admissible.

Mr. DOHERTY: Just as it is to-day in regard to a witness we cannot find or a witness who is unable to be present. The only change is that under the conditions subject to which a deposition may be taken—

Mr. CARVELL: These are the same as at the present time?

Mr. DOHERTY: These are all the same but we add one more reason for allowing the deposition to be used and that is when the witness refuses to give evidence.

Mr. McKENZIE: Refusal to answer is contempt of court. Our law, both civil and criminal, provides that a person who refuses to give evidence is guilty of contempt of court. Is this witness to escape the penalty for contempt of court?

Mr. DOHERTY: No, the witness will be prosecuted just the same but we have the evidence. Under the system at present you punish the witness but you do not get the evidence. You get the evidence under this proposed amendment but you do not prejudice your right to punish the witness. The ends of justice will not be defeated because the witness refuses to answer.

Mr. McKENZIE: But a statement by any person is not evidence while he is subject to contempt of court. Until he purges his contempt, whatever he may say in the course of the inquiry, is not evidence. Thus, a party may continue for a year in contempt and under the common law anything he has said will not be evidence because he has not purged his contempt.

Mr. DOHERTY: Even anything he said before he was guilty of contempt? This amendment is for the purpose of taking the

evidence, given subject to cross-examination and preventing the person who is in contempt of court by his own contempt, from defeating the ends of justice.

Mr. McKENZIE: If my hon. friend will so amend it as to provide that there shall be full opportunity for cross-examination by counsel I would not be very much alarmed, but the opportunity for cross-examination in the ordinary procedure is not much.

Mr. DOHERTY: Then I will have to modify it in every case and I do not propose to do that. It has been represented to me that before reporting the Bill it would be desirable that there should be added a thirty-fourth clause providing that this Bill shall not come into force until sixty days after its sanction by His Excellency. The reason of this is that all concerned in the administration of the law shall have an opportunity of taking cognizance of these amendments. I therefore move to add the following section:

34. This Act shall come into force ninety days after it is assented to by the Governor General.

Mr. McKENZIE: We have no way of knowing what these amendments are until the statutes are printed and made available to the bar throughout the country. I have known instances where these statutes were handed around in the court and advantage taken of them long before they were printed. If the Acts will be printed within sixty days then there is some purpose in providing for a delay of sixty days but the delay should be as long as the time necessary to put the statute into the hands of practising barristers.

Mr. DOHERTY: I am not in a position to say how long it takes. This amendment is one which has been suggested by the law clerk. If my hon. friend thinks it will be safer to say ninety days I have no objection.

Mr. McKENZIE: I think it would be better.

Mr. DOHERTY: I therefore propose to substitute 'ninety' for 'sixty.'

Amendment agreed to, and section as amended agreed to.

Bill reported, read the third time and passed.

JUDGES ACT AMENDMENT.

On motion of Hon. C. J. Doherty, House went into Committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Judges Act, chapter 138, of the Revised Statutes, 1906, and to provide as follows:

(a) That the judge to whom is assigned the district of Beauharnois and whose residence is fixed in Montreal may, conditionally upon the discharge of judicial duties in Montreal when not required in his district, be paid a salary of $7,000 per annum;

(b) For an additional justice of the Court of Appeal of British Columbia at a salary of $7,000 per annum;

(c) For an additional puisne judge of the Supreme Court of British Columbia at a salary of $6,000 per annum;

(d) For an additional district court judge of the province of Ontario, at a salary of $3,000 per annum;

(e) For an additional judge of the county courts of the province of Manitoba, at a salary of $3,000 per annum;

(f) for an additional junior judge of the county courts of the province of British Columbia, at a salary of $3,000 per annum;

(g) For four additional judges of the district courts of the province of Saskatchewan, each at a salary of $3,000 per annum;

(h) That, except where they are entitled to larger salaries, judges and junior judges of county courts and of district courts shall be paid a salary of $3,000 each per annum, from the date of their appointment;

(i) For an additional judge of the circuit court of the district of Montreal, at a salary of $3,000 per annum;

(j) That whenever a judge is entitled to the travelling allowance of six dollars per day for attending in court or chambers under the provisions of section 18 of the said Act, he shall be entitled to a further sum of four dollars for each day he has so attached, if such attendance has been in any place which is a city;

(k) That to every judge of a county court who, having attained the age of 75 years, is compulsorily retired, and to any judge who, having continued in office for a period of 30 years or upwards, is compulsorily retired or resigns his office an annuity may be granted equal to the salary of the office held by him at the time of his retirement or resignation;

(l) That the provisions respecting annuities under sections 24 and 25 of the said Act shall apply and extend to the judges of the circuit court of the district of Montreal.

(m) For an additional Chief Justice of the Supreme Court of Judicature for New Brunswick, $7,000 per annum.

(n) For an additional puisne judge of the Supreme Court of Saskatchewan, $6,000 per annum.

(Mr. Deputy Speaker in the Chair.)

Mr. PROULX: With reference to paragraph (a), does the judge of the district of Beauharnois sit in Montreal?

Mr. DOHERTY: The legislature of Quebec has provided that the judge of the district of Beauharnois shall reside in the city of Montreal, and we are providing he shall be paid the salary which is paid to a judge appointed to the district of Montreal, with residence in Montreal. Attached is the condition, that the judge of the district of Beauharnois, being resident in Montreal, shall devote all of his time not required for the service of the district of Beauharnois to the performance of judicial duties in the city of Montreal.

Mr. PROULX: There is a proposition which will shortly be brought before the Bar of Quebec, that all the judges shall reside in Montreal or Quebec, except those appointed to the districts of Ottawa, Montcalm, and Pontiac. Perhaps the minister should wait until he sees what decision is come to on that question.

Mr. DOHERTY: In the particular case of the district of Beauharnois, the Quebec Government has moved one step in the direction of uniting the judges in Montreal, and by this legislation we make clear our approval of that action. Personally I would prefer that the centralization of the judges should be done in a general way, but those familiar with the past history of this question in Quebec realize the difficulties surrounding any government which undertake to centralize the judiciary. There are strong prejudices against that system. For my own part, I should think it would be eminently desirable.

Mr. PROULX: Last year the judges of Montmagny and Beauce were authorized to reside in Quebec; this year the judge of Beauharnois is authorized to reside in Montreal and some years ago the judge for Terrebonne was also so authorized. You are centralizing them piece-meal, but it would be much better to do it under some general legislation.

Mr. DOHERTY: For my part I endorse what the hon. member says. I have not the power to bring that about, and apparently the Government of the province which has the power does not consider it possible to do so, even though it should so desire.

Sir WILFRID LAURIER: Do I understand that the Minister of Justice would favour such a change in the judicial system of the province of Quebec as would bring all the judges of that province to reside at Montreal and Quebec and leave the rest of the province absolutely without judicial representation? I am not sure that such a scheme would work satisfactorily. For my part, I would agree to introduce into Quebec the system of Ontario, under which there would be county court judges in the different districts, and superior court judges in Montreal and Quebec. But, since we have not the Ontario system, I think it would be very unfortunate if all the judges were to be brought to the cities of Montreal and Quebec, and the rest of the province left without judicial representation. For example, does the Minister of Justice believe that the cities of Sherbrooke, Three Rivers and St. Hyacinthe should be without resident judges? I believe we have too many judicial districts in the province of Quebec; but unless there is some radical change which would approach the Ontario system, the bringing of the judges into the two largest cities of the province will never be satisfactory. I can quite understand the reason for this special exception made with reference to Beauharnois, because Beauharnois is now at the very door of Montreal, and while the judge resides in Montreal, he can give all the necessary time to the judicial work of his district.

Mr. DOHERTY: I did not intend to suggest that all the judges of the province should reside in Montreal or Quebec. I think it would be better to call it a grouping of the judges in the different cities of the province, rather than centralization in the two largest cities. If I were called upon to deal with the question, I certainly would consider the point raised by my right hon. friend. I believe, however, that if more of the judges were brought into the city of Montreal, it would be of great advantage to the administration of justice. I would not suggest that we should bring a judge from a remote district to reside in Montreal; but there are a number of judicial districts in the immediate vicinity of Montreal, of which Beauharnois is one, and where the judicial business is not very heavy and could be done quite as conveniently if the judges for those districts were residents of Montreal. The situation to-day is that we have to take the rural judges into Montreal, and their residence being fixed by the provincial authority in different towns around Montreal, when they come to Montreal an extra allowance has to be made them. I quite agree that if all the judges were brought into the cities of Quebec and Montreal, it would probably necessitate the adoption of the county court judge system.

(d) For an additional district court judge of the province of Ontario, at a salary of $3,000 per annum.

Mr. PROULX: Is this for the new district of Timiskaming?

Mr. DOHERTY: This is an error. Instead of providing for one judge, we should really have provided for two. The town of Berlin has reached a population which entitles the county of Waterloo, in which it is situated, to two judges. His Excellency the Administrator has assented to the resolutions submitted to him substantially providing for salaries necessitated during the year. I do not think I shall be going beyond what he assented to in amending this resolution if the House will waive the absence of previous notice.

Mr. PROULX: The hon. minister might perhaps arrange it in this way. Salaries are provided for about 72 judges. There are some vacancies at present which have not been filled. For instance, there has been a vacancy in the county of Renfrew for nearly a year. He could take one

of these salaries for the county court judge at Waterloo.

Mr. DOHERTY: If the House is not willing to provide salaries for all the judges which the law of Ontario calls for, I shall have to do something of that kind.

Mr. PROULX: There is a change in the salary which used to commence at $2,500 a year for the first three years. Judges of the other courts commence at their maximum salary. I approve of the change. I would ask the hon. minister, when he makes the appointment for the district of Timiskaming, to note that a large proportion of the population there speak the French language. It would be a great convenience if the judge knew both languages, as he will have to go to different places, and to hold courts which are not courts of record. It is sometimes very hard to get interpreters in all these courts. If the hon. minister cannot find some person in his own party qualified for the position willing to accept it, I think he should be generous enough to accept one from the ranks of the Liberal party. When the Liberal party were in office, they were not too rigid in this regard. They appointed to the Supreme Court of Ontario a man who, I think, never voted for the Liberal party. The appointment was very well viewed, because it was a good one and the man was highly qualified. Last year my hon. friend made an appointment to the Exchequer Court which was not a political appointment, and it was also very well viewed. Some of my colleagues spoke the other day about Mr. Caron, who lost his position as legal adviser on the Intercolonial Commission. If he has not been reinstated, he would be a very good man for this position.

Mr. DOHERTY: Wherever the circumstances may call for it, I shall be glad to bear in mind the desirability of providing a judge who speaks both languages. It would be an advantage if all judges spoke both languages. As regards my hon. friend's other suggestion, I am pleased to assure him, when the supply in the Conservative party of good men competent to be judges is exhausted, I shall be glad to accept good men from the Liberal party.

Mr. CARVELL: Probably my hon. friend means when the supply of good men, who think they are qualified, is exhausted.

Mr. DOHERTY: Some of the good men do not think they are qualified.

Mr. CARVELL: I am not very much concerned about that.

Mr. GRAHAM: You need not be.

Mr. CARVELL: I am very much disappointed that the hon. minister has not seen his way clear to provide for increased salaries to county court judges in the maritime provinces. I have discussed this matter pretty fully both this session and last. Great injustice is being done to these gentlemen, who are in a different position from the county court judges of the rest of Canada. They occupy important positions, and they have to travel over large circuits, from one hundred to one hundred and twenty miles in length. It is a pity that my hon. friend does not see his way clear to remunerate these men properly.

Mr. DOHERTY: I do not think my hon. friend is more disappointed than I am that it is not possible for me to deal with this matter at this session. We must endeavour to deal with these salaries in some uniform way, or at all events to base ourselves upon some common principle. In the time at my disposal, I found the difficulties in the way of doing that insuperable. I do not want to go into a discussion on the subject; but the positions of the judges in the different provinces vary in so many respects that it is difficult to arrive at a uniform figure that would be just. Some provinces have more judges than they need; some perhaps have not as many as they need; in some provinces judges have sources of earning power which they do not have in other provinces. All these matters require to be adjusted. Before next session I propose to do my best to induce the authorities of the different provinces to endeavour to see what may be done to bring about a more uniform condition of things. If I can get that done, I shall be glad to act. If, after making my best efforts, I cannot get that done, I shall act, but I shall have to act as best I can under existing circumstances.

Mr. MACDONALD: Those of us who are interested in this question of relieving the anomaly in regard to the remuneration of county court judges in the maritime provinces will be gratified to hear the assurance of the hon. minister that he is considering the matter, and that at a subsequent session he will be able to deal with it. I am quite sure the hon. minister knows that a condition exists that requires a remedy. I hope he will be able to deal with it at the next session of Parliament.

In connection with the resolutions generally, I can see the reason why there should be some change in the remuneration paid to judges for attending court at places other than their place of residence. But when the minister is increasing that amount, I do not think it should be limited to cases where the judge is sitting in a city, as apparently is the effect of this clause (j). I have in mind the case of the judicial district to which I belong. It is made up of two very large counties, Pictou

and Cumberland. The county town is Amherst which, according to the status fixed in some of the provinces might be classed as a city, and yet in the legal sense it is not so regarded. The learned judge who presides in that district goes to Amherst to hold court, and I am sure the additional expense involved in going to a town like Amherst is as great as in the case of many places technically known as cities under the provincial law. I think it is hardly worth while, when making the increase, to make so fine a distinction, and I would urge upon the minister, seeing that generally he is not dealing with the judges' salaries—that being still in prospectu—he might make this increase of ten dollars absolute.

Mr. DOHERTY: It is not designed to be a remuneration for services, but an allowance for expenses. Generally speaking the judge is allowed $6 besides his cost of transportation. I think it is within the knowledge of all of us that the judge, or any other man, going to a small town or village will probably not find a hotel that will relieve him of his $6 to take care of him for a day. But when the judge goes to one of our large cities, like Toronto, Montreal or Ottawa, unless he puts up at a second class hotel, he cannot get through on less than $10 a day. If this be applied to the smaller towns and villages, you give judges in effect additional remuneration. I do not say the judges should not have additional remuneration, but I think that if they are to have it they should be given it directly as such.

Mr. PROULX: This is so much abused by some judges. I know a judge who draws travelling allowances to which he is not entitled, making his own certificate. I have drawn this matter to the attention of the Department of Justice and they are ready to accept the certificate of the judge. But I know the certificate is false.

Mr. BENNETT (Calgary): I would urge the necessity of considering the readjustment of the salaries of the supreme court judges of the province of Alberta relatively to those of other provinces in Canada. The remarks of the hon. member for Carleton apply to the district court judges in the province in which I reside. A salary of $3,000 in New Brunswick, I know from observation, is worth much more than $3,000 in Alberta. I do not exaggerate when I say that $3,000 in New Brunswick must be equivalent to at least $4,500 in Alberta, yet the salary which a district court judge in Alberta receives is $3,000. The supreme court judges of Alberta are discriminated against as compared with those in Quebec and Ontario, and I think that calls for intervention by this Parliament. It would be idle for me to take up the time of the House even to mention the fact that the matter is very difficult of adjustment. There should be some basis on which we could lay down a general rule, and that rule should take into consideration jurisdiction, population, expenses of living, and other matters of that kind. I only wish to bring the matter to the attention of the minister, and hope he will recollect that the supreme court judges in my province are affected in this manner. So far as the allowance is concerned, I would join with the hon. member for Pictou. There are in Alberta several cities, so-called by statute, and many towns. A judge happening to go to Macleod to hold chambers would only get the allowance for visiting a town, whereas if he goes forty miles further by railway to the city of Lethbridge, a little greater in population, he would draw the higher allowance. That is anomalous. I think it would be fairer in my province to make the allowance $10 a day or some other sum.

Mr. PROULX: I think the allowance is sufficient, considering that transportation charges are paid. Of course, I understand that in a city the hotel expenses are higher. The judge gets travelling allowances on certificate. In the province of Quebec, if he goes to the court of review, he has to have the certificate of the chief justice. There is control there, but in this case the judge sends his own certificate and there is no control. I think the judge's affidavit should accompany the certificate.

Mr. McKENZIE: I join the hon. members for Pictou and Carleton who expressed their regret that this Bill does not deal permanently with the salaries of judges. Of course, I cannot speak for any judges except those of my own province. But concerning these judges, I can say that they have no other income except their salaries. In Ontario, I understand, judges are able to make as much again as their nominal salaries as surrogate judges—judges of probate as we call them—masters, and in other ways. Probably the same is true of the province of Quebec, also. But in the province of Nova Scotia there is not a cent coming to the judge of a county court except his bare salary. The only ray of hope or pleasure about this matter is that next session the minister is going to take up this subject and deal with it generally. I understand that in the province of Ontario they have two county judges for each county.

Mr. DOHERTY: Not for each county, but in some counties.

Mr. McKENZIE: I am told by Ontario people that they have not work enough

for one judge in any of these counties. In that case, one way out of the difficulty would be to superannuate one of these men and to give a decent salary to the man who remains. In Nova Scotia, we have eighteen counties, but we have only seven judges, and the minister will understand that each judge has more work than a judge in Ontario. If there is nothing that can be done in a general way for the province of Nova Scotia, one thing I wish specifically to call to the minister's attention. We have two judges in the province of Nova Scotia who are recognized as having more work than any of the others in Nova Scotia. These are the county court judges of the city of Halifax and the judge of the county court of Sydney. I am sure the county court judge of Halifax will not be offended when I say that the county court judge of the city of Sydney does far more work than the other. He has a larger district and a greater population to look after, and he has to do a great deal of Supreme Court work. Halifax is the home of the judges of the Supreme Court, and the work is done by the judges themselves, but in Sydney there are no Supreme Court judges, and the judge there, as master of the Supreme Court, does an enormous volume of work—more than does the ordinary judge of the Supreme Court.

Mr. DOHERTY: And gets no remuneration?

Mr. McKENZIE: Not a cent.

Mr. DOHERTY: He is not our officer.

Mr. McKENZIE: When the county court judges were first appointed they had very slight jurisdiction in criminal matters, simply appeals, but this Parliament has imposed many duties on them as special trial judges in the criminal court, and in the county of Cape Breton an enormous volume of business is done by the county court judge. I think I am safe in saying that the county court judges in Cape Breton sit every day of the week trying civil or criminal cases. In 1905, when the present Judges Act was passed, it was agreed that the county court judges at Halifax and Sydney should receive $500 more than the other judges. The county judge of Halifax got that amount, but by some slip in the Act, the $500 for the Sydney judge was left out. I made repeated efforts to have this adjusted until I went on the bench myself, and of course throughout the three years during which I held office, I said nothing about it, but when I came to Parliament I tried to get this $500 for the gentleman who is now judge of the county court at Sydney. It was distinctly understood that the Halifax judge and the Sydney judge should be on the same footing, and it is absolutely fair that they should be. I think it is not treating the Sydney judge fairly that this $500 should not be given to him when it is given to the judge at Halifax. Anyone who is familiar with the conditions in the province of Nova Scotia knows that it is cheaper by far to live in Halifax than in Sydney. In view of the arrangement made in 1905 that this $500 should be paid to the judge at Sydney, I think it is not fair that he should be deprived of it.

Mr. DOHERTY: An additional county court judge is not required in Manitoba; the insertion of the word 'Manitoba' in sub-section e was an error. I would suggest that sub-section d be allowed to remain as it stands at present, and I would move that sub-section (e) be amended by substituting the word 'Ontario' for the word 'Manitoba.'

Mr. PROULX: Last year when we were passing the Bill to amend the Judges' Act, I suggested to the hon. Minister of Justice an amendment to the Act having regard to the residence of the county court judges. As the law is at present, they must reside within the county or union of counties within which the courts are established. I suggested that an amendment should be made that the judges must reside at the county town. In my district we are subjected to great inconvenience by reason of the fact that we have not a judge residing at the county town. The senior judge lives in Ottawa, entirely outside of the district, and he is violating the law in doing so. The junior judge lives within the district, but not at the county town. When he was appointed the senior judge was living at the county town, and it was not necessary that the junior judge should reside there, but when there is only one judge I think he should reside at the county town. Where there are two, a senior and a junior, the senior judge should reside at the county town. The county court and district judges are also local judges of the Supreme Court of Ontario, and most of the legal work is done at the county town. I would suggest that the hon. minister amend the Act in this regard, with the view of providing that the county court judge shall reside at the county town, and in districts where there are two, that the senior judge shall reside at the county town.

Mr. DOHERTY: I have no authority to deal with this phase of the matter. The Government of Canada can name, appoint and pay the judge; the Parliament of Canada can impeach the judge, but with regard to other matters concerning him, my hon. friend must go to the legislature of Ontario:

Mr. PROULX: How was it that this Parliament passed section 7 of the Judges Act:

The judges of the Supreme Court of Judicature for Ontario shall reside at the city of Toronto or within five miles thereof, but leave to reside elsewhere in the province for any specified time may be granted from time to time by order of the Governor in Council.

If this Parliament could fix the residence of the Supreme Court judges why could they not fix the residence of the county court judges? The statute provides where the county court judge shall reside. In appointing a county court judge the condition is inserted in the letters patent that he shall reside in the county or union of counties for which he is appointed.

Mr. DOHERTY: Those sections, I understand, are inserted because they are in accordance with the laws of Ontario. This Parliament cannot create a power to itself by legislating about subjects which are relegated to the provinces. Under the British North America Act, this Parliament has the power to appoint judges and to pay their salaries and judges are also liable to impeachment by this Parliament, but the provincial authorities control the administration of justice and the purpose for which the judges are appointed is to administer justice. In Quebec, the province has directly and expressly legislated fixing the residence of judges.

Mr. PROULX: The senior judge of Prescott and Russell, who now resides in Ottawa was appointed in 1900, and there is a condition in the patent appointing him that he must reside in the united counties of Prescott and Russell. An amendment was passed by the legislature of Ontario to the County Court Act, providing that the Lieutenant Governor in Council by Order in Council could permit a judge to reside elsewhere. Would such an Order in Council be constitutional, changing the condition of the patent appointing the judge?

Mr. DOHERTY: I would not undertake to pronounce offhand on all these questions but as I understand it the legislature of Ontario has a right to say where the county court judges shall reside, and if they have that power I would understand that they have power to provide that the Lieutenant Governor in Council might fix the place of residence.

Mr. PROULX: The Order in Council of the Government of Ontario permitting the judge to reside outside the district and thereby changing the conditions of his appointment has not been passed. I believe that the Government of Ontario doubt its constitutionality and so do I. Judges are appointed for the convenience of the public, to administer justice and not to suit their own convenience and it would be to the convenience of the constituents of my district that the judge should reside at the county town and not outside of it, so that he would be within reach of the lawyers practising in the district.

(e) For an additional judge of the county courts of the province of Manitoba, at a salary of $3,000 per annum.

Mr. OLIVER: In what part of the province will this judge have jurisdiction in?

Mr. DOHERTY: I understand that the necessity for this appointment arises from the taking in of the new territory. We had a stipendiary magistrate when the Keewatin territory was under our jurisdiction but the annexation put an end to his court and it will be necessary for a judge to take his place. The stipendiary magistrate lived in Le Pas.

(f) For an additional junior judge of the county courts of the province of British Columbia, at a salary of $3,000 per annum.

Mr. OLIVER: What part of the province will be under the jurisdiction of this judge?

Mr. DOHERTY: There is a junior county court judge for Vancouver.

Mr. OLIVER: Which part of the province will be specially under the jurisdiction of this county judge, and what was the occasion of his appointment?

Mr. DOHERTY: In 1913 the County Court Act of the province of British Columbia was amended to provide for the appointment of more than one junior judge for Vancouver, and this is to provide a salary for that junior judge.

Mr. OLIVER: For Vancouver city?

Mr. DOHERTY: Yes.

(g) For four additional judges of the district courts of the province of Saskatchewan each at a salary of $3,000 per annum:

Mr. OLIVER: I would like to ask the same question in regard to these judges.

Mr. DOHERTY: The Saskatchewan legislature provided for nine additional districts, which will ultimately call for nine additional judges, but I understand that the attorney general of the province says that four will be sufficient at present.

Mr. OLIVER: How many district judges will this make for Saskatchewan?

Mr. DOHERTY: There were eight district court judges. The new legislation divides the province into seventeen districts. There will be twelve judges with the four that are now being provided.

Mr. OLIVER: Has the province of Alberta taken any steps to increase the judiciary there, or have any representa-

tions been made to the Government in that regard?

Mr. DOHERTY: Alberta passed legislation providing for an increased number of judges and also that the legislation is to take effect by proclamation. That proclamation has not been issued so that the legislation has not come into force.

Mr. OLIVER: Was that in regard to district court judges or had it any relation to the Supreme Court?

Mr. DOHERTY: I believe they provided for Supreme Court judges, and I think also for some district or county court judges.

(h) That, except where they are entitled to larger salaries, judges and junior judges of county courts and of district courts shall be paid a salary of $3,000 each per annum, from the date of their appointment;

Mr. GRAHAM: If a judge now holds office, will this increase date from the time of his appointment? is it retroactive or for the future?

Mr. DOHERTY: For the future. When a person is appointed a judge of the county court, he gets a salary of $2,500 a year for the first three years, and then he gets $3,000 a year. I could see no good reason for discriminating between a judge in his first year and a judge in his fourth year. The salary is small enough in any event, and the intention is that from the going into effect of this legislation, judges shall have $3,000 a year from the date of their appointment. As regards judges appointed before this Act was passed, who have not yet completed their three years, the effect of this Act will be to entitle them to $3,000 from the time of the passing of the Act.

Mr. PROULX: I would like to ask the minister if it will not apply to those appointed last year? They get $2,500 for the first three years. Will this $3,000 apply only to those who are appointed in the future and not those who have been appointed within the last three years.

Mr. DOHERTY: I understand that it will apply to judges appointed in the future, but it will apply to judges appointed within the last three years, to the extent that from and after the passing of this Act their salaries shall be $3,000 a year.

Mr. GRAHAM: Do we understand by the word 'salary" what the judge receives from fees and other sources besides his salary, or does this refer only to the salary paid by the Dominion?

Mr. DOHERTY: All we can deal with is the salary we pay.

Mr. OLIVER: I just wish to call the attention of the Minister of Justice, in connection with this paragraph, to the same point I brought to his attention in connection with penitentiary officials, that the rule which permits of increased railway rates and increased bank interest to be imposed upon western people, does not seem to be applicable when it comes to paying salaries to western judges or to western penitentiary officials. I see that my hon. friend is very thoroughly established in the view that there should be equality of payment throughout the Dominion, as far as the department is concerned. At this stage of the session I am not going to ask him to reverse that policy, but I am going to urge upon him again the propriety of joining forces with myself and those in the West who are asking for equality of treatment on behalf of western people when that equality means reduction of cost to them.

(k) That to every judge of a county court who, having attained the age of 75 years, is compulsorily retired, and to any judge who, having continued in office for a period of 30 years or upwards, is compulsorily retired or resigns his office an annuity may be granted equal to the salary of the office held by him at the time of his retirement or resignation.

Mr. PROULX: That changes the date of compulsory retirement from the age of 80 to 75?

Mr. DOHERTY: Yes.

Mr. PROULX: What is the reason of the change?

Mr. DOHERTY: It has been found by experience that gentlemen who were not possessed of the vigour that they previously had, and were consequently not as well able to perform their duties, finding that unless they stayed until they were 80, when they could be compulsorily retired, they could not retire on full pay, remained; and it has happend in some instances the administration of justice has suffered. Ws have thought that if we have the power to retire the judge at the age of 75, and his retirement will not prejudice his rights because he will retire on full pay, the public interest will be served by relieving him of further judicial duties.

Mr. CARVELL: This is a wise provision. While there are many men who retain their mental vigour at seventy-five or eighty years of age, yet it is not the rule. The minister ought almost to have the right to retire a judge at seventy-five years of age, if in his opinion it should be done. However, if a man were appointed at sixty-five, and retired compulsorily at seventy-five, it is a question whether he should get the full retiring allowance. I hope the minister will not appoint any men so old to the bench.

Mr. DOHERTY: I would rather bring the remedy to bear at the other end, and ap-

point them before they get to be sixty-five years.

Mr. ARSMTRONG (East Lambton): Why does not the Minister of Justice provide for retiring Supreme Court judges, as well as County Court judges, at the age of seventy-five?

Mr. DOHERTY: High Court judges are entitled to retire at the age of seventy-five with full pay, if they have served twenty years on the bench. There has never been any age fixed at which you can compulsorily retire a High Court judge.

Mr. ARMSTRONG (East Lambton) Would it not be wise?

Mr. DOHERTY: The suggestion is worthy of serious consideration in connection with any measure dealing generally with High Court judges, and their remuneration.

Mr. PROULX: There is another provision which says that judges can be retired on full pay after thirty years services. If a judge were appointed at the age of thirty-five he would be entitled to the full retiring allowance at the age of sixty-five.

Mr. DOHERTY: The intention is to provide that a County Court judge who has served thirty years is entitled to retire with his full pay, irrespective of his age, and that is the provision which now applies to the High Court judges. When a man has served thirty years it would be undesirable to compel him to stay on for the purpose of growing old enough to get his full pay. The cases where men serve thirty years and are under seventy-five would be very rare indeed.

Mr. PROULX: I think there should be a pension fund to which the judges would contribute, as is the case with the civil servants. You are making of the judges a privileged class, and there should be no privileged class in this country. In the United States they do not pay any pension to judges, and I think the principles of democracy should prevail in Canada. The Government has an annuity system, and the judges might buy annuities under that system.

Mr. DOHERTY: That might be considered when we come to deal in a general way with the judiciary. I suppose the hon. gentleman would not suggest that the principle he speaks of should apply to men who have already been appointed to the bench and who accepted under a law by which certain rights accrue to them. If it were decided to carry out the hon. gentleman's suggestion it would be just to take it into consideration in connection with the question of the salaries paid to our judges.

Mr. PROULX: In looking at the estimates I was struck with the great number of judges on the retired list, and to whom the country is paying a large amount annually. There were more in Quebec than in Ontario, but in Ontario one judge retired some years ago, drawing his full salary of $7,000 a year, not because he was unable to perform his duties, for he is now general manager of a trust company, and probably is receiving as large a salary as he did when actually on the bench. When a judge is permanently disabled he should have some allowance, but judges should be on the same footing as civil servants, and should contribute to a pension fund.

(l) That the provisions respecting annuities under sections 24 and 25 of the said Act shall apply and extend to the judges of the circuit court of the district of Montreal.

Mr. CARVEL: What court is this?

Mr. DOHERTY: In the district of Montreal there is a circuit court composed of three judges. Throughout the rest of the province, though the Circuit Court exists, the entire original civil jurisdiction is in the Superior Court, whether the amount be one dollar or one million dollars. In the district of Montreal it was found that the number of cases of $100 and under, which previous to the appointment of the circuit court judges were within the jurisdiction of the circuit court, presided over by judges of the Superior Court, had grown so numerous that it was impossible for the judges of the Superior Court to keep up with them. This circuit court was consequently established, and this resolution proposes to increase the number of judges by one. It is just to the circuit court judges to say that while their jurisdiction is limited to $100 in ordinary claims, they have jurisdiction in cases for the recovery of school taxes and municipal administration for a larger amount. The work of these judges is exceedingly heavy from the point of view of the number of cases that come before them.

(m) For an additional Chief Justice of the Supreme Court of Judicature for New Brunwick, $7,000 per annum:

Mr. CARVELL: I want to register my protest, in as gentlemanly a manner as possible, against this. In the first place, I can see no earthly reason for an additional judge in New Brunswick. It is well known what gentleman at the New Brunswick bar will get the position, and I have no objection to him whatever. I think he is as good an appointment as could be made in the province. We have a population of only 350,000, and

it is not increasing very rapidly. Every member of the New Brunswick Bar knows that our judges not only are not overworked, but have not enough work to do. The equity judges, who are now the chancery judges, are doing a large amount of work, and probably one or two others are doing a considerable amount of chamber work; but, as a rule, the six judges not only could do all the work required of them, but would be the better for having it to do. We have got as good a court in New Brunswick as any in the Dominion of Canada. It has always been of a very superior character, and its judgments are substantiated to a greater extent than any other appellate court in the Dominion. I attribute that very largely to the fact that our judges go on circuit, and also have the privilege of sitting en banc on appeal. That is what makes them the splendid jurists which they have always turned out to be. I am sorry to see a departure from that principle, which is the old English principle and which has been the principle in New Brunswick since its organization; it is also the principle in Nova Scotia and Prince Edward Island. If the legislature of New Brunswick thought it necessary to appoint another judge, that is only a question of a salary of $7,000. Now they are creating an appeal court. Three judges will sit on appeal and four will go on circuit. The latter will never have the opportunity of sitting as an appellate court and of hearing these matters discussed. I am afraid we not only will do nothing to assist the jurisprudence in the province but will very materially reduce the standard of the judges in the future.

Mr. FOWLER: What my hon. friend from Carleton (Mr. Carvell) objects to is legislation passed by the province of New Brunswick. This Parliament has nothing to do with that; we have simply to provide for the salary of an additional chief justice, and to appoint a chief justice to the Supreme Court of Judicature. The legislation passed at the last session of the New Brunswick legislature was really a revival of legislation passed some years ago when the present hon. member for St. John (Mr. Pugsley) was Prime Minister of that province. That legislation was not acted upon until this last session of the legislature, when it was re-enacted and became law.

I cannot quite agree with what my hon. friend has said with regard to the present system of judges acting on cases of appeal. The principle which my hon. friend has adduced has not been acted upon in recent years, because the judge who has tried a case does not sit in appeal on it. Therefore, he is not in a position to give his brother judges his understanding of the witnesses and of the circumstances that transpired during the trial, and they must take that from the record. Consequently I do not see any reason why the mere going on circuit would give judges any better knowledge in deciding these questions of appeal than if they sat as an appellate court, as is done in the other provinces of Canada, with the exception of Nova Scotia. Some judges are better fitted for the conduct of cases on circuit than are others. Others are better fitted to act as judges of appeal.

My hon. friend has paid tribute to the standing of the courts of New Brunswick, a tribute that is very well deserved. It has always been a splendid court, and has not taken second place to any other court in Canada. In fact, I do not think it takes second place to the Supreme Court of Canada. By this legislation we hope not only to keep up the standard but to improve it, if we by this means give these judges an opportunity better to study up the cases on which they are to pass judgment, than if they had to go on circuit. They will only have to attend to the chancery work of the province and to the hearing of appeal cases. Therefore, upon the question of the improvement of the bench itself and from every standpoint, I think that the legislation passed by the legislature of New Brunswick is a step in the right direction, and I am glad to see that the Government is implementing it by providing the salary.

Mr. CARVELL: My hon. friend hardly understood the line of the argument I was making. I am quite aware that New Brunswick has the right to create the court, and that all this Parliament has to do is appoint the judge, but this Parliament could do what they did for some two or three years in the case of Ontario, when they considered that unnecessary judges were provided for by that province; they could refuse to grant the salaries. My point is not that the appeal judge does not have the opportunity of discussing cases with his brother judges; it is the judge who goes on circuit that I am afraid will deteriorate. The judge who goes on circuit now has the opportunity of sitting in appeal on all cases except those which are against his own decision. I am safe in saying that in four-fifths of the cases that are argued before the Court of Appeal, he has the opportunity of discussing them with his brother judges. He gets the benefit of their learning. By getting together in this way they become abler and broader-minded jurists. It is the man who does not have the opportunity of doing this that I think will not come up to the standard he has occupied in the past. I have no doubt that the three gentlemen who comprise the Court of Appeal will have probably as good opportunities to benefit them-

selves as they have at present. But I think great benefit comes to the man who goes on circuit, and that benefit would be taken away under present conditions. Add to that the fact that we do not require a seventh judge in New Brunswick.

Mr. HAZEN: I do not rise to take part in the discussion, but as the Supreme Court of the province of New Brunswick is being discussed, I want to tell the hon. member for Carleton that His Majesty has been pleased to bestow honour upon the head of that court, the Chief Justice. I am sure no one will be more pleased to hear it than my hon. friend.

Mr. CARVELL: I heard that just half an hour ago, and I wish publicly to add my tribute to the merits of the gentleman who occupies the place of Chief Justice. No abler jurist occupies a position on the bench of any court in Canada, or, I believe, in the Empire. The distinction which has come to him he has earned by his learning and attention to business and I hope he may long be spared to enjoy the honours he has won.

Mr. FOWLER: I congratulate the province, and the Bench, and the Chief Justice himself upon the fact that His Majesty has seen fit to confer honour upon him, an honour that is well deserved. But I would point out to the member for Carleton that the Chief Justice himself is a proof of that fact that it is not necessary for a man to go on circuit to be a great judge.

Mr. CARVELL: Has not the Chief Justice tried more cases in the last ten years than all the other judges in New Brunswick put together?

Mr. FOWLER: He has heard chancery cases, but he has not gone on circuit.

Mr. CARVELL: But he has had the experience.

Mr. FOWLER: He has not had the slightest practice of criminal law or common law, but has been confined to chancery cases. Yet, he has proved a great common law judge as well as an equity judge. With regard to the argument that it would be a great loss to these judges not to go on circuit. I would remind my hon. friend that they would still have the great advantage of hearing before them the flower of the Bar of New Brunswick of which my hon. friend is a distinguished member, which will assist them in acquiring a further knowledge of the law.

Mr. ARMSTRONG (East Lambton): I wish to impress upon the Minister of Justice the importance of placing the Supreme Court judges in the same position as that in which he is placing the County Court judges. The Supreme Court judges who are trying most important cases, cases in which men's lives are at stake, great industrial disputes, continue in their position until they are a hundred if they live so long and wish to continue. We have men now on the Supreme Court bench of Ontario who are eighty years of age.

Mr. PROULX: And they are the best.

Mr. ARMSTRONG: That may be the hon. gentleman's opinion. I am not finding fault with men of that age; but lawyers in general do not care to take the position I am taking here on this subject. As a layman I feel free to express my opinion, and I am confident we should have an age limit in the case of the Supreme Court as well as the other.

Mr. PROULX: There is no necessity for that. There are old men on the Bench of Ontario, but I do not think the profession has ever complained of their incompetency or of the manner in which they perform their duty. The Chancellor could retire on full pay if he wished to do so, but if he prefers to work, why should he be retired. I believe the pensioning of judges has gone too far; the minimum of service of the Superior Court judges is too low. A judge can be retired on two-third salary after fifteen years' service. And in the province of Quebec men have retired who were able to continue to perform their duties. They are practicising law. One of them draws over $5,000 a year—two-thirds of $8,000. Yet he has a law office competing with other lawyers. Is it just to the members of the profession that they should be compelled to compete with a man who draws over $5,000 from the public treasury? Besides these gentlemen get a certain reputation through having been on the Bench. I think the period should be extended and judges should be pensioned only if necessary because of their age or incapacity to perform their duties.

Mr. EMMERSON: I heard with delight the news announced by the Minister of Marine and Fisheries (Mr. Hazen). The Chief Justice of the Supreme Court of the province of New Brunswick holds a high position on the Bench of New Brunswick, and I think he has the confidence of everybody. The distinction is well deserved. I am sure he is to be congratulated, and more than that the people of New Brunswick are to be congratulated upon having so distinguished a head, and of having the gentleman who is the head recognized in the fashion indicated. This is not the place to criticise legislation of the province of New Brunswick. But the legislation which was enacted some few years ago certainly did not meet with my approval, and I can only say I have not been convinced that there

was any occasion for the renewal of that Act. I think it is recognized by laymen throughout the province, by the Bench and the Bar, that the paucity of business coming before the Supreme Court and before the court en banc has been such during the past four or five years that it is becoming a by-word and a reproach. I think it the height of absurdity to ask for an additional judge. I have no comments to make with respect to any one likely to take that position. I have heard several gentlemen named, any of whom would reflect upon the Bench; but in my opinion, however eminent, however qualified, nobody is required. There are enough judges there to do the business, and the fact of the matter is that those who are there to-day are simply rusting out. The Chief Justice, so far as the chancery side of the court is concerned, has done a good deal of business, he and Mr. Justice McLeod. But anyone who practises in the province of New Brunswick must recognize the fact that there is hardly a circuit court meeting in any county to-day that lasts more than one or two days. In nine cases out of ten the court adjourns on the very day upon which it opens, and it is seldom that it lasts more than two or three days. It has certainly been many years since a circuit court has lasted more than a week. In the county of Westmorland, from which I come, there used to be a very heavy business before the circuit court, but to-day only a few criminal cases ever come before it, and hardly any civil cases. I think I am not extravagant in making the statement that the judges are rusting because of the want of exercise of their powers in the trial of cases.

Mr. PROULX: The conditions existing in New Brunswick last year in that regard may be similar to those in Ontario. We voted salaries for two judges last year, for instance, and almost all the judges in Ontario said they were not needed.

Mr. ROCH LANCTOT: As a representative of the farming community, I also, Mr. Chairman, wish to make a few remarks on the salaries of judges and on retirement allowances paid to them by the Government. It appears we have this year a surplus of 55 millions, and to hear the hon. members who have spoken during the last few days, it would seem that an effort is being made to reduce that surplus, first of all by paying the members themselves an extra indemnity of $1,000 or $1,500 each for the present session.

I will now take all of these government pensioners, and I may say that the farming class is strongly opposed to all the high salaries we are paying.

Mr. RAINVILLE: Is the farming class equally opposed to the ten millions we have just voted for them?

Mr. LANCTOT: It will take ten years to pay that amount. I am now speaking about the judges. We have in the province of Quebec fifteen judges who are receiving a pension from the Government, and that is costing us $90,500 per annum. The great province of Ontario is only having $15,000 under that head.

I take the case of a judge who resigns his position at the age of 50—for quite a number of men live to the age of 80, and even more—but let us suppose that this judge is going to live until he is 80 years' old. He will be receiving a pension during 30 years. Should his salary be $7,000 a year, that pension will be $4,666 a year. Multiply that by 30, and you will have the fabulous sum of $140,000 of pension. Now, add to that compound interest at 7 per cent—because I presume the judges who have resigned, not on account of sickness, but in order to keep their position in financial institutions and big estates—have resigned because they were businessmen, so that that money brings them at least 6 per cent. I therefore conclude that such a judge at the age of 80 years shall have received at least $300,000 from the Government.

I find no words to qualify such an abuse. I will take the case of the Minister of Justice himself, who is drawing in the first place a pension from the Government as a retired judge, a salary as a minister and still another as a member of Parliament. Will not the hon. minister find some means of amending the law in his own case, by abolishing his own pension at least during the time he holds his position as a minister and a member of the House?

I say that if the farming community was posted on all these matters, they could not tolerate in power a Government under which such abuses are allowed. Farmers are the people who do the greatest amount of work. There is no pension for them and they ask for none.

Why could not a judge on the bench, with a salary of $7,000 a year, provide for his old age by means of an insurance? With such a salary it should be an easy matter for him to take an insurance of $25,000. That is just what we are doing ourselves when we join the mutual benefit societies, such as the Independent Foresters, the Catholic Foresters, and the National Alliance, for instance. Why should they not do like us and buy life annuities?

No; pensions must be paid to these gentlemen. But that is not all. Those who come down from the bench are making places for other favourites. I have been repeatedly told that it was very difficult to get judges nowadays, because lawyers were making a great deal more in their profession. I will

take the case of Mr. Siméon Beaudin, who was a candidate against me in the last election. It was currently said in the county that he would not accept a judgship, when he was making $100 a day with his profession. He was a candidate, and I am told that it was the present Premier who forced him to run.

What did happen after the present Government came into power?

Mr. Beaudin was appointed a judge of the Superior Court. He left his $100 per day to become a judge at a salary of $7,000 per annum.

It is said that some lawyers refuse to be appointed judges. I see on the other side of the House, and on this side, for that matter, hon. gentlemen who would be very glad to become judges to-day, and if the hon. Minister of Justice wishes to appoint them he will find enough of them to supersede the whole bench in Montreal and all through the country.

I think the hon. minister should introduce a Bill to amend this law so as to give a pension only to those judges who become incapacitated, even when they have just been appointed to the bench; but I object to the Government paying them a pension which enables them to get rich.

After all it does not cost more to feed a judge than it does to feed a civil servant. Very few are the civil servants who are getting high salaries. The hon. Postmaster General has 900 officers in Montreal only. Very few of them get as much as $2,000 per annum, and there are quite a number who receive less than $1,000. These young men, like the judges, have their families to support, their children to educate. For them there is no pension varying from $4,000 to $8,000 per annum.

I say, Mr. Chairman, that if the people knew all those particulars, they would severely punish the Government who are perpetuating such a state of things. I am not specially blaming the present Government; I say that both parties are guilty.

It is very well known that it is the lawyers who made the laws. We, farmers, hardly dare to raise our voices here, especially during the first years. The lawyers generally join hands to cut for themselves good substantial pensions after they shall have been appointed as judges.

Sir, I do not wish to take up the time of the House any longer, but I enter my protest against this abuse of taking the people's money to pay pensions to men who have absolutely no need of them.

I believe that our duty as legislators should be in the first place to increase the pay of the poor employees, of those who are working 300 days during the year, who never have any holidays and who, whenever they lose any time—except through sickness—also lose their salaries.

It is altogether different with a judge who happens to have a slight headache. He immediately applies to the Minister of Justice for a holiday, which enables him to take a six months' trip to Europe, and such an application is seldom refused.

And after that the lawyers in Montreal and elsewhere will say: We have not a sufficient number of judges. That may be true, but there are always two or three travelling in Europe.

I therefore say, Mr. Chairman, that next year, if the hon. Minister of Justice does not bring a remedy to this state of things during the present year, and if he is still at the head of this department, I shall introduce a Bill to amend this ill-omened law and to prevent the paying of pensions to people who have no need whatever of them and are drawing other salaries as in the case of the present Minister of Justice.

(n) For an additional puisne judge of the Supreme Court of Saskatchewan, $6,000 per annum.

Mr. OLIVER: Where will this judge be located?

Mr. DOHERTY: The legislation of the province of Saskatchewan provides for an increase in the number of judges by one judge of the Supreme Court. The legislation does not specify where he is to be located. I am not clear whether under their legislation the judges are distributed through the province.

Mr. OLIVER: How many are there now?

Mr. DOHERTY: There is a chief justice and four puisne judges. This will make a chief justice and five puisne judges.

Mr. OLIVER: I see that the salary of the judge for the Supreme Court in Saskatchewan is $6,000, and in the resolution providing for an additional judge for New Brunswick the salary is $7,000.

Mr. DOHERTY: The judge provided for in New Brunswick is an additional chief justice. This is made necessary owing to the reorganization of their system.

Mr. McKENZIE: I wish to quote from 'Hansard' in support of a statement I made earlier in the discussion in respect to the county court of district No. 7, which includes the city of Sydney. On the 18th of July, 1905, when the subject of the salaries of judges was before this House, a resolution was introduced by the then Minister of Justice, Sir Charles Fitzpatrick, as follows:

Nova Scotia. That judge of the county court of the county of Halifax, $3,000 per annum; the judge of the county court for district No. 7, $3,000 per annum.

District No. 7 includes the city of Sydney. Before that resolution was introduced, I

had a promise from the then Minister of Justice that instead of $3,000 for each of those judges, the salary would be $3,500. I said:

I understood the Minister of Justice to say that he would reconsider the matter of the judges of the Halifax district and of district No. 7. I certainly think the salary should be more than $3,000.

The Minister of Justice: There are three or four county court judges who are in receipt of different salaries from those drawn by the other judges. I forgot the cases of these three or four judges. I shall have to consult my colleagues, and shall probably be able to make a statement this afternoon.

When the afternoon came, nothing was done, except that the judge at Halifax received $3,600. I hope the Minister of Justice will now rectify the injustice done on that occasion.

Mr. DOHERTY: When we come to deal, as I hope to deal, with the general subject, I shall endeavour to rectify any error that may have occurred.

Mr. OLIVER: What are the salaries of the judges of the Supreme Court of New Brunswick, other than the chief justice?

Mr. DOHERTY: $6,000.

Resolution reported, read the first and the second time, and agreed to.

Mr. DOHERTY thereupon moved for leave to introduce Bill No. 243, to amend the Judges Act.

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

BOUNTY FOR MISS HUTCHINSON.

Bill No. 32, to make further provision respecting Grants of Land to members of the Militia Force on active service in the Northwest—Hon. T. W. Crothers—read the second time, considered in committee, read the third time, and passed.

PETROLEUM AND NAPHTHA INSPECTION ACT AMENDMENT.

Mr. Nantel moved the second reading of Bill No. 321, to amend the Petroleum and Naphtha Inspection Act. He said: Under the provisions of section 23 of this Act, all petroleum imported into Canada must be inspected, and any which does not conform to the requirements of the Act must be branded with the word 'rejected,' and must be exported within ten days after the inspection thereof. Under the amendment these provisions apply to petroleum for consumption in Canada and not to imported petroleum intended for exportation.

Motion agreed to, Bill read the second time, and House went into Committee thereon.

Mr. McKENZIE.

On section 1—entry of petroleum and naphtha:

Mr. GRAHAM: What does the word 'naphtha' cover?

Mr. ARMSTRONG (East Lambton): Benzine:

Mr. GRAHAM: I was wondering if in the technical sense naphtha has anything to do with gasolene.

Mr. NANTEL: No.

Mr. GRAHAM: In the interpretation clause naphtha might cover such things as gasolene.

Mr. NANTEL: In the interpretation clause of the Act respecting the inspection of petroleum and naphtha it is stated that:

'Naphtha' means and includes all the refined products, by distillation, of rock or mineral oil, coal, coal tar, or any other mineral substance and having a specific gravity of less than seven pounds and seventy-five hundreths of a pound.

Bill reported, read the third time, and passed.

ADULTERATION ACT AMENDMENT.

Mr. Nantel moved the second reading of Bill No. 222, to amend the Adulteration Act. He said: This Bill is for the purpose of incorporating turpentine in the fourth schedule of the Adulteration Act. By sections 26 and 27 of this Act the Governor in Council is empowered to cause the establishment of standards in connection with the lists of articles from this Act, and may also add any articles to the fourth and fifth schedules thereof and determine the standard of purity therefore. Having established by Order in Council, on the report of the chief analyst of the Department of Inland Revenue, the standard of quality and purity for turpentine, and as this Order in Council will only remain in force until the end of next session, it has been deemed necessary to introduce this Bill in amendment to the Adulteration Act.

Mr. GRAHAM: The schedule also contains dry white lead and white lead in oil.

Mr. NANTEL: Dry white lead and white lead in oil are already in the fourth schedule, and this Bill merely adds the word 'turpentine.'

Motion agreed to, and Bill read the second time, and House went into Committee thereon.

On section 1—schedule amended:

Mr. GRAHAM: I do not understand this description as it appears in the schedule, and perhaps the minister could explain it. I see that under the head of

turpentine, when not sold as a drug it is provided that:

Unless sold as wood turpentine, it shall absorb not less than 340 times its weights of iodine (Hubl Solution and Method). If sold as wood turpentine it shall absorb not less than 240 times its weight of iodine by same method.

A question might be asked: What is the difference between wood turpentine and other turpentine?

Mr. NANTEL: This is a technical question, and I really have to depend upon the chief analyst in a matter of this kind. This standard has been established by Order in Council, and the law says that the Order in Council has effect only until the end of next session. For that reason, I introduce this Bill to give effect to the disposition of the Order in Council.

Mr. BORDEN: The report was made to council on the recommendation of the analyist that turpentine while not sold as a drug, should have the qualities which are set forth in this Bill. An Order in Council was passed to that effect, but that Order in Council has no force beyond the end of the next succeeding session, and if the standard is to be maintained, it is for Parliament to enact this Bill.

Bill reported, read the third time, and passed.

DOMINION FOREST RESERVES AND PARKS.

On the motion of Hon. Mr. Crothers, Bill No. 209, to amend the Dominion Forest Reserves and Parks Act, was read a second time, and the House went into Committee thereon.

Mr. OLIVER: We were to have some explanation of this.

Mr. CROTHERS: The chief object of the Bill is to enlarge the boundaries of the various forest reserves in Canada and to create one or two new ones. At present the total area of our forest reserves is 25,042 square miles, and we are proposing by this Bill to add 10,762 square miles which will give a total of 35,804 square miles. The reserves by provinces are as follows:

Provinces.	Number of Reserves.	Present area.	Area to be added.	Total future area.
British Columbia.	13	2,115	1,667	3,782
Alberta	4	18,405	7,706	26,112 (6)
Saskatchewan.....	8	936	936	18,000
Manitoba	5	3,584	523	4,108 (7)

The Bill as prepared proposes to take out of one of these reserves some thirty-six square miles, but on further consideration I came to the conclusion that it would not be in the public interest to do so, and I am therefore proposing to amend the Bill by striking out the first twenty lines of section 7.

Then, I propose to strike out entirely paragraph 7 on page 9, the effect of which is to leave that reserve as it was, whereas it was proposed by the Bill, as first introduced, to take from it one square mile and a fraction.

These are the only two cases in which it is proposed to take any land from the reserve. The others are all additions. They result from a closer examination of conditions than was made in 1911 when the Act was last amended. It has revealed the fact that there is a good deal of land that should be included in the reserves.

Mr. OLIVER: There was some serious objection to the withdrawal of those two half townships from the Riding Mountain reserve. As that is dropped out of the Bill, the principal objection is removed.

Before the Bill is agreed to, I wish to say that on looking over the map, it seems to me that the Government has erred rather on the side of liberality in taking land into the forest reserves. My opinion is that there is a large amount of land in what is called the dry belt of British Columbia, which is included in the railway belt and which my hon. friend has included very liberally in additions to existing forest reserves or to new ones, that is at a very sufficiently high elevation to attract enough rain to make it suitable either for agriculture, or for grazing purposes, and should not, as a matter of sound public policy, be withdrawn from occupation. If it is an error, however, it can be remedied by subsequent legislation, and I would not desire to delay the committee more than to state my opinion.

There is also an unnecessarily large addition to the Rocky Mountain forest reserve in the territory immediately west of Edmonton. The reserve at present is very large; it has a width of about one hundred miles. To add still further to that large area is, in my opinion, questionable policy. I quite approve the policy of establishing, as forest reserve, land that is not available for settlement; but I certainly do not approve the establishment as forest reserves of land that is available for profitable occupation by settlers in large quantities, as is the case here.

It may not be known to the Government; but as a matter of fact the low elevation of the country, which is the cause of the Yellowhead Pass being so attractive as a railway pass, extends very close to the foot

of the mountains. There is not a very large area of foot-hill country. For that reason I do not think it is necessary or wise to give such a large extension to the eastward of the Rocky Mountain park. As in the case of the British Columbia reserve, however, that is a matter that can be adjusted by subsequent legislation.

There is one particular reserve that I wish to speak rather strongly of, that is, the reserve northwest of Edmonton, between Athabasca river and Lesser Slave lake. There is a large area of very high land there known as Swan Hill.

Mr. CROTHERS: What is the name of that reserve?

Mr. OLIVER: I do not know what name is given to it. It is south of Lesser Slave lake.

Mr. CROTHERS: There has been no reserve there up to the present.

Mr. OLIVER: I am willing to say that the area of land which we know as Swan Hills should properly be included in a forest reserve; but I am strongly of the opinion that the minister has included within that reserve an area that is entirely unwarranted owing to the elevation of the country. The country is largely timbered; but the timber is not, generally speaking, of a character to give it value. Under conditions such as prevail there, when the greater part of the land is wooded, the mere fact that this particular area is wooded is no reason why it should be set apart as a forest reserve. The only reason for setting apart as a reserve an area in a generally wooded country is if it is at such elevation, or is of such broken character that it would not be suitable for agriculture or grazing. On that ground I think the minister has erred very considerably in including an area so much larger than that which is occupied by the actually elevated country that would not in the ordinary course of events be suitable for agriculture or grazing.

May I draw the minister's attention to the desirability, so far as it is reasonably practicable, of expanding the forest reserves on the Cypress hills? I notice that no addition has been made to that reserve. Now, if there is any one locality in the western country that calls for the attention of the forestry branch of the Department of the Interior, that calls for the establishment of a forest reserve and for forestration, it is the summit of the Cypress Hills. This is a tract of high country in the dry area of the Northwest. The ridge of hills attracts rain which is the source of many creeks that run down to the plains on both sides of the hills. There is every reason why the Government should go to trouble and expense to expand as far as practicable the forest area on the high land of these hills—not for the sake of the forest but for the sake of the water that would water the plains both to the south and to the north of the hills where water is the great necessity for agricultural occupation. By the homestead map there are still considerable areas on the Cypress hills not occupied by settlers. I would advise the minister to make closer examination of this area than has yet been made and to take means to make reservation of land there and even to buy out settlers in order to establish an important forest reserve in that locality. There is another area, one with which I am not so familiar, Woody mountain, or Wood mountain. I know that it is an elevated country, the source of water flowing both south and north, and flowing through a rather dry country. I do not know to what extent these hills are forested, never having visited them. But I think the minister would do well to have his officers visit Wood mountain. The importance of having reservation of such portion of the area as would seem to be necessary to preserve timber, and to establish timber growth when practicable.

The value of forest preservation or forest protection, with a view to meeting the conditions of the open plains as regards water cannot be exaggerated. It is a work which is worthy of the best attention of the Government, and while it is very largely experimental up to the present, and while we cannot measure in definite dollars exactly the result that is to follow certain expenditures, still the conditions are such that the Government is warranted in making liberal expenditures to preserve the forests now existing on these isolated prairie watersheds and protecting the forests upon them where they are adapted to such protection.

But that condition does not exist in the northern parts of the country where the country is, generally speaking, already timbered. While it is desirable that there should be proper reservations, the conditions of the prairies do not apply. I maintain that my hon. friend would not be warranted in setting apart very large areas of forest reserves simply because the land at present is covered with timber. If the land is suited for agricultural purposes and the timber is not valuable, unless the timber is necessary as a means of conserving the water, it is not good economy to prevent the acquiring of that timber and the establishment of settlers. The principal of the forest reserve is to preserve the forests for the sake of the water supply, not simply to preserve the forests for the sake of having forest instead of field. So, when reserves are, as I understand some of them to be in the northern country, set apart rather because the country is forested than because it is necessary to preserve the

forest in order to preserve the water supply, I think the Minister of the Interior is not in such cases following the policy that is the very basis of the Forest Reserves Act.

Mr. CROTHERS: The general scheme followed in setting aside these forest reserves is not to include the agricultural lands but lands that are non-agricultural. Perhaps I may, for the information of my hon. friend, give him the statement I have received from the officers who have examined these various reserves, regarding one or two of them. Take for instance, the Lesser Slave forest reserve. The information I have received concerning it is as follows:

This tract covers a range of hills with an elevation of from 3,000 to 4,000 feet. The land is rough and broken on the edges of the hills, and the summit is flat and covered with muskeg. None of it can be classed as agricultural land. The timber is black and white spruce, lodge-pole and jack pine. Fires have at different periods run over a large part of the tract and there have been large fires within the last fifteen years; the timber grows with good, average rapidity, and this should in time be one of the most important timber areas in Alberta. With the increase of immigration into the Lesser Slave and Peace river valleys there will be a great demand for timber in the near future. There are no settlers in this tract proposed to be included.

My hon. friend spoke of the large increase in the Rocky Mountain reserve. As to that my information is as follows:

The tract added to the east of the reserves from the North Saskatchewan northward, is rough, broken country, traversed by deep valleys of a number of rivers. The general elevation is over 4,000 feet above the sea level. In general the soil varies from sandy to clayey gumbo, the latter underlying the muskegs. This tract has suffered severely from fire. Only about eleven per cent of the area is covered by mature timber and thirty per cent by timber of pole size. The Brazeau region included in this district is estimated to contain 1,400,000,000 tons of bituminous coal, the mining of which will require about two billions cubic feet of wood for mine timbers.

That is the description of the piece that we propose to add to the Rocky Mountain reserve.

On section 7—schedule amended:

Mr. CROTHERS: I move that the first twenty lines of section 7 be struck out, and that the words 'the said' and the word 'further' in the twenty-first line thereof be struck out.

Motion agreed to.

Mr. CROTHERS: I move that paragraph 7 of section 7 be struck out in its entirety.

Motion agreed to.

Mr. WARNOCK: Has the minister any report on the Porcupine Hills addition to the Rocky Mountain reserve?

Mr. CROTHERS: There are three hundred and sixty square miles in that reserve at the present time; it is proposed to add two hundred and four square miles, making a total of five hundred and sixty-four square miles.

Mr. OLIVER: This reserve is marked on the map as the proposed addition to the Rocky Mountain reserve. It is in townships 9, 10, 11, 12 and 13, east and west of the fifth meridian.

Mr. CROTHERS: The Porcupine Hills comprise an area of one hundred and ninety-eight square miles. They are separated from the main Rocky mountains by a narrow valley, and rise to a height of between five thousand and six thousand feet above the sea level. They are forested with spruce, Douglas fir, larch, pine and poplar. The stand of timber is not continuous, but is good in places and natural reproduction is satisfactory. The hills are surrounded by a range of agricultural country, which is supplied with timber therefrom and which depends on the streams from the hills for its water supply.

Mr. WARNOCK: There are quite a number of settlers in these hills, many of them farmers. Is it proposed that they shall be transferred?

Mr. CROTHERS: I think it is intended that, where there are settlers in any of these reserves, an arrangement will be made with them to move elsewhere.

Mr. WARNOCK: There are quite a large number of settlers in that portion of the country known as the Porcupine Hills, Macleod district, and I think there will be a good deal of objection on their part to moving.

Mr. OLIVER: I am not personally familiar with this locality, but as the hon. member for Macleod (Mr. Warnock) says, there has been a settlement there for twenty-five years. It is well established, and while not largely agricultural it is, I suppose, the best and most thoroughly established grazing area in all the West. There is agriculture accompanying the grazing, and I must say, if I am not mistaken as to the area covered, that my hon. friend is heaping up a good deal of trouble for himself in undertaking to establish a reserve covering the whole area. I am not suggesting that it would not be right and proper for him to make reservation of certain areas within that area; it is quite possible that a careful examination would show that there are smaller areas that might possibly be reserved, but to abso-

lutely blanket six or eight townships where people have been living for twenty-five years is assuming a rather serious responsibility, and I would not like to let this section pass without entering my formal and most emphatic protest.

Mr. CROTHERS: I have not before me any information as to the number of settlers that there may be in this district, but I do not think the officers who have personally examined the reserve, and who recommended these additions, would do so if they were aware that it was inhabited by a large number of people. In some cases a few squatters were found in some of the reserves as at present constituted and we have made arrangements with them to move to other places, and have paid them for some improvements they have made. If anything of that kind turns out, they will not be disturbed in the meantime, and an amendment may be made next year.

Mr. WARNOCK: Some years ago every homestead or fractional part of a homestead in that part of the country was taken up. There are many ranchers and farmers in there, really mixed farmers now, who have been in there for over twenty years. They have good buildings, considerable improvements and good fences, and I think there will be a good deal of reluctance on their part to move. I certainly think that a considerable portion of this land is private property, the property of the Waldron Ranch Company. I know that their land lies pretty well on to the side of the Porcupine Hills.

Mr. CROTHERS: I am told by the officer who has charge of the matter that there are no settlers in the portion it is proposed to add to this reserve, and that it does not include the Waldron ranch.

Mr. OLIVER: This information does not coincide with the information on the homestead map, so the two branches of the department will have to fight it out. It is true that there is a considerable portion of the area absolutely vacant, but there are portions of it that have been taken by settlers.

Section agreed to.

Bill reported, read the third time, and passed.

INTER-IMPERIAL TELEGRAPH SERVICE.

On motion of Hon. L. P. Pelletier (Postmaster General), Bill No. 188, to provide for more advantageous Telegraphic Communication between Canada and the United Kingdom and other parts of the British Empire, was read the second time, and the House went into Committee thereon. (Mr. Deputy Speaker in the Chair.)

On section 1—short title:

Mr. LEMIEUX: Whilst I am quite willing to give a chance to the Poulsen Company to implement by deed what it promises by words, I cannot help saying that the Bill is a deception for all those who have favoured so far the principle of the state ownership of cables. There is no interest taken in the present measure in the country, and my hon. friend must have noticed, ever since he introduced his Bill, that the public has not been responsive. The public expected something substantial, and they get only what I call a speculative enterprise. Notwithstanding what was stated by my hon. friend when he introduced this legislation, wireless telegraphy is yet in its infancy. There is nothing final yet in this wonderful discovery. Marconi himself, the leading authority in the world, admits that there are many and many steps to be taken before this notable invention is perfected. An exhaustive investigation of the Marconi Wireless system has recently taken place in England. As my hon. friend the Postmaster General will remember, some years ago, Mr. Samuel the British Postmaster General, made an agreement with Marconi to equip all the ships of Great Britain with the wireless, and he dotted the coast around the United Kingdom with stations in order to give the British navy the benefit of that wonderful invention. But whilst wireless telegraphy is certainly a great invention, which to-day in all civilized countries is obligatory upon ship-owners for the protection of lives and the safety of navigation, in the distribution of news or the transmission of messages, the cable is still the instrument which finds favour with the public. I stated the other day that the Poulsen system, excellent as it may be was somewhat criticised among the scientists and specialists in wireless. I have the evidence of Marconi himself taken only a few days ago in London. I stated, when the minister introduced his Bill, that the trouble with this Poulsen system is that atmospheric conditions interfere with the proper working of the wireless. Mr. Marconi says in his evidence:

Lecturing before the Royal Institution on May 24, 1907, (copy of which lecture I have produced), Professor Fleming stated in regard to the Poulsen arc:

'No one who has worked practically with the apparatus can say that it is a simple and easy one to use. A very little want of exact adjustment causes the arc to be extinguished or else fluctuate greatly in current, and, compared with the extremely simple appliances required for spark telegraphy, the advantage in ease of working is largely on the side of the spark.'

An interesting and practical proof of the opinions just quoted was demonstrated in a competition which was conducted by the

Turkish army in May, 1911, when the Telefunken system, the Poulsen system, and the Marconi system were in competition for the purpose of demonstrating which was the most efficient system for the Turkish army to adopt. Trials were carried out during a period of ten days. The Telefunken system failed to get a complete message through until the last two or three days of the trial, and then only at night time; the Marconi system maintained good communication throughout the whole period; the Poulsen apparatus failed entirely; their arc blew out on the average once a minute. The Turkish army adopted the Marconi system.

Major Cochrane, late of the British army, was present at these trials as engineer on behalf of the Marconi Company, and I produce a letter signed by him confirming what I have stated, and he is available to corroborate in detail before this committee what I have said should he be required.

I would draw particular attention to these tests in view of the evidence which has been given before this committee, that the Poulsen system is believed to be more simple and efficient for short-distance communications. It is unnecessary for me, perhaps, to state that the first essentials for military stations are simplicity, efficiency, and reliability, and military stations such as these are short-distance installations.

Then it goes on to deal with the various instruments. My hon. friend will probably say that Marconi is interested. Of course, his invention is decidedly the best in his own judgment, and he does not care to see Poulsen or Telefunken take precedence over him. I quoted the other day the opinion of Charles Bright who is a world-wide authority and the son of the gentleman who, some seventy years ago, laid in the Atlantic ocean the first cable and who has, during his lifetime, made a specialty of this question of telegraphy, by both cable and wireless. I would also invite my hon. friend to read the London Times of the 8th of May last which contains a long article on this question of wireless and which he might find useful. According to all the authorities, the cable is unquestionably the best medium for the transmission of news and messages. I shall not weary the committee by quoting at length the expressions of leading Canadians and people high in authority in England who for the last fifteen years have vainly clamoured for a state-owned cable. Although there were forebodings when the Pacific cable was established, and it was said it would not pay expenses, the fact is that there is now a surplus every year, and there has been a steady reduction in the cable rates. These reductions have not only been valuable to the commercial world, but from the Imperial point of view they have drawn closer together distant portions of the Empire with the Motherland. With our leased wire between the Pacific ocean and Montreal, it seems to me that we could easily cover the last gap between Montreal and the Atlantic coast by using the Government line along the St. Lawrence to Labrador. It would not cost $2,500,000 to lay an Atlantic cable, including the stations and the repair vessel. At the conference of 1911, when the wireless systems were as well known as they are to-day, the conference, led by Mr. Asquith, Sir Wilfrid Laurier, Sir Joseph Ward and other Imperial statesmen, expressed the opinion that it was not the wireless system, but a cable which was needed in order to give the British Empire cheap telegraphic communication. The resolution passed by the conference was to the effect that if the cable companies did not materially reduce their rates, the Imperial Conference was of the opinion that the time would soon come when an Atlantic cable should be laid on the same principle as the Pacific cable. It is true the cable companies have somewhat reduced their rates, but I agree with my hon. friend that the reduction is only infinitesimal. We are told that a cheaper rate will be given under this legislation and that a guarantee deposit will be made by the Poulsen Company, but the more I read the Bill and the agreement, the less I see the permanency of that deposit. They deposit the money, it is true, but it will soon vanish, from what I gather in the contract. I have no objection to giving the Poulsen system a trial, but my hon. friend should not think that it is, as they say in Paris: le dernier cri. I am afraid we will have a conflict between the Marconi wireless and the Poulsen system. Although each company will guarantee that it will not be troubled by the waves of the other, yet in the wireless world there is continual interference. I would infer from the remarks made by the Postmaster General that the Poulsen concern is a British concern, but I am informed that it is an American corporation. This Bill contains the usual clauses. There is a contradiction between clause 3, which creates the Government Ocean Telegraph Board, and clause 9, which gives certain powers to the Railway Commission. It seems to me that the members of the Cabinet have already so many duties to perform that they should not take upon themselves the administration of a department which is so very technical in its nature, but that they should rather leave to the Railway Board to deal with the wireless. I think the Railway Board has the necessary powers, not only to deal with railways, but with cables and telegraphs, and I think wireless.

Mr. PELLETIER: Not cables.

Mr. LEMIEUX: Yes, I myself passed the legislation.

Mr. PELLETIER: It was conditional.

Mr. LEMIEUX: Yes, but we gave the Railway Commission the power in case the

British Government would accept our views. It seems to me that the Government should not undertake to deal with such a technical question, but should leave it to the Railway Commission. The one obnoxious clause in this contract is that which deals with the possible expropriation of the plant of the Poulsen system. The Government assumes the power to expropriate the plant, but it seems to me that it fixes in advance the amount it will be called upon to pay for the plant and the good will of the company. Section 10 of the agreement reads as follows:

It is understood that the syndicate may assign the benefits of this agreement to a company to be incorporated under the name of the Empire Radio Company or some other suitable name with an issued capital of not less than £1,000,000, and this agreement shall thereafter (where the context admits) be construed in all respects as though the name of the company were substituted for that of the syndicate and the obligations thereby undertaken by the syndicate shall thereafter be undertaken by and be obligations of the company. Save as provided by this clause the benefit of this contract and the stations and apparatus erected in pursuance hereof shall not be assignable nor transferable except to the Government of Canada. On the assignment contemplated by this clause being effected the syndicate may go into liquidation without thereby bringing the provisions of clause 8 hereof into force in regard to the syndicate, provided the company has then taken over all the obligations of the syndicate.

I may be wrong, but it strikes me that, as soon as the Poulsen Company gets its power from Parliament, it will merge into the Empire Radio Company. That company will be capitalized at £1,000,000 sterling and then, if the Government chooses to expropriate, to make this their plant, and to purchase the good-will of the company, they will be bound to pay the sum of £1,000,000. It is enacted by clause 8 of the agreement:

If at any time after the service shall have been satisfactorily furnished for twelve months with the promptness and efficiency above provided the syndicate shall cease to continue such an efficient service (except temporarily by reason of any act of God or other cause beyond the control of the syndicate), or, if the syndicate without the consent of the Government goes into liquidation or ceases to carry on business or if any of the conditions of this contract are violated, the Government shall, if it deems it to be in the public interest, be entitled at the expiration of two months after notice has been given to the syndicate by the Government and during which the service shall not have been restored to and maintained in an efficient condition, to purchase the stations erected and all their apparatus, together with licenses to use the patents for Great Britain and Canada so far, and so far only as will be necessary for the operation of the British-Canadian service.

I come to the next paragraph:

If at any time the Government decide to establish state-ownership and operation of wireless communication it shall be entitled to take over the said stations, apparatus, and equipment and to purchase licenses to use the British and Canadian patents as aforesaid and, in such case, the price to be paid, the notices to be given and the delay for taking possession shall be the same as provided in this clause for other cases.

If you fix in advance the capital of a company at £1,000,000 sterling; and, if later on, finding that the Poulsen system works to your satisfaction, you desire to expropriate, there is more than one reason to believe that you will be called upon to pay that amount.

Sir, I am in favour of a state-owned cable. I believe it is the only solution of the problem. I believe it is the only medium to get cheap telegraphic news and messages between the various component parts of the Empire. I believe it would be the completion of the Empire girdle. It is the only way to satisfy public opinion in Canada and Great Britain. This legislation is only speculative. You are putting a great feather in the cap of Poulsens. It is very important for the Poulsens to be able to say to their competitors and to the world: We have a contract with the Government of Canada. They can use the name of Canada. They can get subscribers; they can get their capital; many investors will blindly go to them, banking on the name of Canada, because the name of Canada is a magic name to-day in Europe, especially in Great Britain; it is attracting the attention of the financial people and drawing to it the pounds of the British investor. If this system proves a failure sooner or later, Canada will fare badly and investors will say: We were encouraged into going into this business, as we were lured some years ago to go into the Chignecto canal. We have lost our money. They might hope to be recouped if they came to this Government as the sufferers from the Farmers' Bank failure are to-day coming to the Government. At all events, my hon. friend is convinced that this system will be a success, that these people are in good faith and able to carry out their agreement. So much the better; but, if he will explain this clause about £1,000,000 and this appropriation, I shall have nothing more to say.

Mr. PELLETIER: I think I should at once explain the part to which my hon. friend from Rouville (Mr. Lemieux) has directed my attention. I am sure he will agree with me that a few words of explanation will dissipate the fears which he entertains in the matter. The gist of this agreement is that this company, when coming to operate in Canada, shall not combine or merge with any other. It is not to do as the cable companies have

done, for they have pooled and continue to crush the people of Canada with their rates.

Now, while we imposed all these conditions, we at the same time acknowledge that one good reason was alleged by these people. They said: We have formed a syndicate in order to establish the British-Canadian system of wireless, there is not need for any big capital; but if we succeed, as we fully expect we shall, we should like to have the right to have a more powerful company—they may be ambitious, but if their system succeeds as I think it may, they have a right to look forward to development—to encircle the world with this system. So, they ask the right, without suffering the penalty provided in section 8 to transfer their present rights to the one company which is mentioned in section 10. I call the attention of the hon. member for Rouville especially to the wording of section 8:

The Government of Canada reserves to itself the right to purchase the stations erected and all their apparatus, together with their licenses to use patents for Great Britain and for Canada so far, and so far only, as will be necessary for the operation of the British Canadian service.

So, while this company may increase its capital or form another company with a capital up to £1,000,000, when we come to expropriate, we shall have the right to do so, but only for the purposes of the British-Canadian service. All the other system, of course we should not think of expropriating. That is the reason why they wish these powers with a view to the extension of the system.

Another point to which the hon. gentleman has referred, to which I would call special attention is this: The Poulsen Company of the United States is not this company and is not in any way connected with it. The Poulsen Company of the United States is known as the Federal Company. They have purchased the patents of this Poulsen system as they call it, formerly the Poulsen-Petersen system, for the United States. They have developed it with the result that they have established good communications, which fact was referred to by my hon. friend from East Lambton, who spoke the other day, and by my hon. friend from Rouville, who spoke to-night. The Marconi system has had a great success in England. What I have to say is not with a view of criticising what has been done by the British Government, because that does not concern me and I am not going to attempt to express an opinion about it one way or the other. But everyone knows that the British Government has made a contract with the Marconi company. When our negotiations with the cable companies fell through and I began to look elsewhere with the idea of finding something for Canada, the people who owned the shares of the Poulsen company for Denmark, Great Britain and Canada had the offer of a very large amount of money to sell their rights, and I think it came from the United States. And these heads of agreement have been the means of preventing that system in which I am a great believer, from being bought by the federal company of the United States. We have been for years under the control of the cable monopoly and principally of the Western Union Cable monopoly, whose head office is in New York, and during our negotiations last summer we were obliged to wait until instructions came from New York that we might know what the rates for cable within the British Empire were to be. This is one of the ways to avoid this.

This may be a success or it may not. There is one beautiful feature about it, and that is that it is not going to cost Canada anything. They run all the risk. They say we wish to come over to Canada, to put up the stations, to spend all the money necessary, and moreover make a deposit with you of $50,000. With the great hope I have in the future of this company, I think we should make a mistake not to give them the chance to establish themselves. One thing to which the hon. member for Rouville has referred, and of which we are going to take good care in this contract and in the Bill, is the possibility of interference. Since this Bill has been before the House the effect has been felt. My hon. friend says that it has not appealed to public opinion. It has appealed to certain interests, because they have come to me and said: Will you give us a contract?—we will give you better rates than they. My answer was: Yes, this is not a monopoly; there is a clause in this agreement under which the Poulsen Company enters the field of free competition; you compete with them and if you give better prices we are not bound to give them our business.

Mr. LEMIEUX: You control the licenses?

Mr. PELLETIER: Yes. One of the other important parts of the Bill is that it does not refer only to the wireless system, but the board we are creating is to have control of the business of the cable companies so far as Canada is concerned. As a matter of fact, we do not need the board so much for the wireless as for the cable business. Having the responsibility of this matter, desirous as I am of breaking the prices which Canadians have had to pay in the past to the cable companies, I do not see my way clear to disagree with Mr. Samuel, the British Postmaster General, when he tells me, with his wide experience and with the first-class officers he has in his department, that this is not the time to lay a state-owned cable. For they see

far ahead of them, and they believe that the wireless, as my hon. friend has put it, has not said its last word. The wireless seems to be advancing by leaps and bounds, and in the near future it may be not merely as efficient as the cable, but more efficient; instead of the present rate of forty words a minute, this company guarantees double that amount, and if they do not carry out their guarantee, they lose all their privileges. The more stringent we made the regulations, the more emphatically they said: Our system is so good that you can place upon our operations all the restrictions you like. If this succeeds, my hon. friend will not ask us to invest a large sum of money in a cable, the usefulness of which may be equalled or surpassed by this wireless system. The British Government has sufficient faith in this company to grant them a license, and they say that the moment everything is in shape they are ready to give us a service in a few months. We are not bound to these people either financially or morally. So far as ocean business is concerned, the Marconi has not been a success. I do not want to criticise the Marconi system, but for some reason they have not been recognized or looked upon as successful competitors of the cable companies. I am bound to say that they are improving their system, and suppose that in the near future, instead of having the cables alone, we shall have the Marconi, the Poulsen, and the cable, and this country will then be free from the very heavy charges to which we have been subjected. If not, I shall have to come to this House before long, because the experiment will be short, and ask for authority to expend the necessary money for the establishment of a through telegraphic connection between Canada and the British Empire.

Mr. ARMSTRONG (East Lambton): I wish to congratulate the Postmaster General on the great amount of effort he has put forth in bringing this measure before the House, and I sincerely hope that he will bring about all that he anticipates with regard to the transmission of messages across the Atlantic. I desire again to put myself on record as being strongly in favour—more strongly than I have time to express myself to-night—of the appointment of a commission to look into the matter of wireless telegraphy, with a view to deciding on the system which we could best make use of in this country. I am satisfied that there will be a great duel of confliction of interests between the Marconi system and this system if they both operate. I do not wish to take up the time of the House to-night discussing this matter at length; I merely wish to place myself on record as being strongly in favour of a state-owned cable between Canada and Great Britain, and I firmly believe that the day is not far distant when we will have one. I shall not have time during the present session to take up the matter of trunk, telephone and telegraph lines in this country, but I am confident that the time will come when, instead of having five hundred independent telephone companies in the province of Ontario, trunk lines will be established by the Canadian Government for the benefit of the people.

On section 2—cable stations and land lines:

Mr. PELLETIER: I move that sub-section e of this section be struck out. This sub-section, which has regard to radiotelegraph, is already embodied in our law, and is not necessary to have it here.

Motion agreed to.

On section 4—regulations:

Mr. PELLETIER: I move that the words 'or radiotelegraph stations' be struck out of sub-section c, and that the words 'or radiotelagraphy' be struck out of sub-section d.

Motion agreed to.

On section 8—agreement in schedule confirmed:

Mr. PELLETIER: I move that the following words be added to this section:

But cannot be interpreted as authorizing the use of any other wireless system than the one known as the Poulsen.

I would move also that the following sub-section be added to section 8:

3. The Government may assign to the board any of the powers which it has under the said agreement.

Motion agreed to.

Under the agreement the Government has the right to consent to the location of these stations, and we say that the Government may transfer its rights under the said agreement to the Ocean Telegraph Board.

Mr. GRAHAM: Will this board have authority over any other company, or this one only?

Mr. PELLETIER: All ocean wireless or cable systems.

Mr. GRAHAM: We have an Act, I think, to put them under the Board of Railway Commissioners.

Mr. PELLETIER: Yes, that was passed by the hon. member for Rouville (Mr. Lemieux), but it was conditional on the British Government passing a similar Act. They have not passed that Act and will not.

Section as amended agreed to.

Mr. GRAHAM: I would call the attention of the leader of the House to the fact that in this Bill the Government have adopted the suggestion once made by the late chairman of the Board of Railway Commissioners, the late Mr. Justice Mabee, in connection with ocean steamship traffic to be found in the correspondence, I think, in the Department of External Affairs. He made a report at my request suggesting that the rates on ocean traffic should be governed by the licenses to all steamship companies touching Canada so that the rates could be controlled through the giving of the licenses.

Mr. ROGERS: I understand this was to be referred to some officer or to a certain department of the Imperial Government.

Mr. GRAHAM: Certainly. He made the suggestion for Canada. There was some correspondence with the home authorities and they were to appoint some officer to deal with it, but they never got any further than that.

Bill reported.

MONTREAL MILITARY CEMETERIES.

Mr. LEMIEUX: In case the Government contemplate bringing down further supplementary estimates, I have received from Montreal a letter from an old soldier in which he states that the two old military cemeteries at Montreal are being desecrated by boys. The lettering on the tombs has disappeared, the walls and fences are in very poor condition. This old soldier says that we owe to the pioneers of the British system in Canada, the sacred duty of protecting their ashes. It would be a matter of a few hundred dollars, possibly a thousand dollars, to put the two cemeteries in decent condition. I would ask my hon. friend to attend to this at once. This old soldier appeals to me and I am very glad indeed to re-echo his appeal to the House of Commons, and I would like my hon. friend to attend to this before Parliament prorogues. It will really be to the credit of the country to protect the ashes of these old soldiers.

On motion of Mr. Rogers, House adjourned at 1.15 a.m. Tuesday.

HOUSE OF COMMONS.

TUESDAY, June 3, 1913.

The SPEAKER took the Chair at eleven o'clock.

APPOINTMENT OF TRANSLATORS.

Mr. SPEAKER: I have the honour to inform the House that I have directed the Clerk of the House to lay upon the table of the House my recommendation and his report in the matter of the proposed appointment of ten permanent translators on the staff of the House.

POLLUTION OF NAVIGABLE WATERS.

Mr. GEO. H. BRADBURY (Selkirk), moved that the third report of the Select Standing Committee on the Pollution of Navigable Waters be concurred in.

Sir WILFRID LAURIER: What is in that report?

Mr. SPEAKER: The report recommends that the committee be appointed next year, and further:

That the Government endeavour to arrange during the coming recess of parliament for a conference of representatives of the Dominion of each of the provinces, of the International Waterways Commission, and the chairman of this committee, for the purpose of fully discussing the whole subject, with a view of endeavouring to overcome local difficulties, and of agreeing upon some form of remedial legislation which could be passed concurrently by the Dominion Parliament, and by the legislatures of the various provinces.

Sir WILFRID LAURIER: The recommendation of the committee, that the Government should enter into a conference with the various provinces, is certainly a good one, but the other recommendation, that the committee should be reappointed, is simply a pious wish which cannot have any binding force.

Mr. SPEAKER: It would not bind Parliament next session.

Mr. BRADBURY: This committee was appointed rather late in the session, and we did not have the opportunity that we thought necessary to enable us to bring in a final report, but the witnesses that we have examined have given evidence which, I think, points to the absolute necessity of some federal legislation being enacted to prevent the pollution of our streams. The men examined, who were as well qualified as any men in Canada to express an opinion, have all agreed that the present conditions in Canada regarding the pollution of our great lakes and navigable streams are becoming alarming. While the report of the committee asks for the continuance of the committee next year, the intention was simply to draw the attention of the House to the necessity of continuing this investigation next year. It does not mean that the present committee should be continued; at least, that was not the intention. It simply suggests that a committee with like powers be appointed next year. It is only a suggestion to the House. We thought it advisable that the different provinces should be asked to co-oper-

ate, and the report recommends that the Government request them to name representatives to meet in conference during the recess to discuss what might best be done to arrive at some definite arrangement, as to the legislation which should be brought down. The object of the committee was, I think, to gather as far as possible an expression of opinion from the provinces as to how far they are willing to go in this matter.

Sir WILFRID LAURIER: The idea presented in this report seems to me to be worthy of consideration, but the report appears to be open to two objections. First, as I have pointed out, the reappointment of the committee for next year would be out of order. The powers of this committee cease with the present session. Moreover, whilst for my part, I would altogether approve of the recommendation to the Government that during the recess they should organize a conference between representatives of the Dominion and of the provinces for the purpose of discussing the matter investigated by the committee, there is another recommendation which seems to be absolutely out of order also. Let me read it:

> In conclusion your comittee, having in view the gravity of the present situation, and the importance of having some action taken at as early a date as possible to prevent the continuance of the practice now so prevalent of polluting the waters of the country by the discharge thereinto of untreated sewage and other offensive matter, recommend that the Government endeavour to arrange, during the coming recess of Parliament, for a conference of representatives of the Dominion, of each of the provinces, of the International Waterways Commission, and the chairman of this committee.

The Chairman of this committee has no existence the moment we reach prorogation. If the Government choose to invite Mr. Bradbury to take part in the conference, I have no objection.

Mr. BRADBURY: That was suggested by the committee; it was not my desire.

Sir WILFRID LAURIER: Perhaps my hon. friend had better take back the report, and have it recast.

Mr. BORDEN: I think it would be better to allow the report to stand, and if the right hon. gentleman desires to have it referred back to the committee, I have no objection. I think there are some objections to it in its present form.

Report stands.

UNITED SHOE MACHINERY COMPANY.

Mr. CARVELL: Before the Orders of the Day are called, I would like to ask the Minister of Labour if the time has not gone by when the United Shoe Machinery Company should bring themselves within the order of the board regarding combination in restraint of trade. I understood that they had six months in which to do certain things, and that that period expired some time in the early part of May, and nothing has been done. Will the minister tell the House how the matter stands?

Mr. CROTHERS: My hon. friend is quite right in saying that the six months allowed by the board expired early in May—on the 6th of May, I think. Nothing has been done since; we have been too busy with other matters; but I understand they have made certain alterations in their leases to meet the requirements of the report of the board. I have not examined into that, but that is the information I have received from their solicitor.

INTERNAL STORAGE ELEVATORS.

Mr. BUCHANAN: This morning's Ottawa Citizen publishes a despatch stating that the internal storage elevators are to be located, the one for Saskatchewan at Moosejaw, and the one for Alberta at Calgary. I ask the acting Minister of Trade and Commerce if that is correct.

Mr. PERLEY: A few days ago the Board of Grain Commissioners reported, recommending that an internal storage elevator should be built at Moosejaw and another at Saskatoon, in Saskatchewan. No recommendation has yet been made with regard to the location of the elevator in Alberta. Steps will be taken at once to follow the recommendation of the commissioners, and plans will be immediately prepared for the building of the elevators at Moosejaw and Saskatoon.

SUPPLY BILL—THIRD READING.

On motion of Hon. W. T. White (Minister of Finance), Bill No. 242, for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st of March, 1914, was read the third time, and passed.

INTER-IMPERIAL TELEGRAPH SERVICE.

Hon. L. P. PELLETIER (Postmaster General), moved third reading of Bill No. 188, to provide for more advantageous Telegraphic Communication between Canada and the United Kingdom and other parts of the British Empire.

Mr. LEMIEUX: When does the Postmaster General expect this system will start operations?

Mr. PELLETIER: The point now being considered is the land line connection. Through the concurrence of the Minister of Railways we are trying to secure for

the Intercolonial railway the advantage, which is somewhat important, of having the land line on the Intercolonial. The representative of the syndicate is negotiating with Mr. Gutelius, general manager of the road. I understand that within four or five months they will be ready.

Motion agreed to, and Bill read the third time, and passed.

RAILWAY SUBSIDIES.

On motion of Hon. Frank Cochrane (Minister of Railways and Canals), House went into committee to consider certain proposed resolutions respecting the granting of the subsidies therein mentioned to certain railways companies. (See Debates, p. 11322.

(Mr. Deputy Speaker in the Chair.)

To the Margaree Coal and Railway Company, Limited, for the following lines of railway:

(a) from a point on the Intercolonial railway near Orangedale to St. Rose; not exceeding 46 miles.

(b) from a point on the Intercolonial railway near McIntyre Lake to Caribou Cove, Port Malcolm, Richmond county; not exceeding 4 miles.

the said subsidies being granted in lieu of subsidy granted by chapter 51 of 1910, section 1, item 4; not exceeding 50 miles.

Sir WILFRID LAURIER: Has any work been done on this railway?

Mr. COCHRANE: No. They inform us they have now arranged their finances so that they can go ahead. Last year the subsidy was granted for fifty-one miles, but the survey shows fifty miles, and the present subsidy is for that length.

Mr. CARROLL: Is this the company that owns the coal areas in that county?

Mr. COCHRANE: I do not know. The applicants are A. W. Chisholm, Charles E. Sherman, J. D. Taylor, Thomas S. Courtenay, and others.

Mr. BURNHAM: So far as I am personally concerned, I would like to put on record my belief that the time has come in the history of this country when we should no longer subsidize anything. If public assistance has got to be given for the general benefit of the country, the work with respect to which that assistance is given should be undertaken by the country itself. I wish to place myself on record in that respect, because I firmly believe in that policy, and I hope the day will soon come when we shall grant no further subsidies to private parties out of the public treasury.

Resolution agreed to.

To the Northern New Brunswick and Seaboard Railway Company, for a line of railway from the Drummond Mines at Austin brook, a branch of the Nepisiquit river above Great Falls, in the county of Gloucester, to a point on the Intercolonial railway where it intersects the branch line from Bathurst Station to Bathurst Harbour, in lieu of the subsidy granted by chapter 48 of 1912, section 2, item 24; not exceeding 16.9 miles.

Mr. COCHRANE: The Government has decided to dredge out Bathurst harbour, and thus the line will be shortened. The present subsidy is for the shorter length of line.

Mr. TURGEON: This will permit the company to extend their road to Bathurst harbour.

Mr. COCHRANE: Yes. The Government are dredging Bathurst harbour.

Mr. TURGEON: The company have sixteen miles already built.

Mr. COCHRANE: The road is already built; but it would have to be extended further if Bathurst harbour is not dredged. It means that much subsidy saved. The line is owned by the Drummonds; it runs out to their mine there.

Mr. TURGEON: This company has built their railroad from the mine to the junction of the Intercolonial. That is about sixteen miles, which is in operation, and they are asking for a subsidy from the junction of the Intercolonial railway to Bathurst harbour.

Mr. COCHRANE: No, this is cutting off a subsidy. The subsidy was granted for twenty-six miles. Now we are having a revote for sixteen and nine-tenths of a mile. By going to Bathurst harbour, the line is shortened. They can get deeper water by dredging the harbour.

Sir WILFRID LAURIER: Have they been paid anything?

Mr. COCHRANE: No, nothing has been paid yet.

Resolution agreed to.

To the Tobique and Campbellton Railway Company, for a line of railway from Plaster Rock along the Tobique river to Riley brook, in lieu of subsidy granted by chapter 51 of 1910, section 1, item 15; not exceeding 28 miles.

Sir WILFRID LAURIER: Has anything been done there?

Mr. COCHRANE: No, they have told us that their finances are now in such a shape that they can go ahead.

Mr. MICHAUD: When do they expect to start?

Mr. COCHRANE: They promised they would start as soon as the subsidy was voted.

Mr. MICHAUD: Will the hon. minister give me the names of the directors of the company?

Mr. COCHRANE: Donald Fraser, Archie Fraser, H. N. Murchie and others.

Resolution agreed to.

To the St. John and Quebec Railway Company, for a line of railway from Andover to St. John, New Brunswick, exclusive of a railway bridge across the St. John river, at or near Mistake, and a railway bridge across the Kennebecasis river at or near Perry Point, in lieu of subsidy granted by chapter 48, of 1912, section 2, item 2; not exceeding 200 miles.

Mr. MICHAUD: I am sorry that the hon. Minister of Railways has not seen fit to grant a subsidy for the construction of this road, not from Andover to St. John but from Grand Falls to St. John. When the late Government was in power, there was an agreement that this road should not be constructed unless it should be built from St. John to Grand Falls. Now for some reason unknown to me, this road is to stop at Andover, a small and rising town on the St. John river, in the county of Victoria. There is every reason for building this road as far as Grand Falls. The country along the St. John river is probably as fertile as any land in Canada. Any railway built along the valley of the St. John river will certainly pay, if it is properly managed. The country from Andover to Grand Falls covers a distance of twenty-five miles. There is on both sides of the river well cultivated and well settled land. The farmers are well off and want transportation facilities for their products. The people of the northern part of New Brunswick want this road built as far as Grand Falls, and they want connections with the Canadian Pacific railway and the National Transcontinental railway there. If the road stops at Andover and runs over the Canadian Pacific railway, I am afraid there is something behind the scheme that will hurt the progress of the people of the northern part of New Brunswick. It seems to me that the Canadian Pacific railway is going to take over this road. If so, where will competition arise in the way of transportation? At Grand Falls we have a great water-power which is about to be developed. This water-power is held by a large company, and I am informed that some of the members of that company are directors of the Canadian Pacific Railway Company. If this railroad is not constructed as far as Grand Falls, the connection with the other railways will not be accomplished. We expect to build a great pulp mill, to develop electricity with this water-power and to provide great industries, not only in the northern part of New Brunswick, but all along the St. John river. I would, therefore, ask that the minister give us a subsidy, not for two hundred miles, but for two hundred and twenty-five miles, from Grand Falls to St. John.

Mr. COCHRANE: There is no settled policy that we shall not build up to Grand Falls; but at present, to say the least, the carrying trade is not very great there. There is an expensive bridge to build and the Canadian Pacific railway run on one side of the river and the St. John and Quebec railway on the other. I know it would accommodate the settlers to have a road on both sides; but we thought, as the Intercolonial is to run on a forty and a sixty per cent basis, for the present at least it is going to cost more than we can receive until the trade is built up. There is no possibility of getting the road up to Grand Falls in the meantime. Before we ask the House to subsidize the road up to Grand Falls, we should have more information and know definitely what we can get by building this bridge and proceeding twenty-five miles further.

Mr. CARVELL: Has the hon. minister entered into any negotiations with the Canadian Pacific railway as to running rights over the road from Aroostook to Grand Falls?

Mr. COCHRANE: They approached us and said they would give us fair running rights there and would be glad to do it as there was scarcely enough space for a road there. I thought we might leave this out in the meantime, and not decide until further information was given.

Mr. CARVELL: Does that mean that the Intercolonial railway would take the Canadian Pacific railway from Aroostook junction to Edmundston or only to Grand Falls?

Mr. COCHRANE: From Andover to Grand Falls.

Mr. CARVELL: It would be in the parish of Andover, but I am satisfied it would not be in the town of Andover.

Mr. COCHRANE: I am not familiar enough with the locality to tell my hon. friend.

Mr. CARVELL: It does not mean taking the Canadian Pacific railway from Grand Falls to Edmundston.

Mr. COCHRANE: No, not necessarily.

Mr. MICHAUD: I am afraid the right of running over the Canadian Pacific railway from Andover to Grand Falls might interfere with the connection we have with the Canadian Pacific railway, and I hope it will not change anything.

Mr. COCHRANE: I do not know how it would interfere. We should run our own trains right up to Grand Falls.

Mr. CARVELL: The minister will remember that last session this Parliament agreed to lend $1,000,000 to the St. John and Quebec railway for the purpose of helping to construct three bridges. If this proposed agreement with the Canadian Pacific railway goes through, it will be unnecessary to construct the Andover bridge.

Mr. COCHRANE: At present, anyway.

Mr. CARVELL: Will the minister pay that $1,000,000 to the company or will he retain a part of it?

Mr. COCHRANE: No, the vote is for three bridges and we should not have authority to pay it out for only two. We shall have to deduct a portion for the Andover bridge.

Mr. CARVELL: I am glad to hear that statement. But I want to tell the minister that they will be here inside of one month to have that $1,000,000 voted for the two bridges, the Mistake and the Kennebecasis; and more than that, the minister will give it.

Mr. COCHRANE: The hon. gentleman may know more than I do, but the minister will not give it.

Mr. CARVELL: Well, we have accomplished something. I must say this is the first time I have ever been able to accomplish anything with the Minister of Railways. I am delighted to hear that from him. A year ago, when this legislation was going through, we knew what was going on. We have known for two years that they had no intention of building this road from Andover to Grand Falls. In a small place like New Brunswick the minister will understand, we probably know more about one another's business than do people in a bigger place. My hon. friend from Victoria (Mr. Michaud) last session moved an amendment in this House, and it was voted upon, to provide that at least $250,000 should be appropriated to the bridge at Andover, but the minister and his friends voted that down. We knew this was coming; we knew that the St. John and Quebec Railway Company never intended to go beyond the village of Andover, and we even had some doubts of their going that far. We knew they would go as far as the parish of Andover, but if they are talking about getting running rights over the Canadian Pacific railway, that means that they would go to the village of Andover. But we knew—or believed, at least—that they had no intention of building the bridge. It was to test the matter we moved the amendment, and of course the minister had it voted down. I am delighted to hear him make the statement that he will not allow them to take all the money on the lower bridges. Will he go so far as to say that he will reserve a quarter million as we proposed last year?

Mr. COCHRANE: I could not say that, for, not having the report of the engineer, I do not know how it should be divided. I do not know the character of these streams well enough to give my hon. friend that promise. But it would have to be in proportion to the cost of the three bridges.

Mr. CARVELL: That is a fair proposition and I am glad to hear the minister make that statement. Of course, I realize that no man can say that a quarter of a million dollars would be the exact proportion of cost of this bridge, though I believe it is pretty nearly correct. But I am willing to trust the minister when he gives me his word to that extent, that he will carry it out exactly as given.

Mr. COCHRANE: I do not realize that we have a good thing in this.

Mr. CARVELL: No, I do not think the minister has a good thing in this; it is the other fellow who has the good thing. That is exactly what I want to tell him. The other fellow is getting something which no railway company in Canada has ever had before, and which I hope no railway company in Canada will ever get again. I tell the minister that there is nothing in his department that requires looking into so much as this St. John and Quebec Railway Company does. I cannot tell him all I know, but I can tell him enough to make him suspicious, and doing that, I shall accomplish my purpose. When he grows suspicious, and puts a man on the work in whom he has absolute confidence and who will tell him the truth, he will have something to do to straighten out the tangle. The scheme at first was all right; in my judgment it was one of the finest railway schemes proposed in eastern Canada for a long time. The original scheme was that a road should be built from Grand Falls to St. John, passing through a territory that is now without railway communication and making a connecting link to the city of St. John for the Grand Trunk Pacific traffic. Now, I wish to point out the changes that have been made—not made by the minister, because I do not think he realized what was going on or the extent to which they were departing from the original proposition. Legislation was enacted on the 19th of May, 1911—chapter 11 of the statutes of that year—providing that the Intercolonial railway should have the right to lease this road when constructed and pay forty per cent of the gross earnings over to the company, which money would really go to the government of New Brunswick in so far as it was necessary to pay the interest on the bond guarantee, the balance remaining in the coffers of the company. That road was to be the very best railway which could be

constructed according to the nature of the country. The clause read:

Provided however that the said contract shall be entered into only upon the condition that the said railway be constructed upon plans and specifications to be approved by the Governor in Council upon the recommendation of the Minister of Railways and Canals, and shall be up to the standard of the said National Transcontinental through the said province.

Now, the minister knows that the standard of the Transcontinental railway through New Brunswick is the standard of that railway through all the rest of Canada, except that there is one place from Plaster Rock eastward for about fourteen miles where they have a pusher grade of 1·10 per cent. Except for that, the general make-up of the road, the width of embankments, width of cuts, curvatures, alignment, grades, station houses, rails, ties, fastenings —everything that makes a road, is of the highest standard known in Canada; and the road we proposed building was to be up to that standard. But we have to admit that it would be necessary to depart from that standard so far as grades are concerned, because the standard of the Transcontinental in New Brunswick admitted of higher grades, though only in one place where it was absolutely necessary. In other words, we proposed a road which would be a real extension of the Grand Trunk Pacific to St. John and make the outlet to the Grand Trunk Pacific business for the port of St. John. Now, hon. gentlemen opposite came into power, and I will show the minister what this did. They passed an Act, chapter 49 of the statutes of 1912, and whoever drew that statute drew it very cunningly. The whole difficulty rests in the provisions of section 10, which is as follows:

Notwithstanding anything in any other Act, the agreement set out in the schedule to this Act is hereby ratified and confirmed and declared to be binding upon the respective parties thereto, subject to the provisions of this Act, and the Dominion may do whatever is necessary to give full effect to the said agreement and specifications to the provisions of this Act.

It will be seen that by this section the Act of 1911, which provided not for a tramway but for a railway, was entirely discarded. Then they proceed to ratify and affirm the provisions of an agreement attached to the Act as a schedule. Section 2 of the agreement is as follows:

That the company shall complete the construction and equipment of the said railway in all respects up to and according to the specifications hereto annexed and the requirements as in the preceding clause set out on or before the first day of November, in the year of our Lord one thousand nine hundred and fifteen.

Mr. CARVELL.

But there is no schedule attached, and the result of that legeislation was that the minister absolutely abrogated the provisions of the Act of 1911. He makes law an agreement made between the railway company and the province of New Brunswick, in which it is stated that the specifications shall conform with the specifications in the schedule attached to the agreement, but no specifications are to be found. The whole matter was left wide open, and these people were free to do as they pleased. It would amaze the hon. minister if he knew what they were doing. I know that the St. John Standard to-morrow will come out with great headlines to the effect that Mr. Carvell is opposing the construction of the Valley railway, and all the lesser lights will do the same thing; but I consider that I have a duty to perform, and I intend to perform it. I wish to put the minister on his guard; I wish to acquaint him with the facts, and if he is not sufficiently interested to investigate the matter, I at least will have done my duty. I tell the minister and tap the Grand Trunk Pacific; otherword I know that will express the condition of affairs that exists. The only justification for the construction of that road under the conditions under which it is being constructed would be to go to Grand Falls and tap the Grand Trunk Pacific; otherwise the minister was never justified in making the contract which he did make. We are giving these people a subsidy of $6,400 a mile; the province of New Brunswick is giving them a bond guarantee of $25,000 a mile. and they are therefore receiving $31,400 a mile of public assistance. The Intercolonial is leasing that road, and paying back to the company 40 cents out of every dollar, no matter how much it costs to earn it. The minister is right in saying that this is a wonderful contract. It would be absolutely justified if we had a railroad connecting two competing points; a railroad which could get business, and which could handle the business if it did get it. But the kind of road the minister is getting cannot get business, and could not handle it if it did. In my judgment the Government are going to suffer an enormous loss in the operation of this road. If they had carried out the original arrangement and built a road according to the standard provided in 1911, the results would have been satisfactory, and even if they had tapped the Grand Trunk Pacific at Grand Falls, sixty per cent would have paid runing expenses, the people would have got the benefit of it, and the Intercolonial would not lose any money. It may be said that I am opposed to the local Government of New Brunswick and opposed to this Government, and that I am trying to find fault. It is true that I am opposed to

the Government, but it is not true that I am trying to find fault. I am just as anxious to see the railroad built through that country as is any person in the province of New Brunswick. This railroad passes my home, where my mother and brothers live, and where our property is situated. The presence of the railroad increases the value of the property, and I therefore have a personal interest in its operation. It runs through fifty miles of my constituency, and it will provide railway facilities for the people throughout the whole of that district. I am interested privately and publicly; I want to see the road go through, but I want to see it go through in such shape that it will redound to the benefit of the people and not be a sink-hole for the funds of the Government that tries to operate it. I am not alone in my protest in regard to this matter. I call in evidence a member of this House who feels just as strongly over this matter as I do; a gentleman who perhaps is not in a position to protest as lustily as I do, but who is just as much interested in the matter, and who realizes just as well as I do the iniquity of this proposition. I refer to the hon. member for York, N.B. (Mr. Crocket). I have in my hand a return brought down by the minister, and I want to read the first public protest received from one of his friends with regard to the character of the roads they are building in the province of New Brunswick. It is in the form of a telegram, and is as follows:

Fredericton, N.B., July 11, 1912.

A. W. Campbell, C.E.,
Deputy Minister of Railways and Canals,
Ottawa.

Construction is now proceeding on St. John and Quebec railway location which has been condemned by Dominion inspecting engineer. Think you should intimate to company that location must be approved before construction is proceeded with and that your department will not consider itself bound in reference to subsidy by approval of local government. Understand there is no need of any seven degree curve between here and St. John, yet company's plans show great number. There is one of them on one of the highest fills on the road within two miles of Fredericton on which construction is now proceeding.

Oswald S. Crocket.

I submit that my hon. friend did his duty; he pointed out to the minister what was going on at the earliest stages, before the plans had been approved, and before the construction of the road had been commenced. This was followed by a protest on the part of Mr. Sherwood, the chief engineer, who points out dozens of places in respect of which in his judgment the plans should be revised and made to conform to a proper standard. His letter may be found in this return under date of July 25; I have not time to read it, but I desire to call my hon. friend's attention to it. He will find that at eight different points they put in 7-degree curves which his own engineers deemed unnecessary. The engineer pointed out dozens of things that were not necessary, but they have all come to pass. The St. John and Quebec Railway Company owns the Government of New Brunswick and owns the Government of Canada, and they are able to do whatever they please. Every objection urged by the Government engineer, Mr. Sherwood, was simply brushed aside, and the company went on to complete the road according to their own wishes. There was some dispute just below Fredericton as to the location of the road; whether it should go along the river where the people lived, or whether it should go back among the hills. In this matter the company won out, as they always do. They fought it out for a year, but the company won out, as they always do, and they tried to show, as I find by this return, that it would cost more to build a railway along the river than to put it out where nobody lives. It would cost only $16,000 a mile to build the road up to subgrade, even in the expensive places, and not more than half of that in the other places, and this company has received $31,000; and yet, with a confession like that, my hon. friend's department allows them in the end to have their way and go back in the woods and build a cheap road. They agreed that the road from Fredericton to St. John should have no greater grade against eastbound traffic than .4 per cent and against westbound traffic of .6 per cent. But there came a place where they had to cross a creek, just below Fredericton. This is a small creek which it would cost a few hundred or a thousand dollars more to bridge if they built it to grade, and a few thousand dollars to build the approaches if they were built up to grade; yet they asked permission of the Government to change the grade at that point. Mr. Taylor, the department engineer in New Brunswick, who, I judge, is a conscientious man and anxious to do right, is over-ruled in every case. My hon. friend's department came in, and they are putting in nearly a one per cent grade over this creek, a velocity grade, they call it, down one hill and up another and over the bridge in order to avoid building the road up to the proper standard. Yet they received $31,400 per mile of public money. That is south of Fredericton where they are supposed to be building a .4 per cent grade one way and a .6 per cent grade another way. My hon. friend should go north of Fredericton to see these people doing business in their own Yankee style. I do not know that my hon. friend is responsible for this, but his friends are. Of all the people willing to build that railroad no

man would be listened to, let alone contracted with, except a shrewd Yankee named Gould, from the state of Maine, a bright fellow and a man against whom I have not a word to say. I rather admire a man who has sand enough to come over and clean up the whole province of New Brunswick, and I tell my hon. friends he will go away with $500,000 of clean, cold cash. There was no man on earth to whom they would talk except Mr. Gould, and they finally signed a contract with him, and he has them just where he wants them, he is doing up both this Government and the Government of New Brunswick.

Mr. COCHRANE: Is it not the same company you were doing business with?

Mr. CARVELL: Not by any means.

Mr. COCHRANE: Oh, yes.

Mr. CARVELL: Oh, but I know better. I do not want to say that offensively, but I am so positive that I am compelled to use pretty strong language.

Mr. COCHRANE: My department informs me to that effect.

Mr. CARVELL: My hon. friend the Minister of Railways is referring to an agreement made in 1911 before he came into power; but that agreement was entered into when the local Government of New Brunswick would not agree with anybody else.

Mr. COCHRANE: I do not know that.

Mr. CARVELL: We all know it in New Brunswick. We know that the local Government would not even talk to anybody else. My hon. friend knows that Mr. Malcolm made an offer to take the bond guarantee and subsidy and build the road under the legislation we passed in 1911, and to build a railroad and not a tramway; they treated him with contempt and laughed at him. I repeat that the only man they would consider for a moment was this Yankee, Gould, and they have got him and he has got them. The file is not nearly complete, because I have seen myself letters from Mr. Taylor ordering the contractors on that road north of Fredericton to stop work because he would not approve of the grades and curvatures. The work was stopped for two or three weeks, the contractors being held up; but finally Mr. Taylor was turned down and they went on and put in seven-degree curves the same as before and gradients the same as before. More than that, there were no specifications put in this legislation; and so the Government have agreed, by Order in Council, that they shall put in seven-degree curves wherever they want to and one per cent grades wherever they want to. I can take the minister to places in Carleton—I have been on the ground myself, and I have seen plans and profiles that show four seven-degree curves in one and one-quarter miles on a one per cent grade—and the minister talks about transporting freight over a road like that. I find in one of these documents a confession from the company themselves. When the Government engineer was trying to make them put on certain track fastenings to make the road safer from a transportation standpoint, and the company objected, they said: Over thirty per cent of our road is on curvatures, and less than seventy per cent is on tangents, and if you ask us to straighten up the rails on curvatures, you will make us spend too much money. The Yankee has had his way every time he has gone up against the minister. I point to a dozen instances, and every time the Yankee comes up to the minister he wins.

Mr. FRIPP: That is more than the rest of us can do.

Mr. CARVELL: I do not know how it is, but he does it just the same; he puts in any grade he wants. If he wants the grade changed from four-tenths of one per cent to one per cent he can get it; he can get the road placed in the woods when it should be on the river; he can get as many seven-degree curves to the mile as he wants, and Mr. Taylor can object to his heart's content, and it amounts to nothing; Mr. Gould goes on and does as he has a mind to. I am not finding fault with Mr. Gould; he is a bright, shrewd man, a real gentleman to meet, a man who is getting from the Government of this country and of New Brunswick, as I said, $31,400 a mile for building a railway, and he is building simply a tramway. I make the statement to the minister now, and I want him to send some competent engineer over the road, with a knowledge of the statements I am making to him, that the railroad that these people are building from Fredericton to Centreville, for eighty-five miles that I know of, which I have gone over personally, is not costing, complete, $20,000 a mile, including bridges and everything else. I cannot go further that that, but I give my hon. friend the tip to go to the contractors and sub-contractors, and to take the plans and profiles in his office, and compare them with the actual conditions on the ground. He will then see whether I have not been doing my duty in calling his attention to the matter. You ask why I am doing this. I am doing it because, in the first place, I wanted this to be a railroad, and I worked for it five or six years. It was practically the one local road I have had in view almost since I was in politics. The Grand Trunk Pacific should never

have gone through the centre of New Brunswick. I agree with my hon friend the minister, and with the hon. member for St. Antoine (Mr. Ames) in that. I made that statement when my friends were in power, and if my hon. friend from St. Antoine would take the trouble to look up some remarks of mine, made in 1905-06, he would find that what I have said is correct. It should have gone down the St. John river to Fredericton and across to Moncton. You would only have increased the mileage by twenty or twenty-five miles, you would have had a much better railroad, and I do not think it would have cost so much as the present one. However, when I could not get what I wanted, I determined if posible to get a railway through that country. Whether my efforts had anything to do with it or not, I do not know, but the road is being built now, and I am glad of it. I am only sorry that we are not getting the kind of railway we should have got. I am bringing this to the attention of the minister because the country is suffering, and because the Intercolonial is suffering. My hon. friend has to operate this railway, he has to pay back forty cents out of every dollar to this company, and as nearly as I can figure it out this company is going to make three-quarters of a million dollars in cold cash on the line to Andover. I realize the importance of the statement I am making. I know I am going to be pounded by every Conservative newspaper in New Brunswick, and that I shall meet this thing a good many times during the next few months. But I am doing my duty in pointing out the exact condition of affairs, which my hon. friend can find out for himself if he goes there and looks over the ground. I hope my hon. friend will do himself the justice of going there, or of sending someone in whom he has confidence, and if he does so, he will find a condition of affairs which he would hardly conceive possible. I am not casting any insinuations at anybody; I do not know who is to blame, but there seems to be someone high up in authority, who is allowing these people to build the kind of road they are building. As I said before, every time this shrewd Yankee runs up against the Department of Railways and Canals, he wins out, and you have proof of the fact in this document. There are to my knowledge, other proofs which do not exist in that document. It is not too late even now to remedy some of those defects. I do not believe there is a spot on that railroad where it was possible to put in one per cent grade that they have not done so. They have made seven degree curves for the sake of getting rid of a few hundred dollars worth of material, when the road might as well have been made straight. Every device known to engineers has been resorted to upon that work to make it valueless as a transportation proposition. It is unique; I think there is no road in the Dominion to-day—perhaps that is putting it too strongly—but I do not know of a railway to-day which pretends to be a transportation proposition that has the curves and grades that this railway has.

As to the proposition of my hon. friend to lease the Canadian Pacific railway, I wish he would go into that matter carefully. It is true he will not get a great amount of business from Andover to Grand Falls, but the intention was to cross the river at Andover, and to give the people on the other side railway facilities which they do not have at present. It would be a very great boon to those people, and a great benefit to that portion of the province. But the real object of this road being built to Grand Falls was, as I have pointed out, to get the freight traffic from the Grand Trunk Pacific. My hon. friend will find that he can never do business profitably over the twenty-four miles which he proposes to lease from the Canadian Pacific railway. It is, without doubt, the poorest railroad in the province, from a transportation standpoint. It is true that the Canadian Pacific railway have improved the road bed; they have put in culverts and the road is now in pretty good shape; but they have two grades on that twenty-four mile stretch which are simply impossible for transportation purposes. I have not the figures before me, but my hon. friend will find the first grade about half-way between Aroostook junction and Grand Falls, and the next one just before he comes to Grand Falls. I do not know how steep they are, but they are enormous, and away above everything that any railway pretending to be a transportation proposition should have. There is one place where they must climb a hill of one hundred feet, when they could have gone along on the level. But it was said years ago that it was only a question of building a road, and of getting 10,000 acres of land from the province. They built the kind of road that Mr. Gould is building for the Minister of Railways. He is getting $31,400 per mile for building that road, and the cheaper the road he builds, the more money goes into his pocket. It was just the same with the old New Brunswick company.

Mr. BURNHAM: Why do you not join me in opposing subsidies?

Mr. CARVELL: I do not think you are right. I want to see railways developed in Canada, and I do not see how you can get railways without assisting them. But I want the minister to assist them properly, and to protect himself when he is doing so.

The railway which he is proposing to lease from the Canadian Pacific railway never was, and never can be, a transportation proposition. He would practically have to build it all over again before he could get transportation over it. It is true that going east the grades are very much better than they are going west. Even so, you have one grade going east which is a serious obstacle. It is wonderful how the visits of the Premier of New Brunswick and his colleagues synchronize with the lying down of the Department of Railways. I have been watching them now for two years, and every time anything is wanted from the Department of Railways, the whole Government of New Brunswick come up to Ottawa and get what they want.

Mr. LEMIEUX: In spite of bench warrants.

Mr. CARVELL: Bench warrants play no part with those fellows. Now I realize that I have made some pretty strong statements here this morning, but there is not one which I cannot substantiate. My hon. friend the Minister of Railways is not doing much for the Intercolonial or for transportation in New Brunswick if he carries out that proposition. I hope he will consider this thing very seriously. It is not yet too late. The road is not yet completed; it is only a little north of Woodstock, and many changes could be made. You could get rid of the 7 degree curves and of hundreds of one per cent grades, which they have put in. My advice to the minister is not to pay too much attention to his plans and profiles, but to go down to the ground himself, and if he does so, he will be surprised. I think he will be well advised to go slowly before carrying out this proposition of leasing from the Canadian Pacific railway. This is a proposition of the New Brunswick Government. We have had it talked of for two years. We have been telling the people down there what was going to happen. On the hustings at the last election the Premier of New Brunswick pledged his honour that this railway would be built all the way from St. John to Grand Falls. But we knew better, and now my hon. friend proves that we were right in our statements. I hope my hon. friend the Minister of Railways will compel the Premier of New Brunswick to carry out his pledge made to the people of New Brunswick, and to give us a railroad, and not merely a tramway.

Mr. MICHAUD: I hope that after what my hon. friend from Carleton has said, the Minister of Railways will look into this matter very closely. I believe that an investigation will have to take place. In this case I would suggest that my hon. friend from Carleton should be called as a witness; I think he would give lots of information.

Mr. CARVELL: I would furnish the witnesses; I am not much of a witness myself.

Mr. MICHAUD: We have been much disappointed in the northern part of New Brunswick with regard to this railway. In the last provincial elections the whole campaign of the Conservative candidates was made on the construction of this road as far as Grand Falls, and they pledged themselves that if this road were not built to Grand Falls they would resign their seats, should they be elected. Both candidates supporting this proposition were elected, and it is now up to them either to resign or to get the road to Grand Falls. The whole idea of the road was to facilitate transportation from St. John with the Transcontinental railway in the northern part of New Brunswick, and I am sorry to say this has not been realized, because in the future I believe the Canadian Pacific railway will control the whole thing. May I ask the minister for how long the Intercolonial railway will lease this part of the road from Andover to Grand Falls?

Mr. COCHRANE: We have as yet made no arrangement as to that. We made an agreement of exactly the same kind that was under way when the former Government went out of office. Any changes that have been made in the specifications were made on the recommendation of the engineers. The chief engineer went over this portion of the road himself and had extra lines run and reported in favour of the line that is being constructed. I see by these specifications that there is a four-tenths grade one way from Fredericton to St. John, and a six-tenths grade going west.

Mr. CARVELL: But they have departed from that.

Mr. COCHRANE: No.

Mr. CARVELL: Yes.

Mr. COCHRANE: If they have departed from it, they will have to come up to it, because there has been no change made in the specifications.

Mr. CARVELL: It is in the Order in Council.

Mr. COCHRANE: My head engineer says there has been no change authorized. I have not been guided by the New Brunswick Government, but by the chief engineer of the department, in whom I have absolute faith, both as to his integrity and his ability. The curves have to be compensated for, so that they will not be any worse than they are on the Grand Trunk Pacific. Mr. Gutelius was here the other

day and he said he would go over the whole road and make a report on it, and he will do so very quickly. If they are not building up to the specifications, they will not get the money until they do.

Mr. CARVELL: The minister wants to look very carefully over the report made by his chief engineer. He is satisfied this road will cost $14,000, but I hope he will send Mr. Gutelius over it.

Mr. COCHRANE: He is going over it.

Mr. CARVELL: I hope he will send somebody who will have an opportunity of spending more time on the road than Mr. Gutelius can. I know Mr. Gutelius' business well enough to know that he can only devote time for a hurried trip.

Resolution agreed to.

To the Lotbinière and Megantic Railway Company for a line of railway from a point at or near Lyster in Megantic county to a point at or near Lime Ridge in the township of Dudswell, in the county of Wolfe, in lieu of the subsidy granted by chapter 51, of 1910, section 1, item 23, for a line of railway between the points above mentioned; not exceeding 60 miles.

Sir WILFRID LAURIER: Has anything been done on this railway?

Mr. COCHRANE: Yes, they have built from St. Jean des Chaillons towards Glenroy to Lyster. $96,000 has been paid. There is, I think, fifty miles to be built.

To the Little Nation River Railway Company for a line of railway from a point between Thurso and Montebello on the line of the Canadian Pacific railway, northerly, in lieu of the subsidy granted by chapter 51, of 1910, section 1, item 46; not exceeding 30 miles.

Mr. PROULX: Has any part of this railway been built?

Mr. COCHRANE: No.

To the Erie, London and Tillsonburg Railway Company, for a line of railway from Port Burwell to London, passing through or near Vienna, Calton, Aylmer, Kingsmill and Belmont, in lieu of the subsidy granted by chapter 51, of 1910, section 1, item 37; not exceeding 35 miles.

Mr. GERMAN: Has any part of this road been built?

Mr. COCHRANE: No.

Mr. GERMAN: When was this subsidy first granted?

Mr. COCHRANE: 1908.

Mr. GERMAN: I suppose the minister is aware that this line runs through the wealthiest portion of Ontario. Does he think the Government is justified in extending this subsidy, notwithstanding the fact that it was voted some years ago by the late Government? Does the minister think this Parliament should grant subsidies to a line of railway built through the wealthiest part of Canada and on which are located progressive towns where large business can be secured right from the beginning?

Mr. COCHRANE: The Grand Trunk is asking for the subsidy.

Mr. GERMAN: I care little who asks for the subsidy. I would feel like moving that this resolution be struck out, but for the fact that there may have been some financial arrangements made which might be interfered with. If this road is not constructed and a subsidy earned, when it comes to be voted again, I shall certainly move to strike out a subsidy to this line of railroads.

Mr. COCHRANE: And I would support it too.

Mr. GERMAN: Then that is assured, and the company will now have notice that, unless they earn their subsidy before Parliament meets again, it will be taken away. That should apply to all subsidies to railroads which are being built or contemplated through the portion of Ontario, which is the wealthiest part of Canada.

Resolution agreed to.

To the Tillsonburg, Lake Erie and Pacific Railway Company, for a line of railway from Ingersoll north to a junction with the St. Mary's and Western Ontario railway at Embro, in lieu of the subsidy granted by chapter 48, of 1912, section 2, item 12; not exceeding 10.38 miles.

Mr. GERMAN: I suppose nothing has been done on this.

Mr. COCHRANE: Yes, about thirty-five miles have been built.

Mr. GERMAN: I want the statement that I made with regard to the other subsidies to apply to this one.

Mr. COCHRANE: Yes.

Resolution agreed to.

To the Canadian Pacific Railway Company, for a line of railway from Gimli to a point on the Icelandic river at or near Riverton, in lieu of the subsidy granted by chapter 63, of 1908, section 1, item 39, for a line between the points above mentioned; not exceeding 30 miles.

Sir WILFRID LAURIER: Anything done on this railway?

Mr. COCHRANE: Yes. This is a continuation of the Selkirk and Winnipeg Beach branch to a distance of thirty miles beyond Gimli.

Resolution agreed to.

To the Canadian Pacific Railway Company, for a line of railway from Moosejaw, in a northwesterly direction, in lieu of the subsidy granted by chapter 63, of 1908, section 1, item 40; not exceeding 123 miles.

Sir WILFRID LAURIER: How much has been built?

Mr. COCHRANE: It is finished. Their subsidy lapsed.

Mr. McKay: Has the Canadian Pacific railway done anything on the extension commonly known as the Manitoba Northwestern? A charter was obtained under the name of the Manitoba Northwestern in 1882, and a line was projected to extend from Portage la Prairie to at or near Prince Albert. There was a land grant of some 3,200 acres per mile. After it went about half way, it was diverted from its original direction under the name of the Canadian Pacific railway. I presume the land grant will not extend further than the line was built under the name of the Manitoba Northwestern. The evil is this that, notwithstanding the fact that the road was built only about half the distance between Portage la Prairie and Prince Albert, the land grant was taken practically right up to Prince Albert, and was held by the company, thereby preventing homesteaders from taking this land. This corporation since then have parted with this land, and it is being sold and held at enormous figures, thereby militating against the district, not only by depriving it of railway communication, but by holding up the land at such large figures as to prevent the district from being thickly populated. If nothing has been done. I would ask the minister to induce this corporation to build that road and thereby relieve the farmers who are in that district.

Mr. COCHRANE: I am sorry at this moment I cannot give the information which the hon. gentleman requires. I will see what our powers and authority are in the matter, and take it up with the Canadian Pacific railway. I shall be glad to give the hon. member the information later.

Resolution agreed to.

To the Alberta Central Railway Company, for a line of railway from Red Deer to Rocky Mountain House, in lieu of the subsidy granted by chapter 63, of 1908, section 1, item 38; not exceeding 70 miles.

Mr. OLIVER: When was this subsidy granted first?

Mr. COCHRANE: In 1908.

Mr. OLIVER: How far has the construction progressed?

Mr. COCHRANE: I do not think they have done anything.

Mr. OLIVER: Yes, they have.

Mr. COCHRANE: There has been nothing paid on this subsidy, and that is why I say I do not think there has been anything done.

Mr. OLIVER: There is no information as to how much?

Mr. COCHRANE: No, I think it is only being surveyed.

Mr. OLIVER: Oh, no; a lot of work has been done on it.

Resolution agreed to.

To the Kettle Valley Railway Company, for the following lines of railway:

(a) from Merritt to Penticton wharf; not exceeding 145 miles;

(b) from a point on the line between Merritt and Penticton wharf, at or near Penticton, to Midway; not exceeding 135 miles;

(c) from a point on the line between Merritt and Penticton wharf, about 25 miles south of Merritt, to a point on the Fraser river near Hope station; not exceeding 55 miles.

the said subsidies being granted in lieu of the subsidies granted by chapter 51, of 1910, section 1, item 42; not exceeding in all 335 miles.

Mr. OLIVER: What is the situation in regard to construction here?

Mr. COCHRANE: I have not got the exact mileage. The subsidy paid amounts to $353,709. If you divide that by $6,400, you will get the mileage. Eighteen per cent built on the first and thirty-four per cent on the second.

Mr. BURRELL: They are prosecuting the work very vigorously. The latest advices I got only last week were that they had constructed a considerable portion between Midway and Penticton. That is over the divide at the foot of Okanagan lake. They have a large amount of construction and grading done from the foot of Okanagan lake round by Summerland towards Merritt, and have also got a lot of preliminary work done towards the Hope mountains. Mr. Hill of the Great Northern railway has been for something like five years trying to locate a line over the Hope mountains, but has not been able to do it yet, so far as I understand. There is a terrific grade from the summit of the Hope mountains down to Hope, involving about 6,000 feet of tunnelling. These people in the Kettle Valley have certainly pushed the work along vigorously. The line will mean access to the Kootenay and the southern Okanagan and will save that enormous loop by way of the Arrow lakes. The company is prosecuting the work in a way satisfactory to the people, and it will be an immense public benefit.

Mr. OLIVER: Who are behind the company now?

Mr. COCHRANE: The directors I have here are J. J. Morgan, Hon. J. R. Stratton, R. P. Coffey and others. There is 101 miles in operation and 43 under construction.

Mr. OLIVER: Is it constructed and in operation to Penticton?

Mr. BURRELL: Yes, as a construction line for a little way. They are building different sections from Merritt, from Summerland to Penticton, and Penticton to Midway. But it is run this far only as a construction line.

Mr. OLIVER: Are the rails laid from Penticton to the Canadian Pacific Railway in the Kettle River valley?

Mr. BURRELL: Not all the way. They have laid a considerable mileage from Midway up to Connor, that is before you come to the divide. And they have a large quantity of steel laid up there—perhaps for twenty-five or thirty miles. It is a very difficult construction, as the hon. gentleman knows.

Mr. OLIVER: This is the Canadian Pacific railway?

Mr. COCHRANE: Yes, practically.

To the Calgary and Fernie Railway Company for a line of railway from Michel or Sparwood, in a northerly direction via the headwaters of the Elk river and Kananaskis Pass to a point at or near the city of Calgary, in lieu of the subsidy granted by chapter 48, of 1912, section 2, item 43; not exceeding 100 miles.

Mr. OLIVER: Is any of this constructed?

Mr. COCHRANE: No, this is a subsidy voted last year. They were to start at Calgary. Now they want to start from Sharwood or Michel, near Fernie—they just want to turn the subsidy around.

Mr. OLIVER: Is this the Canadian Pacific railway practically?

Mr. COCHRANE: No, I never heard of the Canadian Pacific railway being connected with it. The application was made by Mr. Pringle, of this city. The directors include G. A. Fraser, S. S. Mahon and others.

Mr. LAW: Before we pass from the railway subsidies, I would like to call the minister's attention to the need of a subsidy for a branch line from the Halifax North Western line to the town of Wedgeport, in Yarmouth county. There was a subsidy for this line, but it was dropped. I do not think it was voted last year either.

Mr. COCHRANE: Where does that line run?

Mr. LAW: It is a branch from the Halifax and North Western at or near Pleasant Lake to Wedgeport, which is among the most important and thriving communities in Yarmouth county. They are entirely cut off from railway communication, and are very anxious to have it. It is only eight miles from Pleasant Lake to Wedgeport.

Mr. COCHRANE: Is there a company ready to build?

Mr. LAW: I do not know. The question is to get a company ready to build.

Mr. COCHRANE: If there is a company I should be ready to consider the proposition.

Mr. LAW: This is a branch line to serve a population of about 2,500, and no doubt it would be a paying line if a railway company could be got to construct it. I hope the minister will not lose sight of it.

On section 2:

That the Governor in Council may grant the subsidy hereinafter mentioned towards the construction and completion of the bridge hereinafter mentioned, that is to say:

To the Burrard Inlet Tunnel and Bridge Company towards the construction and completion of a bridge over the second narrows of Burrard inlet, as authorized by chapter 74 of 1910, in lieu of the subsidy granted by chapter 48 of 1912, section 3, item 1; not exceeding $350,000.

Mr. OLIVER: Is this the same amount as before?

Mr. COCHRANE: Yes; the only change is that it is transferred to another company. I understand that the municipalities there and the province are building this bridge, with this subsidy from the Dominion.

Mr. OLIVER: This company is merely a holding company, as it were, for the municipalities?

Mr. COCHRANE: That is all. The subsidy last year was voted to the Vancouver, Westminster and Yukon railway, and now it is changed to the company mentioned.

Mr. OLIVER: Why do not you provide so much for tunnel and so much for bridge?

Mr. COCHRANE: This is all bridge.

Mr. OLIVER: Is this in connection with some projected line of railway, and, if so, with what line?

Mr. COCHRANE: I understand that the railway will be the Vancouver, Westminster and Yukon. But the municipalities are building the bridge with a grant from the provincial government and with the federal grant of $350,000.

Mr. OLIVER: Is that the railway that is being built to connect Vancouver with Fort George?

Mr. COCHRANE. No, I cannot say where the road runs; but it is a separate road altogether.

Mr. OLIVER: Does the minister know whether the railroad that this bridge is being built to accommodate is a railroad under construction or is it merely on paper?

Mr. COCHRANE: I cannot say. But I understand that one of the conditions is that all roads shall have access to or running rights over this bridge.

Mr. OLIVER: I take it for granted that definite provision will be made in the subsidy agreement for the right of way for all roads?

Mr. COCHRANE: Yes.

Mr. CARVELL: As I made a statement a little while ago which was perhaps not strictly correct, and as I do not wish to do any injustice to anyone, I would like to place before the committee the record as to the proposed change of grade at Street's Creek on the St. John and Quebec railway south of Fredericton. To all intents and purposes the change has been made, although it is quite true that no order in council has been passed to that effect. On September 26, 1912, Mr. Taylor, the minister's inspecting engineer in New Brunswick, made the following report:

If the department decides to waive this in this particular instance, the company might be required to build the 14-foot arch culvert (Street's creek) at such a length as would retain the embankment, supposing the same was raised to the standard grades at some future time; such raising to be done by the Railway Department under clause 14 of said agreement, the company to agree to same before this location is approved, in accordance with latter part of said clause, with the foregoing reservation I approve this alignment.

Mr. COCHRANE: That has not been approved by the department.

Mr. CARVELL: I am admitting that, but I am satisfied that the railway company is acting on the assumption that this suggestion is to be carried out. On October 31, 1912, the following telegram was sent by Mr. Bowden to Mr. Taylor:

Re velocity grades, Street's creek, is it——

This is changed to 'it is.'

—advisable to reduce one per cent and .84 per cent grades as shown on profile submitted to not more than .75 per cent grade. Send profile showing your recommendations.

On November 1, this letter was written by Mr. Taylor to the chief engineer of railways:

Dear Sir,—I have a wire from you this morning as follows:: 'Velocity grade, Street's creek. Is it advisable to reduce one per cent and .84 per cent grades as shown on profile submitted to not more than .75 per cent grade. Send profile showing your recommendations.'

It is evident that 'is it advisable' in this letter should be 'it is advisable.'

Attached please find profile of ground in question. The red grade is the St. John and Quebec Company's proposition. The green grade is what I understand from the above wire to be your proposition. The dotted blue grade is what I propose as a compromise and to permanently settle this question.

It is true that the 0.50 per cent blue grade is not quite in accordance with the special agreement, but it is very near it.

If either the green or the red grade is adopted the company, in my opinion, should be required to carry out the provisions as outlined in my letter to you dated September 26, 1912, with reference to length of arch culvert and, later on, raising to standard grades.

On November 4, the following letter was written by Mr. Bowden, the chief engineer of railways, to Ross Thompson:

I inclose herewith a blue print-copy relative to velocity grades at Street's creek, mile 16, south of Fredericton. The grades of 0.84 per cent and 1 per cent are shown as laid down by you, and a 0.75 per cent grade is shown, but its position is not to be considered fixed as shown.

Mr. Taylor has also shown a 0.5 per cent and an 0.33 per cent grade. I would like to have from you a profile showing the grades as originally shown by you, also a 0.75 per cent maximum grade laid down as you consider most economically, and the grades shown by Mr. Taylor; the respective quantities of rock, earth, &c., in cuttings, &c., entailed for each of the three profiles to be shown on the profile plan.

You understand, of course, that special permission would have to be secured by us for the use of such a grade, it being in excess of that called for by the agreement.

Later I find a minute of council which does not go so far as to authorize these velocity grades, but it comes pretty close to it. I will read an extract from this minute of council, which is dated January 16, 1913:

The minister further represents that the chief engineer of the Department of Railways and Canals states that the maxima of curvature and grades conform to the requirements of the subsidy agreement, except between mileage 15.5 and 17.5, where the introduction of a velocity grade is considered advisable, but cannot be dealt with at present; the chief engineer advises that approval be given to the plans and profiles, with that exception.

It is true that the introduction of a velocity grade was not authorized, but the chief engineer reported that it was considered advisable, and, as the contract would have to be changed, an order in council could not be passed. The inference is that the Gov-

ernment intended to change the contract and pass an order in council to that effect.

Mr. COCHRANE: My chief engineer tells me that in allowing a velocity grade such as he has proposed there he saves four miles of line.

Mr. CARVELL: There is nothing in the files to that effect.

Resolution reported, read the first and the second time, and concurred in.

At one o'clock, House took recess.

House resumed at three o'clock.

CANADIAN NORTHERN RAILWAY SUBSIDIES.

On motion of Mr. Cochrane, House went into Committee to consider certain proposed resolutions respecting the granting of the subsidies therein mentioned towards certain lines of railway of the Canadian Northern Railway Company (see Debates, pp. 11326-11327.)

(Mr. Deputy Speaker in the Chair.)

Mr. COCHRANE: In the legislation now before the House it is proposed to extend further aid to the Canadian Northern railway in connection with the building of its Transcontinental line from Montreal to Vancouver, and, also, to the important feeder to its main line between Ottawa and Toronto. The aid proposed is in the form of a cash subsidy at the rate of $12,000 per mile from Ottawa to Port Arthur, and also for the same amount per mile from Edmonton to the Yellowhead Pass, and an amount of $6,400 per mile on the main feeder from Toronto to Ottawa, as follows: Ottawa to Port Arthur—nine hundred and ten miles, at $12,000 per mile, $10,920,000; Edmonton to Yellowhead Pass—two hundred and sixty miles, at $12,000 per mile, $3,120,000; Toronto to Ottawa—two hundred and fifty miles, at $6,400 per mile, $1,600,000—$15,640,000.

A condition to the granting of the aforesaid aid is that the company are to transfer to the Government Canadian Northern railway common stock to the par value of $7,000,000. This common stock, although not on the market at the present time, has considerable value, and there is no doubt that after the completion of the undertaking it will be a valuable asset to the Dominion.

There is nothing applying to the subsidy of $6,400 per mile for the Toronto to Ottawa line calling for any special remarks, as this is the usual subsidy granted to practically all railway companies when the cost is equal to or exceeds $21,400 per mile. The estimated cost is $41,131 per mile.

On the Ottawa to Port Arthur line the construction is of a most expensive character, and the estimated average cost per mile is $49,381. The Government have already aided this section of the line by guaranteeing the three and a half per cent bonds issued by the company to an amount of $35,000 per mile, but the company have only been able to dispose of these bonds at the rate of ninety and three-fourths cents on the dollar, which has produced $31,760 per mile.

On the line from Edmonton to Yellowhead Pass the construction is also of a very expensive nature. This section of the line has already been aided by the guaranteeing of the company's three and a half per cent bonds to the extent of $13,000 per mile starting at St. Albert thence westerly fifty miles; and from that point westerly for one hundred miles at the rate of $25,000 per mile, and for the last one hundred and two miles westerly to the Yellowhead Pass at the rate of $35,000 per mile. These bonds were disposed of at an average of eighty-seven cents on the dollar; which produced $22,400 per mile.

The average cost of the line is estimated at $38,500 per mile. In other words, taking the line from Ottawa to Port Arthur and from Edmonton to Yellowhead pass; the company have financed to the amount of approximately $34,578,220, and are faced with a construction charge of $54,638,981. The aid now proposed on the above sections will amount to $14,040,000.

The question naturally arises as to the reasons which would justify the Government in granting this aid, and as to whether in granting the aid they are assisting this great Transcontinental line to a greater extent than the other two transcontinental lines of Canada. Careful consideration was given to this before the legislation brought down was approved, and the conclusion reached was that the Government, having regard to all the circumstances, were only dealing fairly with the Canadian Northern railway in granting them this aid. A comparison with that granted the Canadian Pacific railway cannot fairly be made, as the assistance rendered that road was on altogether a different basis. The land grant given the Canadian Pacific railway in the light of later developments was a tremendous bonus; but at the time it was not generally considered to be a very valuable asset. The money grants and the construction of certain sections of the road by the Government appeared at the time to be a large figure; but we must bear in mind that it was the pioneer road, and that little was known of the country it traversed.

A fair comparison as to aid given would be that granted the Grand Trunk Pacific railway for the construction of its main line from Winnipeg to Prince Rupert, and also

the terms and conditions in connection with the leasing of the eastern section from Winnipeg to Moncton, which is being built by the Government. The western division of the Transcontinental railway, which is owned and equipped by the Grand Trunk Pacific railway, is divided into two sections —the prairie section from Winnipeg to the east bank of the Wolf creek, a distance of nine hundred and fifteen miles, and the mountain section, from that point to prince Rupert, a distance of eight hundred and thirty-five miles.

The Prairie Section has been aided by a guarantee of bonds to the amount of $13,000 per mile, and in addition by a loan of $10,000,000.

The Mountain Section had been aided by a guarantee of bonds to the amount of seventy-five per cent of the actual cost of the road; and the cost of the Mountain Section is estimated to be $80,306 per mile; the guarantee will, therefore, average $60,229 per mile. A further aid to the Western Division was an implementing clause in the agreement between the company and the Government, whereby the Government was to pay the company the difference betwen the par value of the bonds and the actual amount they produced. This has been estimated to amount, on the total guarantee, to $13,000,000; and there has been paid on this account $4,994,416. Latterly the Government has adopted the policy of purchasing the bonds themselves at par; but if they had made the whole purchase and then put them on the market there is no doubt that the amount realized would have been $13,000,000 short of the par value.

In addition to the above, the Government is to pay the interest upon an amount of bonds equal to the principal of the bonds guaranteed by the Government on account of the construction of the Mountain Section accruing during the first seven years. Estimating the cost of the Mountain Section as $67,056,000, the interest will amount to a cash subsidy of $10,561,321.

In respect to the Eastern Section, the Government is to build the same and lease it to the company at an annual rental based on three per cent of the cost. The estimated cost of this section, seven years from date road is completed, is $230,000,000. Based on this amount, the annual rental would be $6,900,000. But there is another item which must be taken into consideration. If the company had built the road themselves and issued three per cent bonds to cover the cost of construction, and the total of these bonds had been guaranteed by the Government, they could not have sold them at par; and if we take the rate which was realized on the issue of the three per cent bonds guaranteed by the Government in 1909 and 1910 (eighty cents on the dollar), we will find that to finance the Eastern Section it would have taken bonds the interest charges on which would have amounted to $1,125,000 more per annum than they will pay the Government in rental. This is equivalent (assuming interest at three per cent) to a cash subsidy of $26,979,640.

The following summary will give briefly the aid granted by the Dominion Government to these two transcontinental lines—The Grand Trunk Pacific railway and the Canadian Northern railway:

Grand Trunk Pacific Railway.

Guarantee of bonds—		
In respect of Mountain Section	$50,292,000	
In respect of Prairie Section	11,895,000	
		$62,187,000
Loans—		
In respect of Prairie Section		10,000,000
Implementing or its equivalent by purchase of bonds—		
In respect of Mountain and Prairie Sections	$13,000,000	
Interest on bonds for seven years—		
In respect of Mountain Section	10,561,320	
		$23,561,320

Eastern Section.

Saving to company by reason of the construction of the line by the Government, $1,125,000 per annum for 43 years	$26,979,640

Canadian Northern Railway.

Guarantee of Bonds	$50,655,000
Cash subsidy	8,082,398
Proposed cash subsidy	14,040,000

Statement showing aid granted by the Dominion Government to the Grand Trunk Pacific railway towards the construction of their main line from Winnipeg to Prince Rupert, a distance of 1,751 miles; and also, the aid granted, or proposed to be granted, by the Dominion Government to the Canadian Northern railway for its main line from Montreal to Vancouver, a distance of 3,065 miles.

Grand Trunk Pacific Railway.

Guarantee of bonds—		
In respect of Mountain section	$50,292,000	
In respect of Prairie Section	11,895,000	
		$62,187,000
Loans—		
In respect of Prairie Section		10,000,000
Implementing or its equivalent by purchase of bonds—		
In respect of Mountain and Prairie Sections	$13,000,000	
Interest on bonds for seven years—		
In respect of Mountain Section	10,561,320	
		$23,561,320

Canadian Northern Railway.

Guarantee of bonds—	
Montreal to Port Arthur..	8,060,000
Grand View to Edmonton..	8,060,000
Edmonton to Yellow Head Pass.	6,720,000
	$50,655,000
Cash subsidies—	
Ottawa to Hawkesbury..	$ 367,872
Stanley to Fort Frances..	1,355,326
Fort Frances to Rainy River.. ..	179,200
Yellow Head Pass to Vancouver.	6,180,000
Cash subsidy under proposed legislation..	14,040,000
	$22,122,398

Mr. MACDONALD: Has the minister any statement as to land grants?

Mr. COCHRANE: No land has been granted direct to the Canadian Northern railway, but that company, through the purchase of other railways, has acquired with them land grants to the extent of 4,000,000 acres, of which 1,225,600 acres applies on its main line.

Sir WILFRID LAURIER: In the first place, I must express my disappointment at the meagreness of the reasons why my hon. friend has given to the House for this new aid to the Canadian Northern Railway Company. There is no disposition on this side of the House to view critically the legislation which has been introduced on the present occasion to grant assistance to that company in their enterprise of constructing a third transcontinental railway. Parliament has already subsidized that enterprise, and subsidized it upon terms which we thought to be generous and adequate to carry it to completion. So far as I have been able to follow his statement, the only reason given by my hon. friend why this additional assistance should be given to the company, is that it has not been assisted in the past so generously as the Grand Trunk Pacific and the Canadian Pacific railway. I am sorry that the memorandum which has just been read by my hon. friend was not placed on the table earlier. When he gave notice of this resolution, I asked him to bring down all the correspondence, and to furnish, in advance, all the information that he had in his hands, so as to facilitate the discussion. My hon. friend told me then that there was no correspondence with the company—

Mr. COCHRANE: That is right.

Sir WILFRID LAURIER:—that all the negotiations had been verbal. It seems to me that, since the company were asking such generous assistance, the Government would have done better to have asked them for a statement of the reasons which had brought them to the door of the Government for more assistance. It would have been more satisfactory to the Government, to Parliament, and to the people, if the company had put those reasons in black and white. But since there has been no correspondence, we have to guess what the reasons may be. The only reason which has been disclosed by my hon. friend up to the present time—and if I am in error he will correct me—the only reason he disclosed in the memorandum which he read, and which I presume came from the company, was that the Canadian Pacific railway and the Grand Trunk Pacific had been assisted upon a more generous scale than the Canadian Northern Railway Company. But I submit that that is no reason whatever. It must be apparent to everybody that, as a country develops, railway construction must become less and less expensive. The construction of the Grand Trunk Pacific could not be as expensive as that of the Canadian Pacific railway, and the construction of the Canadian Northern railway could not be as expensive as that of the Grand Trunk Pacific. The Canadian Pacific Railway Company was the pioneer company, which had to carry its supplies and everything else through an unsettled country, and therefore the cost of construction must have been much heavier. When, later on, the Grand Trunk Pacific was constructed, that company had the benefit of the existing railway, the Canadian Pacific railway, and the cost of construction must have been very much less than that of the Canadian Pacific railway. When the third transcontinental railway, built by the Canadian Northern Railway Company, was proceeded with, it had the advantage of the two existing roads, over which it could carry its supplies. Apart from the one consideration, that labour may be dearer now than it was at the time the Canadian Pacific railway was built, although perhaps not much dearer than when the Grand Trunk Pacific was built, the conditions are to the advantage of the Canadian Northern. Canada has gone into the construction of railways on a scale unprecedented in any country. We were forced to do this on account of our proximity to the United States; we could not wait until private enterprise alone would provide the railway facilities which this new country required, and out of the bounty of the Government we aided private enterprise. But as time goes on and the country is developed, railway construction will less and less require aid from the public treasury.

The only reason given by my hon. friend so far for this proposal, is that he wants to equalize the assistance given to this road with the assistance given another road. That is no reason whatever for this legislation. The question is first, whether the enterprise is worthy of assistance, and,

then, whether or not the company is able to carry on its enterprise. My hon. friend would not only have done well, but I submit that it was his duty, first of all to give us a statement of the financial position of this company, so that we might judge whether the demand was justified or not. In 1884, when the Canadian Pacific railway was under construction, the company knocked at the door of Parliament for aid, and it was given. But they gave us a statement of their reasons for asking for aid, stating that they could not carry on the enterprise and that it would have to collapse if assistance were not given. If the Canadian Northern Company had now given us some reason of that kind, and had shown us that they were not in a condition to carry on their enterprise, I could understand the application which is made. But, as it is, we have to take a leap in the dark, and the only reason given is one which for my part I cannot entertain, and which I do not believe Parliament will entertain.

If this railroad has to be assisted, how are we to assist it? We have already subsidized this company to a large extent from Ottawa to the boundary of British Columbia, by endorsation of its bonds to the amount of $35,000 per mile. As to the section in British Columbia, from the Yellowhead pass to the Pacific ocean, we gave it last year a cash subsidy of $12,000 per mile, and in addition it has a subsidy from the province of British Columbia. It will therefore be seen that the company has already been generously subsidized. The only point, after all for us to consider is this: if it requires assistance, what should the nature of that assistance be? I believe the days have passed when an enterprise of this kind should be aided by a cash subsidy. We have not done it in the case of the Grand Trunk Pacific, and there is no reason why we should do it in the case of this railway. If any assistance is to be given to the company, it should be by way of loan and not by way of cash subsidy.

Looking back upon the history of railway legislation in Canada, we must come to the conclusion that the Government of the day would have shown more foresight, and would have acted more in the public interest, had it assisted the Canadian Pacific Railway Company in 1881 with a loan rather than with the enormous cash subsidy we gave it. The fact is that at present, if the Canadian Pacific railway is suffering from anything, it is from a plethora of wealth. We have subsidized the Canadian Pacific Railway Company lavishly. I do not say that by way of recrimination; it may be, and I believe it is so, that at that time the Canadian Pacific railway would not have been built had it not been for the extravagant terms we gave to the company. But now that we have before us the result of the operations of the Canadian Pacific railway, we see that it would have been far better in the public interest had we done as the United States did in the case of the Union Pacific, namely, lent the credit of the Government to that enterprise instead of giving it a cash subsidy. To-day the very wealth of the Canadian Pacific railway is, I will not say a danger, but an obstacle in the way of the adjustment of freight rates on the roads of other companies. It is easy to be wise after the event; I do not recriminate; but if in 1881 we had loaned to the Canadian Pacific railway $150,000,000 to carry on its enterprise, to-day the whole of that money could have been recouped, to the advantage of the company and of the Canadian people. We did not do so; but to-day we can learn a lesson and take heed, from our remissness in the past.

Instead of giving this cash subsidy of $158,000,000 out of the treasury to the Canadian Northern, I ask my hon. friend why in the very next resolution on the Order Paper he proposes to grant help to the Grand Trunk Pacific by way of a loan. What reason is there for giving a cash subsidy to the one railway and a loan to the other? Would not the public interest be better served if we followed the same rule in both cases? Would not the enterprise be benefited just as well if we were to loan to the Canadian Northern Company the $15,000,000 which it wants, just as we are loaning to the Grand Trunk Pacific Company the money it wants? Let me call the attention of the House to the resolution with respect to the Grand Trunk Pacific:

> Resolved, that it is expedient to provide for and to authorize an advance out of the Consolidated Revenue Fund by way of loan to the Grand Trunk Pacific Railway Company of a sum not exceeding fifteen million dollars, for the purpose of assisting the company in completing the western division of its railway; such advance to be repayable with interest half-yearly at the rate of four per centum per annum, not later than July 1, 1923, the advance to be secured by debentures charged upon the western division of the company's railway, and upon the undertaking, equipment and property, rights and franchises of the company, ranking next after the debenture stock of the company issued or to be issued under chapter 100 of the Acts of 1906, and the Act respecting the company assented to on the seventh day of March, 1913, such debentures to be guaranteed, both as to principal and interest, by the Grand Trunk Railway Company of Canada.

Let me ask now why, in giving aid to these two transcontinental railways, which are both in the process of construction, one mode of help is given to one and another mode of help is given to the other. What reason has impelled the

Government to give a loan of $15,000,000 to one and a cash subsidy to the other?

Hon. W. T. WHITE (Minister of Finance): It is a very proper question, which my right hon. friend asks, and I am confident that the Government is able to make a reply which will satisfy this House and the people of this country. The policy of granting subsidies to railway companies, and especially to railway companies engaged in the task of building transcontinental lines, is not new. It is as old as Confederation and has been forced upon every government of this country by the facts and exigencies which have confronted us, principally owing to our geographical position and the extent and character of the country which must be traversed by the lines which bind Canada together from the Atlantic to the Pacific.

Canada is divided into four parts. Political confederation would not have been possible except by binding together the isolated sections of Canada. That was recognized at the time of Confederation, and the Intercolonial had to be built in order to join up the maritime provinces with Quebec and Ontario. We have between the province of Ontario and the prairie provinces a stretch of about a thousand miles of almost barren wilderness that must be linked up by railway lines in order that the Ontario and the East may have access to the prairie provinces. Similarly, when you traverse the prairie provinces, you come to the great barrier of the Rocky mountains that shuts off the prairie provinces from British Columbia. The task that has been set to every government of Canada is how to provide transportation facilities for the people of Canada. We have an area in this Dominion the size of Europe. We have almost four thousand miles to traverse from coast to coast. We have to the south of us a republic from which our people have been shut off by a hostile tariff. Therefore the problem has been and is to-day, in a larger degree than anything else, the problem of transportation. That was felt at the period to which my right hon. friend refers, the period of the building of the Canadian Pacific line, which was heavily subsidized was built. That condition existed in 1903, and subsequently, when my right hon. friend inaugurated the great enterprises of the Grand Trunk Pacific railway. That problem exists to-day with regard to all these lines, and any new lines that may be necessary in order to serve the requirements of the country.

My right hon. friend has spoken as if railway subsidies were an entirely new idea. No doubt most of us would agree that if we could avoid it, it would be inadvisable to give money to railway companies, no matter upon what terms, in consideration of their building railways. As a matter of fact, the principle of railway subsidies is as old as Canada and it is with us to-day. My right hon. friend had to deal with it with regard to the Grand Trunk Pacific railway and in the numerous subsidy Bills which he has brought down. I am surprised that he should express the views that he has put forward to-day as to the propriety of giving railway subsidies, especially in connection with transcontinental lines. They are not ordinary lines; they have to be built, as I have said, along the north shore of lake Superior and through the Rocky mountains where the cost of construction is immense, so that no railway company could be expected to build those lines without substantial assistance from the Government of Canada.

Let me take up by way of illustration the different transcontinental lines that have been subsidized and assisted, and that have built their lines from the Atlantic to the Pacific. In the first place, take the Canadian Pacific railway, and I agree with my right hon. friend that conditions are different now. There were difficulties in the way of getting supplies for the building of the Canadian Pacific railway. If that is so in the West, so far as the East is concerned the cost of building transcontinental lines has increased enormously since the time when the Canadian Pacific railway was built. It is a fair set-off, one against the other. The difficulties of the Rocky mountains are the same now as they were then. So far as eastern Ontario and Quebec are concerned, we all know the cost of building railway lines has increased enormously. The cost of acquiring railway terminals runs into tremendous sums. This is common knowledge. What did the Canadian Pacific railway get? They got $25,000,000 in cash; they got 25,000,000 acres of land which have turned out to be worth a greater sum than the capital stock of the Canadian Pacific Railway Company. I shall not take it on the basis of to-day's value; I shall deal with it on the basis at which it was deemed proper it should be taken at that time. The 25,000,000 acres of land were stated to be worth from $1 to $1.50 an acre. With the development of this land, which has been brought about not only by the Canadian Pacific railway, but by all these other railway companies which have been built, it has turned out to be worth a sum in excess of $250,000,000. What else did they get? They got in addition to that 700 miles of completed line of railway from Prince Arthur's landing to a point west of Winnipeg, 500 miles; and from Port Moody east through the Fraser canyon, 200 miles. They got all these grants from the Dominion Government in consideration of their undertaking to build the line. What would that subsidy amount to at that time? It is the very opposite of

an extreme statement to say that the cash subsidy given to the Canadian Pacific Railway Company in consideration of building the line would run at least to $25,000 or $30,000 per mile upon the part of the line which they constructed.

Now we come to the Grand Trunk Pacific Railway Company, and I was amazed to hear my right hon. friend refer to the extravagant terms, so far as governmental aid is concerned, under which the Canadian Pacific railway was built. My right hon. friend has a convenient habit of forgetting what he did during the time he was in office. It is the only failing that I attribute to him. He seems to have entirely forgotten what he did for the Grand Trunk Pacific Railway Company. I say, without fear of contradiction, that no railway company in Canada, having regard to the aid given to them at the time of construction, has ever been subsidized on any such scale as the Grand Trunk Pacific Railway Company. The Canadian Northern Railway Company, having regard to what it obtained and to what we are now giving it, has not received anything like a proportionate amount of assistance. The Government of Canada undertook to build the eastern section of the National Transcontinental from Moncton to Winnipeg. My hon. friend, the Minister of Railways (Mr. Cochrane) has stated that that road, when completed, will cost $230,000,000. Let me take a sum that I think will not be challenged by the House, because it might be stated that that was an extravagant estimate. Let me take $175,000,000. I suppose it will not be seriously contested by hon. gentlemen opposite that the eastern division of the National Transcontinental from Moncton to Winnipeg will cost $175,000,000. I do not believe my hon. friend from South Renfrew (Mr. Graham) will contest that. If he does, I am willing to take it on a lower basis, because I can afford to be generous with these figures. But what was the agreement with the Grand Trunk Pacific Company? The Government of Canada undertook to build that line, and from the day it is taken over by the Grand Trunk Pacific Railway Company, interest ceases for seven years. The Dominion of Canada loses three per cent upon $175,000,000—and money is worth more to-day to the Dominion of Canada than three per cent. But take it on that basis and you have a direct subsidy to the Grand Trunk Pacific of $5,000,000 per annum, or $35,000,000 for seven years. Take the Western Division. That division consists of two sections, the Prairie Section and the Mountain Section. Now see what my right hon. friend and his Government put through with the approval of the country, because he went to the country on that issue and was returned. They guaranteed $13,000 a mile upon the Prairie Section from Winnipeg to Edmonton, a distance of 916 miles. This made a guarantee in excess of $10,000,000. Then in respect of the Mountain Section, the Government guaranteed the securities of the Grand Trunk Pacific to the amount of seventy-five per cent of the cost whatever it might be. What are the latest figures with regard to the cost? I shall have to present these figures in connection with a proposal of a loan to the Grand Trunk Pacific Railway Company. It is shown that the estimated cost of the Mountain Section, according to the chief engineer of the Government, is no less a sum than $61,000,000, and, if the terminals at Prince Rupert be added it will amount to nearly $70,000,000. Let us say $64,000,000 so as to divide readily. Whether we say $64,000,000 or $70,000,000 my case is sufficiently strong either way. So, you have guarantees for the Mountain Section of not less than say $50,000,000. My right hon. friend says the terms under which the Canadian Pacific railway was constructed were extravagant. What shall we say of the terms he made with regard to the Grand Trunk Pacific? I am not unduly critical on this point; I am answering the right hon. gentleman; he is the one who is unduly critical. What has he to say with regard to the provision for the payment of interest of bonds on the Grand Trunk Pacific Mountain Section? The House will bear in mind that the Government has guaranteed three-quarters of the cost of the Mountain Section, not less than $50,000,000. But the Government of Canada must pay the interest for seven years until it is completed, without recourse;—'without recourse'—these are the words of the statute. It therefore pays three per cent on $50,000,000 worth of bonds, which is $1,500,000 a year, or for seven years upwards of $10,000,000. So, with the interest on the Eastern Division of $35,000,000 and interest upon the Western Division of $10,000,000, you have a total of $45,000,000 in cash by way of subsidy for the building of the Grand Trunk Pacific railway. And what does the Grand Trunk Pacific build? It did not build the line from Moncton to Winnipeg, but only the line from Winnipeg to Prince Rupert. The mileage of the Prairie Section is 916 and of the Mountain Section 830 miles, a total in round figures of 1,750 miles. As I have shown, the cash subsidy for this line would amount to no less than $45,000,000. That is a conservative estimate: it is to be remembered that the mortgage that secures the bond issue on the Mountain Section is a closed mortgage on £14,000,000 or $70,000,000 of bonds. So, I have no doubt that the cash subsidy for the line from Winnipeg to Prince Rupert will really amount to $50,000,000.

But I am not finished yet with the cash subsidies given to the Grand Trunk Pacific.

What about the implementing money under the decision of the Judicial Committee of the Privy Council? Under that decision no less than $10,000,000 is to be added to the amount I have mentioned. For the Dominion has to pay that amount. We have introduced legislation to save $2,000,000 out of $12,000,000 leaving an expenditure of $10,000,000 as the result of the judgment of the Privy Council. So, if we take the total amount of cash and average it up over the 1,750 miles of road, we find that a cash subsidy of not less than $30,000 to $35,000 a mile has been given the Grand Trunk Pacific.

More than that, in 1909, the Government of the right hon. gentleman gave to the Grand Trunk Pacific a loan of $10,000,000, secured by a trust mortgage on their undertaking guaranteed by the Grand Trunk railway. I think the right hon. gentleman did what he was obliged to do. He had inaugurated a great enterprise, set in motion certain forces, during the time he was Prime Minister. I take no exception to that, speaking fo myself. He found, as we found, that the enterprises cannot be checked, once they are established; they must go on, and a reasonable measure of Government aid, if it can be justified, will meet with the approval of this House and of the country.

Now, we come to the guarantees of the Dominion. They amount to $40,000 a mile from Winnipeg to Prince Rupert. How do I arrive at these figures? The mortgage that secured the bonds or debentures of the Grand Trunk Pacific is a closed mortgage for £14,000,000 or $70,000,000. The distance from Winnipeg to Prince Rupert is 1,750 miles. That is to say the Grand Trunk Pacific has received Dominion guarantees of $40,000 per mile. And we are making a loan now of $15,000,000. My right hon. friend made a loan of $10,000,000. This makes a total loan of $25,000,000. It means that the Grand Trunk Pacific has received by way of loans of $15,000 a mile from Winnipeg to Prince Rupert. These are staggering figures. But they are staggering only by reason of the fact that the people do not realize the enormous cost of these gigantic railway enterprises in Canada.

Having regard to the problem to which I have referred, the Government of Canada must assist in meeting the difficulties connected with it, because, as I have said, the most important question in this country to-day is transportation. The Grand Trunk Pacific Railway Company has received cash subsidies from the Dominion Government to the amount of $30,000 a mile, guarantees from the Dominion Government, $40,000 a mile; loans by the Dominion Government, $15,000 a mile; total, $85,000 a mile. My right hon. friend made an arrangement whereby the Grand Trunk was bound to guarantee the securities of the Grand Trunk Pacific, and supply the proceeds necessary to finish the Grand Trunk Pacific line. How much money did the Grand Trunk Pacific raise upon the guarantee and credit of the Grand Trunk Railway Company? No less a sum than $50,000,000. In addition to that, all the assistance given by the Government has been required to finish the Grand Trunk Pacific from Winnipeg to Prince Rupert. We are now making a loan which I am sure my right hon. friend will agree is fully justified under the circumstances which I shall mention when we consider the resolution and the Bill founded upon it.

My right hon. friend said: Why help the Canadian Northern Railway Company by subsidy and the Grand Trunk Pacific by loan? I think that is a comparatively easy question to answer, in view of what I have said. The Canadian Northern Railway Company is not asking the Government for a loan. It has been the policy of all governments of Canada to grant assistance by way of subsidies to transcontinental lines, because they cannot be built without that assistance. Private enterprise in Canada cannot bridge those great gaps of which I have spoken unless they get assistance from governments. That is the only justification for these subsidies; I would not be here defending a subsidy to any railway company unless the giving of it were absolutely necessary. I appeal to the experience of hon. gentlemen opposite who have been in governments, and who are familiar with the policy that has been pursued by every government since Confederation; it is absolutely necessary, if we are going to have our transcontinental lines completed, to come forward with a measure of government aid. This loan is not made to equalize the amount paid to the Canadian Northern with that given to the Grand Trunk Pacific. Having regard to the figures given by my hon. friend the Minister of Railways as to the cost of a transcontinental line, private enterprise cannot build these lines which are of so much advantage to Canada and to its transportation needs and requirements, unless they get, as transcontinental lines have always got, subsidies from the Dominion Government. Under the administration of my right hon. friend, every two or three sessions a subsidy Bill was brought down. He granted subsidies to the Canadian Northern for the construction of its line between Ottawa and Montreal; he gave a guarantee of $35,000 upon that line, after having previously granted a subsidy of $6,400 a mile. The principle has been continually recognized. A subsidy of $6,400

a mile was given to this company in respect of its line from Toronto to Sudbury to connect with the main line. The Canadian Northern Railway Company applied for a subsidy and not for a loan, for the reasons I have mentioned. In addition to the enormous sums of money which private enterprise has supplied, the Government steps in and does, not something new, not something novel, but something which the Government of Canada has always been obliged to do, namely, contribute from the Dominion funds by way of subsidies, the consideration to the Dominion being the advantage which will accrue to the people of Canada by the construction of a transcontinental line. I think there has been a misconception on the part of my right hon. friend, or rather he has not turned his mind upon the matter. I must say he does not misconceive very many things; he is exceedingly well posted with regard to every aspect of Canadian affairs, but I think he has failed to recognize the enormous project which the Canadian Northern Railway Company has in hand, and how much that project means to the people of Canada.

The Canadian Northern railway system is divided into two sections. The western section extends from Port Arthur to Edmonton, and comprises the network of lines in the provinces of Manitoba, Alberta and Saskatchewan. They have a line running from Winnipeg to Duluth, carrying the grain of the West to that port. The Canadian Northern Railway Company carries between thirty and forty per cent of the grain of the West. Under their enterprising president and vice-president they have built or acquired over a mile of railway a day since 1898. Fifteen thousand men are engaged on the Canadian Northern railway construction, and twenty-five thousand in connection with the operation of the line. They have forty-five hundred miles of railway in the West, and eighteen hundred miles of railway in the East. The eastern division consists of the Canadian Northern Ontario and the Canadian Northern Quebec railways, the Canadian Northern Ontario comprising the line running from Toronto to Sudbury, the proposed line from Toronto to Ottawa, the line from Ottawa to Montreal, and the proposed line to the Niagara frontier from Toronto. In Quebec the Canadian Northern has acquired the Great Northern and the Quebec and St. John railway, and has linked up the cities of Quebec and Montreal.

Mr. LEMIEUX: Is it the intention to link up with the Quebec and Saguenay railway?

Mr. WHITE: I am entirely unable to answer my hon. friend; I have no knowledge of the matter to which he refers. We are speaking now of the linking up of the city of Quebec with Vancouver, because that is the project of the Canadian Northern Railway Company. As I have said the Canadian Northern Railway Company plays an important part in the transportation problems of the Dominion. It must be borne in mind that we are dealing with subsidies in respect of the main line between Ottawa and Port Arthur, Edmonton and Summit, and Toronto and Ottawa. We are dealing with the main line only. It must be thoroughly borne in mind at the outset, that what we are doing is giving a subsidy in conformity with the policy that has always obtained, a subsidy to a main transcontinental line.

As I have said, the Canadian Northern railway have done a very great deal of development work in the Canadian Northwest. My hon. friend knows as well as anyone what a part they played in settling the Saskatchewan valley, in bringing in immigration from United States and from Great Britain. Then they have, in addition to the Canadian Northern itself, various other lines, for instance, the Royal Steamship line, which is a subsidiary company. its bonds and stocks owned by the Canadian Northern railway. Similarly they have terminal elevators at Port Arthur, and numerous other subsidiary enterprises, telegraph and express companies, all owned by the Canadian Northern railway in connection with their enterprise from East to West. It has been frequently said in public, and I only refer to this fact in order to remove any misconception, that the Canadian Northern has really built its line out of provincial and Dominion guarantees.

In passing, let me say that, so far as a guarantee is concerned—and I quote the hon. member for South Renfrew (Mr. Graham) as to this on numerous occasions—the liability is contingent; the Dominion lends its credit to a railway company. My hon. friends opposite have said on various occasions that it was not expected at all that the Government would be called upon to pay under those guarantees; a guarantee is a contingent liability, the company asks the Dominion to lend it its credit and in connection with a transcontinental line, which properly comes within Dominion jurisdiction and serves the purpose of the entire Dominion. I take no exception, speaking for myself, to the principle of giving Dominion aid by way of guarantee, provided that it is properly secured, and provided it can be shown that it is in the interest of the people of the Dominion as a whole that it should be done, and that a powerful railway company or group are prepared to build and operate a railway line which will inure to the benefit of the people of Canada.

Let me refer to the cost of the Canadian Northern system. I looked into it not long ago because, as Minister of Finance, I felt that I was interested in these matters when granting subsidies to the Canadian Northern, just as I was interested in the loan to the Grand Trunk Pacific. I find that the entire cost of the Canadian Northern system, the parent company and the eastern division, comprising the railways I have mentioned, is no less a sum than $265,000,000 to date. That is the cost of the Canadian Northern railway system. Securities guaranteed by Government, Dominion and provincial, of which I can furnish details, have been issued to the extent of $120,000,000, that is securities which provided $120,000,000, and the Canadian Northern Railway Company, by the issue of their own securities, their perpetual debenture stock, land grant and other bonds, have made issues that have realized $145,000,000, principally of English money. The guarantee of securities by the Dominion and by the provinces to the extent of $120,000,000 was a most valuable aid, but, as I have pointed out, this liability of the Dominion and of the provinces is contingent, it is not direct, and therefore, so long as the Canadian Northern as a going concern is able to pay its interest, the Dominion will not be called upon and cannot be called upon to pay any part of the interest; the Dominion has loaned its credit only.

Mr. MACDONALD. That does not include subsidies?

Mr. WHITE: No, there are no subsidies on the main line.

Mr. MACDONALD. It would be advisable to have the amount raised for the Canadian Northern Ontario Railway, the Canadian Northern Quebec Railway, and other provincial lines. In order intelligently to understand the figures the minister is giving, it would be of interest to know the extent of mileage and what companies own the different mileages to which this applies.

Mr. WHITE: The figures are as follows:

Canadian Northern Railway System—Securities—Dominion Guarantee.

Security.	Miles.	Issued.	Net amount Realized.	Loss.
Canadian Northern Ry. 3 p.c. debenture stock.	720	$ 9,360,000	$ 8,385,683	$ 974,317
Canadian Northern Alberta 3½ per cent stock.	150	3,145,683	2,890,179	255,504
Canadian Northern Alberta 3½ per cent stock.	102	3,570,000	3,034,500	535,500
Canadian Northern railway 3½ per cent debenture stock..	607	7,896,585	7,599,098	297,487
Canadian Northern Ontario 3½ per cent debenture stock..	973	34,020,000	30,913,968	3,106,032
	2,552	$57,992,268	$52,823,428	$5,168,840

The synopsis as to the affiliated companies is as follows:

Canadian Northern Affiliated Companies—Memorandum of Securities Issued.

	Ontario Guarantee.	Dominion Guarantee.	B. C. Guarantee.	Manitoba Guarantee.	Not Guaranteed.
	$	$	$	$	$
Can. Nor. Ont.....	7,860,000	34,066,666	.. ..	.....	11,473,641
Can. Nor. Que.—					
Bonds	.....	.....	.....	.....	3,505,750
Debenture stock.....	....	.....	....	.....	5,814,560
Can. Nor. Pac. Ry	... .	.....	16,490,000	.....	....
Can. Nor. West. Ry. (Guar. of C. N.....	.....	... .	.....	.....	2,800,000
Dul. Wpg & Pac. (Guar. of C. N. R.).....	.....	.....	.....	.....	6,537,666
Minn. & Man. Ry.....	.....	... .	.....	349,000	....
Can. Nor. Alta. Ry.....	. .. .	3,149,998	.....	.....	....
		3,570,000	.....	.....	.....
C. N. Montreal Tunnel & Terl. Co.....	.....	.....	....	.....	2,676,666
	.....	.....	.. ..	....	32,808,283

Synopsis.

Guaranteed by—	
Dominion of Canada..	$37,216,664 66
Ontario..	7,860,000 00
British Columbia..	16,490,000 00
Manitoba..	349,000 00
Total guaranteed..	$61,915,664 66
Not guaranteed..	32,808,283 00
	$94,723,947 66

The merged statement is what my hon. friend would like. It is as follows:—

Canadian Northern Railway and Affiliated Lines—Merged Statement.

Guaranteed by—		
Dominion of Canada ..	$58,043,250	
Province of Manitoba..	24,110,546	
Province of Saskatchewan..	8,030,000	
Province of Alberta ..	5,586,665	
Province of British Columbia..	16,490,000	
Province of Ontario ..	7,860,000	
Grand total of guaranteed securities ..	$120,120,461	
		$120,120,461

Securities not Guaranteed.

Canadian Northern—	
4 p. c. debenture stock..	$48,484,380
Income stock..	25,000,000
Equipment bonds.	32,086,488
Land grant bonds	7,000,000
Ontario 4 per cent debenture stock..	11,473,641
Quebec debenture stock.	5,814,560
Quebec bonds..	3,505,750
Western railway 4 per cent bonds..	2,800,000
Duluth, Winnipeg and Pacific bonds..	6,537,666
Canadian Northern Montreal Tunnel and Terminal	2,676,666
Total securities not guaranteed..	$145,379,151
Grand total of securities outstanding..	$265,499,612

Mr. MACDONALD: Can the minister give us the amount of subsidies that have been paid?

Mr. WHITE: I have that next in order. I will give a complete statement. As I pointed out, the Canadian Pacific Railway Company received cash subsidies—I am not comparing that time with the present, but am simply calling attention to the policy which prevailed then, and which has prevailed since—the Canadian Pacific Railway Company received subsidies if the lands are estimated at the low value of $1 and $1.50 an acre, of from $25,000 to $30,000 per mile. The subsidies that have been granted to the Grand Trunk Pacific, as I have already mentioned, were interest for seven years upon the construction of the eastern division of the Northern Transcontinental railway, and interest for seven years upon the Mountain Section. Now then, what has the Canadian Northern railway received by way of subsidies as I have stated? That railway constitutes one-fourth of the entire mileage of railways in operation in Canada; moves over thirty per cent of the western crop to the Atlantic seaboard, and carries its principal line from Quebec through the provinces of Quebec and Ontario, along the stretch of the north shore, through Manitoba, Saskatchewan and Alberta, across the summit and down to Vancouver on the Pacific coast.

Sir WILFRID LAURIER: The subsidies from Quebec westward?

Mr. WHITE: I am dealing only with the main line subsidies, because I have not any figures as to the Quebec part.

Sir WILFRID LAURIER: My hon. friend mentioned Quebec.

Mr. WHITE: I will see if I can obtain those figures later, but meantime I am dealing with the main line between Montreal and Port Arthur.

Sir WILFRID LAURIER: That is all right.

Mr. WHITE: As a preliminary to the subsidies received by the Canadian Northern Railway Company, I might give the mileage, which will enable the House to follow more clearly what I shall subsequently say, and the present condition of construction in respect to the Transcontinental line which it is proposed to aid by way of subsidy. From Quebec to Montreal there are 178 miles; from Hawkesbury to Ottawa, 57 miles; from Port Arthur to Edmonton, 1,265 miles; a total of 3,978 miles of railway complete and in operation. That is to say, of the Transcontinental line of the Canadian Northern Railway Company, from Quebec to the shores of the Pacific, 3,978 miles, or practically 4,000 miles are to-day complete and in operation. Next, I desire that the House should have complete information as to the mileage under construction, and as to the date at which it is estimated the entire line will be in operation.

Mr. GRAHAM: To Prince Rupert is only 3,500 miles.

Mr. WHITE: My hon. friend is quite correct. I was referring to the lines of the system in the West, the lines that were in operation in the prairie provinces. The total then is 1,600 miles complete and in operation, that is of the Transcontinental line which is now being made the subject of the grant of subsidies by the Dominion Government. Under construction, we have from Ottawa to Port Arthur 900 miles; from Edmonton to Yellowhead pass 260 miles; and from the Yellowhead pass to Vancouver 525 miles, a total of 1,695 miles.

The contracts call for the completion of the line by the end of this year, 1913, and it is estimated that by the summer of next year, if the same conditions prevail as have prevailed as to labour, the Canadian Northern Railway Company will be running trains across the continent from Quebec to the Pacific coast. At all events that is what they have in view, what they hope and expect. Now, what is the assistance that has been received on this main line, because I shall centre my attention on the main line. I have shown, I think to the satisfaction of the House, that no transcontinental line, either in the remote past or in the recent past, has been, or could be built in this country without Dominion subsidies. As I have said, we may theoretically object to subsidies, but we are confronted with a condition, and not a theory. My right hon. friend was unable to project a transcontinental railway across this continent without granting vast subsidies, giving immense guarantees, and making large loans, and if that had to be done in 1903 and 1909, I do not think that the situation has materially changed to-day. What has been the assistance given to the Canadian Northern Railway Company in respect to their transcontinental line? I desire the House to fix its attention on the Transcontinental line only. From Montreal to Port Arthur there are 1,025 miles, and a Dominion guarantee of $35,000 per mile was given by the Government of my right hon. friend. I think it was estimated by the hon. member for South Renfrew, then Minister of Railways, that that section was to cost from $50,000 to $55,000 a mile to complete and equip. I think 'Hansard' will show that; if I am wrong he will correct me.

Mr. GRAHAM: It was in that vicinity.

Mr. WHITE: On the recommendation of my hon. friend the member for South Renfrew (Mr. Graham), the Government of my right hon. friend introduced legislation whereby the bonds of the Canadian Northern Ontario Company—because that is the only company that owns the line—were guaranteed to the extent of $35,000 per mile, the line, as I have said, costing, on the estimate of the then Minister of Railways, from $50,000 to $55,000 a mile. The proceeds of that guarantee—because the three and one-half per cent stock did not sell at par—was $31,762 per mile, so that to make it perfectly plain, the line, which, on the estimate of my hon. friend, would cost from $50,000 to $55,000 per mile, received a Dominion guarantee which produced $31,000 per mile, leaving $24,000 per mile to be raised by the promoters of the road and $24,000 per mile for a thousand miles is $24,000, a vast sum. I want to give the figures fully and frankly. They received from the Ontario Government a land grant of 4,000 acres per mile, amounting to 2,000,000 acres for the line from Selwood to Port Arthur. That land may become valuable, and I have no doubt it will, but it has not assisted them in the construction of their line, and in the nature of things it could not, because it is not yet open to settlement.

Let me add one thing more—because it is precisely analagous to what we are doing to-day. The Government of my right hon. friend (Sir Wilfrid Laurier)—I desire to be corrected if I am in error—gave the Canadian Northern in respect to the line between Ottawa and Montreal $6,400 per mile by way of subsidy.

Mr. GRAHAM: To be absolutely correct the amount from Hawkesbury to Montreal was allowed to lapse by arrangement. The subsidy was paid from Ottawa to Hawkesbury, I think.

Mr. WHITE: I want to see what the Government of my right hon. friend did. A subsidy was granted to the line between Ottawa and Hawkesbury and I think from Hawkesbury to Montreal, but whether it lapsed or not it was granted. Then, the Government of the right hon. the leader of the Opposition, gave a guarantee of $35,000 per mile upon 1,025 miles from Montreal to Port Arthur. On the line between Port Arthur and Winnipeg, 438 miles, the Government of Manitoba gave guarantees to a total amount of $6,700,000. I do not believe there is any Dominion guarantee with respect to that line. A subsidy was given to the Port Arthur and Rainy River Railway Company, which was acquired by the Canadian Northern, as follows: Stanley to Fort Frances, $1,355,000; Fort Frances to Rainy River, $179,000; or a total of about one and a half million dollars. From Rainy River to Winnipeg no subsidy was granted and no Dominion guarantee given; and the House will observe we are not proposing any subsidy in respect to that line, which has been in operation for some years. Then, on the line between Grand View and Edmonton, 750 miles, the Government of my right hon. friend gave guarantees as to a portion of it at the rate of $10,000 per mile, and as to another portion of it $13,000 per mile; so that the total Dominion Government guarantee from Grand View to Edmonton is in the neighbourhood of about $8,000,000.

Mr. BENNETT (Calgary): From Grand View to Edmonton was the Dominion subsidy.

Mr. WHITE: At all events, the total of the Dominion guarantee here was something like $8,000,000. Then, the Government of my right hon. friend the leader of the Opposition in respect to the road from Edmonton to Yellowhead gave a subsidy of

$13,000 a mile for fifty miles; $25,000 a mile for one hundred miles; and $35,000 a mile for one hundred and two miles; making the total proceeds about $6,000,000. The Canadian Northern Pacific is the line extending for five hundred and twenty-five miles from the summit of the Rockies to the Pacific coast, and on that, as the right hon. gentleman has pointed out, the Government of British Columbia has given a guarantee at the rate of $35,000 per mile and this Parliament last session gave a subsidy of $12,000 per mile; making a total of $6,000,000 by way of Dominion subsidy to that line.

From Ottawa to Toronto, 250 miles, the estimated cost is, I think, about $41,000 per mile, and no guarantee and no subsidy has been given in respect to that line. I desire to point out the difference between the case of the Canadian Northern railway and the older lines which have become entrenched in the Eastern provinces and have acquired rights-of-way and terminals at an early date and at much less expense than the Canadian Northern can, because we all know that the cost of terminals in great cities, and the cost of a right-of-way through populous provinces is enormous. We now propose to give a subsidy of $6,400 per mile, which is the ordinary subsidy, on the line running between Ottawa and Toronto. The total guarantees in respect of the lines I have mentioned, namely, the line from Montreal to Port Arthur, the line from Port Arthur to Winnipeg, the line from Winnipeg to Edmonton, the line from Edmonton to the summit of the Rockies, and thence to Vancouver, amount to $57,000,000.

Sir WILFRID LAURIER: I thought my hon. friend said $120,000,000.

Mr. WHITE: No, that is for the whole system. I was careful to say that, as we are giving subsidies on the Transcontinental line, I am now directing the attention of the House particularly to the Transcontinental line, and therefore I am stating that the guarantee given with respect to the line from Montreal to Yellowhead, is $57,000,000, as I have it here, or $50,000,000, as the Minister of Railways has it; but I will be liberal and call it $57,000,000, as I have figured it out at that.

The distance from Montreal, as I have it, to the Yellowhead pass is 2,700 miles, and the guarantee averages $20,000 per mile. I have shown what the guarantee per mile amounted to in the case of the Grand Trunk Pacific. Let us see now what subsidies have been given to the Canadian Northern in comparison to subsidies given to the Canadian Pacific railway and to the Grand Trunk Pacific in respect of the construction of that line.

Mr. MACDONALD: Would the minister be good enough to give us a statement of the total amount of guarantee for all purposes to the Canadian Northern, which I understood to be in the vicinity of $122,000,000, in order that we may have the full information as to what governmental assistance or subventions have gone to this whole enterprise? Can he give us the amount of subsidies voted, covering the whole system and the amount actually earned?

Mr. WHITE: The subsidies with which I am dealing now are the subsidies given by the Dominion for the main line.

Mr. MACDONALD: Quite so.

Mr. WHITE: I have not spoken at present about the subsidies given by any province, but I do not believe any province has given anything except the land grant from Selwood to Port Arthur to the Transcontinental line. I shall endeavour to obtain that information a little later on. I think the Minister of Railways has it here.

Mr. MACDONALD: If my hon. friend desires to give a complete statement of what assistance this country has given to the enterprise, he should give the information as to the amount of the subsidies that have actually been voted or earned covering the whole system.

Mr. WHITE: I propose to give the subsidies at this particular time in respect of the line with which we are dealing, namely, the transcontinental line of the Canadian Northern, because my argument is that the Dominion Government is following out the ordinary policy, and is amply justified in granting these subsidies to the Canadian Northern in respect only of its transcontinental line.

Mr. MACDONALD: In making the comparison along the lines on which the hon. minister is proceeding, he is not making an argument that is illuminative, because, in dealing with the Canadian Pacific railway, he is dealing with an enterprise that started as a transcontinental line. The Canadian Northern railway has developed its enterprise by successively linking up various local lines in different places. My hon. friend is proposing to carve out of all these lines what he calls a transcontinental railway, and is giving subventions for some of them. He must give the total amount of subventions in addition to the guarantees.

Mr. WHITE: That would be very pertinent to a discussion as to the branch lines in the several provinces. If I had thought my hon. friend would require it, I would have had it here.

My hon. friend is hardly making a fair statement when he says that the Canadian

Pacific railway went on and developed its enterprise. It is true that it did; but, what I dealt with when I was discussing the matter of aid given to the Canadian Pacific railway, was the aid that was given to it in respect of its main lines. When I discussed the Grand Trunk Pacific, I discussed and gave figures only in respect of its main line from Winnipeg to Prince Rupert. I did not give any figures as to the Grand Trunk Pacific lines through Saskatchewan and Alberta. I instituted a perfectly fair comparison between the Grand Trunk Pacific, the Canadian Pacific and the Canadian Northern main lines.

Sir WILFRID LAURIER: What was my hon. friend's object in giving the guaranteed subsidies to this line?

Mr. WHITE: There has been a great deal said along the line that the Canadian Northern has built all its lines with Dominion or provincial help. The reason I put that merged statement on the table was to show not only the character of the enterprise as to vastness and cost, but the amount of money that had been raised by the Canadian Northern Railway Company itself in respect to securities issued by it.

Sir WILFRID LAURIER: The statement was not complete. In order to have a complete statement, we should have the cash subsidies given to the enterprise everywhere.

Mr. WHITE: That would be true with regard to the system as a whole; it would not interfere with the fact that the Canadian Northern Railway Company had raised $150,000,000 on the strength of its own securities.

Mr. GERMAN: That applies to the whole system.

Mr. WHITE: I am stating that.

Mr. GERMAN: Then why not give the subventions to the whole system ?

Mr. WHITE: There is no reason why I should not do so, if it were pertinent to my argument, but it is not.

Mr. MACDONALD: The information is inaccurate without it.

Mr. WHITE: My hon. friend the Minister of Railways tells me he will give it in a moment. I do not want the House to get away from the comparison I have instituted between the Canadian Pacific railway, the Grand Trunk Pacific railway and the Canadian Northern railway. I am laying down the principle that private enterprises cannot build transcontinental lines of a national character, having regard to the physical difficulties that they will encounter and the cost of construction in this country unless they receive, as they have always done, a measure of aid from the Government.

Sir WILFRID LAURIER: So far so good. We do not dispute that. My hon. friend started to give the House, in order to reply, as he said, to certain surmises or allegations, the whole of the assets which have come to that enterprise. He put down guaranteed subsidies at $120,000,000, unguaranteed subsidies at $145,000,000. His object was to give the whole assets of the company. If he wants to do that, he should also give the cash subsidies which the company had received.

Mr. WHITE: They will have to be tabulated. I think my right hon. friend is making a mountain out of a mole hill.

Sir WILFRID LAURIER: My hon. friend stated that he would give us the assets of the company. He should give the whole or nothing at all, if he is to make a fair comparison between the Grand Trunk Pacific and the Canadian Northern.

Mr. WHITE: My right hon. friend does not follow me. I am making an argument as to the main line, not on the merged statement. I did not volunteer that information; my hon. friend from Pictou (Mr. Macdonald) asked for it, and I gave it in a general way, just as I generally described the Canadian Northern railway, in order that the House might understand what a vast system it was in the matter of transportation in this country. I propose to continue the comparison of the line in respect of those portions of the system which are transcontinental in their character.

As I said when I was asked some questions by hon. gentlemen opposite, the total guarantees on 2,700 miles by the Dominion and the provinces is $20,000 a mile in respect of the transcontinental line from Montreal to Port Arthur, from Port Arthur to Edmonton, from Edmonton to Vancouver, and from Ottawa to Toronto.

We now come to the land grants. It has been suggested that the Canadian Northern railway received vast land grants from the Dominion. As my hon. friend the Minister of Railways has said, they received no land grants direct from the Dominion. In 1897, 1898, and I think in 1899, they purchased the charters of three railways which had obtained, in some cases ten years previously and I think none later than 1890, certain land grants from the Dominion Government in consideration of building those lines. Therefore the Canadian Northern Railway Company received no lands grants itself from the Dominion of Canada.

They bought the charters of lines which had been granted ten years before in some cases, carrying grants of lands in Manitoba from the Dominion Government in

consideration of building their lines. The companies had failed to carry out their enterprises and earn the land grants. The Canadian Northern railway took these over, built the lines and in that way earned the land grants. So it cannot be said that the Canadian Northern railway received any land grant from the Dominion Government. Now, my hon. friend from Welland, (Mr. German) seems quite jocular over it, but I fancy that if he had bought these railway charters, and had taken over their covenants, he would have thought that he had secured these land grants by purchase and not by grant from the Dominion Government. Once the charter is granted with the land grant attached, it is a question outside of Parliament, and if another railway company or anybody else acquires it and carries out the covenant, the land grants are gained by purchase.

Sir WILFRID LAURIER: How much were they?

Mr. WHITE: I think about four and a half million acres. The right hon. gentleman knows all about this matter, because they were dealt with under his regime, and I never heard that he questioned the transactions.

Now we come to the question of subsidy. I desire to make a fair statement on that subject to the House. A subsidy of $12,000 a mile is granted on the line from Ottawa to Port Arthur. No subsidy is granted from Montreal to Ottawa, because, as I pointed out, the Government of my right hon. friend gave a subsidy with regard to that part of the line. Now, a subsidy of $12,000 a mile is unusually large having regard to what is ordinarily given. But it is not unprecedentedly large, nor do I believe that, having regard to the cost of construction estimated by my hon. friend from South Renfrew on the line between Montreal and Port Arthur, which is $55,000 a mile, it would strike one as an unreasonable subsidy. It is considerably in excess of the $6,400 a mile which is the maximum ordinarily granted, but it is not larger than has been granted. You have an immense stretch of land along the north shore of Lake Superior, the cost of construction over which will be very great. You have in addition the cost of rights of way in Ontario, and also the cost of terminals. I have gone into this matter in order to inform myself as much as possible, and I find that the cost of terminals for this transcontinental line in the several cities is estimated to be $40,000,000.

Mr. LEMIEUX: What will be the cost of the line from Ottawa to Montreal?

Mr. WHITE: I am not sure. They are building a tunnel at Montreal, but that, no doubt, will be partly paid for by the increased value which the tunnel will give to the lands that they have acquired. But the cost of that does not enter into the present argument. I have said that this subsidy of $12,000 a mile is not unprecedented. If my memory serves me correctly, the Government of my right hon. friend gave a subsidy of $11,000 a mile in respect of a line from Lethbridge through the Crow's Nest pass to Nelson. Last session we gave a subsidy of $12,000 a mile on a more expensive construction through British Columbia. I think that the Canadian Central, between Pembroke and Callender, received $12,000 a mile. According to our ordinary way of doing things, if a line is built costing over $25,000 a mile, a subsidy of $6,400 is given—which is about twenty-five per cent. In connection with a line costing $18,000 the subsidy is $2,300—my hon. friend from South Renfrew will correct me if I am wrong. So, it would appear that from twenty to twenty-five per cent is given as subsidy in respect of lines as ordinarily built. But the phenomena of recent times so far as railway construction is concerned have been the enormous cost of building through the old settled parts of Canada, owing to the increased cost of rights of way and of terminals. As we all know, land in Montreal, Toronto, Vancouver, Victoria and other places, has doubled, trebled, quadrupled in some cases, in the last five or ten years. We know the enormous cost of acquiring terminals in these cities. Therefore, a subsidy in excess of $6,400 a mile is not unreasonable for a transcontinental line. I have a statement here of the total subsidies received in respect of the main line of the Canadian Northern railway from Quebec to Vancouver. It shows total subsidies of $8,000,000, of which $5,000,000 has been received. Now, I ask hon. members to compare this with the figures I gave. And let it be remembered that this includes $6,000,000 from Summit down. The Canadian Northern railway, in respect of its lines east of the Rocky mountains, has received almost nothing by way of subsidies on the main line, and it is the main line I am dealing with, because it is to the main line that we are giving these subsidies. No subsidy has been given from Ottawa to Port Arthur; none from Ottawa to Toronto; none from Winnipeg to Edmonton; none from Edmonton to Summit. And no subsidy has been given this line from Port Arthur to Winnipeg, except a small amount in respect of the line from Port Arthur to Rainy River.

Sir WILFRID LAURIER: The hon. minister says that the line from Quebec to Summit has received only $8,000,000 of subsidy, and has stated the portions of

road over which subsidies have not been given. Will he state the portions of the road that have been subsidized to the amount of $8,000,000?

Mr. WHITE: From Ottawa to Hawkesbury, a subsidy of $367,000. My hon. friend has asked me for a statement of the portions of the lines that have not previously been subsidized. I will take them up alternately. Ottawa to Port Arthur, 900 miles, no subsidy. It is in respect of those portions of the line to which no subsidies have previously been applied that we are now giving subsidies. Stanley to Fort Frances, subsidies granted, $1,355,000. Stanley is a short distance outside of Port Arthur. Fort Frances to Rainy River, subsidies of $179,000. Winnipeg to Yellowhead, no subsidies.

Sir WILFRID LAURIER: There are the 4,000,000 acres of land.

Mr. WHITE: The 4,000,000 acres of land were acquired from the Winnipeg and Hudson Bay Railway Company, the Lake Manitoba Railway and Canal Company, and the Manitoba and Southeastern Railway Company. The Canadian Northern Railway Company purchased those lands, just as my right hon. friend might have done himself.

Mr. OLIVER: The last sum mentioned is for that portion of the road from Winnipeg southerly to the lake of the Woods.

Mr. WHITE: I have no doubt my hon. friend is right; at all events I am dealing now with cash subsidies in the ordinary sense. Subsidies in respect of the line from Yellowhead pass to Vancouver were granted at the last session of Parliament to the amount of $6,186,000. These amounts, together with a small subsidy in respect of the line between Montreal and Quebec, make up the $8,000,000 which I have mentioned as being the total amount of cash subsidies paid in respect of the Transcontinental line from Quebec to Vancouver.

Sir WILFRID LAURIER: My impression was that the subsidy from Quebec to Montreal was a very generous one.

Mr. WHITE: $1,194,000. We are considering resolutions to-day under which the Government proposes to grant subsidies in respect of sections of the Transcontinental line of the Canadian Northern with regard to which no subsidies have up to date been granted. From Ottawa to Port Arthur, no subsidies were granted; Edmonton to Summit, no subsidies; Toronto to Ottawa, no subsidies; Winnipeg to Port Arthur, subsidies to the amount of $1,500,000.

Mr. MACDONALD: Does the minister put any valuation on the 4,000,000 acres of land?

Mr. COCHRANE: Only 1,250,000 acres of land apply to the main line.

Mr. MACDONALD: The minister spoke about 4,000,000 acres of land, and I understood him to decline when the hon. leader of the Opposition asked him to speak about that in connection with the argument he was making. The Minister of Railways said that a million and a quarter acres of that 4,000,000 should be allotted to the main line. What valuation does the minister put on the 4,000,000 acres?

Mr. WHITE: I think I can give my hon. friend some information with regard to that, but it may not be as definite as he desires. As I have pointed out, the Canadian Northern Railway Company acquired from these three lines in Manitoba the land grants to which they were entitled upon carrying out their undertakings with the Government in respect of the construction of their lines. In 1898, 1899 and 1900 the price of land in the West was very different from what it is to-day. I will give my hon. friend an experience I had that will, I think, be very illuminating to him with regard to these very lands which he has in mind. In 1899 the Canadian Northern Railway Company made what was called a land grant bond issue; they issued bonds to expend $2,000,000 secured upon 1,365,000 acres of land. That is at the rate of $1.50 an acre, supposed to represent fifty per cent of the value of these lands. Sales were made at $4, $5, and $6 an acre of the substantial portion of that 1,365,000 acres, and the balance of the 4,000,000 acres to which I have referred, and which was acquired from the railway companies I have mentioned, was sold at $8, $9, $10, and probably is now selling at $15 an acre. It is therefore impossible for me to state with any great accuracy what these lands are worth, because some of them have not yet been sold. I believe that the comparatively small amount sold last year realized something like $15 an acre. The hon. member for Calgary, who I have no doubt is well informed, tells me that at the time of the sale the lands were worth about $4 an acre. I know however that for the purposes of this land grant mortgage, $3 an acre was estimated to be their value, and the land grant mortgage made by the Canadian Northern and secured by this 1,365,000 acres of land was on the basis of about $1.50 an acre, representing fifty per cent of their estimated value at that time. They call them prairie lands.

Mr. MACDONALD: How long ago was that?

Mr. WHITE: It was in 1899. A railway company, generally speaking, must sell; they are not like the ordinary holder of land, because the object of the railway company is to get the land settled in order to obtain the traffic. Their efforts are directed

at colonization, and we know the success that has attended the great work done by the Canadian Northern railway in connection with the colonization of the Saskatchewan valley and the West generally.

Now, I come to a particular transaction that seems unusual, but I think it marks a very forward advance in connection with the granting of subsidies of this kind. I say frankly that the amount granted on account of the large cost of construction, the increase in the cost of labour, and material, $12,000 a mile was large as compared with the usual and ordinary subsidy of $6,400 a mile. The Government, having regard to the cost of these lines and to the large sums of money that have still to be raised by the railway company in order that the entire transcontinental line may be ultimately built, as shown by the figures submitted by the Minister of Railways, felt justified in granting favourable consideration to the application of the Canadian Northern railway in respect to the subsidies, which are confined, as I have said, to the main line, and do not extend to the lines in the several provinces. But as it was unusual in amount and distinguishable even from the subsidy which last year was given in respect of the line between Summit and Vancouver, running through the Rocky mountains, and costing $70,000 or $80,000 a mile as compared with $50,000 or $55,000 estimated by the hon. member for South Renfrew in respect of the line between Ottawa and Port Arthur the Government took the position that they should receive some consideration of a substantial character from the Canadian Northern Railway Company. I shall point out to the House that in conection with these subsidies, legislation was introduced some time ago or the provision embodied in subsidy bills, I am not quite sure which, under which three per cent upon the amount of subsidy given to a railway is deducted from the amount earned by the railways for the carrying of the mails. Therefore, when subsidies are given to railway companies, the Dominion Government, while giving the subsidy, on the other hand receive back three per cent on that amount, this sum being deducted from the amount earned by the railway company in respect of the carriage of mail. That is embodied in this Bill to the extent of the $6,400 per mile which is the usual and ordinary subsidy. I desire to point out in this connection that the Canadian Northern railway is at a disadvantage in comparison with other transcontinental lines with which it is in competition and which had constructed their lines of railways and received subsidies prior to the time when this policy was put into effect and therefore I think it is reasonable that the three per cent should be charged only on the $6,400 a mile, especially in view of the consideration which we are receiving from the Canadian Northern and which, in my judgment, marks a distinct advance upon the policy hitherto adopted in regard to subsidizing these roads. The Government said: As a consideration from the Canadian Northern Railway Company, having regard to these subsidies, justifiable as we believe in themselves but exceeding the amount usually granted, we desire to obtain a certain portion of the common stock of the Canadian Northern Railway Company. That appeals to me as advanced and sound legislation. If the Governor in Council had received a block of stock of the Canadian Pacific railway in the earlier days it would have been a most valuable asset to the Dominion to-day and therefore it seems to me to be proper and good policy that, as we gave a large subsidy to the Canadian Northern railway, we should receive from the Canadian Northern railway a block of their common stock so that in the event of that railway succeeding as the Canadian Pacific railway succeeded or even in less measure—and I am sure everyone hopes it will succeed—then the Dominion of Canada will have a valuable asset in the stock of that road. We have obtained from the Canadian Northern Railway Company, 70,000 shares of the par value of $7,000,000 of the stock of the Canadian Northern Railway Company. The question naturally arises, what is the value of that stock? The Minister of Railways has indicated that it is of indeterminate value. At the same time, it has been deemed of very considerable value. Personally, I have known of transactions, few in number, in excess of forty dollars a share. I find by their statement of earnings that the balance of the credit of income account in the statement as of June 30, 1912, is about $6,000,000. That is the accumulated profit since the road has been in operation. I may say that there is $25,000,000 of common stock of the $70,000,000 issued by the Canadian Northern railway that is held in trust to be availed of, if they so elect, by the holders of the income charge convertible debenture stock outstanding. In other words, the holders of that stock have the right to take at par this $25,000,000 of Canadian Northern railway stock. The stock we are taking is the stock of the parent organization, that is, of the company which controls 4,500 miles of road in the Northwest from Port Arthur to Edmonton.

Mr. McCURDY: Is this $25,000,000 which was reserved to meet the convertible bonds in addition to the $70,000,000?

Mr. WHITE: The $70,000,000 is the entire authorized issue, and if the holders of the income convertible stock elect to take a like amount at par of the Canadian

Northern stock them, to that extent, the $25,000,000 shares will be in the hands of people who have paid $100 a share for them or who may be the holders of income convertible debenture stock.

Mr. McCURDY: And the Government will be the owners of practically one-sixth of the stock.

Mr. WHITE: Yes. Therefore, taking the whole capital stock of the Canadian Northern Railway Company, which controls 4,500 miles in the West, and owning, I believe, the Canadian Northern Quebec system, and affiliated with the other systems with the ultimate idea of amalgamating them all into a system extending over the continent, the Dominion owns one-tenth of that stock.

Mr. GERMAN: The $25,000,000 is held by the Canadian Northern railway; it has not been issued to anyone?

Mr. WHITE: It is in trust.

Mr. GERMAN: Has the balance of the $70,000,000 been issued?

Mr. WHITE: I am unable to say, but I believe the balance of the issue has been issued, it is reported as issued.

Mr. GERMAN: And for what consideration and to whom?

Mr. WHITE: I am unable to say. I shall deal with that in a few moments. The general report is that the balance of the stock of the Canadian Northern railway has been issued to the contracting firm of Mackenzie and Mann and Company in consideration of their agreeing to build the line for that and other considerations, and I suppose for financing the enterprise to its present degree.

Mr. GERMAN: The contracting firm have been paid in cash for building the line.

Mr. WHITE: If my hon. friend will be patient I will come to that, and I think I can explain it in a manner that will be satisfactory to my hon. friend.

Mr. GERMAN: If it is satisfactory to my hon. friend it will be satisfactory to me.

Mr. MURPHY: How did the number of shares come to be fixed at 70,000?

Mr. WHITE: By legislation of this Parliament. The $70,000,000 is the authorized stock of the parent company under legislation of this Parliament, one-tenth of which the Government acquires in consideration of a subsidy which is above the ordinary, but which, I believe, is justifiable, having regard to the facts I have laid before the House. That is the position. I have no hesitation in saying that in the case of subsidies of such a character given to railways, and, I believe, necessarily, in order that they may complete their line, it is only proper that the Government should take the step of saying we desire some consideration from you other than the consideration mentioned in the ordinary subsidy bill. Might I say that the Canadian Northern Ontario owns the securities of various subsidiary companies. I find in its annual statement a list of acquired securities of a very important character. There is the Minnesota and Ontario Bridge Company, the debenture stock and bonds of which it owns; the Minnesota and Manitoba railway, which had to be a separate line in Minnesota and the bonds and stock of which it owns; the Lake Superior Terminals Company, which has the elevators at Port Arthur, and the bonds and stock of which are owned by the Canadian Northern railway; the Canadian Northern Telegraph Company, the mortgage bonds and capital stock of which are owned by the Canadian Northern railway; the Winnipeg Land Company, limited, the Canadian Northern Coal and Ore Dock Company, the St. Boniface and Western Land Company, the Edmonton and Slave Lake Railway Company, whose line runs from Edmonton to Athabaska Landing, and whose first mortgage bonds and stock are owned by the Canadian Northern railway; the Canadian Northern Prairie Lands Company, the capital stock of which is owned by the Canadian Northern railway, the Canadian Northern Railway Express Company, limited, the first mortgage bonds and capital stock of which are owned by the Canadian Northern railway; and the Canadian Northern Steamships, limited, the debenture stock and capital stock of which are owned by the Canadian Northern railway. That is the company which runs the Royal George and Royal Edward between Montreal and Bristol.

Mr. MACDONALD: Do they own any of the bonds or stock of the Canadian Northern Alberta Company?

Mr. WHITE: I think I can make this general statement—I tried to go into this matter fairly as Finance Minister. The Canadian Northern, as the parent company, owns I think the stock of the Canadian Northern Quebec, and I believe the Canadian Northern has guaranteed the debenture stock of that line. But part of the stock of the Canadian Northern Quebec is owned by the former holders of the stock of the Great Northern Railway Company, which was taken over by the Canadian Northern Quebec. The Canadian Northern Ontario, the parent company, does not own as yet the stock of the Canadian Northern Alberta Company; only

$250,000 of that stock has been issued, I think.

Mr. MACDONALD: Has the Canadian Northern Alberta a provincial charter?

Mr. WHITE: I think it has a Dominion charter; at any rate, it is under Dominion jurisdiction, because the Government of my right hon. friend (Sir Wilfrid Laurier) guaranteed its bonds, and we extended the guarantee last year. I have dealt in a very general way, and I hope not in a tedious manner, with a rather complicated question. The transaction that we propose is one of magnitude. The subsidies are large, but having regard to the transportation problems which confront this country, and having regard to the policy which prevailed in the past in respect to the Canadian Pacific railway and in more recent years in respect to the Grand Trunk Pacific, I think that the Government has only aided to a fair and reasonable extent the construction of the transcontinental section of the Canadian Northern railway which plays such a part in the transportation problems of Canada to-day, and which is such a vast and costly enterprise.

My hon. friend from Welland (Mr. German) is looking at me wistfully or curiously. He has probably in mind the question which he put to me a little while ago. Let me make a sort of public confession of faith with regard to the question of the capitalization of railways. I am not going to criticise my right hon. friend (Sir Wilfrid Laurier) and his Government. There is progress in this matter. There is progress in the United States as well as in Canada; but if I had any criticism to make of legislation in recent years in the United States or in Canada, with respect to the capitalization of railway companies, it would be this, that sufficient care is not taken to see that the capitalization is not an unduly large amount.

Some hon. MEMBERS: Hear, hear

Mr. WHITE: Parliament and parliamentary committees are at a disadvantage in fixing the amount of the capitalization of a railway company. Too often legislation is put through authorizing bonding powers to the extent say of $30,000 or $40,000 a mile, and authorizing a large amount of capital stock, say of $10,000,000 or $20,000,000 without consideration or criticism. A portion of that stock may find its way into the hands of holders all over the world, and in time dividends are paid at 100 cents in the dollar. As I say, sufficient care is not exercised, and can hardly be exercised by Parliament in that regard. I look forward to the time when the Railway Commission would be charged with the duty of saying whether the capitalization of a railway company was fair, and whether a certain stock issue should be made. I am only giving or indicating my own views. My hon. friend (Mr. German) says that the stock of the Canadian Northern railway has not been paid up in cash. Possibly in part it may have been issued for services rendered in construction and otherwise in bringing the railway to its present condition of construction. It is, I believe, an undoubted fact in connection with that company that a considerable portion of the stock issued has not been paid full in cash. What has been done is done, so far as legislation is concerned. The Government of my right hon. friend (Sir Wilfrid Laurier) has given to the Canadian Northern Ontario and to the other roads their charter powers so far as the issue of bonds and of stock is concerned. So far as our action with regard to this railway is concerned, I desire to make the general statement, which I have emphasized throughout my argument, that, having regard to the necessity, if Confedration is to hold together, for transportation facilities, and in accordance with the policy that Canada shall have abundant facilities and complete channels of communication between east and west for the movement of her crops and merchandise, the Government feels that it is abundantly justified, on the facts and information which I have presented to the House, in granting to the Canadian Northern Railway company the subsidies referred to in this resolution. That enterprise is one of great importance, one of the greatest in Canada. I think I have given to the House full information as to that. It has been prosecuted with great enterprise and even daring by those who have been associated with it. It appeared to the Government, and I make the statement without any hesitation, that the aid now asked by way of subsidy is not unreasonable or out of accord with the policy pursued in days past with regard to the Canadian Pacific railway, and, in more recent years, with respect to the Grand Trunk Pacific. Under the circumstances, therefore, I think that the subsidies are justified. The Government has made a greater forward advance upon any policy in the past by reason of the fact that it has acquired, in respect of the larger subsidies, seventy thousand shares or one-tenth of the capital stock of the Canadian Northern Railway company.

Mr. GERMAN: My hon. friend says that $25,000,000 worth of the stock is held by the Canadian Northern in trust and $45,000,000, the balance of the stock, has been issued to Mackenzie & Mann or the contracting company. Out of which stock does the $7,000,000 come?

Mr. WHITE: The $7,000,000 could not

come out of the $25,000,000, because that is held in trust.

Mr. GERMAN: If Mackenzie & Mann have earned $45,000,000, why give them $7,000,000 ?

Mr. WHITE: I am sure my hon. friend does not want to put words in my mouth that I did not use; I am not in a position to state that the balance of the stock has gone to Mackenzie & Mann. The stock is not listed in any exchange; there are very few holders of it, and its value at present is indeterminate. Whether the stock is valuable or not, and I think it is of considerable value, the Government has obtained one-tenth of the stock, and the $25,000,000 held in trust can only be devoted to the purposes of the trust. Let me put it this way: a railway company issues debenture stock which is different in character from capital stock, because it is an obligation of the company, and the purchasers of debenture stock are given a right within a certain number of years to surrender that stock for which they have paid the market value.

Mr. BENNETT (Calgary): Some of it sold as high as one hundred and six.

Mr. WHITE: The privilege is given the holders of that debenture stock to exchange for the capital stock up to 1916, the amount of debentures they had acquired. Therefore, $25,000,000 of the $70,000,000 is fixed with that trust, and it must be devoted to the purpose for which it was placed in trust.

Mr. GERMAN: Suppose it is not called on, what becomes of it ?

Mr. WHITE: It is in the treasury of the company. I am not in a position to say whether the balance of the stock has been issued to Mackenzie & Mann or not. My view would be that if they are the contractors, it probably has been issued to them; but I draw no conclusion from that except that probably it was not paid in full in cash. That is to say, a certain proportion may have been paid by reason of the services rendered, but how much I am unable to say. The point I am making is, that the legislation under which the stock of the Canadian Northern Railway Company was fixed at $70,000,000, is the legislation of this Parliament, and the contracts under which that stock has been issued, are contracts which I have no doubt are valid under the law of the province in which they were made. It is open, of course, to say that it is unwise policy on the part of the Government to overcapitalize railway companies, and that regard should be had to the cost of the road. I concur in that view of my hon. friend (Mr. German); but I do not think it touches the question I have been dealing with as to whether or not it is proper to extend this aid to the Canadian Northern Railway Company. By way of analogy, let me ask my hon. friend if he knows where the stock of the Grand Trunk Pacific company is ?

Mr. GERMAN: I suppose it is held by the Grand Trunk Railway Company, because they guaranteed the whole enterprise.

Mr. WHITE: Let us see whether they guaranteed the whole enterprise or only a part of it. The capital stock of the Grand Trunk Pacific to the extent of $25,000,000, fully paid and non-assessable, is held by the Grand Trunk, not because they guaranteed the whole undertaking at all, but for guaranteeing only a minor part of the undertaking. The Grand Trunk Railway Company guaranteed the bonds of the Grand Trunk Pacific to the extent of one-quarter of the cost of the mountain section; it guaranteed the debentures of the Grand Trunk Pacific in respect to £2,000,000 upon the prairie section, or a little over $10,000 a mile, between Winnipeg and Edmonton; and the Government guaranteed the underlying bonds of $13,000 a mile, as compared with the $10,000, so that it is not quite correct to say that the Grand Trunk financed the whole undertaking. In addition the Government of Canada advanced $10,000,000 in 1909, and is now advancing $15,000,000, and I am sure when we come to the resolution concerning the Grand Trunk Pacific, my hon. friend will support it. The Government have had very considerable to do with the financing of the Grand Trunk Pacific railway. I am not finding any fault with that, but just pointing out that when we are dealing with the question of common stock, the legislation introduced by the Liberal Government places $25,000,000 of the common stock of the Grand Trunk Pacific in the treasury of the Grand Trunk, in respect to which guarantee is given to the extent of $4,000,000 upon the prairie section and the mountain section.

Mr. GERMAN: What has become of the stock of the Canadian Northern Ontario?

Mr. WHITE: I inquired as to that, and I do not believe it is issued. I am told that only $250,000 of it is issued. The cases are not analogous; the Canadian Northern has not guaranteed the securities of the Canadian Northern Ontario; they have financed with provincial Government guarantees, and in addition to that they have made a debenture stock issue of their own, not guaranteed by any railway company. So that, the parent company has not guaranteed the debenture stock of the

Canadian Northern Ontario Company, and I am told that only $250,000 of that stock is issued. When my hon. friend comes to deal with that, he will probably advert to the fact that the late Government granted the Canadian Northern Ontario its stock-issuing power, and he will no doubt be able to tell us the amount of that stock, and why they were given power to issue stock to the amount of capitalization which they possessed.

I have made a longer speech than I intended, but my sole desire was to place before parliament and the country the information I have been able to acquire, in pursuance of my duties as Minister of Finance in connection with this transaction. In view of the information I have placed before the House, and the argument with which I have endeavoured to support it, I feel that the House and the country will say that the subsidies given to the Canadian Northern are fair and reasonable, having regard to the enterprise they have undertaken and in comparison with the aid offered to other transcontinental lines, and in strict accordance with the policy which has prevailed in recent years, and which is still necessary if we are to solve to the satisfaction of the people of Canada the transportation problems which confront us.

Hon. GEORGE P. GRAHAM: I have not a great deal of fault to find with my hon. friend's figures, except that they were very intricate, and probably that may have been necessary. It would be difficult for a member of parliament or for an elector to follow these various meanderings of the different companies, and the different guarantees, and the different subsidies, and the different names, and the different uses to which subsidies have been put. The question of transportation is a big one for Canada yet. I understood the argument of the Minister of Finance, outside of his statement, largely to be on behalf of doing something for the Canadian Northern enterprise. I want to say right here that I take no issue with him on that. The people of Canada did a great deal for the first transcontinental railway, and I am not going to enter into any comparisons now. My own opinion is that comparisons have very little to do with the question before us, which is a concrete one and does not require to be discussed at length. As to whether or not we did a great deal for the Canadian Pacific railway, there is a difference of opinion. Looking at it from this distance and from the history of the country, I think, if it did require some sacrifice, it has been worth it to the country; and Canada is now the home of the greatest transportation system in the known world. It is a well managed system. Conditions then were so altogether different from conditions now, that to attempt a comparison would not be of much value.

A great deal has been said about the Grand Trunk Pacific, and I will not stop to discuss it in detail. My hon. friend the hon. Minister of Finance answered himself in regard to guarantees and said, what is true, that Canada does not expect to be called upon to pay any money on these guarantees. Notwithstanding the figures placed before the House, this much must be borne in mind in reference to that enterprise, that when it is completed and all the cost is counted, be it greater or less than anticipated, Canada will own 1802 miles of the highest standard of railway on the continent of America. Although it is leased to a company, the title to 1802 miles rests in the name of the people of Canada and will be a big lever in time to come in governing what shall be done in regard to transportation in this country.

Let us come down to the present. The Canadian Northern railway interests are divided into so many different branches that I am not surprised that my hon. friend has found difficulty in chasing them all up. I am afraid he missed a few. Some came into my mind that he did not mention. In the first place, we have Mackenzie & Mann who are the foundation, the beginning and the end of all these enterprises. We have the Canadian Northern Alberta, the Canadian Northern Pacific, the Canadian Northern Ontario, the Canadian Northern Quebec; we have at least a dozen other lines under different names that have been acquired by these interests. It is such an intricate matter that to discuss it even before such a well informed body as Parliament, would not be attempted by me for a moment. It is also a difficult matter if we deal with it as a matter of stocks, bonds and securities. I shall dismiss all that in a word. So far as I am concerned, and I believe all hon. members, we are prepared to do something for the Canadian Northern system at the present time. What is it to be; how are we to do it, and what are we to get for doing it?

My hon. friend mentioned a subsidy of $11,000 a mile to the Crowsnest Pass railway. It will be remembered by those who were in the House at that time that, when the Government did that, they secured from the Canadian Pacific Railway Company a most favourable concession as regards freight rates, and in other ways, such as coal areas. I am not saying what ought to be asked from the Canadian Northern Railway Company at the present moment. When any company comes asking favours, it is a good time to ask something in return for the benefit of the people of Canada. The Canadian Northern Ontario system

received from this Government a guarantee of $35,000 a mile from Montreal to Port Arthur. That approximated $35,000,000. Less than that was realized on the sale of the bonds. The Premier rather criticised me on that occasion for giving the cost of the road at the figure I mentioned. I attempted to justify the guarantee of $35,000 a mile by the statement that the road, if properly constructed, would cost in the vicinity of $50,000 a mile. I think equipment was included in that. These figures are justified to-day by the present Government. No road of modern construction in that territory can be built for a less sum of money. It was wise to place in that contract a clause outlining or defining, approximately at least, a standard to which the road should attain before they got this amount of money.

There are two ways of aiding roads. One is by subsidies and the other by guarantees. The Canadian Northern usually asks a guarantee from the Dominion Government and a subsidy from the provincial authorities. In many cases in the West they have got a guarantee from the provincial authorities and a subsidy from the Dominion Government. It is not often that a company asks for a subsidy and a guarantee from the same source. I am not going to quarrel with the request because I am not altogether acquainted with the reasons for it. The Minister of Railways has given us some particulars or rather comparisons with other roads. I do not think the comparison is a striking one and it does not enter into the calculation at all. Does the Canadian Northern require aid in order to complete its transcontinental line? If it does, we would have to consider very seriously before we would decline to give aid in some way under such conditions. Why? The Government of this country, whether it is this Government or the preceding one, has linked its name with this transcontinental line, and the credit of Canada as well is linked with this transcontinental line as it is linked with other transcontinental lines. In dealing with it from that point of view I think a certain amount of care is necessary, and the Dominion of Canada cannot afford to let the Canadian Northern enterprise collapse or do anything like collapsing. I am not saying that it is in such a condition at all. I do not wish to leave that inference. This is a great enterprise and no person can accuse me of having any antipathy against it, because during my term of office I took so much interest in it that some of the other roads thought I was going too far. I always claimed I was doing the best I could for the people of Canada, whether it was the Canadian Pacific, the Grand Trunk Pacific, or the Canadian Northern.

I hold strong views as to what governments ought to do, not for railway companies but for the people who use railways. It has been said—and it is a good demagogic argument—that we must not do anything for railways. I hold no brief for the companies; but we must bear in mind that every dollar that Canada has spent in aiding railway companies has been for the purpose of enabling the man who works on the farm or in the shop to get a bigger return for his daily labour, by carrying his products to and from market at a cheaper rate and with fair speed. That is the principle underlying aid to railways and other transportation organizations. We want to adhere to that principal. That is the reason I do not object at all to doing something for the Candian Northern railway. It may be a question of how we will do it, or what we will do. I go further perhaps than some other hon. gentlemen would go. Living in the old part of Canada, where we have railway facilities, where we can get on a train when we please, having a choice of trains every day to go where we like, we are apt to think it is time we should cease giving assistance to these transportation companies, forgetting that we have brought men to Canada, forgetting that we have brought women to Canada, who live in places ten, twenty, forty, fifty, a hundred miles from a railway. I say it is the duty of the people of Canada, enjoying the privileges we do, to continue lending our assistance until all the places to which we bring people to help to build up Canada have railway facilities approximately as good as those we have in the older part of the country. That is the only way in which we can make the people of Canada contented, prosperous and happy.

Well what are we to do for the Canadian Northern railway? In the first place, now is the time when, if we have any little grievance which the Parliament of Canada should straighten out with either the Canadian Northern railway or the Grand Trunk Pacific, that grievance should be remedied. I have a grievance against the Canadian Northern Railway system—and against the Government, too, though I think perhaps the Government did not understand thoroughly what they were doing. Last year this Government by statute exempted five hundred miles of the Canadian Northern railway transcontinental line from the jurisdiction of the Board of Railway Commissioners of Canada—not the Canadian Northern railway, but as stated in the statute, the Canadian Northern Pacific, from the Rocky mountains pass down to Vancouver. The Canadian Northern Pacific last year was given $12,000 a mile—about $6,000,000, as a subsidy. But the provision that is put in every other subsidy agreement that the rates of the railway sub-

sidized shall be under the control of the Board of Railway Commissioners, was left out in this case. So we are in the position to-day of being asked for further aid to a line on which the Board of Railway Commissioners cannot control the rates—and that, a transcontinental line from Montreal to Vancouver.

Mr. BENNETT (Calgary): May I ask a question? I am sure the hon. member would not willingly leave a false impression. The provincial Act incorporating this line contained express provision that it should not be subject to the Board of Railway Commissioners, but that the rates should be fixed by the Lieut-Governor in Council and this Parliament should have no power to take from the provincial Government, which had incorporated the company the power which that legislation had given. Is not that correct?

Mr. GRAHAM: It may be. But then this Government had not any right to give $6,000,000 to a road so restricted, The Canadian Northern railway built the road under a provincial charter in order to get rid of the Board of Railway Commissioners and for other reasons.

Mr. BENNETT: They could not have built in any other way.

Mr. GRAHAM: Yes, they could; they could have come here and got a Dominion charter. The question is simply whether this Government shall control a transcontinental line, or leave a part of that line under control of a provincial government. I have this grievance against the Canadian Northern railway and the Government, and that may crystallize in the form of a resolution before this is through. It is in abrogation of the principle we have adopted in relation to railway affairs. We have a Board of Railway Commissioners, part of whose duty is to control rates; and in every subsidy Act for many years has been inserted the clause under which a provincial road accepting a subsidy from this Parliament shall be subject to the Board of Railway Commissioners. But this road was excepted. If it had been only a provincial road, with provincial objects alone, there might have been a reason for this, or there might be excuse, at least. But this is part of a transcontinental line. To-day we are asked to give a subsidy to another link in that line; and I say that now is the time to say to the Canadian Northern railway: You must make arrangements, before we give you aid, by which this transcontinental line, every foot of it, shall come under the Railway Commissioners, so that the people may get the benefit of the rates.

Mr. BENNETT (Calgary): Their rates must be under the commission.

Mr. GRAHAM: They are not, and they need not be.

Mr. BENNETT: Yes, must be.

Mr. GRAHAM: As the Minister of Finance would say, I know what is in the hon. gentleman's mind. He would tell us that under the Act, when this becomes part of a transcontinental line, it comes under the control of the Board of Railway Commissioners. That statement was made last year; but the Prime Minister will tell the hon. gentleman that it is not correct. I hate to put my law against that of a learned counsel, but if the hon. gentleman will look at the decision of the Privy Council—

Mr. BENNETT (Calgary): In the Montreal Street railway case, I suppose.

Mr. GRAHAM: —as to the jurisdiction of the Dominion Board of Railway Commisioners to control rates, over a partly provincial and partly Dominion road, he will find that the Privy Council has settled it that the Board of Railway Commissioners has no right to control that part of the rate which is made up on the provincially chartered road, and as to the Dominion Railway Act regarding such matters, that Act is ultra vires. This is a provincial road, with a provincial charter. Last year, when this became part of a through line under our Act, some hon. gentlemen said that the rates could be controlled. Now it transpires, by judgment of the Privy Council, that these rates connot be controlled when a provincial road forms part of a through line. That is one of the things I ask the Canadian Northern railway to straighten out before they get this subsidy. For, as the Minister of Finance has pointed out, this is not a provincial road, but is to carry a share of the immense traffic flowing between the East and the West. Every one of the provinces of the Dominion is interested in that section of five hundred miles so far as the traffic east and west is concerned; and, in the interest of all the provinces no part of that road should be exempted from the jurisdiction of the Railway Commissioners.

Mr. BENNETT (Calgary): I think my hon. friend will at once see that the Board of Railway Commissioners would fix the rates of traffic from Montreal to Vancouver.

Mr. GRAHAM: I do not think they could.

Mr. BENNETT: I submit that they must. The province of British Columbia, over whose Act in this matter we have no control, for some reason best known to itself, has said that the board shall not fix rates from Summit to the coast. But, notwithstanding that, and notwithstanding the de-

cision which I have very carefully considered, the Board of Railway Commissioners would fix the rates from Ottawa to Vancouver. For fifteen hundred miles of that transit would be on roads subject to the control of the board, and the particular proportion of a through rate of any portion of the road they would not be able to determine. Do I make myself clear?

Mr. GRAHAM: I am not quite sure that I catch the drift of that argument.

Mr. BENNETT: If the question were at issue before the Board of Railway Commissioners as to a through rate from Ottawa to Vancouver over the Canadian Northern railway, that tribunal would have the jurisdiction. In any event, it is conceded that it has complete and supreme control up to Summit. From Summit to the coast the province of British Columbia has said that the Lieutenant Governor in Council will assert supreme control, but with regard to the fixing of the through rates from Ottawa to Vancouver, surely if the Board of Railway Commissioners exercises the control which is given to it over the 1,500 miles of transit, it will only be a matter of deciding what the through rate shall be.

Mr. GRAHAM: That would be a question as between the railway companies, which the Board of Railway Commissioners would not have power to settle, because they cannot do anything with the provincial line. The company has said to the British Columbia Government that no appeal will be made to the Board of Railway Commissioners and should anybody have the temerity to make such an appeal, they are ready to fight it. So the Board of Railway Commissioners so far as a through rate is concerned are absolutely debarred. The British Columbia contracts so provides in order to control traffic emanating in British Columbia and going outside, as well as traffic emanating outside of British Columbia and coming in, so it is a wider contract than one having application only to the province of British Columbia. In rendering aid to the Canadian Northern Railway Company one of the things that ought to be done is put the whole line under the Board of Railway Commissioners.

Mr. BENNETT (Calgary): Notwithstanding the fact that the people of British Columbia say no.

Mr. GRAHAM: We are legislating for the Dominion of Canada. If the railway company has placed itself in a peculiar position, it is its business to get out of it. I believe that the proper way to have aided the Canadian Northern Railway Company at the present time would have been by way of loan. It will be in the minds of some persons that if a loan were secured, it would hamper the company in its further financing if the Dominion of Canada held the securities of the enterprise. It would do this only if the amount were too small to complete the enterprise. I would be prepared if necessary to give twice the amount that is set out in these resolutions and make it a loan so that there would be a sufficient amount of money loaned to the company on a businesslike basis. As to the $7,000,000, I am not going to discuss that. It is possible that the stock may be very valuable, and it may not. I would not say for a moment that it is not of considerable value now, but it is problematical what the future value will be. Will the Government in becoming a large stockholder ask for representation on the board of the railway? The Government of Canada now has a representative on the Grand Trunk Pacific Board. I am not going to discuss the extent of his usefulness, but the Government of Canada at the present time is a bondholder of the Grand Trunk Pacific railway, and in the Canadian Northern it is going to become a stockholder, holding one-tenth of the entire capital stock of the enterprise. Under these circumstances it strikes me that the Government should ask for representation on the board. If it does, and I think it should, it will become a part owner of the Canadian Northern system, and, whatever its future condition may be, the Government will be bound to see it through. I am a friend of the enterprise; I believe Canada must see it through, but, as I say, I believe aid ought to be given by way of a loan, even if the amount be twice as large, and I think we should not give this money to the Canadian Northern until they place their entire line under the control of the Board of Railway Commissioners.

At six o'clock House resumed, and then took recess.

After Recess.

House resumed at eight o'clock.

PRIVATE BILLS.

MEEK DIVORCE BILL.

House again in Committee on Bill No. 233, for the relief of Frank William Meek.—Mr. Pardee. (Mr. Deputy Speaker in the Chair).

Mr. STEELE: I feel that I cannot allow this Bill to pass through the House without raising my voice in protest against it. I do not feel that it is necessary, even at this late time of the session when we are all anxious to hurry on the work, to apologize for delaying the business of the House for a few moments while I give expression to my views on this Bill. We are recognizing more and more in this country the

value of social questions. We recognize in this land, what is recognized in many other countries, the great evil following the granting of divorces too easily. Divorce is recognized as one of the evils which the great country to the south of us must deal with at no very distant date. We in this country have been very fortunate in the past in the matter of granting divorces, and it is only in the last year or two that applications have come to our Parliament in very great numbers. Now is the time, however, for this Parliament to exercise that care which will prevent the coming, in this land, of an epidemic, so to speak, of that evil which is so prevalent in the land to the south. Divorce is a social question, and it is one which involves the happiness and morality of society. If divorces are improperly granted, attacks are then made on that foundation on which the social structure of our land is reared. It becomes, therefore, most important that this Parliament, which is entrusted with the granting of divorces, should exercise the greatest care in dealing with every such application that comes before this House. I do not wish to take up the time of the House at the present moment to discuss the procedure that is followed in this country in the matter of granting divorce. I do wish, however, to say that while we may object to some of the Bills which have been put through by the Senate committee, we cannot do otherwise than testify to the great patience and care and thought and attention which is devoted to the applications by that committee and especially by its chairman. But even the Senate Committee on Divorce is not infallible. They make mistakes and, in my opinion, when this Bill which is now before us was passed by that committee, they made an error. In my mind the decision they arrived at to grant a divorce to the petitioner in this case was not warranted by the evidence. I shall not enter into details of that evidence, but I shall very briefly make a statement of it. The petitioner and the respondent in this case lived together for eighteen years, and, on the testimony of the petitioner, they had no trouble during all that time. At the end of eighteen years, the respondent decides to leave her husband, according to his story. She, after a few months separation from him, goes to live in another house, an eight-roomed house, in which the only occupants were she and a man. She does not do this secretly; she does not hesitate to let her husband know where she is; she changes the telephone from the house which she and her husband had occupied, to the house where she is now living. Letters of her husband which come to her, she re-addresses in her own hand and forwards to him at his address. So that there is no effort on her part to hide or to live secretly. While she spends a year living in this house, a neighbour girl gives evidence that she visited the house almost every day during that time, and she saw nothing improper whatever in the relations between the respondent and the co-respondent. Detectives are put on the track, and we all know that the evidence of these men is, perhaps, not the best; but the most that they can testify to in this case is that they saw shadows on the window blinds of the front room of the house, and one was under the impression that there were two people in the room, and that they were in the act of undressing. This is practically the evidence.

Mr. LANCASTER: Who was the householder?

Mr. STEELE: There is no evidence given as to who was the householder. The evidence is not very plain on several points which it seems to me it would be most important for this Parliament to have full information upon. Practically all that has been proven is that she left her husband and went and lived in a house, occupying that house with a man for the term of about a year. This may arouse our suspicions, and there may be certain other facts connected with the case which intensify those suspicions. But let me say that there are hundreds of women in this land who, on account of the conduct of their husbands, would feel a great relief in being enabled to leave them and go and earn their living at any occupation for which they were adapted. If a woman has no profession or trade, what can she earn that living at? Nothing else than domestic service, or keeping house for a man. I think this Parliament should hesitate before establishing the precedent that a divorce will be granted to any man whose wife leaves him and goes and lives in a house with another man for a period of some months. I think we should hesitate before stamping any woman who does that as an immoral woman. I think there is a great principle at stake here—that we ought not to pass this Bill until we have further evidence to absolutely corroborate what has been given or to absolutely prove that this woman led a life of immorality after she parted from her husband. For the reasons I have given, I believe that the evidence in this case does not warrant divorce being granted, and does not warrant the House of Commons giving this Bill a third reading.

Mr. CROCKET: I quite agree with my hon. friend from Perth as to the necessity of great care being exercised by this Parliament in the granting of divorce. I confess that of the thirty odd divorce cases which have been considered by the Private

Bills Committee this session, with respect to at least three of them I entertained great doubt as to whether a divorce should be granted. However, with respect to the present case, the evidence which was given, and which was considered very carefully, I think, by the Private Bills Committee, convinced me absolutely that the respondent was guilty of the offence charged. The evidence shows that the respondent in this case had been absenting herself regularly from her home in the evenings, not returning until a very late hour, and that she informed her husband that she had grown tired of him, preferred some one else, and proposed, I think, to live with some one else. Immediately after that statement, she separated from her husband, and the evidence shows that for a period of a year she lived in a house, I think in Ossington avenue, in the city of Toronto, the only other occupant of which was a man by the name of Hillyard, whom she introduced to her neighbours as her brother, while the evidence shows that he was not, in fact, her brother. It seems to me that that is a combination of circumstances which raises only one inference, and, so far as I am concerned I have no hesitation in saying that of all the cases that have been considered by the Private Bills Committee this session, I entertain less doubt with respect to the petitioner's right to divorce in this case than in any other.

Preamble carried on division, and Bill reported, read the third time and passed.

LENORE POWER DIVORCE BILL.

House in Committee on Bill No. 234, for the relief of Lenore Power.—Mr. MacNutt. (Mr. Deputy Speaker in the Chair.)

On section 1:

Mr. CARROLL: This case was brought to my attention by a number of gentlemen some days ago, and I took the trouble to read the evidence which had been submitted to the Senate Committee in connection with it. I must say that, in my humble judgment, there is absolutely no evidence in this case to justify the granting of divorce. I think that considerable care should be taken in passing these Bills. I consider that when there is no direct evidence of the one fact which is necessary to give this Parliament jurisdiction to grant divorce, there should be a superabundance of indirect evidence, on which we could come to a conclusion that the party was guilty of the offence. I am not going into the evidence in this case. As a matter of fact, the person who is named as co-respondent came before the Senate Committee. and absolutely denied that anything had taken place between herself and Power which would justify the granting of divorce. She underwent a most severe cross-examination, and her evidence was not weakened in the least. I do not see where there is anything on which we can ground the assumption or conclusion that the one vital fact, which is necessary in a case of this kind, has been proven, or even attempted to be proven. I do not think that the Parliament of Canada should undertake to deal lightly with matters of this kind, especially on very flimsy evidence. As a lawyer, I consider that there is absolutely no evidence to justify this Parliament in passing this Bill. For these reasons I am opposing the bill, and I would advise hon. gentlemen if they have not read the evidence, to read it before casting their votes on this Bill.

Mr. BOYS: Having taken a considerable part in the discussion of this Bill in the Private Bills Committee, I feel impelled to say a few words in connection with it. At the outset, I wish to say that I entirely agree with what my hon. friend from South Cape Breton (Mr. Carroll) has said. I do not think that the petitioner, either upon her own evidence or upon the whole evidence, is entitled to a divorce. I do not propose, for various reasons, among others, that the evidence is somewhat revolting, to go into detail; but perhaps I may be allowed to refer to what appeared to me to be two or three striking illustrations of the weakness of the case in the petitioner's story. Her only evidence is that a confession was made by her husband, apparently in a moment of sorrow or repentance.

Mr. LANCASTER: To herself?

Mr. BOYS: To herself. She gave evidence to a confession made by her husband, and that is absolutely the only evidence adduced by her in support of her application. On page 11, she says:

He admitted that he had got too familiar with May.

In cross-examination on page 14, she puts it in this way:

He said: 'It was my fault, I tried to get too familiar with May.'

I cannot conceive it possible that any person believing that adultery had been committed would have made the statement which she made in cross-examination, that he had said he had tried to get too familiar, for I judge that in that case he had a little more than tried. When we look at other parts of the evidence, we find that, in answer to the Chairman, she said:

Q. You understood perfectly well from what he said that he had connection with her at that time?

Her answer was:

I certainly drew that inference.

Nowhere is there stronger evidence than that she drew an inference. As against that evidence you have the positive contradiction by the young woman herself. There is another most striking feature to be found in the evidence. The offence was committed, if committed at all, on the 13th of November, which was a Wednesday. She learned of it on the following Sunday. On the 25th of November, some days later, she gives this young girl, whom she blames, this certificate of character:

Miss Dyer has been with me for nearly three years as companion. I have found her industrious, capable and trustworthy, and will be glad to answer any inquiries. Address, Mrs. Power, Cobourg. Am parting with her because I cannot keep a companion any longer.

(Sgd.) Lenore Dennis Power.

I can only come to one conclusion that, when the petitioner gave that certificate of character, she could not have had divorce in her mind at all, and that divorce must have been an afterthought. I might have hesitated to take up the time of the House, were it not for the closeness of the vote in the committee. This case was discussed twice in the committee. It reached us in error before the Bill had been read a second time and referred, and the vote was seven to three against granting the divorce. It reached us again, having that very evening had its second reading. On that occasion the vote was 6 to 6 and a gentleman of the committee, who at first did not vote, in the end decided to vote and gave the casting in favour of the Bill. I regret the practice that prevails in Canada as to granting divorces; but, as long as these Bills must come before a Private Bills Committee, and as long as members of that committee have to take the responsibility of acting upon the committee, it appears to me that we must try to do our duty. I do not think there is any evidence to warrant us in granting this Bill and I would think it is as easy to put a Bill through this Parliament as to get divorces in Reno, if this Bill goes through.

Mr. CROCKET: With great deference to the views expressed by my hon. friend from South Simcoe (Mr. Boys), I believe that the evidence adduced before the Senate Committee in this case and considered by the Private Bills Committee, proves that the respondent was guilty of the offence charged. Had I considered only the evidence which the petitioner gave in regard to the admission which her husband made to her of his conduct, I would not have been disposed to vote for the divorce; but the co-respondent was put upon the stand and was examined by counsel representing the respondent. The co-respondent corroborated every detail of the admission which the respondent made to the petitioner, except with regard to the actual fact of adultery. There is no doubt at all but that, if the admission which the respondent made to the petitioner is true, the offence was committed, and would be held to have been committed by any court of law in this country. I shall read just the material evidence on page 11, as follows:

He said: 'Well, last Wednesday evening I made a fool of myself. I was sitting downstairs, and May was sitting there, and I pulled her over on my lap—she did not seem to object very much; she sat there for some time; she did not seem to have very much on in the way of clothing, and I got very inquisitive and investigated.' He said, 'I put my hands up her clothes, and found that she had no drawers on.' He said, 'she sat there for some time, and then she said she wanted to go to bed; so I carried her upstairs to her bedroom with my arms around her bare body.' I said, 'and you went to bed with her?' He said, 'No, not then, I didn't.' He said, 'I went downstairs and I drank some whisky, and when I went upstairs again I undressed and I went to her bed.'

If that evidence were given in any court of law, it certainly would be taken as evidence of the commission of adultery. One can well understand that the young girl would perhaps not admit the commission of the actual fact, but that is the only difference between the statement of the co-respondent and of the petitioner in this case. It is for that reason that I voted for the granting of this divorce.

Mr. CARROLL: There is no evidence here to be corroborated. The confession which this husband made to his wife is simply a confession of familiarity with a third party; this young girl admits all that familiarity, but swears most positively, even under an hour's cross-examination, that nothing outside of a little familiarity took place between them. I intend to call for a vote on this question before it passes this committee.

Mr. THOMSON (Qu'Appelle): It has been said that in this case there is sufficient evidence to convince a court of justice. I disagree with that entirely. I have read over this case carefully, and have given it serious consideration. I am satisfied there is no evidence which would convince any judge that adultery was committed. There is no question whatever that there was an attempt, and the man would morally be just as blameworthy as if he had succeeded; but, if we have to decide here that there is actual adultery, there is no evidence whatever on that point. Our duty is to dispose of this Bill on such evidence as has been submitted, and in view of that I am prepared to vote against this divorce being granted. The man him-

self does not admit positively, and the petitioner merely says that from what he said she inferred that certain things had happened.

Mr. BENNETT (East Simcoe): I am not a member of the Private Bills Committee, but I heard a good deal of the discussion and afterwards glanced over the evidence. In the first place, none of these gentlemen have referred to the fact that the man admitted, and it is not denied by the girl, that he was in a positive state of drunkenness at the time the alleged act occurred. The whole secret lies in this fact that, according to the evidence, this woman is simply tired of the man. She has an income of $1,400 a year; she is a prospective heiress to some $60,000. In my opinion, had the man not been worth a dollar, the girl would have been turned out of the house and the man turned to work, too. Suppose this man had been prosecuted, if it were a criminal offence, what is the evidence? The positive denial of the man that anything improper happened—by improper I mean adultery—and also the positive denial of the girl. If a divorce is granted, this girl is branded for all time to come. The couple are not very old. So far as I am concerned, I shall vote against granting a divorce, and probably in a year they will both come to their senses.

Mr. CARVELL: As I have been saying in this Parliament for the last ten years all this goes to show that this is not the tribunal in which such a case should be tried. I have no fault to find with any hon. member who says that there is no case against the man, and I am just as honest in my view that there has been a strong case made out. I base my opinion on the evidence and the correspondence, and I base it more on what the petitioner did not swear to than what she did swear to.

Some hon. MEMBERS: Oh.

Mr. CARVELL: The whole case illustrates the unfairness of this House of Commons sitting as a court of appeal on evidence they did not hear and without knowing how the witnesses deported themselves on the stand, which in most cases is a matter of the greatest importance. The Senate Committee gave this matter their earnest consideration, and they came to the conclusion that a divorce should be granted.

Mr. BEST: Does the hon. gentleman think that a jury should decide on the evidence that was not given rather than on the evidence that was given?

Mr. CARVELL: The hon. member is not serious in asking such a question. My hon. friend from York, N.B. (Mr. Crocket), who is a good lawyer, one of the best lawyers in the House, and who is chairman of the committee, gave you his opinion as to the legal result of the evidence, and I entirely concur with him. In my judgment, the woman co-respondent in the case simply perjured herself like a lady.

Mr. CARROLL: Was there a confession of adultery?

Mr. CARVELL: I do not intend in this public place to discuss the details of the case.

Mr. BENNETT (Calgary): The late Lord Hannen, who was chairman of the Divorce Court in England for many years, said that in such cases as this if on the evidence before the court the circumstances were equally compatible with innocence or guilt, the jury should find the accused innocent. On the evidence in this case, the facts are equally consistent with innocence or guilt, and I propose to give the accused the benefit of the doubt. The case against this man is that he himself first brought his wife's attention to a state of facts which he said constituted wrongdoing on his part. He telephoned her, and she came from Toronto, and he met her at the station, and she says he there confessed to improper relations with this girl; but stated that the improper relations were only familiarity and were not criminal. You have the positive denial of the girl charged as co-respondent, and you have the evidence that the husband told the wife herself in the first instance that there was familiarity, but not crimnality. These facts are as compatible with innocence as with guilt, and I would have to go further than any case I have read in the books were I to find the man guilty of the offence charged against him.

Section negatived: year, 47; nays, 22.

The committee rose.

CONSIDERED IN COMMITTEE—THIRD READING.

Bill No. 235, to incorporate the Board of Management of the Canadian District of the Evangelical Lutheran Joint Synod of Ohio and other States.—Mr. Fripp.

CANADIAN NORTHERN RAILWAY SUBSIDIES.

House again in Committee on the proposed resolutions respecting the granting of the subsidies therein mentioned to the Canadian Northern Railway Company. (Mr. Deputy Speaker in the Chair.)

Mr. GRAHAM: When the committee rose I had about concluded, but as an hon. member has asked me for an explanation of the clause placed in the various subsidy Acts, I think it is but fair I should make clear what I had in mind. The clause which, except in this case, has invariably

been placed in subsidy Acts, is in the present resolution and reads as follows:

That the granting of such subsidies and the receipt thereof by the respective companies shall be subject to the condition that the Board of Railway Commissioners for Canada may at all times provide and secure to other companies such running powers, traffic arrangements and other rights as will afford to all railways connecting with the railway and bridges so subsidized reasonable and proper facilities in exercising such running power, fair and reasonable traffic arrangements with connecting companies, and equal mileage rates between all such connecting railways; and the said board shall have absolute control, at all times, over the rates and tolls to be levied and taken by any of the companies, or upon any of the railways and bridges hereby subsidized: Provided always that any decision of the said board made under this section may be at any time varied, changed or rescinded by the Governor in Council, as he deems just and proper.

An amendment was moved by myself last year when the Canadian Northern Pacific railway subsidy was going through, that this clause be inserted in the Act. That was defeated in the House. What I propose to move at some stage of the present resolution or of the Bill to be based upon it is that this clause be added, except that the name of the Canadian Northern Pacific railway be inserted, making it apply to that particular part of this transcontinental line as it will apply to other parts. I know the Prime Minister will say that this is a different company and we are not now subsidizing that company. But I submit that it is the same system, owned by the same parties, and will form part of the transcontinental line. And this is probably the last opporunity we shall have of imposing on this transcontinental system an obligation that this, like other transcontinental systems, shall be under the Board of Railway Commissioners. I merely make this explanation so that the Prime Minister may know that I propose to move this amendment at some time in the proceedings.

Right Hon. R. L. BORDEN (Prime Minister): The hon. gentleman is debating the same matter we had under consideration last year—the effect of the agreement of this company with the Government of British Columbia that it will not prosecute any appeal to the Board of Railway Commissioners?

Mr. GRAHAM: Yes, and that the rates shall not be under the Board of Railway Commissioners as the British Columbia Government have provided some other tribunal to fix the rates on this road.

Mr. BORDEN: As I recollect the matter last year, the provisions of the Railway Act seemed to indicate that there would be jurisdiction in respect of through traffic. The answer made was that the company had agreed that it would not invoke that jurisdiction. That was the situation as I recollect it.

Mr. GRAHAM: The company agreed that it would not invoke that jurisdiction, and my contention is that the decision of the Privy Council renders that part of the Railway Act ultra vires which is relied upon to give jurisdiction to the Railway Commissioners over rates on a line which is partly a provincial line.

Mr. BORDEN: So far as that is concerned, I think the hon. gentleman will agree with me that this system must be regarded as a whole, and that in the end it must be brought under the ownership and control of one company.

Mr. GERMAN: What about British Columbia?

Mr. BORDEN: I will come to that in a moment. If this road is to fulfil the purpose of a transcontinental railway, it is abundantly evident that the whole system must in the future, and the not distant future, be brought under the ownership and control of one company; and it must come to this Parliament for that purpose. When it does come to this Parliament for that purpose, Parliament will have ample jurisdiction to insist that the whole line, from the Pacific to Quebec, or wherever the eastern terminus may be, shall be under the Board of Railway Commissioners for Canada. I have no apprehension whatever as to what the practical result will be in that regard. Further, looking over the debate of last year, I find that I argued then—and I see no reason to depart from my conclusion now, unless there has been in the meantime some decision such as that on which my hon. friend relies—that under the provisions of the Railway Act, the Board of Railway Commissioners for Canada has jurisdiction over through traffic on this line. I admit what my hon. friend contends for, that it is desirable that the whole of this line, not only with respect to through traffic, but with respect to all traffic, should be under the jurisdiction of one tribunal. But the circumstances attending the granting of aid by the province of British Columbia were inconsistent with that result, so far as this line was within the limits of the province of British Columbia and was aided by the province; and we did not attempt to over-ride or interfere with that last year, for the reason that, so far as through traffice was concerned, we thought there was perfect jurisdiction and control in the Board of Railway Commissioners. But, whether that be the case or not, the road must eventually come under the ownership and control, and

under the operation, of one company, if it is to be a real transcontinental line.

My hon. friend has agreed in our appreciation of the status of this road. As far back as 1903, when we were discussing the proposal of the late Administration to build a new transcontinental railway, I said from my place in this House, that the Canadian Northern railway system had, even at that time, attained the status of a transcontinental road. Having regard to its subsequent development and progress, there is no doubt that the Canadian Northern railway must be regarded as one of the three great transcontinental railways of Canada.

I concur entirely in the appreciation of the hon. member for South Renfrew (Mr. Graham) of the importance of the transportation system of this country to the development and progress of Canada. It is of course quite apparent that the development and progress of this country in recent years have been due to a number of great causes, one of which has been the abundance and variety of our natural resources and the capacity and energy of our people in developing them. But there are two other great causes which must not be lost sight of, and without which the progress of Canada during the past fifteen or twenty years would have been much less than it has been. These two causes are the development of transportation—the enormous pace at which railway construction has proceeded in this country—and the very great volume of our immigration. Railway construction and immigration have had a great deal to do, as every hon. gentleman in this House knows, with the progress and development of this country during many years in the past. I concur with what my hon. friend the member for South Renfrew said as to the strenuous efforts the Canadian people have made, and the tremendous sacrifices they have been willing to undergo for the purpose of extending and developing the transportation systems of this country. Economical and rapid transportation facilities are more necessary to Canada than perhaps to any other country in the world. We have all of these vast natural resources scattered over a country as large as Europe; we have a sparse population, divided to a certain extent into isolated communities, and scattered over the face of our great country. The problem of transportation begins at the farm, the factory, or any other centre of production, and does not cease until it reaches the market, whether it be in this or in some other country.

Another thing we ought to recognize is that the difficulties incurred in creating in this country a transportation system are much greater than they are in the country to the south of us. We have some 800 miles of territory north of Lake Superior; territory upon and around which there is no local traffic, and which will probably not contain any very great population for many years to come. Therefore, in considering the project of building a transcontinental railway in Canada, you have to take into account 800 or 900 miles of road that must be built and operated, but which, so far as local traffic is concerned, can afford to the company no remuneration whatever, and which is to a certain extent a handicap upon the operating facilities of the road. Under all these circumstances, it seems to me that the progress and development of this country in transportation has been much greater than any of us could reasonably have anticipated twenty-five or thirty years ago. It is a wonderful thing that the Canadian people have been able to accomplish all that has been accomplished. I know that in many parts of the country, particularly in western Canada, there has been a great deal of complaint as to the operation of some of our railways, but that has been largely due to the fact that an enormous crop has to be carried in a very few weeks. The problem before the railway companies of Canada is very much like the problem placed before a tram line company in a large city, where 10,000 people within a very small area wish to get on the cars within a very short space of time.

There is one other thing that ought to be taken into account in considering the proposals of the Government now submitted to Parliament, and that is, not only that the cost of labour and material has greatly increased within the past eight or ten years, but that unexpected difficulties in respect of railway construction and operation have arisen. The construction of this road through the Rocky mountains and along the northern shore of lake Superior has proved unexpectedly difficult and expensive, and in addition to that we have had during the past twelve or eighteen months a condition of financial stringency which I believe has not been equalled and certainly has not been exceeded during the past twenty years. It is a stringency which is not confined to this country, but is world-wide, and therefore affects the very source from which Canada has drawn capital for her railway development during many years in the past.

I have spoken of these difficulties, but they are not sufficient to stay, and must not be permitted to stay, our progress in railway development in this country. There is a very large immigration flowing into Canada; I believe it ran to about 400,000 people last year. We have enormous areas in all parts of the country, particularly in the West, which have not yet been

brought under cultivation. I am speaking only from recollection, but I think with some accuracy, when I say that out of about 500,000,000 acres of land in the prairie provinces of Canada it is estimated that some 250,000,000 are arable, and of the 250,000,000 which are arable I believe that not more than fifteen or twenty millions have up to the present time been brought under the plough. Therefore we have this enormous extent of arable land capable of producing sufficient grain not only for this country, but almost for the world, and that land awaits the coming of the husbandman. Persons from a great many different parts of the world, particularly from Great Britain and the United States, are going into that country for the purpose of undertakig the labours that are necessary in order that this land may be made productive. Under these circumstances I entirely concur with what my hon. friend the member for South Renfrew said so well, that under no circumstances should the Parliament of Canada, as representing the people of this country, permit this great railway enterprise to collapse or even to have its progress unduly checked or stayed. It was with that consideration that these proposals have been submitted to Parliament.

I think the hon. Minister of Finance was perhaps slightly misunderstood when he directed the attention of the committee to certain statistics as to the provision of the necessary capital for the construction of the Canadian Northern railway. I must at once admit that when the statistics which have been laid before this committee by the Minister of Finance were brought to my attention, I was very much surprised. It has been popularly supposed, and I myself was under the impression, that very much the largest proportion of all the money that had been raised for the purpose of constructing the Canadian Northern railway system had been raised by means of bonds and securities guaranteed by the Government of Canada or by the governments of several of the provinces. But when the actual facts were laid before me I found that these securities—and I am not speaking for the moment of the subsidies—amounted altogether to no less than $265,000,000, and I found that of that amount $145,000,000 had not been guaranteed either by the Government of Canada or by the Government of any province, and the balance, $120,000,000, had been guaranteed either by the Government of Canada or by the Government of some province. Of the $120,000,000 of securities which had been guaranteed by one Government or the other, only $58,000,000 had been guaranteed by the Government of Canada. The only result of that, therefore, was that out of $265,000,000 of securities which had been issued for the purpose of constructing this great transcontinental system, no more than $58,000,000, or a little more than one-fifth, had been guaranteed by the people of Canada as a whole. I want that particular circumstance to be understood by the committee because, so far as I am concerned, it reveals to me a condition which I did not anticipate, and of which I was ignorant up to that time. I had supposed that a very much larger proportion had been guaranteed either by one Government or the other.

As the Minister of Railways and Canals has observed, we have had a great many subsidy Bills before parliament within the last fifteen or twenty years, and whichever Government was in power, a certain policy has been followed of giving subsidies up to the amount of $6,400 a mile, assuming the construction of the road to have cost a certain amount. That has been given almost as a matter of course, provided the road supposed to be constructed appealed to the Government as one which would serve the public necessity in any reasonable way. I have here a list of roads to which such subsidies have been granted during the last eight or ten years. The list is very long, and the roads are of a varied character indeed, running from little branches of three, four or half a dozen miles, to lines of 500 or 1,000 miles forming important parts of our great transportation systems. There has not, so far as I am aware, been any unwillingness on the part of any Government or of any parliament to give aid up to that amount to any road which seemed reasonably calculated to serve the public interest in the way of transportation. That I venture to assert, without fear of contradiction, fairly indicates the policy which has been carried out by the Government of the right hon. gentleman opposite as well as by the Conservative Government which preceded him before 1896. Then, coming to the particular proposals now submitted for the consideration of the committee, we have not in this instance a road of the unimportant character of many of those that have been subsidized during the past quarter of a century; we have a road which constitutes the main line of a great transcontinental railway system the completion of which, as the hon. member for South Renfrew (Mr. Graham) has said, and said truly, has become of vital importance to the country and to the completion of which we are committed, provided that the demands upon us are not of an unreasonable nature. One would think that under these circumstances the granting of a subsidy of $6,400 per mile, such as has been allowed to any one of the varied

roads that have been subsidized by Parliament during the past twenty-five or thirty years, would not be objected to under the conditions and in view of the circumstances to which I have alluded. It is certainly a fact that the portion of the road, for which the subsidy is now asked, is of an exceptionally expensive character, perhaps not so expensive as the road to which Parliament granted a subsidy of $12,000 only last session but still twice or even three times as expensive as some of the roads to which subsidies have been granted during the period I have mentioned. The amount of $6,400 per mile has been granted to many of these roads, the cost of which has not exceeded $20,000 or $25,000 per mile.

Surely, so far as the subsidy to this road is concerned, in view of the greatly increased cost of its construction, no hon. gentleman in this House would say that Parliament, in view of the importance of the road and in view of the conditions to which I have alluded, ought to refuse this reasonable measure of aid. The aid which we propose does not stop there, because we have asked Parliament to assent, not only to the ordinary subsidy of $6,400 per mile but to an additional amount of $5,600 per mile, making $12,000 per mile in all. If we base our proposals simply upon the importance of the road as contrasted with many roads to which $6,400 per mile has been granted and upon the consideration that this aid is in respect of its main line and not in respect of branch lines which form its feeders, our proposals would be justified. But we bring also to the attention of Parliament, not only the greatly increased cost of railway construction during these later years, but also the condition of financial stringency which has made it almost impossible for those interested in railway construction in this country to provide the means for continuing their work. Stoppage of construction would entail exceedingly unfortunate results not only to the company—because its interests are not to be considered except so far as the public interest is involved in them—but to the whole country. We propose, as we did last year in respect of another portion of the same line, that a subsidy, not of $6,400 per mile but of $12,000 per mile, should be granted to this railway system and we believe that this aid is necessary to secure the completion of this road. Parliament must take account of the situation which confronts the country and confronts the railway company under present conditions. I have made pretty careful investigation as to the efforts of this company and of the Grand Trunk Pacific Company to accomplish the financing necessary to enable them to keep on with their work in the future as they have been carrying it on in the past. I need not enter into detail, as regards the efforts which have been made to provide the capital necessary for the completion of these two roads. I think that hon. gentlemen on both sides of the House will appreciate the undesirability of going too much into details of that character. It is enough to say that with respect not only to railway enterprises, but to enterprises which, under ordinary conditions, would be regarded as absolutely first-class securities in the money markets of the world, it has been almost absolutely impossible to raise money.

But we did not stop there, so far as this railway is concerned, although the considerations which I have brought to the attention of the committee would seem to me sufficient to appeal to the judgment of any man who did not desire that the progress and development of this country, especially in railway construction, should be brought to any sudden or undesirable check at this moment. The sum of $5,600 per mile, being the difference between the ordinary subsidy of $6,400 per mile and the subsidy now asked for, $12,000 per mile, is more than covered by the sum of $7,000,000 of capital stock of the Canadian Northern Railway Company, which is to be transferred to the Minister of Finance as fully paid-up stock, and which is to give this country a certain interest at least in the future prosperity of that road, if its future should be crowned with success. If this country continues to develop in the future as it has done in the past—and I think none of us have reason to doubt that—it seems to me exceedingly probable that that asset will be of great value to this country. We did not accept stock in any of those minor companies, the value of which, even in the future, might be more or less uncertain. We asked for $7,000,000 of the capital stock of the parent company itself, the Canadian Northern Railway Company, and whether or not that has anything more than an indeterminate value at the present time, I do think that there is not only the possibility, but the probability, that at some time in the future, and perhaps in the not distant future, it may be of very real and tangible value.

My hon. friend the ex-Minister of Railways and Canals (Mr. Graham) made some inquiry as to whether or not the Government of this country is to be represented on the Board of the Canadian Northern Railway Company. I have no doubt whatever that that result would be brought about without any difficulty, if it were worth while. During the period that we have been in office, and for some time before, the Government of Canada has been represented on the Board of the

Grand Trunk Pacific by one gentleman at least; I am not sure whether by more than one.

Sir WILFRID LAURIER: By one.

Mr. BORDEN: I am bound to say that up to the present time I have not seen any marked or material advantage resulting to this country from the presence on that board of the gentleman, whoever he may be. He is there, and he represents the country; but I do not know that there is any very distinct or peculiar advantage arising from his presence.

The question has been fairly put by hon. gentlemen on the other side of the House: Why did you not do this by means of a loan, as in the case of the Grand Trunk Pacific, and why do you propose to give this large subsidy to this company, whereas, in respect to the Grand Trunk Pacific, you are merely proposing a loan? Well, my hon. friend the Minister Minister of Finance went pretty fully into that, and I do not desire to repeat at any length what he said. But perhaps there are one or two things which he did not emphasize in the way I would like to emphasize them. In the first instance, there is something to be said for the position that as those roads are to be competitive roads in the West, some reasonable basis of equality of treatment should be accorded to them, if you recognize them as transcontinental railways to the completion of which the interests of this country are in some measure committed. There is something perhaps to be said for that position, although I do not urge it as the main position. Whatever that argument may be worth, and no small weight is to be attached to it, it must be apparent to every hon. gentleman who has heard this discussion that in respect of the line from Montreal to the Pacific coast, this system, for which these subsidies are proposed to be granted, will have received a great deal less direct financial aid in the way of cash subsidies than the Grand Trunk Pacific Railway Company received in respect of the line from Winnipeg to the coast. The figures which have been given make that abundantly apparent, so far as the main line is concerned.

I know my hon. friend the member for South Renfrew (Mr. Graham) did bring into consideration certain lands which had been bought by the Canadian Northern Railway Company, or by one of its subsidiary companies, for the roads which had been chartered in the West, and which had received those land grants. These were not direct grants to the Canadian Northern Railway Company, or to any of its subsidiary companies. It was open to any man in this House, or to any railway company in Canada, to purchase those enterprises and to acquire those land grants in the same way that the Canadian Northern Railway Company acquired them. So far as I understand, and so far as my information goes, they were bought in the open market, so to speak. Those enterprises could be purchased and one of these companies did purchase them, and it has acquired whatever advantage was to be derived from them. But they were not direct grants to the Canadian Northern Railway Company, or to any of its subsidiary companies, in the first instance.

Then, you have the consideration to which I have alluded, that even if you grant this subsidy, this road will not be in as good a position, so far as direct financial aid is concerned, as the road which has been subsidized and assisted from Winnipeg to the Pacific coast. There is another consideration in connection with that, which perhaps the Minister of Finance did not emphasize. The aid was granted to the Grand Trunk Pacific Railway Company under such conditions that not one dollar can be deducted from the amount payable by Canada to that company for the carriage of mails; but so far as the Canadian Northern Railway Company is concerned, every dollar of the subsidy is subject to that condition. That is another very distinct position of advantage which is held not only by the Grand Trunk Pacific Railway Company but by the Canadian Pacific Railway Company as well, in contradistinction to the condition which has been imposed on the Canadian Northern Railway Company; and the payment of three per cent upon the amount of those subsidies comes to no inconsiderable sum, even upon the standard of $6,400 per mile.

The Minister of Finance has shown—and I have the figures under my hand to establish the same point if it were necessary—that, so far as assistance by guarantees of securities is concerned, the Grand Trunk Pacific Railway Company from Winnipeg to the coast has received from this Dominion more assistance than the Canadian Northern system from Montreal to the coast. Having regard to these considerations, it does not seem to me that the present proposal is unreasonable.

Hon. gentlemen opposite say: why do you not accomplish this result by way of loan rather than by subsidy? The answer I have given to that seems to be sufficient; but, apart from that, the question of making a loan to the Canadian Northern railway system must take account of all the necessities of that road in respect to provision for its future expenditure. The Canadian Northern will have to expend, as I am informed on the best authority, about $40,000,000 in providing for its terminals; and hon. gentlemen opposite must bear in mind that, with the growth

and development of our cities and the exceeding great advance in the cost of land in these cities, the cost of terminals whether in eastern or in western Canada, has advanced enormously during recent years. If we were to say to the Canadian Northern Railway Company: The aid we give you must be by way of loan and we cannot place you on an equality, so far as direct cash aid is concerned, with even the Grand Trunk Pacific, although your line to Montreal is about 1,000 miles longer than the Grand Trunk Pacific line from Winnipeg to the coast; if we were to take that position, we would have to assume a certain responsibility for all the future financing of that company. If we were to make a loan to that company and to take securities which would be worthy of the name, we would so involve the question of the future financing of that company that the country must in the end assume responsibility for the raising of the money necessary to complete its line. When you take the one alternative and the other particularly as the Canadian Northern Railway Company professes itself able, under ordinary conditions, to raise all the money that may be necessary for the completion of its line, and when you take into consideration the fact that the aid we are now giving to that road is less, so far as direct financial assistance is concerned, than that which has been given to a competitive road with 1,000 miles less of line, it would have been unreasonable and unwise for us to say that we would not grant the aid to the Canadian Northern railway up to the standard of assistance which has been accorded to another transcontinental railway, and that we would insist upon asking this Parliament to undertake a responsibility which would involve our taking care of all of the future finances of the Canadian Northern Railway Company.

I for one was reluctant to ask Parliament to assume that responsibility. I thought it would be a more reasonable course to say to Parliament: This is a competing line with the Grand Trunk Pacific and in respect to its main line, 1,000 miles longer than that of the Grand Trunk Pacific from Winnipeg to the coast, we are proposing to Parliament that Canada shall assist this system to the same extent as it has already assisted the Grand Trunk Pacific from Winnipeg to the coast. I venture to think that that view ought to commend itself to hon. gentlemen opposite. However that may be it was a question of alternatives, and I can assure hon. gentlemen on both sides that we made a very careful study of the whole situation before we decided upon giving the aid contained in these proposals; and we came to the conclusion after the most careful study and investigation we could give to what undoubtedly was a question of some complexity, that, in view of all the conditions, the aid for which Parliament should be asked at the present juncture should be by way of equalizing the direct financial assistance, and not by way of undertaking a responsibility which would make it incumbent upon us to look after the finances of the Canadian Northern in the future. Had we adopted the latter course we would have tied up their whole system with a security such as Parliament might reasonably require for a large loan, and the result would have been that which I have indicated. We have not been asked to assume that responsibility; we have been asked to give the measure of aid which is proposed now, and I venture once more to say that, in view of all the information laid before Parliament, the aid we are proposing is not unreasonable.

Mr. W. M. GERMAN (Welland): If ever a proposition has been damned with faint praise, the proposition of the Government which is now before this committee has been damned by the speech of the right hon. the Prime Minister; because, a speech more inconsistent with the proposition before Parliament, I never heard delivered by a Prime Minister of Canada. I am very much inclined to think that the right hon. gentleman is in accord with many of his followers—if rumour in the corridors is correct, really a majority—who are opposed to this scheme entirely.

Mr. HENDERSON: Speak for yourself.

Mr. GERMAN: Speaking for myself, I am opposed to it; and, speaking for hon. gentlemen opposite, I am very much inclined to think, having listened to the speech of their leader, that there is at least no enthusiasm in favor of it on the other side. It was left to the Minister of Finance to make an enthusiastic speech in favour of this proposition, and I am not very much surprised that he did so in view of the circumstances surrounding his appointment as Minister of Finance, because we all know in the province of Ontario how that happened.

An hon. MEMBER: Tell us.

Mr. GERMAN: The Canadian Northern Railway Company is supposed to be controlled by Messrs. Mackenzie & Mann, knights of the realm.

Mr. BENNETT (Calgary): Who made them knights?

Mr. GERMAN: The gentleman who controls the Canadian Northern Railway Company is like Sir Joseph Porter, First Lord of the Admiralty in the comic opera 'Pinafore': he sits at his desk and never goes to sea. Mr. Zebulon A. Lash is the gentleman who controls the Canadian Northern Railway Company, and he is the gentleman who got up the round robin and in-

duced Mr. White to sign it, with Sir Byron Walker and the other noble eighteen Liberals in the province of Ontario, against the reciprocity resolution.

Some hon. MEMBERS: Where were you?

Mr. GERMAN: I was against the reciprocity proposition, but I was not going around with brass bands. I did what I thought was right in the interests of the country, and I have never had occasion to regret it. Mr. Zebulon A. Lash was the gentleman who got up the round robin, and who got the Minister of Finance to sign it. He was the man who made him Minister of Finance. Now he is coming for his reward. He is the gentleman who controls the Canadian Northern Railway Company, if that is any information to hon. gentlemen opposite.

Many years ago in the province of Ontario, before the Judicature Act was enforced, we had a system of pleading which was called special pleading. I had occasion to be a law student in the office of Hon. Lewis Wallbridge, who was one of the most expert pleaders we had in the province.

Mr. BENNETT (Calgary): You have been an apt pupil.

Mr. GERMAN: It was very technical and very interesting; but I think I could give my hon. friend the Minister of Finance a fairly good record as being a special pleader, because as a special pleader he excelled himself this afternoon in the way in which he manipulated the figures in connection with this whole transaction. In the first place he endeavoured to show that the late Government had granted great concessions to the Grand Trunk Pacific Railway Company by guaranteeing their bonds, and he wound up by saying that a guarantee of bonds was no responsibility whatever to the country. I do not think we need bother about that any further. Let us come down to what is the crux of the situation. After many questions, after many interrogatories, after many interruptions, we succeeded in forcing the hon. Minister of Finance to tell us the amount of the subsidies which the Canadian Northern Railway Company got. Finally we succeeded in compelling him to state what had become of the stock of the Canadian Northern Railway Company. What has become of it? He says $25,000,000 is held by the company in trust, until 1916 if I understand him correctly.

Mr. COCHRANE: I think that is the statement he made.

Mr. GERMAN: Then until 1916 the holders of the debenture stock can exchange it if they like for the common stock of the company. Is there a man living who would imagine that any person, holding debenture stock which is secured by mortgage on the whole assets of the company, will change that stock between now and 1916 for the common stock of the company? The result will be that in 1916 that $25,000,000 of stock will be released and will belong to Mackenzie & Mann, just as the $45,000,000 belongs at this moment to these gentlemen. The hon. Minister of Finance made the statement this afternoon that $45,000,000 of that stock—I am under that impression, but I am in the judgment of what 'Hansard' says to-morrow—has been handed out to Mackenzie & Mann as the construction company of the Canadian Northern Railway Company.

Mr. COCHRANE: He did not say that.

Mr. GERMAN: I am in the judgment of what 'Hansard' says to-morrow; but, whether he said it or not, that is exactly what has been done. They have got $45,000,000 of the stock, and besides that they have made in the construction of that railroad at least $10,000,000. They have been the contractors, the construction company; they have built the whole road from one end to the other at their own prices without any competition; subletting the contracts to whomsoever they saw fit. In addition to that they will control the other $25,000,000, when it is released from trust at the end of 1916. Then this company, controlled by these gentlemen, comes to this Parliament and says: We want you to give us $15,000,000 more. I have no quarrel with the Canadian Northern Railway Company or any other railway company. I am willing to do everything I can to aid this company and every other company to carry on their transactions profitably, in order to build up this country; but I protest against two men in this country simply exploiting a railway proposition as these two men have exploited the Canadian Northern railway. I say that advisedly, because I know what I am talking about. They own the company; they have made many millions of dollars in the construction of the road, and the public is paying the price. I do not think we should go any further in regard to the matter.

The Canadian Pacific railway has been discussed. What happened in regard to it? Donald Smith, George Stephen, R. B. Angus and Duncan McIntyre were the promoters. They were wealthy men. When they came to the Parliament of Canada to borrow $25,000,000 they had put every dollar they possessed in that road. If it had been a failure, they would have been bankrupt. They did not come to the people of Canada and say: Build a road for us. They had the faith of their convictions. Why do

these gentlemen not do the same? If they want money from the people of Canada to build this railroad, let them put their own money in it for a while. Do they expect the people of Canada to build a transcontinental railway for them, and to give it to them after it is built? My hon. friend the Minister of Finance said this afternoon that we were giving great subventions to the Grand Trunk Pacific. As the hon. member for South Renfrew (Mr. Graham) said: 'When that road is built we shall own a large part of it.' We are putting our money in a transaction which the people of Canada will own. What do we own in connection with the Canadian Northern Railway Company? It is said, we shall have $7,000,000 of their stock. For my part, I do not believe that the Government of Canada should take stock in any railway company. The Government might as well take stock in a manufacturing company. If this company wants money from the people of Canada, I believe they can get it if they offer what they would give to any person else. If they come here with such a proposition, I certainly shall be willing to help them in any way I can. I do not however, believe, as a matter of fact, that $15,000,000 is worth a sheet of paper to them now. I think that $30,000,000 or $35,000,000 might be of some advantage to them, and if they come and ask $35,000,000 of the people of Canada and give security, I believe that the people would be willing to let them have it for the purpose of maintaining a great transcontinental road such as this. But I for one will not be a party to handing over to this company $15,000,000 under the present circumstances. The stock of this company is controlled by two or three men who have made millions out of the construction.

But I desire to come to another question, which, I think, is of equal if not of greater importance than even this question of the subsidy to this transcontinental line. This company is building, and has nearly completed, a line of railway between the city of Toronto and the city of Ottawa, and this Parliament is asked to give a subsidy of $6,400 a mile towards that road. On what grounds such a proposition is made, I really cannot understand. There is no use in hon. members saying that we have subsidized other roads. The line of the Canadian Pacific railway between here and Toronto was the original line. I believe it was at one time called the Ontario and Quebec, and was built under subsidy. Why was the subsidy given? Because the road ran through what was then a wilderness, a new country. The Canadian Pacific railway eventually took over the road and took it over with the advantage of the subsidy. The principle upon which subsidies have always been granted is to afford aid to a railway company for the construction of a railway opening a new part of the country. We want these unopened parts of the country served with railways in order that settlers may go in and develop the resources of those sections. Men will not invest their money in building a railway into an unopened and unsettled country without aid, and consequently the Dominion and provincial governments give aid to these people. But why a subsidy should be granted to a railway company for constructing a line through the heart of the province of Ontario, reaching every town and city in the eastern part of the province which is prosperous and growing, I do not understand. That road will pay from the minute it is opened. From the time the first train runs on the Canadian Northern Ontario railway between Ottawa and Toronto, that road will be a paying proposition and will help to pay off the liabilities of the parent company. Then, why in the name of all that is sensible should this Government be asked to give them a subsidy? Suppose that before beginning to build a road they had come and asked a subsidy to build such a road, would any man in this House have supported the proposition? They would have said: Go ahead and build your road; there is plenty of scope and your enterprise will pay from the beginning. At one end of the road is the city of Toronto with a population of between 500,000 and 600,000 and at the other is the city of Ottawa with a population of 100,000. The line goes through Cobourg, Port Hope, Belleville and Kingston, all the largest places in this part of the province of Ontario. And it will go through the wealthy country of the province. To subsidize such a railway, I submit, is too absurd for consideration. I, for one, will not agree to it. The Minister of Railways agreed with me this afternoon that if the London and Tillsonburg Railway Company did not earn their subsidy before the time came for renewal, the subsidy should be refused them. Why? Because they are building through a well-settled country.

Mr. COCHRANE: No, because I do not believe in voting subsidies and letting them stay on the paper unearned. I believe in building.

Mr. GERMAN: If a road is entitled to a subsidy for building, it is entitled to that subsidy whenever it builds, and so I cannot quite see the distinction the hon. gentleman makes. But the point I contend for is that the line of railway designated in this resolution offers no justification for the subsidy. And, so strongly do I feel on this subject, that I move that clause 1 of this resolution be struck out.

Mr. E. M. MACDONALD (Pictou): I am sure the members of the committee must have been struck with the rather modest way in which this matter has been dealt with by hon. gentlemen composing the Government. One could not help being impressed with the changed conditions that are so apparent in these hon. gentlemen when they approach the consideration of this matter, in comparison with their attitude with the position they took ten years ago in this House and in this country when the project of building a second transcontinental railway in Canada was first placed before the Canadian people. We did not have then the delightful platitudes which my hon. friend the Minister of Finance and the right hon. Prime Minister gave us this afternoon about this great and glorious country and the desirability of transportation facilities being provided at the earliest possible date. I acquit the Minister of Finance of having entertained any peculiar theories ten years ago; he was walking in a different path then, and thinking on different lines, and perhaps we may say he was a believer in some of the theories which he reiterated to-day. But the right hon. gentleman who now leads the House, kept the House sitting in the longest session since Confederation, previous to this one, in asserting the view that if Canada was to spend any money for the purpose of aiding the construction of a transcontinental railway, Canada should own the line, and he argued in favour of government ownership and operation. His press throughout the country declared in 1904, when my right hon. friend the leader of the Opposition came before the people of Canada upon this question, that the construction of a transcontinental railway was entirely unnecessary; that it would be a mortgage of the future of the Canadian people, and an expenditure wholly unjustifiable. That was the attitude of my right hon. friend ten years ago in regard to transcontinental lines.

Mr. BORDEN: I am not aware that my position was as stated by my hon. friend.

Mr. MACDONALD: Perhaps my right hon. friend will tell us the position he did take.

Mr. BORDEN: I took the position, on the second reading of the Bill, I think it was, that inasmuch as the country undertook to make financial provision for the greater part of the line, it would have been more in the interests of the people to make the entire financial provision and to own the road from the Atlantic to the Pacific.

Mr. MACDONALD: That is simply a restatement of what I said a moment ago, and a reiteration of the position my hon. friend took at that time.

Mr. BORDEN: My hon. friend said that I opposed the construction of a second transcontinental railroad.

Mr. MACDONALD: If my right hon. friend did not declare that a second transcontinental railway should not be built in 1904, I do not know what the gentlemen who went about the country looking for support as his followers were saying to the people if they did not say that. In the province from which I come, the gentleman who contested my constituency with me, one of the prominent leaders of the Conservative party in the province of Nova Scotia, said that this tremendous burden that was to be placed on the Canadian people was wholly unnecessary and unjustifiable. So it was urged all over Canada, and in this House. If hon. gentlemen refer to 'Hansard' of 1903, they will find assertions made time after time by hon. gentlemen who calculated the amount of the mortgages that were to be placed upon the different constituencies in the Province of Ontario in securing the construction of a railway which was wholly unnecessary. I merely mention this fact for the purpose of showing more particularly that the tone of my right hon. friend has changed somewhat in the intervening years. We are delighted to know that to-day he and his party recognize the wisdom of the Liberal party and its leader in 1903, and that they believe that at that time Canada needed a second transcontinental railway, and could not have it too soon. But my right hon. friend, while urging at that time that there should be public ownership, urged a great many other things which he has not urged to-day in coming before the House with this proposition. What about conditions being placed in contracts providing that all freight should be carried through Canadian ports? I recall the discussion that took place in parliament at that time, during the course of which it was urged that if the Canadian people were subsidizing by subventions of various kinds the construction of a second transcontinental railway, one of the great desiderata in connection with that should be that the freight which was to go out, more particularly over these transcontinental lines, should be routed through Canadian ports. If hon. gentlemen refer to the transcontinental contracts, they will find a provision to this effect, placed there as a result of the discussion which took place in the House at that time. What about the conditions to be placed in contracts that the company which was receiving the aid should be bound to purchase in Canada the materials necessary for the construction and operation of the road? At that time this was regarded as most essential, and those hon. gentlemen who refer to 'Hansard' of 1903 will observe the

exhaustive energy with which my right hon. friend at that time sought to devise restrictions and impose various limitations upon the company of that day, which restrictions and limitations he declared to be absolutely necessary and in the interests of the Canadian people. To-day we are asked to vote $15,000,000 without any restrictions whatever. We are asked to buy 7,000 shares of Canadian Northern stock, paying 228 for it, and to be very much pleased that we have the opportunity of doing so. That is the proposal which my right hon. friend has brought before the House, and I am bound to say that he has done so with becoming modesty. Let us see where we are in regard to this matter. The argument that we are assisting a great national enterprise is a sound argument in the abstract. I notice that my hon. friend the Minister of Finance is very apt in dealing with abstract propositions. To say that the Canadian people should to-day and at all times stand for principles of transportation improvement or anything which makes for the development and certain attainment of our future needs by these national enterprises is a proposal to which no gentleman in this House will take exception. But that does not prove my hon. friend's case. If there is any one member of this Government or of this House who should not deal with these abstract theories, and who should look after the dollars and cents and the business end of the matter, it is my hon. friend the Minister of Finance. It is open to other hon. gentlemen of the Ministry sitting around him to descant upon these glories, but I want to submit to him that he is the keeper of the keys; he is the man who is supposed to sit upon the treasury box of this Dominion, and if he does not look after the business end of this matter, who in this Government or in this House is going to do so? Theoretically, this is a national enterprise; substantially it is not a national enterprise, and for this reason. There is a grave and very decided line which marks off one end of this railway from the rest of it. The Government of the province of British Columbia has declared that the Government of the Dominion shall have nothing to do with that portion of the line which runs through British Columbia. They say: We are going to control the rates; we are going to have absolute control over everything; and the Dominion Government cannot touch this road through its Railway Commission or in any other way.

The hon. member for South Renfrew (Mr. Graham) pointed out very aptly and with great force, with a force that I am sure has not been met by the Prime Minister in dealing with this question, that there is a very grave gap in connection with this proposition, great as it is, laudable as it may be, and that this Government has never attempted to deal with it at all in making this proposition and submitting it to the House. It is therefore, as a matter of fact, in a business sense, not a national proposition in any way, it is a provincial proposition in one of the greatest provinces of this Dominion. That province with its peculiar local interests and the views and judgments of its Government in respect to particular parts of this Dominion, must control this enterprise whenever it reaches its borders, to the exclusion of the interests of the rest of the Dominion, no matter how great they may be. I hope the Minister of Finance will not begin to do business in this most slovenly way. We are told by the Minister of Railways—but perhaps this is the particular function of the Minister of Railways—that there is not an atom of correspondence or a single document on file in the department in regard to this matter. That is a new way to do business. Does the Government propose to hand out $15,000,000, no matter what reason may be urged verbally for it, to any worthy gentleman who happens to come along and see the minister and say: I need $15,000,000 for a great national enterprise and I would be very much obliged if you would give it to me? The Minister of Finance and the Minister of Railways do not, as all responsible ministers have been accustomed to do in the past when companies and individuals approached them in regard to important matters, say to them, will you be good enough to put your request in writing, state the reasons why you require this money, the position in which you are financially, the aim which you hope to obtain, the conditions under which you think the money should be granted and all other information that ought to be contained in any document presented to any minister who is going to deal with matters in a responsible way. What would the right hon. Prime Minister have said in 1903 if the present leader of the Opposition had then come to Parliament to deal with the proposal to construct a transcontinental railway and said: We have not a line or a letter of a document of any kind whatever in the archives of the Government to show what this proposition is? What would the leader of the Government have said if that condition of affairs had then existed? I say that such a position has never been taken in any previous period of our history. That being so here we have certain very important preliminaries which hon. gentlemen have entirely left out when they came to Parliament to deal with this question. We are told that this is a great national enterprise, that Canada wants to see it

finished, therefore give them $15,000,000. That is the position of hon. gentlemen opposite. No more argument, no more information except what can be found in the blue books and when we suggest that it might be wise, in the interest of the Canadian people, to give this as a loan, hon. gentlemen say: Oh no, it will not do to make this a loan because we gave more than this to the Canadian Pacific railway and the Grand Trunk. What kind of an answer is that? I listened in vain for the Minister of Finance to grapple with the proposition put to him by my honoured leader and to tell the committee why he did not deal with this proposition on the basis of a loan, but he has not told us, nor has the Prime Minister. The Prime Minister dealt with the question in a most gingerly fashion when he said that we must remember, take into consideration the fact that the land grants which this enterprise had received had not been made to it directly they ought not to be taken into account. My right hon. friend is too astute a gentleman in dealing with a proposition, either legal or parliamentary, not to know that it does not make any difference to the Canadian people in regard to the consideration of this question whether they got it directly or indirectly, the question is whether land which was the property of the Canadian people went to this enterprise for the purpose of ensuring the construction of a railway which went into this general proposition. If it did what is the use of my hon. friend quibbling by talking about the land going to them directly or indirectly? Then, when it was urged that in assisting the Canadian Northern you should assist it by way of a loan, my right hon. friend argued, as did the Minister of Finance, that the Grand Trunk had received more than the Canadian Northern. What has that to do with the proposition that a loan should be made, what possible relevancy has it to the suggestion that in giving aid to the Canadian Northern railway to-day we should give it by way of a loan? The result is that neither the Minister of Finance nor the Prime Minister has dealt with the proposition or suggestion made by the right hon. leader of the Opposition that it would be better to deal with this question in the way of assistance by making a loan along certain lines.

There is another phase of the question. In the absence of any correspondence or data of any kind furnished by the Canadian Northern railway, without any information being given to the House to enable us to ascertain whether or not $15,000,000 is sufficient to really aid this enterprise, we are asked to blindly vote this amount. Is the right hon. gentleman in a position to say to this House and to the country that if we vote this $15,000,000 to the Canadian Northern railway that amount will secure what we are all anxious to secure, namely, the construction of a third transcontinental line? Has my right hon. friend ever sought this information, is he in a position to say to this committee to-night that the Canadian Northern railway will not be back here next year asking a loan to enable them to fully complete their enterprise? Why should we not have that information? If Canada's credit is pledged to the completion of a magnificent transportation system which will involve a third transcontinental line in this country, the Government must be in a position to say, when they come to Parliament whether or not the aid which they are asking is sufficient aid, they ought to be able to tell us that it will attain the end that we all desire. The Government have taken no precautions of this kind. Either they know in regard to this question or they do not know. If they do know, they have not told the committee; if they do not know they are to be condemned because I submit that the most ordinary man, let alone a representative and trustee of the people presiding over a department or a government, would have said to parties approaching him under the conditions under which the Canadian Northern people approached the Government in regard to this matter: We require a full and a complete statement of your affairs, we have a right to know what assistance would have to be given to you in order to ensure the completion of your project. The Government are in this position, they are asking the House and the country to vote $15,000,000, but whether it will produce anything, or result in the completion of this railway, they do not know, and they are leaving it to the people of the country to suppose anything they like in regard to it. Now there is some information in regard to this matter that I would like the Minister of Railways to give us. I am free to say that I do not understand the principle in this very anomalous proposal under which you are going to make a grant to the Canadian Northern Ontario Railway Company for their line of railway 910 miles, and another grant to the Canadian Northern Alberta Railway Company, for 260 miles of railway, two separate and distinct companies, while you propose to take from a third company, legally and in every other sense existing apart, and absolutely unconnected with two companies receiving the grant, the $7,000,000 of stock. You are giving the Canadian Northern Ontario Company and the Canadian Northern Alberta Company $16,000,000. They are not giving you anything for it, but the Canadian Northern Railway Company are going to give you $7,000,000. We pay $16,000,000 at 228 per share, and you are handing over $16,000,000 to two different companies at the instance of the Canadian Northern Railway. Here is the situation in regard to the Canadian Northern Ontario Railway Com-

pany. I find in the blue-book relating to railway statistics, that the total capital of the Canadian Northern Ontario Railway Company is $250,000. That is the amount of stock that has been issued, and the funded debt of that railway amounts to $12,311,000, which means that on an issued capital of one quarter of a million, the Canadian Northern Ontario Company have issued bonds or debentures to the amount of $12,300,000. The capitalization of the Canadian Northern Railway Company, which is called the parent company, is said to be $70,000,000. No information whatever is to be had in this blue-book of railway statistics, to show whether or not the Canadian Northern Alberta Company has any status whatever. We have, therefore, no source to which we can go to ascertain what their capital is, or what their present debt is, or what their financial position generally is. I endeavoured to get from the Minister of Finance this afternoon some information upon that point, but he did not have it, just as he did not have the statement, which he ought to have had, and which the Minister of Railways may be able to give us, showing how much actual cash in the way of subsidies has been granted to the Canadian Northern Railway Company in the past in connection with the construction of their enterprises. The Minister of Finance was so anxious to elaborate the technical argument he was making, as to what rights accrued, and as to what the necessities were for the construction of the transcontinental line, that he declined to give us any information in regard to that matter. The result is that while we know that the Canadian Northern Railway Company is the parent company, and while it is apparent that you are going to give money to the Canadian Northern Ontario Company and to the Canadian Northern Alberta Company, and that you are going to get stock from the Canadian Northern Railway Company—that is one thing, but when we want to find out what subsidies were given to these different companies, what actual amount of subventions have been received by them out of the treasury, we are told that it is of no consequence, and that the only thing we have to consider is the question of what was given to aid the construction of the transcontinental line.

Mr. NICKLE: It is in the blue-book.

Mr. MACDONALD: Will my hon. friend be good enough to show me any information here as to the Canadian Northern Alberta Company.

Mr. NICKLE: No, because it did not get any subsidy, that is the reason why it is not there.

Mr. MACDONALD: My hon. friend seems to know more than the Minister of Railways, or the Minister of Finance. Perhaps he can give us the information as to what they did receive.

Mr. NICKLE: As far as I can make out from this blue book, they have received $9,700,000, including municipal aid. It is set forth in the blue book.

Mr. MACDONALD: If the minister looks at the blue book he will find a list of companies there, and he will not find the Canadian Northern Alberta Company among them.

Mr. COCHRANE: It is under construction, and is not in operation; that is the reason why it is not there.

Mr. MACDONALD: Perhaps my hon. friend will be able to give us the information which I am suggesting he should have. Surely he has got some information outside of what is contained in this blue book.

Mr. NICKLE: There was no subsidy.

Mr. MACDONALD: My hon. friends who are acting as a sort of assistant Ministers of Railways, seem to be full of information, if the ministers are not, in regard to this question. In response to a question of mine this afternoon, the Minister of Finance was unable to tell us whether the Canadian Northern Alberta Company was incorporated by the Dominion or by the province. That is just what I would like to know. The next thing I would like to have, is a categorical statement by the minister or by his assistants as to how much money in actual subsidies has been paid out to those different subsidiary enterprises, and how much money the country is already committed to by way of resolution or agreement.

Mr. COCHRANE: I gave you that.

Mr. MACDONALD: The minister's information on this question is certainly rather crude. I do not think the ministers have compared their notes. I find for instance, as will be found in 'Hansard,' that the Minister of Railways the other day told us that the total amount of guarantees by the Dominion Government to all the lines of the Canadian Northern Company was only $16,432,000.

Mr. COCHRANE: My hon. friend is wrong. If he reads the question he will see that I referred to lines in operation, and that makes all the difference in the world.

Mr. MACDONALD: Do I understand the minister to differentiate between lines operated and lines that are not?

Mr. COCHRANE: The question distinctly says routes in operation, and we gave the information exactly.

Mr. MACDONALD: Then the minister wants us to believe that the Canadian Northern Railway Company which now controls and operates 5,969 miles of railway, has received up to the present time, through guarantees from the Dominion Government to ensure construction, only $16,000,000 ?

Mr. COCHRANE: Yes.

Mr. MACDONALD: Then what becomes of the statement of the Minister of Finance this afternoon in which he gave the figure as $122,000,000.

Mr. COCHRANE: The line from Montreal to Port Arthur is not in operation, and that accounts for one thousand miles.

Mr. MACDONALD: The figures given by the Minister of Finance this afternoon, were $58,000,000, and the total guarantee to the whole enterprise was $122,000,000. That is what the Minister of Finance told us, and he also urged the view that there would be $145,000,000 received by the companies in securities. But the Minister of Finance declined to discuss the question as to the amount of value of the lands which the Canadian Northern Company had obtained. I hope the minister will give a statement of the actual amount of subsidies paid in addition to the guarantee of bonds.

Mr. COCHRANE: I gave it this afternoon.

Mr. MACDONALD: No.

Mr. COCHRANE: I will read it again.

Mr. MACDONALD: Do so, and we will be that much ahead.

Mr. COCHRANE: Certainly; cash subsidies from Ottawa to Hawkesbury, $367,872; Stanley to Fort Frances $1,355,326; Fort Frances to Rainy River $179,200; Yellowhead Pass to Vancouver, $6,180,000; by the proposed legislation $14,000,000; that is all on the main line.

Mr. MACDONALD: These are merely the subsidies paid on the main line but what I am discussing is the total of subsidies given to the Canadian Northern and subsidiary companies, which we have the right to know. I submit that the Government cannot play fast and loose with this question; the Canadian Northern Ontario Railway Company, the Canadian Northern Quebec Railway Company, the Canadian Northern Alberta railway and all of the other subsidiary companies are, so far as the purpose of the Government is concerned, when it comes to a matter of presenting this proposition, one concern, but if they are one concern for that purpose they must be held to be one concern for all purposes. Therefore, we have the right to know what subsidy was paid to all of these lines. We have not heard from hon. gentlemen opposite any reason whatever why, when the country was asked to come to the assistance of the Canadian Northern railway it should not have rendered that assistance by way of loan. What becomes of the cogency of the argument used by the Prime Minister ten years ago in regard to the Grand Trunk Pacific, that if we were going to give this money to the railway, we might as well own the road altogether. What possible answer can there be to the suggestion that this aid should be given by way of loan? We have faith in our country, we believe as the years come and millions of population are within our borders, conditions will be created under which all these great enterprises will be operated with satisfactory results to themselves and to the people of Canada. Why then should we not assist this line on the basis of our belief in the Canada of the future, and that the people of that day should share in the benefit of the money we are advancing to-day to solve the transportation problem? Hon. gentlemen opposite are not even fair to the Canadian Northern, because if they were they would say that the Canadian Northern is in a condition to complete its enterprise if this aid be given, but the Minister of Railways will not stand up in his place now and say that this company will not come to us next year or the year after for further aid. The hon. gentleman has not a document extant in his department to indicate what the present condition of the road is. No Government ever before came to this Parliament to ask it to vote $15,000,000 without a single writing on record in the archives of the Government to show why they did so. The people of Canada feel that this Government or any Government should approach such an important question on business lines, and they cannot be jollied by platitudes about the necessity of assisting great enterprises. $15,000,000 is a material sum of money in this country. Thirty years ago the people of Canada regarded the $25,000,000 vote which went to initiate the Canadian Pacific railway, as a vast amount, and the battle raged all over the land as to whether that amount was a proper amount to grant. The exhaustive investigations held in order to justify the position of the Government of that day were creditable to the men who initiated the enterprise, but this Government comes to Parliament to-day, without anything in the way of information or data, and simply says: Let us give $15,000,000; we do not know whether it is sufficient or not; we do not know whether the company will come back next year or not, but give it anyway. Throughout eastern Canada there are important districts

which require railway connections far more than these three lines are required between Ottawa and Toronto. The Ottawa-Toronto line is not part of the main transcontinental line of the Canadian Northern railway. The Canadian Northern Transcontinental line starts at Quebec and comes to Ottawa and goes to the West, and what have Ottawa and Toronto to do with the main transcontinental line of the Canadian Northern, and more particularly so as there are two existing railroads covering that territory already? Therefore it seems to me that, whatever merits there are in this proposition, and however much any gentleman in this House or out of it is anxious to assist this third transcontinental railway, this Government have gone about it disregarding the interests of the people. They should have given in a material and essential way the aid necessary to ensure the completion of the project, however much it might be, if it were possible for us to give it. They have discarded that proposition; they have come practically in an apologetic way without any information or data such as the people of this country demand, and have asked Parliament to vote this $15,000,000. There is no question about routing trade through Canadian ports, no protection for Canadian workmen and artisans, no such conditions as were inserted in the contract with the Grand Trunk Railway Company, except that they shall carry the mails, which every other railway has done and will continue to do for all time. It is the most crude suggestion that has ever been made in regard to any transcontinental line in this country, and this Government are to be condemned for venturing to come to Parliament with such a proposition.

Mr. W. H. BENNETT (East Simcoe): The hon. member for Welland (Mr. German) has moved that the first clause of this resolution be struck out. This clause refers to the line between Toronto and Ottawa. The hon. member for Pictou (Mr. Macdonald) in the last few words of his address, referred to that particular portion of the line. I take it that the Canadian Northern Railway Company in pursuing their business as a railway company, will be guided by the success of other railway companies.

The statement has been made this afternoon, and has not been gainsaid, that thirty to forty per cent of the grain of the Northwest is carried by the Canadian Northern railway to the head of the lakes at Port Arthur where they have placed very large elevators. Where will that grain go? It has been a matter of regret to every Canadian that the bulk of that grain goes to Buffalo. Why does it go there? Because they have no line of communication at this end of the great lakes. If we were in the Railway Committee discussing this question and having less discursive discussion, and if we were to come down to the points that are really involved, we would arrive at a better understanding of the matter. Let hon. gentlemen bear in mind the map of the province of Ontario, and take as an angle three well known points, Belleville, Orillia and Toronto. Across that angle base the Canadian Pacific Railway Company have built their lines from Georgian bay, as also have the Grand Trunk Railway Company. A glance at the map will show that it will be and must be the policy of the Canadian Northern Railway Company to concentrate their trade in a similar way. It will show that the point for handling their grain from the Northwest must be somewhere near Midland or Port McNichol, and from there across to Belleville. What does that mean? The 25,000,000 bushels of grain that is carried by the Canadian Northern railway to Port Arthur will be taken by Canadian vessels to a Canadian point on the Georgian bay. The Canadian Northern have not commenced to build their line from the Georgian bay to connect with the main line between Toronto and Ottawa; but they have their line running from Toronto to Sudbury, and at a village named Washago they are only about fifteen miles from Georgian bay. I know, as a matter of fact, at one or two different harbours there the Canadian Northern have during the past year or so been contemplating the building of a line from one of these harbours to their Sudbury branch, and then in course of time they will build their line over to Trenton, Belleville or some point on the line between Toronto and Ottawa. If the line is extended from Sudbury to Ottawa, that will not be a line for carrying grain in the fall of the year. It is a winter line, like the Canadian Pacific railway line from North Bay to Montreal. They will use their line from Washago to Ottawa in the fall of the year when grain is moving in vast quantities, and they must of necessity have a line from some point of the Georgian bay to Washago on the Sudbury line and then from there to Belleville. It follows that the line between Toronto and Ottawa will be the part of their system which will carry in the main the grain trade in the fall of the year.

If this company can make with the Intercolonial the arrangements that I understand the Minister of Railways referred to this afternoon, that grain trade, which is to-day going across to Buffalo and from there to American ports, will be carried by connections between the Canadian Northern railway and the Intercolonial railway down to St. John or Halifax, and will give trade there in the winter months. For that reason I believe, if there is a part of this subsidy that should be sup-

ported on reasonable and good grounds, it is the line between Toronto and Ottawa.

The general impression of the public is that all the bulk of the grain trade of the Northwest goes out of the country. That is a great error, because untold millions of grain from our Canadian Northwest is ground in our own mills. Look at the area of country that will be opened up by this railway company in their branch from a point on Georgian bay across to Trenton, Belleville, Kingston and all these points at which there are large flour mills. It will be a new means of communication to bring to these many flour mills all through that part of central Ontario grain in addition to that which is now brought by the Grand Trunk railway and the Canadian Pacific railway. Therefore, I am going to vote against the amendment of the hon. member for Welland (Mr. German), because I believe it is in the interests of the province of Ontario from a milling point of view that large quantities of grain should be brought into that part of the country by this railway, as well as by the Canadian Pacific and the Grand Trunk. There is another reason, that it will build up Canadian trade on the great lakes by carrying 25,000,000 bushels of grain for the purposes of the Canadian Northern railway instead of having American vessels take it down to Buffalo.

Mr. BENNETT (Calgary): I wish to answer an inquiry made by my hon. friend from Pictou (Mr. Macdonald), who is out at present, as to the Canadian Northern Alberta Railway Company. That company was incorporated by chapter 6 of the statutes of 1910, and succeeded the Edmonton, Yukon and Pacific Railway Company. Its capital stock is $3,000,000, and its bonds, as the former Minister of Railways (Mr. Graham) said this afternoon, were guaranteed to the extent of $13,000 a mile for 25 miles beyond Edmonton or Strathcona. And then for 150 miles at $25,000 a mile; and then to Wolf Creek at $35,000 a mile. They are three and a half per cent securities. In 1910, it was thought advisable to repeal the old legislation whereby it was provided that the aid given should be given in the event of the Edmonton, Yukon and Pacific amalgamating with the Canadian Northern railway, and it is stated in the agreement printed with the statute that it was thought advisable to construct this railway under a separate charter, and the charter is set out as the second schedule of chapter VI of the statutes of 1910, which is a public and not a private Act. It is provided by section 10 that all these securities to be issued by the railway are to be guaranteed by the Canadian Northern railway, and this guarantee is in fact endorsed upon all the securities upon which the Government has endorsed its guarantee. So that the Government in this $7,000,000 of stock, has a direct interest in the Canadian Northern Alberta Railway Company to the extent I have just mentioned.

Amendment (Mr. German) negatived.

Hon. FRANK OLIVER (Edmonton): It is almost necessary to make an apology for speaking at this late hour of the night and this late day of the session upon so trifling a matter as this gift of $15,000,000 in what probably will be known hereafter as the quarter-billion dollar session of the Canadian Parliament. An apology for taking up the time is perhaps all the more necessary from the fact that as matters stand today debate in this House is at the discretion of the Government, and whatever proposition the Government of the day may see fit to put before Parliament it is within the power of that Governmen to put that measure through regardless of what any minority may say or do.

In regard to the merits of the question, I do not wish to discuss at length the financial side. Aid to railways is given, I take it—or should be given—in the interests of the people rather than in the interests of the railway company. Or, admitting that the aid given to the railway company is in the interests of the railway company, it is presumed that the intention of Parliament is that it shall be also in the interests of the people. My objection to the proposal now before the committee is that it is not, so far as I can gather, considered with due regard to the interests of the people. It is a case of paying $15,000,000 for the benefit of the Canadian Northern Railway Company. I do not object to the paying of $15,000,000, but I want the payment to be for the benefit of the Canadian people as well as for the benefit of the railway company. I do not wish to counter any of the complimentary statements that have been made in regard to the Canadian Northern railway enterprises by the Minister of Railways, the Minister of Finance and the Prime Minister. It is recognized that in a country of such vast extent as Canada questions of transportation must have first place if there is to be development of our country. And I must say that, for my part, I am willing to favourably recognize the effort of the Government to get rid of what appears to be an inconvenient surplus by aiding railway transportation rather than by dividing it up among the constituencies with a view to political effect more than to public benefit.

In regard to the merits of the Canadian Northern railway enterprise, while the construction of a third transcontinental railway, is of course flattering and gratifying to the national pride of Canadians, and while it must be of some material advantage to the people of Canada, I am going to take the liberty of pointing out

that this Canadian Northern railway, considered as a transcontinental enterprise is not exactly on the same footing as either the Canadian Pacific railway or the Grand Trunk Pacific railway. I speak of this, not with a view to belittling the company or the benefits it will bring, but so that we shall have a fair understanding of the exact condition. Everybody admits that the Canadian Pacific railway was essentially a pioneer enterprise. It will have to be admitted that in large part the Grand Trunk Pacific was as essentially a pioneer enterprise. The Canadian Northern railway, in that part of its line which lies between Winnipeg and Edmonton was a pioneer enterprise, but that part of its line from Edmonton to the Pacific coast, and that part of its line proposed by this resolution to be aided from Port Arthur to Ottawa is not a pioneer enterprise to anything like the degree that either the Canadian Pacific railway or the Grand Trunk Pacific was.

Mr. BENNETT: Do not we require a third transcontinental line as a spout for western grain? And hence is not the construction of the road from Fort William to the sea-board absolutely essential if the value of the other lines is to be maintained?

Mr. OLIVER: I do not wish to belittle the value of the enterprise but to object to the method of dealing with the question presented to the House by the Minister of Finance and the Prime Minister when they instituted a comparison of the merits of the three transcontinental roads. If we admit that the merits are equal, the conditions surrounding the construction of these three roads is not equal. Take that part of the Canadian Northern railway line from Edmonton westward. From Edmonton to Tête Jaune Cache, a distance of 300 miles, the Canadian Northern parallels, within a stone's throw, the Grand Trunk Pacific railway, which is already constructed. Every pound of supplies and materials for the construction of the Canadian Northern railway from Edmonton for the construction of the Canadian Northern railway from Edmonton to Tête Jaune Cache was hauled over Grand Trunk Pacific rails.

Mr. BENNETT (Calgary): I suppose the hon. gentleman will admit that the railways had to run parallel; they went through the same pass; it was a physical necessity.

Mr. OLIVER: If my hon. friend will permit me to state the facts, I will make my own argument?

Mr. HUGHES (Minister of Militia): Which line was laid out first?

Mr. OLIVER: I cannot answer that. I know that both companies made surveys by way of the Peace river, and both companies decided to go by way of Jasper Pass. I want to lay down the absolute fact that the conditions surrounding the construction of the two railways are not the same; therefore the demand for equal aid is not based on a solid foundation.

Mr. BORDEN: Is it not a fact that the Grand Trunk Pacific railway parallels the Canadian Pacific railway for a considerable distance west of Winnipeg?

Mr. OLIVER: Yes.

Mr. BORDEN: And without any physical necessity.

Mr. OLIVER: No, I would not say that.

Mr. BORDEN: I was not aware that there was any physical necessity.

Mr. OLIVER: The Grand Trunk Pacific was laid out as a transcontinental line, and Winnipeg and Edmonton were the fixed points. After the Grand Trunk survey was completed, the Canadian Pacific railway made a survey, and actually built a line paralleling the Grand Trunk Pacific road. Construction was carried on by both lines at the same time, but my contention is that the Canadian Pacific railway were the aggressors, not the Grand Trunk Pacific Company. However, that is aside from the point I wish to make. In the first place, for 300 miles west of Edmonton, the Canadian Northern has the benefit of the existing Grand Trunk Pacific railway for the building of its road. In the second place, it does not develop new country for that 300 miles, where the Grand Trunk Pacific has already developed it, the latter road having been built under absolutely pioneer and exceedingly difficult conditions. From Kamloops, in British Columbia, to Port Mann, the condition is identical. The Canadian Northern absolutely parallels the existing Canadian Pacific railway, having all the advantages of the existence of that road to aid it in construction, at the same time not developing one foot of new territory for that whole distance. On the whole route from Edmonton to Port Mann the Canadian Northern will develop about 200 miles of new country, from Tête Jaune Cache to Kamloops down the North Thompson river. That is all the country through which it runs that is not already amply served by an existing railway. Therefore when a comparison is made between the conditions on the Canadian and Grand Trunk Pacific railways and the Canadian Northern, I say, that so far as the line from Edmonton to the coast is concerned, the comparison does not hold.

In regard to the line now being aided between Ottawa and Port Arthur, for seventy miles east of Port Arthur, the Canadian Northern rails are within touch-

ing distance of the Canadian Pacific, and from Sudbury or its vicinity to Ottawa, in the nature of things, the Canadian Northern must parallel at no very great distance the Canadian Pacific. Between Sudbury and Nipigon, the Canadian Northern have the advantage of the Grand Trunk Pacific and the Canadian Pacific railway in the construction of their railway. I do not make these statements for the purpose of in any degree belittling the enterprise of the men who constitute the Canadian Northern Railway Company, nor for the purpose of belittling the value of the enterprise to the country, but only to bring out absolutely that the comparison made by the Minister of Finance and the Prime Minister as between the Canadian Northern and the Canadian Pacific and Grand Trunk Pacific railways as to cost was absolutely unfair and unwarranted by the facts.

Mr. BENNETT (Calgary): I suppose the hon. gentleman is agreed that the valuable part of the railway is between Edmonton and Fort William?

Mr. OLIVER: Yes, that is, of course, the valuable part of the road. I do not wish for a moment to belittle the value of the road that the Government is aiding; I am dealing with one feature of the matter and confining myself absolutely to that feature. I have said that I do not want to go into the merits or the method of expenditure; what I want to go into is the question of the results of the expenditure. We talk of the millions that are invested in these different railroad enterprises. Let me suggest that wherever those millions come from; whether they come from the pocket of the investor or from the treasury of Canada, the returns on the investment have absolutely to come out of the pockets of the people who use the railroad. Therefore, the whole question is contained in the one word, 'rates.' It is that feature of the question to which I wish to direct the attention of the House. There have been complaints in the prairie west of a condition of freight rates considered to be burdensome to the people, detrimental to the progress of the country, and therefore injurious to Canada as a whole.

Mr. COCHRANE: Is not the greatest hardship in the West the fact that there are not enough roads?

Mr. OLIVER: That is a hardship on the people who have not the advantage of railroads, but it is also a hardship on the people who have railroads to pay too much for the service afforded by them. There is in the West a condition that is the cause of grave objection on the part of the people. It is a burden upon the people, it is a hindrance to the progress of the country, and it is a matter that is entitled to the grave attention of the Government and Parliament of Canada. I will only mention a single instance. We have, in Alberta, coal. Coal is one of the greatest necessities of life throughout all that area between Winnipeg and the Rocky mountains and it is a fact that because of the condition of railroad rates the coal of Lethbridge and of Canmore cannot be sold east, I believe, of Regina, that is to say the centre of the province of Saskatchewan, in competition with coal that is mined in Pennsylvania, is taken by rail from two to three hundred miles from the mines to the lake port, is taken by vessels from the lake port to Fort William, and is taken by rail four hundred, five hundred and six hundred miles to meet the competition of Alberta coal. This House will understand that there is profit to the people of Canada in the mining of Alberta coal and that the market for Alberta coal depends upon the railroad rates by which that coal is transported from the mines to the consumer; and if the rates are deliberately adjusted, as they are deliberately adjusted, by railways, to promote the transportation of Pennsylvania coal to the detriment of the transportation of Alberta coal, there is an injury to the industrial development of Alberta and an injury to the welfare and prosperity of the whole western country.

Mr. BENNETT (Calgary): I suppose my hon. friend knows that Alberta coal is now sold in Winnipeg, the briquettes of Bankhead and the Lethbridge coal find a ready market there under existing rates. Some years ago Regina was the furthest point east and then Brandon, but now you can buy the Bankhead briquettes and also the Lethbridge coal, and large quantities are sold there by Osler, Hammond & Nanton.

Mr. OLIVER: What my hon. friend says establishes beyond question the reason for the conditions I have stated to have existed during so many years. What he has said has established the desirability of amending that condition as far as possible. The fact that it has been amended to some degree is, of course, an advantage, but it would be a greater advantage if it were more greatly amended, because I think he will agree that even yet the sales of Alberta coal in Winnipeg are not large, they are only beginning. There are one hundred thousand people in Winnipeg requiring that coal and we sell a trifling amount at the present time. That is an instance where the development of a great western industry is retarded by reason of the railway rates, and this Government brings before Parliament to-day a proposal to vote to one of these railway companies a gift of $15,000,000 and takes no measure whatever to that effect. This is only one fact out of a general condition.

Mr. BENNETT (Calgary): Does not the fact that we are making a gift, as my hon. friend has said, to this railway company obviate the necessity of its payment of interest by way of fixed charges and thereby makes possible the Railway Commission giving us a lesser rate than would be given if we created securities, thereby putting a fixed charge on the railway?

Mr. OLIVER: There is no question about what my hon. friend says. There is no doubt that it would be right and proper for the Railway Commission, if it was fixing rates, to take that question into consideration but I have not yet heard that the Railway Commission has ever done so.

Mr. BENNETT: It is before it now, the coal, cement and lumber rates are before the board.

Mr. OLIVER: I have great faith in the Railway Commission and I absolutely agree with my hon. friend that money contributions by the Parliament of Canada should not be reckoned as capital of a railway company; but I am here on my responsibility as a representative of the people of the West with certain authority in my hands as a member of Parliament. I consider that it is up to me, when I am giving $15,000,000 to the Canadian Northern, that in that gift I should take measures to see that the people whom I represent get the benefit of that gift, and I will not ask the Railway Commission to do for me what I ought to do for myself.

I am not suggesting a new line in this particular. It will probably be within the recollection of members of this House that in 1897 the Government of Canada made a proposal to Parliament on very much the same lines as this which is before Parliament to-day, a proposal to give $11,000 a mile aid to the Canadian Pacific railway to construct their line from Lethbridge to Kootenay Landing for the purpose of bringing the trade of the mining country of southern British Columbia in touch with the railway systems and the business of Canada at large. Surely such a proposal as that had merit in itself. Here was a piece of country producing traffic to an enormous degree. Mining was very prosperous at that time, but all the supplies for the mining country came from the United States. The trade was entirely with the United States. Surely the building of a piece of road that would give connection between the railway system and the business of Canada and that mining country might very well rest on its merits. $11,000 a mile of cash subsidy without any further consideration was just as fully justifiable in that case as the proposal of $12,000 per mile in this case.

Mr. BENNETT (Calgary): In view of the fact that the province of British Columbia had given coal mines to build the whole of it which are now the property of Senator Jaffray and J. J. Hill.

Mr. OLIVER: Surely just as in the case of the Canadian Northern, the province of Ontario has given 2,000,000 acres in Ontario.

Mr. BENNETT: With restrictions against all mineral rights.

Mr. OLIVER: But that has nothing to do with the case. What I want to point out is that when a similar condition existed in 1898 the late Government dealt with the matter as I would suggest that this Government should deal with this matter now. And in granting aid make conditions as to specific reductions in rates, so that there would be no question that the people who paid the money would get the benefit of that money.

An hon. MEMBER: There was no Railway Commission then.

Mr. OLIVER: There was no Railway Commission then, and as I said a few minutes ago, the existence of the Railway Commission does not relieve my hon. friend and myself from our responsibility to our constituents, to see that what we want done is done at the time it ought to be done. I have another precedent, Mr. Chairman. I find in the statutes of Manitoba of 1901, an arrangement whereby certain aid was granted to the Canadian Northern Railway Company by the Government of that province, and I find that the granting of that aid at that time to that company was again made the occasion of establishing a specific railroad rate in the interests of the people of the province.

With the two precedents, and nobody will deny that they are precedents, and nobody will deny the benefits that have resulted from the action then taken, I maintain that it is the duty of this Government on this occasion to take similar action, and to relieve the situation that exists to-day throughout the Northwest, so far as it can be relieved on the Canadian Northern lines, by accepting the recommendations specifically made by the Winnipeg Board of Trade. I am sure that the Government has received a copy of the circular which I propose to read for the benefit of the House. It is addressed to me and reads as follows:

The Winnipeg Board of Trade,
Winnipeg, Manitoba, May 15, 1913.

Dear Sir,—I am instructed to enclose to you herewith a copy of a resolution unanimously adopted at the annual general meeting of this board held May 13, 1913, and which in effect is a petition to the Government of Canada that if aid is granted to the Canadian Northern Railway Company that the company should be required in considera-

tion thereof to make reduction in their freight rates applying western Canada.

This board begs to suggest that early action on this matter by boards of trade is extremely desirable.

Yours truly,
C. N. Bell,
Secretary.

This is the resolution:

Whereas it has been reported in the public press that the Canadian Northern railway system has applied or will in the near future apply, to the Government of Canada for financial assistance in connection with the completion of its transcontinental system;

And whereas the rates charged by the said railway for the carriage of merchandise between points west of Port Arthur are higher than those charged for similar services in eastern Canada, and are in the opinion of this board excessive for the services performed;

And whereas the burden of excessive freight rates is a grave injustice to the people of western Canada, and has for many years been a source of great complaint;

Therefore be it resolved that the Winnipeg Board of Trade hereby petition the Government of Canada, and respectfully urge (without expressing any opinion as to whether aid should be given by the Government or not) that in the event of its being considered expedient by the Government to grant the Canadian Northern Railway Company financial aid in connection with the construction of its lines, such assistance be given only upon the condition that the rates charged for the carriage of freight between points upon the Canadian Northern railway west of Port Arthur be reduced to an equality with rates charged by railways in eastern Canada for similar services, except in so far and to such extent as the railway company may be able to establish higher cost of operation in the West.

Mr. BENNETT (Calgary): And that, in terms, is just what is before the board now.

Mr. OLIVER: My hon. friend has drawn my attention to the fact that this question is before the Board of Railway Commissioners. The Board of Railway Commissioners was established in 1903, and has been in existence for ten years practically. This condition of inequality of freight rates between the East and the West has existed during the whole of that time, and still exists. It may not be wise on the part of Parliament to say that the responsibility rests upon the Railway Commission to adjust that inequality. We had the judgment of the Railway Commission in regard to a reduction of express rates a short time ago, and we find that while they made a reduction in western rates, these rates are still materially higher than eastern rates. I do not say for one moment that under the terms of the Railway Act the Railway Commission were not justified in giving that decision in regard to express rates, but if I do admit that, then surely it is necessary, if we are to have in the West an equality of local freight rates with the East, that this Parliament should take action. We may pass many years without an opportunity occurring, but here is an opportunity. We are giving the railway company a large cash subsidy. We are giving the subsidy unconditionally. I say we cannot justify ourselves to the people of western Canada if we do not take this opportunity of following the precedent of the Government of Canada in the case of the Crowsnest road, and the precedent of the Manitoba Government in the case of the Canadian Northern road, and make an arrangement now with the Canadian Northern Railway Company that will give the western people the same rates as the people of the East have.

Mr. BENNETT: Regardless of the cost of operation?

Mr. OLIVER: I am not making any suggestion as to what the Railway Commission should take into consideration. I want this Parliament to take the definite stand that the basis of rates should be the same, that is all I ask. I maintain that in the Railway Act there is no wording that can fairly be considered mandatory upon the Railway Commission to make the basis of rates the same as between the East and the West. In order that my position may be made perfectly clear, I will read to the committee what I propose to move as a motion later on. I desire to put in words as apt as may be, the purpose of the Winnipeg Board of Trade:

That the granting of such subsidies and the receipt thereof by the respective companies, shall be subject to the condition that the said companies shall, within two months from the date of the passing of this Act, submit to the Board of Railway Commissioners for Canada, a schedule of traffic rates upon the lines of the said companies now or hereafter to be constructed west of Fort William, which shall be the same as now apply on the lines of the said companies in the provinces of Ontario and Quebec, except in so far and to such extent as the said railway companies may be able to establish higher cost of operation on such lines west of Fort William, and the said schedule shall be subject to the authority and control of the said Board of Railway Commissioners, to be revised and adjusted by them in accordance with the foregoing provision.

By this motion I ask Parliament to lay down the basis for the instruction of the railway commission that rates shall be the same in the East as in the West.

Mr. PELLETIER: Has the railway board that power now?

Mr. OLIVER: My reading of the Act is that while they have the power they would not be warranted by the terms of the Act in exercising that power unless they had instructions or authority from this Parliament. I only give my opinion as a layman, and as a layman and a western man I

repeat that the Act has been in force since 1903 and these differential rates have been in force ever since 1903. Here is the time and the occasion that we can secure something in the interest of the country, and we will be doing less than our duty if we do not avail ourselves of that opportunity.

There is another feature of this rate question, namely, the rates from manufacturing or commercial centres in eastern Canada to consuming or distributing points in western Canada. I will not delay the House, but I repeat that the rates between the manufacturing centres in eastern Canada and the distributing points in western Canada are adjusted by the only railway we have now doing business, with a view of absorbing to the railway company in its rates as large a proportion of the customs tariff as the conditions will admit. It is because of that fact that the manufacturers of the United States and particularly of the western States, from which points the haul is shorter than from eastern Canada, have been able to do business in western Canada to the detriment of the manufacturers of eastern Canada. I am not able to prove that statement by a comparison of railway tariffs, and I do not imagine there is any member in this House who could take the railway tariffs and the rates affected, and make an intelligent comparison, but at the same time I will guarantee that there is not a manufacturer in this House who is selling goods in western Canada who does not believe that that statement is a fact. And if it is a fact it is detrimental to the well-being of eastern Canada, and to some degree in western Canada. What I desire to suggest to the committee is that this question be dealt with here and now just on the same principle as I propose we should deal with the question of western rates. That is to say, that a specific agreement be made with the Canadian Northern Railway Company, bringing their rates between eastern and western Canada specifically under the control of the Railway Commission with a view of maintaining equality between the rates over the Canadian Northern railway in Canada and the rates over parallel lines in the United States. I know there is a general impression that the provisions of the Railway Act are adequate and that there is no necessity for our instructing the Railway Commission to make a general reduction in the railway rates. I find no such provision in the Railway Act. The spirit of the Act is the principle of preventing discrimination, and not the principle of making a general reduction.

Mr. FRIPP: It is the duty of the commission upon complaint to do that.

Mr. OLIVER: I have read the Act and I do not gather that from the Act.

Mr. FRIPP: It is the whole principle of the Act.

Mr. OLIVER: I disagree with my hon. friend right there. It is absolutely not and it never was the principle of the Act; the principle of the Act is equality; the whole purpose of the Act is to prevent discrimination.

Mr. FRIPP: That is what I say.

Mr. OLIVER: There is no discrimination in a certain set of rates in Canadian territory, which are higher than rates in territory outside of Canada. That is not discrimination under the Act, and yet it is just as effective in taking away business from the manufacturers in eastern Canada.

Mr. BENNETT (Calgary): It is the duty of judges in a court to hear and determine a case; the Railway Commissioners are judges of a court of record exactly as in the Supreme Court of Canada, and they must hear and adjudicate upon the question which is now before them as to the discriminatory character of the rates in eastern and western Canada, just as the Supreme Court the other day had to decide the question of an election.

Mr. OLIVER: I was discussing a little while ago the question of discrimination between eastern and western Canada but just now I am discussing the question of discrimination or difference in rates between Canada and parallel lines in the United States.

Mr. BENNETT: That is before the commission.

Mr. OLIVER: I do not see anything in the Act that would bring it before the commission.

Mr. BENNETT: It is evidence in the case submitted.

Mr. OLIVER: Suppose the rate from Montreal to Winnipeg is higher than the rate from New York to Winnipeg, under what provision of the Railway Act would a shipper have the right to ask reduction of the rate between Montreal and Winnipeg?

Mr. BENNETT: The case could be brought before the tribunal. That is evidence. The conditions that exist are the facts, and the tribunal has to decide whether in consideration of all the facts: the physical condition, the density of traffic, the character of the traffic, the extent of it locally, and otherwise, they are justified in making an order reducing the rate from Montreal to Winnipeg to the basis of the rate from New York to Winnipeg.

Mr. OLIVER: I will have to disagree with my hon. friend with all deference. There is not a word in the Railway Act from beginning to end that authorizes or

instructs or permits the Railway Commission to take cognizance of competing rates in the United States.

Mr. BENNETT: Nor is there a word in the Supreme Court Act in the province in which we both live that tells a judge to consider certain evidence. That is a matter that must be determined by the parties in submitting the evidence to the tribunal for its consideration. That evidence is a fact in enabling the tribunal to which the evidence is submitted to arrive at a conclusion on the case. That is all.

Mr OLIVER: I quite agree with my hon. friend that that is all; and, to my mind, it is not nearly enough. At this particular stage of the proceedings, when we are handing out $15,000,000 to the Canadian Northern company to enable them to complete their line of road between Montreal and Winnipeg, I say that we shall be doing very much less than our duty if we do not make such provision as will guarantee to our people that they will get such rates as will enable them to do business from East to West. The precedent has been established of making such specific arrangements on such occasions, and the results have been vastly beneficial. Such an arrangement should be made at the present time. It could be made at the present time, and I propose to offer a suggestion to the committee in that regard, and to move it later on in the House. My suggestion is as follows:

The granting of such subsidies and the receipt thereof by the Canadian Northern Ontario Railway Company and the Canadian Northern Alberta Railway Company shall be subject to the condition that the Board of Railway Commissioners for Canada may at any time, after the completion of the lines of railway above mentioned, require such railway company as is then operating the railway system which includes these lines, to file a schedule of freight rates from such points touched by the lines of such company in the provinces of Ontario, Quebec, New Brunswick and Nova Scotia as they may designate, not including points in Ontario west of Sudbury, to such points in the provinces of Manitoba, Saskatchewan and Alberta, touched by the lines of the said company as they may designate. And the Board of Railway Commissioners shall revise such schedule of rates so that they shall be no higher than the rates per mile charged for like service over railway lines in the United States and Canada between New York and Winnipeg by way of Chicago and Minneapolis. The said rates shall be binding upon the said railway company until further revised by the Board of Railway Commissioners for Canada.

The wording of this proposal may not be in proper form, but I submit that it is in sufficiently good form to convey the idea that I desire to express and to place before this committee and this Parliament as being in all respects desirable that we should not vote this money to this railway company without a specific agreement that would protect the western producer in the rates whereby his products are distributed throughout the East and as will protect the eastern manufacturer in the rates by which his products are distributed in the West.

Mr. COCHRANE: I just want to put on 'Hansard' a statement of what my hon. friend from Pictou (Mr. Macdonald) wanted in reference to the total subsidies granted to the Canadian Northern Railway Company and all its branches, by municipalities, by provinces, and by the federal Parliament, up to the present legislation before the House. The total amount is $11,259,722.

Sir WILFRID LAURIER: Of direct cash subsidies?

Mr. COCHRANE: Cash subsidies to all lines by municipalities, provinces, and the federal Parliament. $8,082,398 is on the main line.

Mr. GERMAN: How much is the land grant?

Mr. COCHRANE: There has been no land grant except that 4,000,000 acres—and they were not granted to the Canadian Northern Railway Company—except the 2,000,000 acres in Ontario.

Sir WILFRID LAURIER: As I see my hon. friend the Minister of Finance in his seat, I desire to draw his attention to a statement he made comparing the Dominion assistance received by the Canadian Northern Railway Company, with that received by the Grand Trunk Pacific Railway Company. The Grand Trunk Pacific Railway Company received no direct assistance from the Canadian treasury except the seven years' interest upon the western section and seven years' rent upon the eastern section of the railway, provided the contract is completed according to the agreement.

Mr. WHITE: My hon. friend has overlooked the implementing of the bonds.

Sir WILFRID LAURIER: I do not take that as part of the contract. With regard to the Canadian Northern Railway Company, if I understand the figures correctly, the direct cash subsidies are as follows:

Quebec to Hawkesbury, $1,194,000; Hawkesbury to Ottawa, $367,000; Port Arthur to Fort Frances, $1,355,000; Fort Frances to Rainy River, $179,000; the British Columbia section $6,000,000; total, $9,095,000.

The bonds guaranteed by Canada are $58,000,000. There is a part of the bonds of the British Columbia section guaranteed by the British Columbia Government which amounts to $18,000,000. There is a land grant which amounts to 15,000,000 acres.

My hon. friend the Minister of Finance stated that this should not be taken into consideration at all as direct assistance to the company, because the assistance was not given originally to the Canadian Northern Railway Company but to other companies, and the subsidies were afterwards acquired by the Canadian Northern Railway Company, and they also took the grant of 4,000,000 acres. It would be very unfair not to count these subsidies in the construction of the railway. The reasoning of my hon. friend has no practical bearing. It is well known that the Canadian Northern Railway Company got these charters for a nominal sum. The subsidies had been granted long before to a company which had received them to build a line towards Hudson bay. They were afterwards acquired by the Canadian Northern railway, and the whole of this 4,000,000 acres were applied to the construction of the main line of the company from Winnipeg to Edmonton. Therefore the whole of that must be held to have gone into the construction of the main line, with the exception of the branch line from Erbert to Le Pas. That cannot be taken as a part of the subsidy applied to the main line. The line from Erbert to Le Pas is about ninety miles. The subsidy was 12,000 acres of land, and therefore you must deduct that from 4,000,000 acres, leaving a subsidy of 3,288,000 acres, which was used in the construction of the main line of the Canadian Northern railway. What would be the value of these lands? That is a point to be considered.

Mr. BENNETT (Calgary): Two million acres of that were Ontario lands.

Sir WILFRID LAURIER: No. Four million acres in the West. The Ontario lands have to be added to that. I do not know whether the Ontario lands were granted for the construction of the main line or not. What would be the value of these lands? If we put it at $12 an acre, I think that would be a moderate price—the company should receive that for them over and above all costs of exploration and administration. That would mean an income from lands of about $36,000,000. Let us recapitulate:

Direct cash subsidy	$ 9,000,000
Guaranteed bonds	58,000,000
Lands	36,000,000
British Columbia provincial subsidy	18,000,000
Total	$121,000,000

This will cover the whole line from Quebec to Vancouver, the mileage being as follows:

	Miles.
Quebec to Montreal	176
Montreal to Ottawa	117
Ottawa to Port Arthur	910
Port Arthur to Winnipeg	438
Winnipeg to Edmonton	827
Edmonton to Yellowhead Pass	260
Yellowhead Pass to Vancouver	525
Total	3,253

And for this they have received, as I have stated $121,000,000.

Mr. WHITE (Minister of Finance): The right hon. gentleman has added together guarantees and subsidies, and has made a guess which may be more or less enlightened—I think less enlightened rather than more—as to the value of the land grant, for I understand he is making the estimate disregarding what was said this afternoon as to the sale of lands especially at the beginning of the century in 1900, 1901 and 1902 at $3, $4 and $5 an acre as is usual in the case of land sold by a railway company where it is desirable to colonize certain sections. But let me make the same kind of running calculation as he has made with regard to an enterprise of which he has not been so critical as he has been of the Canadian Northern railway. The seven years' interest which he so lightly touched upon amounts to no less than $50,000,000. And he puts to one side the implementing money, saying that is merely a judgment of the Privy Council. But, unfortunately, it is $10,000,000 which the people of Canada must pay. We save $2,000,000 under legislation that has just been passed, but the $10,000,000 still has to be paid. The $50,000,000 and $10,000,000 make $60,000,000. Then, as my right hon. friend knows the securities of the Grand Trunk Pacific were guaranteed by the Government of Canada to the amount of £14,000,000. That is the amount of the mortgage which secures the Grand Trunk Pacific bonds which are guaranteed by the Government of Canada. That means $70,000,000. And this to the $60,000,000 and you get $130,000,000. But we are not finished yet, for the Government of the right hon. gentleman lent $10,000,000 to the Grand Trunk Pacific, and if I am not much mistaken he will probably be sympathetic as I understand him and others to be with regard to the loan of $15,000,000 to the Grand Trunk Pacfiic which we are bringing down. That means loans of $25,000,000. Add this to the amount already stated, and you have $155,000,000. And this expenditure with respect to what? Not the line from Moncton to Prince Rupert, but from Winnipeg to Prince Rupert, a distance of 1,750 miles, or $80,000 a mile. I make that calculation on the lines followed by the right hon. gentleman merely for the purpose of comparison.

Resolutions reported and read the first time.

Mr. COCHRANE moved that the said resolution be now read the second time and concurred in.

Mr. GERMAN: I have already stated in the discussion in committee that I have no desire in any way to injure the Canadian Northern railway or its promoters, but on the other hand, I desire, as far as I can, to aid this great and useful enterprise. I think that Canada can stand three transcontinental railroads. I always thought the Canadian Pacific railway had received from the people of Canada greater aid than it should have received. However, that is practically ancient history. But during their construction they came to this Government for further assistance. In the first place they received $25,000,000 as a gift and also 25,000,000 acres of land. Having financed their problem and carried on their work as far as they could, they came to the Government for a loan of $25,000,000. At that time every man connected with the Canadian Pacific railway enterprise had pledged every dollar he was possessed of. The present Lord Strathcona and Lord Mount Stephen had pledged every dollar that Donald Smith and George Stephen owned; and many have done more than that, because I am inclined to think they had the Bank of Montreal pretty well pledged at that time. If that enterprise had been a failure these men would have been absolutely bankrupt. They laid their cards on the table, and said: We have done everything we can; we have confidence in this enterprise; we believe it will be a success. We have put all our capital into it, and we ask you now to come to our assistance and lend us enough money to carry out this great national enterprise. The Government of Canada said: We will do it with the security that you have to offer. They gave the security, which was practically a second mortgage. Why should not the same procedure be followed in this instance? Why should these gentlemen promote a railroad, own the stock, make millions of dollars out of its construction, and have the Governor in Council and the general public pay for it? It looks to me to be too absurd to merit the consideration of sensible people. I do not believe that the people of Canada are in sympathy with the proposition which the Government is now submitting. I am not in accord with it myself, and, I beg leave to move:

That the said resolution be not now concurred in but that it be referred again to the Committee of the Whole House, with instructions to amend it by providing for an advance out of the Consolidated Revenue Fund by way of loan to the Canadian Northern Railway Company of a sum not exceeding fifteen million dollars for the purpose of assisting the company in completing its yearly construction; such advance to be repayable with interest half-yearly at the rate of four per cent per annum not later than the 1st of July, 1933, the advance to be secured by debentures charged upon the undertaking, equipment and property, rights and franchises of the company, and also upon the undertaking, equipment and property, rights and franchises of the Canadian Northern Pacific Railway Company, the Canadian Northern Alberta Railway Company, the Canadian Northrn Ontario Railway Company and the Canadian Northern Quebec Railway Company, ranking next after the securities already issued and at present existing against each and all of said companies, and also be further secured by a transfer to the Minister of Finance and Receiver General of Canada in trust for His Majesty, shares in the common stock of the Canadian Northern Railway Company of the par value of fifteen million dollars which said stock shall be deemed to be fully paid up non-assessable and not subject to calls and to be transferred upon the books of the Canadian Northern Railway Company, and which said shares of stock shall be on the repayment by the said company of the said sum of fifteen million dollars, and all interest thereon retransferred to the said company, their successors or assigns.

I make that motion because I do not believe that the Government of Canada should be a party to any corporate organization; they should not hold stock in a company or assume the position of a shareholder. It is bad in principle, and it would work out worse in practive. It would not be a good thing for the Government of Canada to be a shareholder in the Canadian Northern Railway Company or the Grand Trunk Pacific Railway Company. I would be a party to letting the companies have all the money they require, for which they can give security, but I will not be a party to consenting that the Government shall be a shareholder in the Canadian Northern Railway Company.

Mr. SPEAKER: This resolution must inevitably be out of order. It contemplates a money grant which should first receive the recommendation of the Governor General and then be moved by a member of the Government. It is not permissible for a private member to move a resolution of this nature.

Sir WILFRID LAURIER: Before you give your ruling, Mr. Speaker, permit me to say that the rule is that a private member cannot bring in any resolution embodying any charge upon the revenue. This resolution, however, proposes to substitute a loan for a gift; it does not increase the charge upon the revenue, but reduces it; therefore the point of order cannot be well taken.

Mr. SPEAKER: It implies a charge upon the revenue; otherwise its object could not be carried out. In the first place, as I understand it, the resolution cannot be moved by a private member; in the second place it cannot be moved unless it is first recommended by the Governor General. I therefore rule the motion out of order.

Mr. OLIVER moved:

That the said resolution be not now read a second time, but that it be referred back to the Committee of the Whole House for the purpose of amendment as follows:

That the granting of such subsidies and the receipt thereof by the respective companies, shall be subject to the condition that the said companies shall, within two months from the date of the passing of this Act, submit to the Board of Railway Commissioners for Canada, a schedule of traffic rates upon the lines of the said companies now or hereafter to be constructed west of Fort William, which shall be the same as now apply on the lines of the said companies in the provinces of Ontario and Quebec, except in so far and to such extent as the said railway companies may be able to establish higher cost of operation on such lines west of Fort William, and the said schedule shall be subject to the authority and control of the said Board of Railway Commissioners, to be revised and adjusted by them in accordance with the foregoing provision.

Right Hon. R. L. BORDEN (Prime Minister): Mr. Speaker, this motion, as I understand it, is in pursuance of the notice which the hon. member for Edmonton (Mr. Oliver) gave some time ago when the House went into committee. The motion would have some merit if it conferred upon the Board of Railway Commissioners for Canada any power which is not vested in that board under the Railway Act. Any hon. gentleman in this House who is familiar with the provisions of the Railway Act knows that no railway corporation in Canada can collect any tolls except by virtue of a tariff which has been authorized by by-law and has been approved by the Board of Railway Commissioners for Canada. It is known also that the Board of Railway Commissioners for Canada has the most ample power to inquire into and investigate every question connected with the reasonable character of the tolls so imposed. As a matter of fact, this motion either contemplates that Parliament shall make the investigation itself or that the Board of Railway Commissioners for Canada shall make the investigation. The hon. member ventures to suggest that this House of Commons is a proper tribunal for undertaking an investigation of that kind. I do not think he will find one man who will agree with him in that conclusion. Otherwise the motion simply amounts to a proposal that we shall, in connection with this subsidy, invest the Board of Railway Commissioners for Canada with a power which it already possesses, and which is conferred upon it by the Railway Act of Canada in terms much more explicit and much more cogent than those employed in the hon. gentleman's resolution. That is the sum and substance of it. It may be a very valuable motion for the purpose of declaiming on the public platform, but it has no practical value, because those powers, and infinitely greater powers, are already possessed by the Board of Railway Commissioners for Canada under the law passed by the Administration of which the hon. gentleman was a member.

Mr. SPEAKER: I am so sure that this resolution is in order for this reason, that, if I understand it, the destination of a money grant and the purpose and the conditions of that grant cannot be altered. This, I think, would be altering one of the conditions upon which the grant is made, if I understand it correctly. I would not like to be positive regarding it, I am speaking from memory, and may not have the exact words in my mind; but it is my present opinion that the resolution is out of order.

Mr. OLIVER: Might I ask in what way it would be possible for those of us who hold the views expressed in that proposal to get them before the House?

Mr. SPEAKER: I am not, on the spur of the moment, aware of any way in which any such resolution as this could be worked in. It is quite in order to move that the resolution be not read the second time and agreed to; but such a resolution as this, affecting the conditions attached to the grant or the ends or purpose for which it is intended, would be out of order.

Mr. GAUVREAU: Is that a new kind of closure ?

Some hon. MEMBERS: Order.

Mr. GERMAN: Of course, with all due deference to Your Honour, I think you are wrong—

Some hon. MEMBERS: Order.

Mr. GERMAN:—but we will have ample opportunity to discuss these matters, both the resolution I moved and that moved by my hon. friend from Edmonton, later on. This Bill is not through this House yet, and will not be until these resolutions are on 'Hansard' and are voted upon.

Mr. GRAHAM: According to the intimation which I gave this afternoon in the House, I wish to move an amendment without any discussion, as I stated my reasons then. I would move:

That the said resolution be not now concurred in, but that it be recommitted to the Committee of the Whole House with instructions to amend the same by adding the following section:—

The granting of such subsidies and the receipt thereof by the said company shall be subject to the condition that the Board of Railway Commissioners for Canada may at all times provide and secure to other companies over the line of railway of the Canadian Northern Pacific Railway Company, situated in the province of British Columbia.

from a point at Yellowhead Pass to Vancouver at the mouth of the Fraser river, such running powers, traffic arrangements and other rights as will afford to all railways connecting with the said railway so subsidized reasonable and proper facilities in exercising such running power, fair and reasonable traffic arrangements with connecting companies and equal mileage rates between all such connecting railways, and the said board shall have absolute control, at all times, over the rates and tolls to be levied and taken by the company hereby subsidized: Provided always that any decision of the said board made under this section may at any time be varied, changed or rescinded by the Governor in Council, as he deems just and proper.

This resolution is in the words of the section that is in practically all the subsidy acts passed by this House.

Mr. SPEAKER: I think this resolution is subject to the same defect as the others; it attaches a condition to the grant. Therefore it does affect the ends, purposes, or provisions of the grant, and these are the words by which I have been guided in my rulings on this resolution.

Mr. GRAHAM: Practically the same amendment was moved last session and voted on twice. I am not sure whether it was moved in the House when the Speaker was in the Chair, but I think it was, and it was voted on. It was voted on when the subsidies were being granted to the Canadian Northern Pacific.

Mr. COCHRANE: I think it was in committee.

Sir WILFRID LAURIER: It was moved on the third reading of the resolution to the resolution to subsidize the Canadian Northern Pacific. My hon. friend (Mr. Graham) moved identically the same amendment as that which is in your hands, Mr. Speaker.

Mr. SPEAKER: I do not attach any importance to that. I have only to say that, accordingly to my understanding of the rules, I have seen many things done in this House which, I think, were entirely out of order, and I think that this motion, no matter when made, according to my interpretation of the rules with regard to money Bills or money resolutions, would be the same last year as this year. I think it is wrong now; I think it was wrong then.

Mr. MACDONALD: I desire to offer an amendment at this stage, and I would like to be permitted to say, with all due deference, that I hardly appreciate the theory that when the Government submits in this court of Parliament a proposition, we are to be told that no one can by any possibility suggest that any change be made in the final wording of that proposition, or that no member can move the House to agree that the proposition submitted by the Government should have attached to it any condition, or that it be amended or abbreviated in any way. It seems to me that such a proposition involves the idea that Parliament is a place where the decrees of the Government of the day are simply registered. If, through the various stages of a money Bill, from the first to the third reading, no amendment could be submitted, and if hon. gentlemen may engage in the discussion of such a Bill, but cannot ask the House to come to any conclusion different from that of the Government, the whole thing is a farce.

Mr. BORDEN: That does not follow, because the committee can always reject.

Mr. MACDONALD: My right hon. friend suggests that the course is open to the committee of absolutely rejecting any proposal that may be made. That does not seem to me to be at all consonant with the theory which applies to parliamentary government. If Parliament is not to be able to review any measure submitted to it, if the final statute does not mean that it is the concentrated judgment of the representatives of the people who meet here, then of course, parliamentary government is a farce. The Government of the day could introduce a money Bill, and while Parliament might agree with the principle of that Bill, it might feel that there should be something incorporated in that measure. I propose to offer the following amendment, seconded by Mr. Maclean (Halifax):

That the said resolution be not now concurred in, but that it be referred back to Committee of the Whole for the purpose of amendment by adding the following:—

That the granting of such subsidies and the receipt thereof by the Canadian Northern Ontario Railway Company and the Canadian Northern Alberta Railway Company shall be subject to the conditions that the Board of Railway Commissioners for Canada may at any time, after the completion of the lines or railway above mentioned, require such railway company as is then operating the railway system which includes these lines, to file a schedule of freight rates from such points touched by the lines of such company in the provinces of Ontario, Quebec, New Brunswick and Nova Scotia as they may designate, not including points in Ontario west of Sudbury, to such points in the provinces of Manitoba, Saskatchewan and Alberta, touched by the lines of the said company as they may designate. And the Board of Railway Commissioners shall revise such schedule of rates so that they shall be no higher than the rates per mile charged for like service over railway lines in the United States and Canada between New York and Winnipeg by way of Chicago and Minneapolis. The said rates shall be binding upon the said railway company until further revised by the Board of Railway Commissioners for Canada.

I offer that amendment with the view of encouraging trade between East and West,

in this country. That proposition is one which, I understand, was specially dear to the hearts of hon. gentlemen opposite, and I assume that my right hon. friend who leads the House will be disposed to accept it. If when one of the important transcontinental lines in this country comes to the Parliament of Canada and asks for special and unusual consideration, and we undertake to provide out of the public treasury of this country the immense sum of money which is now being given to them, and we say to them that we shall provide as a condition of that gift such reasonable measures as will ensure some preference at least to the trade of the eastern part of Canada going to the West, it seems to me that, unless that proposition can be adopted in this House, and that condition affixed to this gift which we are now asked to make, the position is most unique. That it can be said that it is impossible that that amendment can be offered to this House, and that at any stage in the consideration of a money Bill, from the introduction of the resolution to the third reading, it is impossible to suggest that any change should be made, then all I have to say is that so long as the Government has a parliamentary majority, why should there be any discussion of any question, why should any amendment be suggested, why should anything be considered at all? It seems to me that the ruling you have given Mr. Speaker is one which should be subject to revision. You have intimated that it was given hastily, and I hope that the reflection in which you will indulge, will lead you to the conclusion that this is only a reasonable and fair amendment.

Mr. SPEAKER: This resolution is subject to the same defects as the others. If I am right with reference to the others, I must of necessity rule on this in the same way, because it attaches conditions to the grant, and that is affecting the ends, purposes and provisions of the grant. If it is the desire of the House that I should withhold my ruling on this until to-morrow, I would then be able to give the exact wording of May upon which I have ruled on the others. I think I am right, and if I rule at all, I should rule on this amendment in the same way as I ruled on the others.

Mr. OLIVER: In regard to my amendment, I should like to say that I resent very strongly the suggestion made by the Prime Minister. I certainly wish to push the motion I make to the extreme, and I ask that the matter be adjourned until to-morrow so that you may give it fuller consideration.

Mr. SPEAKER: I have already ruled on that amendment. If the House thinks I should defer my ruling on this amendment, I shall do so.

Mr. BORDEN: I have no desire to prevent any hon. gentleman from making any motion in regard to these proposals, which he may desire to make, and which may be within the rules of the House. If Mr. Speaker should decide after further consideration that the motions are in order, they can be moved on the second or third readings of the Bill. My recollection of the practice is, that the destination of the grants cannot be changed, but I am not so sure about applying conditions.

Sir WILFRID LAURIER: You cannot change the destination of a grant but certainly you can apply new conditions.

Mr. BORDEN: I am not at all sure that my hon. friend is not right about that.

Mr. SPEAKER: The proposal to attach conditions would to my mind change the end and purpose, and it was on the strength of that I ruled the motion out of order.

Mr. BORDEN: I was willing to withdraw any objection on this side of the House if that would meet the views of hon. gentlemen opposite and be acceptable to Mr. Speaker.

Mr. SPEAKER: I am only the servant of the House. If it is the desire of the House I should put the motion, I am prepared to do so, but with the understanding that it is done at the desire of the House.

Mr. GERMAN: We do not want any favours; if we have the right we have it.

Mr. BORDEN: I do not want the hon. gentleman to accept any favours; I am merely trying to expedite the business of the House by the suggestion that we have no objection to the motion being put. It may turn out upon reconsideration that it may be regarded as in order but I do not know about that.

Sir WILFRID LAURIER: For my part I feel very strongly that the motions are in order, but so that we may expedite business the resolution may be adopted and the Bill introduced and we can consider the subject on the second reading of the Bill.

Motion agreed to and resolution read the second time and concurred in.

GRAND TRUNK PACIFIC LOAN.

On motion of Hon. W. T. White (Minister of Finance), House went into Committee to consider the following proposed resolution:

Resolved, that it is expedient to provide for and to authorize an advance out of the Consolidated Revenue Fund by way of loan to the Grand Trunk Pacific Railway Company of a sum not exceeding fifteen million dollars, for the purpose of assisting the company in completing the western division of its railway; such advance to be repayable with interest

half-yearly at the rate of four per centum per annum, not later than July 1, 1923, the advance to be secured by debentures charged upon the western division of the company's railway, and upon the undertaking, equipment and property, rights and franchises of the company, ranking next after the debenture stock of the company issued or to be issued under chapter 100 of the Acts of 1906, and the Act respecting the company assented to on the seventh day of March, 1913, such debentures to be guaranteed, both as to principal and interest, by the Grand Trunk Railway Company of Canada.

Further resolved, that the Governor in Council may, in addition to the sums now remaining unborrowed and negotiable of the loans authorized by any Act of Parliament heretofore passed, raise by way of loan in accordance with and under the provisions of that portion of chapter 24 of the Revised Statutes, 1906, relating to the public debt and the raising of loans authorized by Parliament, such sums of money not exceeding fifteen million dollars, as may be required for making the advance contemplated by these resolutions.

(Mr. Deputy Speaker in the Chair.)

Mr. GRAHAM: What is the explanation of this?

Mr. WHITE: The resolution explains itself. I do not know that it is necessary unless some hon. gentlemen specially desire the information that I should more than state in a general way that the Government is satisfied, having regard to the stringent money conditions prevailing, and which have rendered it difficult for the Grand Trunk Pacific Railway Company to sell its securities, that the Government should make this advance. In 1909 a loan of $10,000,000 was made under almost similar conditions and upon similar security. It is probably not necessary that I should enlarge upon the conditions that makes this advance desirable. I will just say, however, for the information of the committee, that during the present session legislation was obtained by the Grand Trunk Pacific Railway Company authorizing it to issue £5,000,000 of its securities, which were intended to be guaranteed by the Grand Trunk Railway Company, and to provide funds for the undertaking. Legislation was also obtained by the Grand Trunk Railway Company for the purpose of auhtorizing it to issue its consolidated debentures to an amount not exceeding £5,000,000 or $25,000,000. Of the former issue £2,000,000 have been marketed, and at present it is not deemed advisable that more should be placed on the market. If any hon. gentleman requires further information with regard to the matter, I shall be very pleased to furnish it.

Resolution reported and read the first time.

On the motion of Mr. Cochrane for the second reading of the resolution:

Mr. WHITE (Leeds).

Mr. OLIVER: I desire to move, seconded by Mr. Buchanan:

That the resolution be not now read a second time, but that it be referred back to the Committee of the Whole for the purpose of amending it as follows:—

That the granting of such subsidies and the receipt thereof by the respective companies, shall be subject to the condition that the said companies shall, within two months from the date of the passing of this Act, submit to the Board of Railway Commissioners for Canada, a schedule of traffic rates upon the lines of the said companies now or hereafter to be constructed west of Fort William, which shall be the same as now apply on the lines of the said companies in the provinces of Ontario and Quebec, except insofar and to such extent as the said railway companies may be able to establish higher cost of operation on such lines west of Fort William, and the said schedule shall be subject to the authority and control of the said Board of Railway Commissioners, to be revised and adjusted by them in accordance with the foregoing provision.

Mr. SPEAKER: That brings up the question on which I have ruled twice already. I have now the authority on which I ruled. The authority is May's Parliamentary Practice, page 616, where he is speaking of grants. He says:

Nor can the committee attach a criticism or an expression of opinion to a grant nor offer its destination.

Then he goes on to say:

Speaker's ruling 4th of August . . . though undoubtedly out of order, the amendments of this nature have been moved but the proceeding has been either withdrawn or subsequently negatived.

Sir WILFRID LAURIER: That does not apply here.

Mr. SPEAKER: Yes, it is with reference to money resolutions.

Mr. GRAHAM: May I point out what has been the practice at least in this House in 1909. Resolutions were introduced and a Bill founded on them making a loan to the Grand Trunk Pacific Railway Company of $10,000,000. I find on page 5598 of 'Hansard' that, on the third reading, Mr. Ames moved, seconded by Mr. Perley:

That the order for the third reading be discharged, and that the Bill be referred back to the Committee of the Whole with power to amend the same by providing that the rate of interest and charges payable by the company to the Government upon and in respect of the said loan shall not be less than the rate of interest and charges which the Government shall pay in obtaining funds for the purpose of the said loan.

That was voted on in 1909. I find on page 5603 that Mr. Middlebro moved:

That the order of the third reading be discharged, and that the said Bill be referred back to the Committee of the Whole House with power to amend the same by providing

that the security to be taken and held by the Government for the proposed loan should include a mortgage covering the interest of the company (a) in the paid-up stock of the Grand Trunk Pacific Townsite and Development Company, and (b) in the branch line from Port Arthur to the main line of the National Transcontinental railway; subject, however, to any charges or liens now outstanding thereon.

I find on page 5625 that Mr. Meighen moved:

That the said Bill be not now read a third time, but that it be recommitted to a Committee of the Whole with power to amend the same by providing that the Dominion of Canada, in consideration of the financial aid which it contributes to this undertaking, shall receive paid up preference stock of the company to the amount of $10,000,000.

These three resolutions were moved not as to what the road should do in return for what it was getting, but in order to change the conditions altogether. If my memory serves me rightly, the Prime Minister moved a resolution to attach a condition to that grant providing certain instructions as to the carrying of the traffic to maritime ports. That was voted upon without any question, so that that is the practice of this Parliament, and the rulings of the Speakers of this House have never been along the line of the ruling to-night.

Motion agreed to, and resolution read the first and the second time, and agreed to.

FIRST READINGS.

Mr. COCHRANE moved for leave to introduce Bill No. 244, to authorize the granting of Subsidies in aid of the construction of the railways and bridges therein mentioned.

Motion agreed to, and Bill read the first time.

Mr. COCHRANE moved for leave to introduce Bill No. 245, to authorize the granting of subsidies in aid of the construction of certain lines of railway of the Canadian Northern Ontario Railway Company and the Canadian Northern Alberta Railway Company, respectively.

Motion agreed to, and Bill read the first time.

Mr. WHITE moved for leave to introduce Bill No. 246, to authorize a loan to the Grand Trunk Pacific Railway Company.

Motion agreed to, and Bill read the first time.

POST OFFICE ACT AMENDMENT.

On motion of Hon. L. P. Pelletier (Postmaster General) the following resolution was considered in committee, reported, and agreed to:

Resolved, that it is expedient to amend the Post Office Act, and to provide (a) that any railway mail clerk who, on the first day of April, 1913, has had fifteen years service, temporary or permanent, and who has given good and faithful service, may be given a special increase of $100, from the first day of April, 1913, but such increase shall not exceed the difference between his present salary and the maximum salary of a railway mail clerk; (b) that the period of service of letter carriers, messengers, porters, mail transfer agents and box collectors in grades B, C and D shall be reduced from two years to one year; and (c) that the minimum salary of the said persons shall be $2 a day, and the maximum $3 a day.—Mr. Pelletier.

Mr. PELLETIER thereupon moved for leave to introduce Bill No. 248, to amend the Post Office Act.

Motion agreed to, and Bill read the first time.

TIMISKAMING AND NORTHERN ONTARIO RAILWAY SUBSIDY.

On motion of Hon. Frank Cochrane (Minister of Railways), House went into Committee to consider the following proposed resolution:

Resolved, that it is expedient to provide as follows:—

1. That the Governor in Council may grant to the Government of the province of Ontario, in consideration of its having constructed each of the undermentioned lines of railway (not exceeding in any case the number of miles hereinafter respectively stated) a subsidy not exceeding $6,400 per mile:—

(i) For the line of railway from North Bay on the Canadian Pacific railway to Cochrane on the Grand Trunk Pacific railway; not exceeding 252.8 miles.

(ii) For the following branch lines of railway:—

(a) From Englehart to Charlton; not exceeding 7.8 miles;

(b) From Cobalt to Kerr lake; not exceeding 3.9 miles;

(c) From Iroquois Falls to Timmins; not exceeding 32.2 miles;

(d) From Earlton to Elk Lake City (not exceeding 28.5 miles;

(e) From Iroquois Falls Station to Iroquois Falls; not exceeding 7.25 miles.

2. That the subsidies hereby authorized shall be payable out of the Consolidated Revenue Fund of Canada at the option of the Governor in Council, and may be paid upon the certificate of the chief engineer of the Department of Railways and Canals as to the mileage constructed, in such manner and in such amounts and subject to such conditions, if any, as the Governor in Council deems expedient.—Mr. Cochrane.

(Mr. Deputy Speaker in the Chair.)

On section 2:

Mr. GRAHAM: I call attention to the fact that this is to be granted subject to conditions at the discretion of the Governor in Council. According to the ruling, Parliament has no power to make conditions. Apparently this Parliament

is giving the Governor in Council the power to do what it cannot do itself. But what I wish to call attention to is the fact that we are agreeing to the passage of this resolution and the one concerning the Grand Trunk Pacific in order to advance them a stage, but with the understanding that discussion may take place on the second reading of the Bill or in committee.

Mr. BORDEN: We quite understand that.

Resolution reported, read the first and the second time, and agreed to.

Mr. COCHRANE thereupon moved for leave to introduce Bill No. 245, to authorize the granting of subsidies to the Government of Ontario in aid of the construction of the Timiskaming and Northern Ontario railway.

Motion agreed to, and Bill read the first time.

HOUSE OF COMMONS STAFF.

Mr. SPEAKER: I have the honour to inform the House that I have directed the Clerk of the House to lay on the table his report on the classification and organization of the staff of the House, together with my recommendation in regard to the same.

On motion of Mr. Borden, House adjourned at 12.55 a.m. Wednesday.

HOUSE OF COMMONS.

WEDNESDAY, June 4, 1913.

The SPEAKER took the Chair at eleven o'clock.

VACANCY IN CHATEAUGUAY.

Mr. SPEAKER: I have the honour to inform the House that I have received a notification of a vacancy having occurred in the representation of the electoral district of Chateauguay, by the death of James Pollock Brown, Esq., member for the said electoral district, and that I have issued my warrant to the Clerk of the Crown in Chancery to make out a new writ of election for the said electoral district.

QUESTIONS.

(Questions answered orally are indicated by an asterisk).

QUEBEC HARBOUR COMMISSION—PURCHASE OF QUARRY.

Mr. BOURASSA:

1. Has the Quebec Harbour Commission purchased a quarry in the parish of St. Nicholas, county of Lévis?
2. If so, from what person, when, for what price and on what conditions?
3. Has the said commission had a wharf constructed at or near this quarry?
4. If so, how much will this wharf cost?

Mr. HAZEN: The following information is supplied by the Quebec Harbour Commission:

1. The Quebec Harbour Commissioners have purchased a quarry in the parish of St. Nicholas, county of Lévis. It consists of a piece of land situated in the said parish, forming part of lots Nos. 38 and 39, and containing fifteen arpents in area.
2. The property was purchased from Jules A. Giroux, real estate agent, on the 2nd April, 1913, for the sum of $4,500, cash.
3. The commissioners are now building a wharf on the property of about 200 feet in length by 20 feet in width.
4. This wharf when completed is estimated to cost about $5,000.

RIGAUD WHARF, REPAIRS.

*Mr. BOYER:

1. What amount have the repairs lately made to the wharf at Rigaud cost?
2. Who was the overseer?
3. What salary did he receive and for how many days' work?
4. Who furnished the materials, what was their cost and what quantity?

Mr. ROGERS:

1. 225 authorized for repairs.
2. Octave Chevrier.
3. (a) $3 a day; (b) has not received any pay as the repairs are not completed.
4. It is estimated that materials will cost about $75, but no vouchers have as yet been presented for payment.

DR. GIROUX.

*Mr. GAUVREAU:

1. Was Doctor Giroux the contractor or inspector of the protection works in the River Verte, county of Témiscouata, during the summer of 1912?
2. If so, what was his salary and how much has he drawn from the Department of Public Works for his work?

Mr. ROGERS:

1. No.
2. Nothing.

MR. JOSEPH COLLIN.

*Mr. GAUVREAU:

1. Has Mr. Joseph Collin, of Ile Verte, furnished the timber for the works of the wharf at Ile Verte, Témiscouata, during the spring, summer, and autumn of 1912? If so, for how much?
2. What amount has he drawn as overseer of the works on the said wharf?
3. Was the timber purchased by the said Collin carried to the place at the expense of the department or of the said overseer?

Mr. ROGERS:

1. No.
2. $210.24.
3. Answered by No. 1.

L'ASSOMPTION WHARF.

Mr. SEGUIN:

1. What caused the Minister of Public Works to omit from his estimates the amount required to construct a wharf on the river L'Assomption, in the town of L'Assomption?
2. At whose request was this work abandoned?
3. Does the department intend to construct this wharf shortly?
4. If not, to what use does it intend to appropriate the great quantity of timber that has been conveyed to this place for use in this construction?

Mr. ROGERS:

1. Other and more pressing works. It was impossible to provide for all works, in the present year's estimates.
2. No request to abandon the work.
3. Will receive earnest consideration.

ST. LIN DES LAURENTIDES PUBLIC BUILDING.

Mr. SEGUIN:

1. Referring to a statement made on the 9th of December, 1912, by the Minister of Public Works that, after having an inquiry made into the matter, the department had reported that the construction of a public building at St. Lin des Laurentides, county of L'Assomption, was urgent, and as the estimates submitted do not contain the amount required for this construction, will the minister explain the reasons for this omission?
2. At whose request has this enterprise been abandoned or deferred?
3. Will the department provide in the near future for this construction, which is recognized as necessary?

Mr. ROGERS:

1. Providing for other and more pressing requirements.
2. No request to abandon the work.
3. Not shortly, as there is no appropriation. Subject to the orders of the chief engineer.

CANADIAN NORTHERN RAILWAY.

*Mr. MURPHY:

1. What is the total mileage of railway lines now under construction to be controlled and operated by the Canadian Northern Railway Company, and not included in the answer to question No. 24 on June 2, 1913?
2. What is the total amount of the guarantee by the Dominion Government in aid of the construction of such lines?
3. What is the total amount of the guarantee by provincial governments in aid of the construction of such lines?
4. What is the total amount of money granted to date by the Dominion Government in aid of the construction of such lines?

Mr. COCHRANE:

1. The total mileage under construction to be controlled and operated by the Canadian Northern railway is 3,143 miles.
2. The total amount of guarantees by the Dominion Government on lines referred to is $43,419,585.
3. Information being obtained.
4. The total amount of money granted to date to the lines referred to is $6,180,000.

UNOPPOSED AND UNDISCUSSED MOTIONS.

Return showing the total expenditure to date by the present Administration in connection with the investigation of charged partisan conduct against officials.—Mr. Sinclair.

For a copy of all correspondence, papers, &c., in connection with the dismissal of Mr. A. L. Desève, officer in charge of the fishery hatchery at Magog, Quebec, and the appointment of Mr. L. A. Audet to the said position. —Sir Wilfrid Laurier.

JUDGES ACT AMENDMENT.

On motion of Hon. C. J. Doherty (Minister of Justice), House went into Committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Judges Act, chapter 138 of the Revised Statutes, 1906, and to provide for an additional judge of the county courts of the province of Ontario.

(Mr. Deputy Speaker in the Chair).

Mr. NESBITT: I think we have too many county court judges in Ontario for all the work there is to do. In place of appointing more judges, the hon. minister ought to reduce the number and pay them reasonable salaries. I object to men earning fair or unfair wages for working only three or four hours a day, or less.

Mr. DOHERTY: The reason it has become necessary to provide for an additional judge is that under the law of Ontario, when a county comes to contain a town which has a population in excess of a certain number, that county becomes entitled to an additional county court judge.

Mr. GERMAN: Is this resolution simply to provide for the appointment of an extra judge for the province generally?

Mr. DOHERTY: When a county contains a town which has a population in excess of a certain number, that county is entitled to a junior judge. During the course of the year the town of Berlin in the county of Waterloo reached the necessary population. That necessitated our adding one to the number of judges and providing a salary.

Mr. GERMAN: Has the judge of that county court asked for an assistant? Although I cannot go as far as my hon. friend from North Oxford (Mr. Nesbitt) in

regard to the appointment of judges, I think junior judges are being appointed in counties where they are not required, and the senior judges would be quite willing and would prefer to do all the work, and of course get the emolument. The salaries of county court judges are very small; their income does not equal that of a practising barrister of any repute in Ontario. If the senior judge asked for an assistant and said that the work was beyond his capability to take care of it properly, or if the province asked for the appointment of a junior judge, I would have no objection; but a junior judge should not be appointed in a county simply because it happens to have a town of a certain population.

Mr. DOHERTY: In that particular county, the conditions were such that, before we were in a position to appoint a junior judge, we found it necessary to name a deputy judge for a certain period, owing to the state of health of the senior judge.

Mr. PROULX: The provincial law is that a county or a union of counties which has a population of 80,000 is entitled to a senior and a junior judge. There are certain exceptions, such as Renfrew, Prescott and Russell, Algoma, and a few other large districts. Has the county of Waterloo a population of 80,000?

Mr. DOHERTY: I have not the statute under my hand; but, if my memory is correct, a county that has 80,000 of a population is entitled to two county court judges. In addition to that, when a county comes to contain within its limits a town of a certain population, it is entitled to an additional county court judge.

As I understand it, where there is a town of a certain population in the county it is not essential that the total population of the county should be 80,000.

Mr. PROULX: If the amendment was made, it was only reasonable.

Mr. GUTHRIE: I think the minister is right, and that the amendment was made at least five or six years ago. Waterloo is one of the counties in which a new judge is necessary.

Mr. CHISHOLM (Antigonish): When the memorial was presented to the minister on behalf of the county court judges of Nova Scotia it was pointed out that those judges had more work than the county court judges of Ontario. It does seem extraordinary that they require more judges in Ontario. I agree that, outside the district of Cape Breton and the district of Halifax, the county court judges of Nova Scotia are not overworked. It is true they are asking for an increase of salary, not because of extra work, but because the cost of living has gone up and because they are not permitted to engage in any other work. When the minister is proposing an increase in the judges of Ontario, so far as the county court judges are concerned, he should consider the case of the county court judges of Nova Scotia.

Resolution reported and read the first and the second time and agreed to, and referred to the committee to which was referred Bill No. 243, to amend the Judges Act—Mr. Doherty.

INQUIRY FOR RETURN.

On the Orders of the Day being called:

Mr. OLIVER: I wish to draw the attention of the Government to the fact that a return in regard to dismissals in Edmonton district for which an order of the House was made, I think, in December last, and to which I have drawn the attention of the minister on a number of occasions, has not yet been brought down so far as I have been informed by the Clerk.

Mr. REID (Minister of Customs): The hon. gentleman seems to be looking at me I may tell him that there were none in my department.

Mr. OLIVER: I was looking over the head of the hon. Minister of Customs to catch the eye of the hon. acting Minister of the Interior (Mr. Crothers), of whom I have made inquiry on previous occasions.

Mr. CROTHERS: I have spoken to the officers of my department, and they say they will have the return ready as soon as possible.

Sir WILFRID LAURIER: Next Christmas.

Mr. CROTHERS: We have had over two hundred orders to fill, and the work has been very heavy.

Sir WILFRID LAURIER: It surely should not take so much time to make a return as to make a dismissal.

Mr. OLIVER: At the risk of incurring displeasure, I must say there must have been a stupendous number of dismissals in that district.

Mr. CROTHERS: No, but these returns are taken up in the order in which they are called for. It may be that others are to be prepared in advance of this. I think I shall be able to present this return to-morrow.

DISMISSAL OF MARTIN LANIGAN.

Mr. EMMERSON: Once more, and for the last time this session, I suppose, I would remind the Prime Minister of the adjourned debate noted under the head of 'Public Bills and Orders' on the motion for the papers relating to the dismissal of

Martin Lanigan, postmaster of Rexton, county of Kent, N.B. It seems to me this would be an opportune time to permit that motion to go through if the Prime Minister could call it.

Mr. BORDEN: I had a certain time allocated for this several weeks ago, but my hon. friend (Mr. Emmerson) made a very prolix and it seemed to me unnecessary speech, and I was not able to put it through on that account. As soon as the hon. member for Kent (Mr. Robidoux) comes, we will see what can be done.

PARCEL POST.

Hon. L. P. PELLETIER (Postmaster General) moved second reading of Bill No. 210, relating to Parcel Post.

Motion agreed to, Bill read the second time, and House went into Committee thereon. (Mr. Deputy Speaker in the Chair.)

Mr. LEMIEUX: Will my hon. friend explain the principal features of the proposed legislation?

Mr. PELLETIER: The subject matter of this legislation has been under the consideration of the Post Office Department for quite a long time. My officers, as well as myself, have devoted a good deal of time and attention to it, having in view the idea that the time had come for Canada to follow the example of nearly all civilized countries and to have a regular system of parcel post. The Bill now before the House is the result of that work; it is short, and speaks for itself. We have now on the statute-book legislation which has been there for some time, and which relates to parcel post; this legislation is to be found in the Post Office Act, section 74. I wish to read this section in order to show the committee that the Bill which is now under consideration does not contain any provisions exceeding the powers which are now vested in the Postmaster General of Canada:

> That the Postmaster General may establish and maintain a parcel post within Canada and may arrange with the Government of the United Kingdom, any British possession, or any foreign country, for the reciprocal receipt, transmission and delivery of parcels; and closed parcels, other than letters, and not containing letters, may be sent by such parcel post, and when so sent shall be liable to such charges for conveyance and to such regulations as the Postmaster General, from time to time, sees fit to make.

The Postmaster General, therefore, now has under the law the right to fix those rates. The Bill provides that the weight of the parcel shall not exceed eleven pounds which is the Postal Union weight, and that it shall not be greater in size than seventy-two inches in length and girth combined. The fourth section provides that all charges for the conveyance of parcel post must be prepaid in postage stamps. Section 5 says:

> The rates of postage applicable to post parcels shall be determined by the Postmaster General, and all powers which the Postmaster General now has with regard to mail matter are hereby vested in him for the parcel post system.

This, as will be seen, is practically a re-enactment of the provisions to be found in section 74 of the present Post Office Act. The Bill moreover provides for the appointment of two supervisors or inspectors, who will have to help us to put the law into operation. In the last section of the Bill we have provided that the Act shall come into force on a day to be fixed by proclamation of the Governor in Council. This is on the lines of the legislation adopted by the United States, wherein they declared that the law should come into force at a later period; as a matter of fact it came into force on the first day of January of the present year.

We have tried to follow what we have considered to be the best features of the United States system. Other features of that system, while I shall not say that they are bad, have not been adopted, for obvious reasons. We are going to adopt the zone system, but not on the same lines as the system at present in vogue in the United States. In order to be well understood, let me state in a few words how the zone system is working in the United States. There they have eight postal zones, although we may say that they really have nine. What I would call the ninth zone is their rural mail system, to which a special parcel post rate applies. We have been unable to adopt this principle, because our rural system is not sufficiently complete. Their zones have been fixed as follows: The first zone includes all territory within such quadrangle in conjunction with every contiguous quadrangle, representing an area having a mean radial distance of approximately fifty miles from the centre of any given unit of area. The following six zones are determined under a somewhat similar plan, each one increasing in distance from the centre of a given unit of area, and extending outward 150, 300, 600, 1,000, 1,400, and 1,800 miles, the eighth zone including all units of area outside of the seventh. Instead of using townships and counties as units of starting points, it was decided to divide the whole country into blocks of units, each block being half a degree of longitude east and west. There are 3,500 of these units in the country. This is an admirable but a most complicated system which necessitates a great deal of knowledge and a great deal of work on the part of local postmasters, in order to ascertain what rate shall be charged for this, that or the other parcel.

We have thought it much more convenient to adopt the zone system on an absolutely different footing. Instead of taking any place in the country as a point around which a certain line shall be drawn to form a zone, we are going to call the provinces the zones, with the exception of the three maritime provinces, which will be for the purposes of this parcel post system, one province or one zone. The other provinces of Confederation will each form one zone. This, I think, will appeal to the committee as being much more workable and much more easily understood than the complicated zone system of the United States. We intend to have a local zone, somewhat similar to the rural mail zone of the United States, but not on the same principle. We intend having a twenty-mile zone irrespective of provincial boundaries. For instance, Ottawa and Hull will have a right to enjoy the rate for that local zone irrespective of whether the mail matter is posted in one province or the other. That will be the first zone, and it will be given a cheap rate. This is done in order to give the legitimate and necessary protection to local dealers and country merchants who have a right to send parcel post to their customers at a lower rate than people farther away, such as Eatons of Toronto, and other big departmental stores all over the country. I met a deputation of the Retail Merchants' Association who came here in order to oppose this measure and to try to persuade me that we should not go on with it. After discussing the matter and explaining different points, they went away saying that not only had they no more objection, but that they were satisfied with the principle of the local zone of 20 miles. This is the only exception in which provincial boundaries will not be considered. Outside of that, there will be a rate within the province but outside of the twenty miles. The third zone will be outside of the province, and so on until we have reached all the provinces. When we have attained a certain limit, the province of destination will not be counted as a province for the purpose of this Bill.

It must be understood that the Post Office Department does not intend to operate the parcel post system at a loss. I want to have it distinctly understood that we intend to run it on business principles. I am sure that we can do that with cheap rates, and at the same time have the system self-sustaining. If I am not disappointed, I think we may proclaim this law for the first of January, 1914, maybe before. There are a great many obstacles which we have tried to meet, and which I think we have met, but there are some in the way. We have to consider the position of our mail carriers, who now receive a certain remuneration for their work, and possibly, if the mail matter which is given them for transportation is very much increased, we may expect to be told that the former rates have ceased to be fair and reasonable, and we may have to increase them.

Another objection in the way is that many of our rural mail boxes are going to be too small for parcel post. This is a big obstacle. We have considered what we would have to do in that respect, and, of course, there are several things to be thought of. The farmer who has a box might be disappointed if he had to purchase a bigger box. We shall have to devise some means to meet that situation.

Mr. PROULX: The department might do as they do with registered letters—put a notice in the box that there is a parcel.

Mr. PELLETIER: We have thought of that. Somebody has suggested that the farmer who wants to keep his box as it is, and for which he has paid, should himself put a wooden box or something near the other box, where the parcels might be deposited. At all events, we will see what can be done about it. I was very much afraid that our space in the post offices of the country would not be sufficient. Judging by the experience of the United States, we have come to the conclusion that there is no great obstacle there, because even where there is very heavy parcel post matter at different points, it is found that the parcels come and go so quickly that the space required is quite moderate. In certain localities, however, the question of this space will be a very important one which we will have to deal with between this and the time the Bill comes into force.

Another important feature is the arrangement that we shall have to make with the railway companies for the transportation of our parcels. There is now between the Post Office Department and the different railway companies a good deal of discussion, I shall not say friction, about the amount which the railway companies now receive for the transportation of the mails. I may say that the quantity of mail matter which is being taken care of by the different railway companies has increased enormously. This is due not so much to the increase in the number of letters as to the increase in the volumes called newspapers which are published. We have sometimes been obliged to have special cars added in order to take care of that part of the mail matter. Our friends, the owners of the newspapers, are enjoying a rate which I think we can not call a rate, because it is only a nominal price, one-quarter of a cent. It is only in Canada that such a rate exists. We shall try to deal with this question at the same time that we make arrangements with the railway companies for the parcel post. We

may be able to come to a satisfactory conclusion on the two points. At one time, these difficulties seemed insuperable—these and others which we have settled, and to which I did not refer. Those which have not been settled will have to be met and dealt with, because Canada is bound to have parcel post. Many suggestions have been made to me, and some people have been very insistent that we should have a flat rate for the parcel post. I must say that I am absolutely opposed to that. I believe it is of absolutely no use to try it.

I am now going to give the House a few reasons which I think will appeal to everyone as businesslike. In the first place, it is necessary, in order to protect the country merchants from being swamped by departmental stores and big city concerns, that a route of certain mileage and special rate should be granted from the different towns and villages throughout the country. It is therefore proposed to give a specially low rate for a radius of twenty miles all around said towns or villages, so that goods may be sent from the rural or town merchants to their customers in the surrounding country. This rate will be low so as to make it impossible for it to be applicable for all points within any one province, let alone on anything passing from province to province throughout the Dominion. Therefore this alone will necessitate two distinct rates, which fact makes against the granting of a flat rate.

The argument has been advanced that inasmuch as Great Britain and other European countries have a flat rate, Canada should have the same thing, but the different conditions existing in Canada as compared with England and other European countries must be pointed out. The British Isles have an area of 121,390 square miles, as opposed to an area in the province of Ontario alone of 260,862 square miles, and as opposed to the Dominion of Canada in its entirety of 3,907,000 square miles, and in this small space, less than half the area of the province of Ontario, there is a population of 44,000,000 of people, as compared with 2,500,000 in the province of Ontario, or roughly speaking, a population of 7,200,000 in the whole Dominion. The conditions are therefore entirely different. In England you have thickly congested rural districts, large towns every few miles, and tremendous cities; in Canada you have a population of less than 8,000,000 spread over a vast area, with few cities or large towns, and with vast spaces that must be traversed where no population exists. The conditions in England and other European countries are absolutely favourable to cheap parcel post, whereas in Canada, owing to small population, vast distances and other reasons already pointed out, the conditions at the present time are the least favourable for parcel post that could possibly occur. The United States, where physical conditions, area, &c., are similar to those of Canada, present a much more favourable ground on which to make comparisons, and the United States now, when it has a population of 90,000,000 of people, an immense postal revenue, an enormous number of large towns and thickly populated rural districts, in granting this boon to the people has found it necessary to adopt the zone system. If the United States with its immense population and revenue and favourable conditions could not afford to give a flat rate, it would certainly be much more impossible in Canada, where the population is only about one-twelfth that of the United States and the revenue only about one-twentieth, to do other than the United States has done. As a matter of fact, the system which is now being introduced in Canada gives a flat rate within the confines of each province in the Dominion. In other words, we are giving, as compared with what is done in England, a flat rate in an area twice as great as Britain gives parcel post, and where all the conditions as regards population, cost of transportation and labour are much less favourable than in Britain.

An argument that is very often used in favour of a flat rate is that letters are carried from the Atlantic to the Pacific at the same rate as is charged for one mile, and that if it is possible to carry letters at a two cent rate from coast to coast, it would be quite possible to carry parcels at a similar flat rate, and at a much lower charge than is now made. In considering this argument it must be taken into consideration that the price paid for the carriage of letters, even at the two cent rate, is much greater per pound than the price paid on parcels, and to give a flat rate on parcels it would be necessary to have a minimum charge much higher than the public would be prepared to pay and much higher than the charges which it is intended to make. Moreover, the Postmaster General has the exclusive monopoly of sending letters, and, therefore, gets the carriage of them all; in other words, gets the long as well as the short haul. But this would not be true regarding parcels, as he has in no sense the exclusive monopoly of sending parcels, so that the result would be, if a flat rate were fixed, that it would be quite possible for public carriers other than the post office to get the short and profitable haul by reducing the charges on special distances. It might also be observed that the express companies that have carried on business similar to parcel post for a great many years have never adopted the flat rate system, which they would certainly

have done if they had found it to their advantage from a business standpoint.

Australia has two rates, one for each state or province, and the other for the rest of the Commonwealth. The lowest rate is twelve cents or 6d. for the first pound, and six cents or 3d. for each additional pound, within each state. The interstate rate, or the rate outside of the province or state in which a parcel is posted, is sixteen cents or 8d. for the first pound, and twelve cents or 6d. for each additional pound. These rates are much higher than those which we propose to charge, and there is a further limitation in the Australian parcel post, in that no parcel which exceeds three pounds in weight will be accepted for transmission to any point in the Commonwealth not served by railway, coach or steamboat. No such restrictions will exist in Canada, but any parcel posted at any point in Canada, will be transmitted to any other point where there is communication of any kind whatever. In considering parcel post from an Australian standpoint, moreover, it must be remembered that practically they have settlement only about one hundred and fifty miles from the coast in extreme cases, that large portions of their country are unsettled and unpopulated, and that the towns along the coast are served by water rather than by rail or long land routes, which makes possible in Australia a very much cheaper handling of parcels than would be possible in Canada. The calculation made by the English statistician, Mulhall, some few years ago in regard to the comparative cost of land and sea service showed the cost on the sea to be about one-twenty-ninth of that for railway service.

The express companies make their charges not on a fixed principle throughout the whole country, but on exigency to suit conditions, where there is competition making a lower rate, and where there is no competition making a much higher rate. This is an elasticity which a government department, such as the post office is, cannot easily indulge in. To illustrate this elasticity in which the express companies indulge in making their rates, the rate between Montreal and Toronto is one dollar a hundred, and between Montreal and Kingston, which lies half way between the two cities, it is the same. Between Montreal and Pembroke, which is one hundred miles shorter, the rate is twenty-five cents a hundred higher. Similarly, while the rate between Montreal and Quebec is seventy-five cents a hundred, the rate between Montreal and Three Rivers, which lies half way between, is also seventy-five cents.

The only countries that can possibly be compared with Canada, owing to similar physical conditions and vast distances, are the United States, Australia and Russia, and in all these countries the zone system has been adopted, after careful consideration. South Africa, which is similar in proportions and physical features, has the merchandise rate of one cent an ounce, the same as in Canada, at the present time.

In order to give a flat rate, a high minimum charge would be required, and as the major portion of all parcels are sent to places within the confines of the province in which they originate, in order to give a comparatively low rate to a few people at a great distance, the interests of the people who are by all odds the greatest in numbers where the short haul would take place, would have to be materially sacrificed.

The last point to which I am going to refer is this: What are the rates going to be? That has not been definitely arranged. We shall arrange it in the simplest and most intelligent way possible. We expect that five or six lines placed in the hands of the local postmaster will explain to him the whole situation. We cannot think of giving this boon to the people of Canada for nothing, or practically nothing; it has to be self-sustaining. I have here comparative statements which have been very carefully prepared in the department, and which show the rates now charged by the express companies in the United States and in Australia, and the present rates upon our fourth-class mail matter, which is the one approaching parcel post. This is a very long, tabulated statement, and I do not propose to take up the time of the House at this late period of the session by reading it.

Mr. LEMIEUX: The hon. gentleman might perhaps put it on 'Hansard.'

Mr. PELLETIER: That is what I was going to suggest, if the committee is willing. Of course, it has to be done by unanimous consent. I will hand it over to 'Hansard,' so that hon. members will know exactly where we are with regard to our present rates as compared with the United States rates and the other rates that I have referred to. While we charge only 16 cents for one pound, we charge for 11 lbs. $1.76, but the express companies charge only 30 cents. So that the committee will see that our present rates are absolutely ridiculous. They cannot be applied excepting in cases of short hauls and small parcels; and when it comes to larger weight and greater distance there is no comparison whatever. The rates are not evenly balanced. With the unanimous consent of the House, these two statements will be put on 'Hansard.' One takes as a central point the city of Montreal, and the other the city of Toronto. I shall be pleased to answer any question that may be asked me.

COMPARISON OF EXPRESS RATES WITH THE UNITED STATES AND AUSTRALIAN POSTAL RATES ALSO PRESENT CANADIAN RATES FOR FOURTH CLASS MATTER.

——	1 lb.	2 lb.	3 lb.	4 lb.	5 lb.	6 lb.	7 lb.	8 lb.	9 lb.	10 lb.	11 lb.
MONTREAL TO:	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Laprairie—											
Express	0 25	0 25	0 25	0 25	0 25	0 25	0 25	0 25	0 25	0 25	0 25
United States	0 05	0 06	0 07	0 08	0 09	0 10	0 11	0 12	0 13	0 14	0 15
Australian	0 12	0 18	0 24	0 30	0 36	0 42	0 48	0 54	0 60	0 66	0 72
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Quebec—											
Express	0 25	0 30	0 30	0 30	0 35	0 35	0 35	0 35	0 40	0 40	0 40
United States	0 07	0 12	0 17	0 22	0 27	0 32	0 37	0 42	0 47	0 52	0 57
Australian	0 12	0 18	0 24	0 30	0 36	0 42	0 48	0 54	0 60	0 66	0 72
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
St. John—											
Express	0 25	0 30	0 40	0 45	0 50	0 50	0 55	0 55	0 60	0 60	0 65
United States	0 08	0 14	0 20	0 26	0 32	0 38	0 44	0 50	0 56	0 62	0 68
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Halifax—											
Express	0 25	0 35	0 45	0 50	0 55	0 60	0 65	0 70	0 75	0 75	0 80
United States	0 08	0 14	0 20	0 26	0 32	0 38	0 44	0 50	0 56	0 62	0 68
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Toronto—											
Express	0 25	0 30	0 30	0 35	0 40	0 40	0 40	0 40	0 45	0 45	0 45
United States	0 08	0 14	0 20	0 26	0 32	0 38	0 44	0 50	0 56	0 62	0 68
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Windsor—											
Express	0 25	0 35	0 45	0 50	0 50	0 60	0 60	0 65	0 70	0 70	0 75
United States	0 08	0 14	0 20	0 26	0 32	0 38	0 44	0 50	0 56	0 62	0 68
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Fort William—											
Express	0 25	0 35	0 45	0 60	0 70	0 75	0 80	0 85	0 90	0 95	1 05
United States	0 09	0 16	0 23	0 30	0 37	0 44	0 51	0 58	0 65	0 72	0 79
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Winnipeg—											
Express	0 30	0 35	0 45	0 60	0 75	0 90	1 00	1 05	1 10	1 10	1 25
United States	0 10	0 19	0 28	0 37	0 46	0 55	0 64	0 73	0 82	0 91	1 00
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76

COMPARISON OF EXPRESS RATES WITH THE UNITED STATES AND AUSTRALIAN POSTAL RATES ALSO PRESENT CANADIAN RATES FOR FOURTH CLASS MATTER —*continued.*

——	1 lb.	2 lb.	3 lb.	4 lb.	5 lb.	6 lb.	7 lb.	8 lb.	9 lb.	10 lb.	11 lb.
MONTREAL TO:—*continued.*	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Regina—											
Express	0 30	0 35	0 45	0 60	0 80	0 90	1 00	1 10	1 20	1 25	1 60
United States	0 11	0 21	0 31	0 41	0 51	0 61	0 71	0 81	0 91	1 01	1 11
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Calgary—											
Express	0 30	0 35	0 45	0 60	0 80	0 90	1 00	1 20	1 20	1 25	1 60
United States	0 12	0 24	0 36	0 48	0 60	0 72	0 84	0 96	1 08	1 20	1 32
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Vancouver—											
Express	0 30	0 35	0 45	0 60	0 80	0 90	1 00	1 20	1 35	1 50	2 00
United States	0 12	0 24	0 36	0 48	0 60	0 72	0 84	0 96	1 08	1 20	1 32
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
TORONTO TO:											
Woodbridge—											
Express	0 25	0 25	0 25	0 25	0 25	0 30	0 30	0 30	0 30	0 30	0 30
United States	0 05	0 06	0 07	0 08	0 09	0 10	0 11	0 12	0 13	0 14	0 15
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Australian	0 12	0 18	0 24	0 30	0 36	0 42	0 48	0 54	0 60	0 66	0 72
Hamilton—											
Express	0 25	0 25	0 25	0 25	0 25	0 30	0 30	0 30	0 30	0 30	0 30
United States	0 05	0 08	0 11	0 14	0 17	0 20	0 23	0 26	0 29	0 32	0 35
Australian	0 12	0 18	0 24	0 30	0 36	0 42	0 48	0 54	0 60	0 66	0 72
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Windsor—											
Express	0 25	0 30	0 35	0 35	0 40	0 45	0 45	0 50	0 50	0 50	0 55
United States	0 07	0 12	0 17	0 22	0 27	0 32	0 37	0 42	0 47	0 52	0 57
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Australian	0 12	0 18	0 24	0 30	0 36	0 42	0 48	0 54	0 60	0 66	0 72
Ottawa—											
Express	0 25	0 30	0 30	0 35	0 40	0 40	0 40	0 40	0 45	0 45	0 45
United States	0 07	0 12	0 17	0 22	0 27	0 32	0 37	0 42	0 47	0 52	0 57
Australian	0 12	0 18	0 24	0 30	0 36	0 42	0 48	0 54	0 60	0 66	0 72
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Montreal—											
Express	0 25	0 30	0 30	0 35	0 40	0 40	0 40	0 40	0 45	0 45	0 45
United States	0 08	0 14	0 20	0 26	0 32	0 36	0 44	0 50	0 56	0 62	0 68
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76

TORONTO TO:—*continued.*											
Quebec—											
Express	0 25	0 30	0 40	0 45	0 50	0 55	0 55	0 55	0 60	0 60	0 60
United States	0 08	0 14	0 20	0 26	0 32	0 38	0 44	0 50	0 56	0 62	0 68
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
St. John—											
Express	0 25	0 35	0 45	0 55	0 65	0 70	0 75	0 75	0 75	0 75	0 85
United States	0 08	0 14	0 20	0 26	0 32	0 38	0 44	0 50	0 56	0 62	0 68
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Halifax—											
Express	0 25	0 35	0 45	0 60	0 65	0 75	0 80	0 80	0 85	0 85	0 95
United States	0 09	0 16	0 23	0 30	0 37	0 44	0 51	0 58	0 65	0 72	0 79
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Winnipeg—											
Express	0 30	0 35	0 45	0 60	0 75	0 85	0 95	0 95	1 00	1 05	1 20
United States	0 09	0 16	0 23	0 30	0 37	0 44	0 51	0 58	0 65	0 72	0 79
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Regina—											
Express	0 30	0 35	0 45	0 50	0 75	0 90	1 00	1 10	1 15	1 20	1 45
United States	0 10	0 19	0 28	0 37	0 46	0 55	0 64	0 73	0 82	0 91	1 00
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Calgary—											
Express	0 30	0 35	0 45	0 60	0 80	0 90	1 00	1 10	1 20	1 25	1 60
United States	0 12	0 24	0 36	0 48	0 60	0 72	0 84	0 96	1 08	1 20	1 32
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76
Vancouver—											
Express	0 30	0 35	0 45	0 60	0 80	0 90	1 00	1 20	1 35	1 50	2 00
United States	0 12	0 24	0 36	0 48	0 60	0 72	0 84	0 96	1 08	1 20	1 32
Australian	0 16	0 28	0 40	0 52	0 64	0 76	0 88	1 00	1 12	1 24	1 36
Present Canadian Rates	0 16	0 32	0 48	0 64	0 80	0 96	1 12	1 28	1 44	1 60	1 76

Hon. RODOLPHE LEMIEUX (Rouville): Mr. Speaker, while I do not wish to be critical, understanding perfectly well the situation in which my hon. friend the Postmaster General (Mr. Pelletier) finds himself at the end of the session, and that the system is, by its nature, very complex, I might say however that his last words remind me of a certain episode. His last words are that the parcel post will be established, that it will be in force possibly on the 1st January next, but that he is not in a position to give us the rates, which by far is the most important thing for the information of the committee. It reminds me of a visit which Napoleon III made to a certain town in France when he was met by the Mayor. The Mayor complimented Napoleon on his visit and said that he intended to salute him with the booming of cannon but that he had three good reasons why he did not do so—first: I have no cannon. Napoleon said: I excuse you from giving the other two reasons. The hon. gentleman has introduced what might be a very progressive measure, but it is only too bad that the country is not made aware of the proposed rates. However, I understand exactly the situation in which my hon. friend finds himself. Credit must be given to him for having acceded to the request which has been made from both sides of this House since he has taken office, namely, that a parcel post system should be established in Canada, as it has been established in the United States, and in most progressive countries on the old continent. I might remind the House that on two occasions I have moved in favour of parcel post, the last motion having come up before this House on the 15th January last. So far, the objections came from a section of the community which is likely to benefit most by the system. The country storekeeper, of course, has always a host of friends around him, he is the mainstay of the village, of the town, and every Tom, Dick and Harry is around his store. The country storekeeper, or merchant, is afraid lest this parcel post would be beneficial only to the large departmental stores. There is something in that objection, I agree, but it is partly overcome by the statement which was made by my hon. friend a moment ago. Having represented in this House the constituency of Gaspé, I know that the people there receive their goods by mail from Eaton's, or Simpson's, in Toronto, or Carsley's, or Morgan's, in Montreal. It is quite easy to understand that the country merchant in Gaspé, at Campbellton in New Brunswick, and even at Fraserville, which should be the natural feeders of that section of the country, are complaining of the competition coming from such a long distance as Toronto is from Gaspé. I am just pointing out this fact to illustrate how business is now carried on under the present system. The United States have the same difficulties to contend with, and they have solved them. The parcel post in the United States was established last year; and, with the zone system and a comparatively low rate, they have made a huge success of it. From what I read in the reviews and in the press, I gather that the people of the United States, and especially the country merchants are now enthusiastic in favour of the parcel post system. I believe that the people who are most likely to benefit by the parcel post system are the farmers. Not a year ago the board of trade of Toronto held an investigation on the high cost of living. That investigation was presided over by Professor Mackenzie, a well known authority on economics. In his report, Mr. Mackenzie attributes part of the high cost of living in the large cities to the absence of a parcel post system. Here are the words used on that occasion by Professor Mackenzie:

> Moreover, we have no parcel post service, so that the express companies, that is to say the railway companies again, can and do make us pay dividends on stock that has been shown to be largely water. It seems to be the universal opinion of shippers and consignees that in spite of—perhaps it is because of—the monopoly these railways enjoy they do not give proper facilities for bringing produce into the city. It would be difficult to overestimate the advantages of a parcel post service such as is maintained throughout Europe, even in Russia, whereby produce could reach the consumer directly from the farmer. The small charge necessary for such service would at once put a limit to the profits of the middleman and would compel the express companies to meet the competition of the postal service.

Indeed the enemy of both the producer and the consumer is the middleman. If there is such a high cost of living to-day, it is due first to the transportation rates, and second to the middleman. An expert, Mr. Duncan J. Lewis, who gave evidence before the special committee appointed by Congress when the parcel post service was being established, spoke as follows: I have quoted already to the House the different Acts which are required in the delivery of goods by railways. Mr. Lewis now comes to the express companies and the 'small shipments,' which can more easily be compared with the parcel post. He says:

> When we think of the 'small' shipment we think of the express company. It ought to carry this shipment at least between the railway towns and cities and meet such needs as the parcel post. It does not and for two reasons, neither of which it can remedy. First, it does not reach the farm or country store, either to receive or deliver the shipment; second, it does not carry it on sufficiently economical terms. It is burdened

down with the same condition of 'transportation accounting' that prevails with the railways. I insert a list of express acts, eleven in number, which are replaced by the postage stamp in the postal carriage of the shipment.

He enumerates the eleven Acts of the express company which account for the high cost of transportation on the part of the express company. They are as follows:

The express company—

(1) Ascertains the rate to be paid.
(2) Makes out waybill.
(3) Copies waybill into record of shipment 'forwarded.'
(4) Copies same in record of shipments 'received.'
(5) Makes statement of 'shipment sent' to auditor.
(6) Makes same of shipments 'received.'
(7) Auditor checks waybills against record of 'sending' agent.
(8) Auditor checks same against record of 'receiving' agent.
(9) In case of 'through' waybills previous items repeated.
(10) Auditor makes division of percentages going to express company and the railway or railways.
(11) In case of 'through' waybills auditor makes like division of percentages between express companies and railways.

All this, he says, is eliminated by the parcel post system. He says:

There is one transportation agency in the United States—

—and, I might say, in Canada—

—which is able to divorce the package from the accounting burden. It is the postal system. It is doing so now. The postage stamp takes the place of the eleven processes of the express company, set forth in a preceding page.

I need not dwell at length on this evident difference between the postal system and the express system.

Coming back to the high cost of living, which can certainly be cured to a certain degree by the parcel post, from the same authority I gather the following:

I have had an intelligent farmer go over the incidental products of his farm, which, when produced in less than wagon load quantities, can only be marketed at terrific economic expense. His list includes the following, as to which, if the service included the collection of the price, he says he would ship by the postal van and save the value of his presence on the farm:—Eggs, butter, dressed poultry, meat, country cured; celery, tomatoes, fruits, berries, various; cauliflower, cabbage, turnips, apples, pears, string beans, string peas, carrots, parsnips, beets, sweet corn, salsify, honey. The Postal Department would be chiefly concerned in seeing that these services produced a total revenue sufficient to pay the total expense. A flat rate per pound might prove too high for the marketability of some of these articles, and yet be much less than the others could well pay and move to market.

As regards the investigation of the Board of Trade of Toronto, they were so much struck with the evidence gathered by Professor Mackenzie, that they unanimously adopted a resolution in favour of the parcel post as a means of reducing the high cost of living. The resolution is as follows:

Resolved, that the conference committee of one hundred of the Board of Trade of the city of Toronto request that the council of the board urge that the Dominion Government consider establishing a good parcel post, limited no doubt at first to the more populous localities, but extended as experience may warrant.

There is no doubt that the parcel post will chiefly benefit the farming community at first, and the consuming community by eliminating by degrees the middleman. We have, as my hon. friend has stated, power to establish parcel post in the Post Office Act, section 74, and in the regulations of the Post Office Department, section 105, we have a provision for fourth class matter. This is the embryo of the parcel post as my hon. friends know. But a parcel sent from Montreal to Toronto by post costs more than a parcel of the same weight by post from London, England to Toronto. It is simply ridiculous that we get cheaper postal transportation from Great Britain to Canada than between points in Canada. But this state of affairs has existed for many years. I quite understand, that as the hon. gentleman stated a moment ago, Canada was sparsely settled and our distances were vast, we could not have the same rates as in older countries. But now that our territory is being more thickly settled, now that we have established a railway system, which makes a network on the map, the time has come when we must adjust the rates and make of our fourteen or fifteen thousand post offices so many agencies for our parcel post. I think that my hon. friend in accepting the zone system of the United States, has done the wise thing; I perfectly agree with him that it is impossible to have a flat rate for a country like Canada. Some years ago, Sir William Mulock established a zone system for the postal transportation of our newspapers. We thought a little later that we should abolish it, but it was on a different principle from the system now proposed. It was very complicated, and we thought that, considering the national unity of Canada, no difference should be made in the distribution of literature as between one portion of the country and the other. But in the establishment of a parcel post system on the lines proposed, my hon. friend cannot do otherwise than accept the zone system. The system of

rates is too technical, and the explanations of my hon. friend are not sufficiently detailed for me to pass judgment on them. I shall await the publication of the schedule of rates before forming an opinion. I hope, however, that the rates will be cheap and popular. In this the hon. gentleman can be guided in his decisions by what has been done by the Wasnington authorities.

The rural mail delivery system can certainly help considerably to establish a cheap parcel post in Canada. But it will be, I am sorry to say, local in the sense that the province of Ontario may be said to be almost the only province that has favoured rural mail delivery; there are few routes outside of that province.

Mr. PELLETIER: Oh, no.

Mr. LEMIEUX: You certainly have some routes outside of Ontario.

Mr. PELLETIER: The province of Prince Edward Island is pretty well served.

Mr. LEMIEUX: Yes, and you have a few counties equipped with rural mail in New Brunswick; practically none in the province of Quebec, and as to the other provinces, I have not seen the figures lately. But on the other hand, I believe that the parcel post will induce the people to take to the rural mail delivery. I am sorry that the rates are not yet ready, but I quite understand that it impossible to fix them immediately because it is a very complicated system and because, as my hon. friend knows it would be quite easy with the rates hurriedly and improvidently fixed, to put the department in a serious plight. As I do not wish to see the department lose all of its magnificent surplus. I hope, however, that when he comes to take all the facts into consideration, he will see to it that the people are given a cheap and popular rate.

Mr. JOSEPH E. ARMSTRONG (East Lambton): I merely rise to congratulate the Postmaster General and the Government on bringing in such a progressive piece of legislation, carrying out a reform which has been before the people of Canada for many years. And I cannot think of any words that would more strongly condemn the want of action of the late Government than those uttered by the former Postmaster General (Mr. Lemieux). For years that hon. gentleman was urged to proceed with this legislation, and thus to establish for the people of Canada, for the consumers and farmers of Canada, this system that will be so great a boon to them. But he was afraid——

Mr. LEMIEUX: When was it established in the United States?

Mr. ARMSTRONG: That does not matter. We do not have to wait for the United States to establish reforms before we can take them up; and the hon. gentleman's own words to-day show that he deserves the severest condemnation for not having taken action in this matter when he was in office. The Postmaster General has shown that he has the courage of his convictions. It will be declared of that hon. gentleman in years to come that he has placed on the statute-book one of the most progressive pieces of legislation, and one of the most advantageous to the farmer and the consumer, that was ever enacted in Canada.

I am very glad indeed that the Postmaster General has taken to himself a few months to decide upon the actual rates which he will place on the statute book, because it is most important that the rates which he establishes in Canada shall be such as will help to make the parcel post system a very great success. I am also glad to hear him say that the Retail Merchants' Association have distinctly stated that they are strongly in favour of the legislation he has suggested and the system which he intends to inaugurate. I cannot think of anything that would be more gratifying to the people of Canada and to the merchants and retailers in general in the small towns and villages of the Dominion than to know that the Retail Merchants' Association of Canada have expressed themselves as being satisfied with the legislation which is now proposed. In years gone by the ex-Postmaster General got up in this House and told us how impossible it was to inaugurate a parcel post system simply because the retailers sent a deputation to Ottawa, one of which I have clearly in mind, and called attention to the many difficulties which would beset his path if he attempted any such legislation. The then Postmaster General was unable to devise some kind of scheme whereby the interests of these men would be protected.

Mr. LEMIEUX: My hon. friend makes a mistake; they came to oppose the co-operative system.

Mr. ARMSTRONG: My hon. friend knows that they took up the parcel post system; he knows that he had deputations along that line.

Mr. LEMIEUX: Oh, no; when it was rumoured some years ago that a parcel post system was to be introduced, I said that I was deluged with petitions from both sides of the House. I think my hon. friend himself sent me one.

Mr. ARMSTRONG: That is very true; I remember bringing the matter to the attention of my hon. friend when one of these deputations was in Ottawa, and I remember the excuse that was given for the non-establishment of a parcel post system. However, I merely wish to say that this is only the first of the many good things this

Government will grant to the people living in the rural districts and to the consumers of Canada. I want to see them go one step further; I want to see them establish trunk telephone and telegraph lines in Canada, so that the different provinces of this Dominion will be connected by, and the people throughout the length and breadth of this land will obtain the benefits of a telephone and telegraph system established in the post offices of the Dominion. Thus will it be made evident that this is a progressive Government, and that they are not afraid to undertake the establishment of beneficial means of communication. I sincerely hope that the day is not far distant when this country will be connected with the Motherland by a Government-owned cable system, the chief features concerning which I have not time to bring up and discuss during the present session. I do not wish to take up the time of the committee further than to express my most hearty approval of the legislation that is now proposed, to congratulate the Government upon the inauguration of this system, and to commend the Postmaster General for the amount of energy he has put forth in establishing this great boon for the benefit of the people.

Mr. MICHAEL CLARK (Red Deer): In the midst of congratulations from ex-Postmaster Generals and possible future Postmaster Generals, I am quite sure my hon. friend must feel that his star has set this session with very great splendour. Perhaps he will allow me as a farmer, representing the western farmers, to add my very hearty congratulations to those which have been offered to him for the courage which he has displayed in undertaking this very useful piece of legislation. Anyone who has regard for the moment to the figures which the Postmaster General brought before the committee as to the great disparity in area between the United Kingdom and this country, or even the provinces of this country, and the equally great disparity in favour of the United Kingdom in the matter of population, must be struck with the difficulties of the task which the hon. gentleman has undertaken, and with the proportionate courage which he has displayed in tackling these difficulties. I think he said that there are 1,121,000 square miles of land in the United Kingdom, which means that the territory embraced by the United Kingdom would not more than half cover the province of Alberta. That single fact gives one a better idea than multitudes of figures as to the tremendous nature of the task which my hon. friend has undertaken. I am quite sure that the Administration may safely leave it in his hands and in the capable hands of his assistants in the Post Office Department. I think that the word of caution which came from my hon. friend the hon. member for Rouville (Mr. Lemieux) as to the difficulties of the task was not a word which my hon. friend the Postmaster General will likely disregard. I wish just in a sentence to express my hope and my confidence that this measure, which will be gratefully welcomed by a large and important section of the people in the farming districts of western Canada, will be economically, cautiously, but nevertheless beneficially worked out to the success which it deserves.

Mr. W. F. MACLEAN (South York): Although I may not, in respect of this measure, use the words of Saint Simeon when he said he wished to depart in peace, I think I can join in one portion of his song of praise, and say that mine eyes have at last seen some kind of salvation in regard to this matter. It has been a long time coming, but it has at last arrived. This is the kind of Bill a progressive legislature ought to introduce. It is short and to the point, and it leaves the details of administration to the department. It is an exemplary Bill; I wish the Railway Act were set out in as comparatively few pages, including the principles and leaving the administration of the Act largely to the Railway Commission. I hope hereafter that we will have more of this kind of draftsmanship. This is experimental legislation, and when legislation is experimental I prefer that all the details should be worked out by the department. I think I shall be able to give in a moment or two some facts which will justify that idea in regard to legislation of this kind. Section 4 of the Bill says that all charges for the conveyance of parcels by post must be prepaid in postage stamps. That is a convenient arrangement, but it will not permit of the system of accounting which has obtained in the United States, because by reason of their having a special stamp in the United States, they have been able to ascertain what the actual income from parcel post has been. I would like to occupy the attention of the committee for one moment to quote a few words which explain the position of the United States in this regard. They are contained in a short article taken from the Philadelphia Record, one of the leading papers of the United States, dated June 1, and they will show the committee why the administration of an Act of this kind should be left to the department rather than to definition in the Act creating the service:

> Five months of experience with the parcels post justify the conclusion that it is a money-maker. Two-thirds of the gross income from this branch of postal activity is clear gain, and the estimate of competent observers that the net profit of its first year in operation will be from fifteen to twenty millions does

not seem unreasonable. The usefulness of a public service to the people is not measured, however, by its dividend return. If it does not adequately perform the functions which constitute its reasons for existence it cannot be pronounced a success, no matter how profitable it may be in dollars and cents. The desideratum is an instrumentality of commerce that will move to its natural market a potentially enormous volume of farm and factory products in lots of less than 100 pounds, this being the minimum weight for which the railroads will make a rate.

That this potential traffic has not even begun to be mobilized by the parcels post appears clearly enough from the fact that the average weight of the parcels handled by the service is about three pounds.

The obvious reason for this is the excessiveness of the parcels post rates. That they are too high is indicated by the net profit of 200 per cent above cost of handling; and for parcels approximating the 11-pound limit the rates are prohibitory, being as high as, or higher than, prevalent express charges. The situation cannot be relieved by any practicable lowering of express company rates; for the companies are compelled by their intercorporate accounting to treat every package as a transportation unit. It must be way-billed and manifested and recorded; the share of each express and railroad line in the total rate must be apportioned; in short, there is as much costly and unavoidable red tape connected with the forwarding of a one-pound express package as there is connected with the shipment of a carload of freight. If the postal authorities had to go through this process and keep a record of every piece of mail the cost of sending a one-ounce letter would be nearly 10 cents; indeed, this is the fee for registration.

Because all these complexities are replaced, in the case of a piece of mail, by the affixing of a postage stamp, and because the post office pays for transportation at wholesale rates, this institution can carry merchandise in retail quantities more economically than any other agency; and the post office has command of the only system of transportation which is universal and extends, through its rural delivery routes, to the homes of our more than 50,000,000 of non-urban population.

Moreover, the post office is the only agency that can handle the traffic in less than 100-pound packages at a cost of about one-third the ruling express rates. Congressman David J. Lewis, the author of the postal express law, in a brief submitted to the Postmaster General, shows that a rate of three cents for the first pound and one-half cent for each additional pound, together with an increased charge of one-half cent per pound for each additional 100 miles of transportation, would be feasible, and leave the Government a margin of more than 20 per cent above the cost of service; and he proves his contention to the hilt. A weekly basket of assorted farm products, weighing 50 pounds, could be sent to the urban consumer 100 miles away at a cost of 28 cents—and the kitchen would be supplied at farm prices plus the postage.

This is only an example of the many ways in which a system of exchanging commodities in retail quantities would tend to reduce the cost of living—and there is ample

Mr. MACLEAN (South York).

authority given in the postal express law of 1912 to alter rates, classifications and zones by administrative order, without further legislation.

That is a great point, only it would tend very much to an early reduction of the cost if we could adopt the system of special stamps rather than the ordinary postage stamp. I know it has been an inconvenience in the United States, but by reason of it there has been a strict accounting of the cost of parcel post in United States so that after five months experience they are prepared to prove that the profit has been over 200 per cent, the man who introduced the matter and who has given the greatest attention to it is able to suggest to Congress and to the department, on the experience of that five months, that not only can the limit of the size of parcels be changed from eleven pounds to one hundred pounds, but the price can be immediately reduced. Therefore it is one of the most progressive and up-to-date propositions ever presented to the American people. I am glad to say that at last we are getting under way in this matter, that we are to have a parcel post system. I do not quite like the idea of its going over until the 1st of January next. Perhaps that may be necessary, but in the meantime the system can be organized and we can leave it to the department to work out; but if it is at all possible, in order to show what the exact earnings of the department may be, I think it would be well to have a special stamp for the purpose, I would suggest to the minister that he should consider that and perhaps take power to make a regulation in regard to the special stamp if he should see fit. But at last parcel post is likely to come. It is in the interest of the whole country and I hope not only to see it started but to see it extended to its greatest point. I would ask the minister whether there will be provision for the interchange of parcels between United States and Canada under the new Act.

Sir WILFRID LAURIER: That will lead to annexation.

Mr. MACLEAN: There is annexation in all things—it depends—

Sir WILFRID LAURIER: Oh, no, draw the line at annexation.

Mr. MACLEAN: —but not annexation of legislatures.

Mr. PELLETIER: We have an international agreement now, and we have an arrangement with the United States for parcels of four and two-sixth pounds. For any additional weight we shall have to make some other arrangement.

Mr. LEMIEUX: It will come under the postal union regulations.

Mr. PELLETIER: The American Government refused to make any arrangement in that respect.

Mr. MACLEAN (South York): Will Canadian parcels, under this system, be forwarded in the United States without additional cost?

Mr. PELLETIER: Not by parcel post. Under the present arrangement we can send parcels up to four and two-sixths pounds. Of course that will continue. For everything in excess of that we will have to make another arrangement.

Mr. MICHAEL STEELE (South Perth). Very briefly, I should like to add my word of commendation to the Postmaster General for this Bill relating to parcel post as presented to the House. I think that we have to-day a very marked contrast between the methods of the late Postmaster General (Mr. Lemieux) and the present Postmaster General (Mr. Pelletier); for even to-day, with this Bill before us, with parcel post almost inaugurated, we still have the ex-Postmaster General standing in this House arguing in favour of the inauguration of parcel post. If he does not wake up soon, the whole system will be inaugurated before he realizes that the administration of the Post Office Department is in the hands of a progressive minister, who does not wait for preliminary arguments, but who puts in operation that which is for the welfare of the Canadian people. I would draw the attention of the minister to the excellent opportunity which he has in the inauguration of the parcel post for taking into consideration the proper remuneration of the postmasters and mail carriers throughout the country districts, and also for the arrangement and adjustment of the rents of the post offices in the smaller villages and country towns throughout the Dominion. At the present time, the rents of the post offices in those places are absurdly low. Imagine a postmaster in a village with four hundred or five hundred of a population, and with a revenue of from $600 to $700 being allowed only from $30 to $40 rent for the building in which the post office is situated. I am sure the people will support the Postmaster General in giving an increase of rent to the postmasters. They will support enthusiastically the increase of salaries to the postmasters in the small towns and villages, because they are certainly entitled to it, particularly in view of the increased work which the parcels post will put upon them. I hope that the Postmaster General will consider this matter, and regard it as an opportune time to properly remunerate the officers who will carry out the parcel post system. I hope that at the same time he will use the opportunity to make a change in the rural mail boxes, for notwithstanding what the ex-Postmaster General (Mr. Lemieux) claims as advantages in the mail box, which he bargained for and purchased, it is totally unfit for the uses to which it is put. It is a cheap box, easily put out of order, inconvenient for the courier inserting the mail, and on the whole, too expensive for the farmer. It should be done away with at the earliest opportunity. I again congratulate the Postmaster General on bringing in this legislation, and especially on being able to remove the one great obstacle to it in the past, the possibility of interference with the business of the country merchant. I am sure that the system, which he now proposes, of a special low rate for the area within twenty miles of the small towns will be very satisfactory to the retail merchants of those towns, and will give them an advantage over the large concerns in the larger centres with which they have now to compete.

Mr. MACLEAN (South York): Would the minister give us a specific example of how a parcel will go, say from Toronto to Saskatoon? That parcel would pass from the province of Ontario, through Manitoba, and into a third zone. How many zones are there?

Mr. PELLETIER: There are as many zones as there are provinces.

Mr. MACLEAN: Would that be six?

Mr. PELLETIER: Seven, the three maritime provinces being one zone.

Mr. MACLEAN: You deduct one in certain cases?

Mr. PELLETIER: Yes.

Mr. MACLEAN: Suppose a parcel went from Toronto to Calgary, that would be through four provinces?

Mr. PELLETIER: From Toronto to Calgary would be three zones.

Mr. MACLEAN: It would be the rate that applies to third zones?

Mr. PELLETIER: That is not quite settled yet.

At one o'clock, House took recess.

House resumed at three o'clock, and again went into Committee.

Mr. E. M. MACDONALD (Pictou): I admit that it may not perhaps be a matter of satisfaction if one ventures to break in with a jarring note upon the congratulations which seem to have been the order of the morning upon this particular measure. But there are several considerations in regard to it that I think the committee and the House should give some attention to before they adopt this proposition. I

was surprised that the hon. member for South York (Mr. Maclean) should have given notice of his approaching political demise by declaring, like Simeon of old, that he was now about to depart in peace.

Mr. MACLEAN (South York): I said that the first part did not apply, but that the second did.

Mr. MACDONALD: My hon. friend should not be mixing up these adages and these old and trite statements for fear they may come true all round. I do not think my hon. friend need say that because this Bill has been introduced it warrants him in withdrawing from political life, because the measure is a very crude proposition. It simply means that we are giving a blank cheque to the hon. Postmaster General to do what he likes in regard to this business for the next year. That is not the way in which a matter of this kind should be approached. In the United States they gave a great deal of deliberation to the question before they finally propounded a scheme. They have 80,000,000 people, a revenue of $225,000,000 in their post office service, and the financial side of the problem was not the serious one that it would be in Canada. Here, we have 8,000,000 people with a revenue of $12,000,000 in the post office service. For some reason or other the minister is taking this great leap in the dark and hon. gentlemen seem to be dropping after him on the question without having regard to the conditions, or without any particular desire to realize where we are going to end. There is too much proneness on the part of some hon. gentlemen, particularly on the other side of the House, to follow the lead of the United States and it is rather peculiar that it should be so in regard to this matter. The moment the United States propose anything in regard to a question of public policy, forthwith, the hon. member for South York, and the hon. member for East Lambton proceed to say: We must have it in Canada.

Mr. ARMSTRONG (East Lambton): My hon. friend must have heard the hon. Postmaster General say that I was advocating this question before there was any investigation or any legislation proposed in the United States. If the hon. gentleman will look up 'Hansard' he will find that I had been discussing this matter for years.

Mr. MACDONALD: If my hon. friend from East Lambton was in advance of the United States upon this question, it is something that hon. members of the House were not aware of. The United States were considering and dealing with this question for a number of years, and I am satisfied that my hon. friend from Lambton and my hon. friend from York were after all following the lead of the agitators there upon the question. Long before the question was seriously presented to this House the United States Congress had been considering legislation which was introduced from time to time by members dealing with the proposition. I had an opportunity a couple of months ago of meeting Congressman Lewis of Baltimore, who is said to be the father of the United States parcel post proposition, and he told me of the long period of inquiry, examination into conditions, and accumulation of information that had to be gone through by that country before they were able to propose anything like a well considered measure which would be adopted by Congress or carried into effect. Why is there this sudden development of a parcel post idea as embodied in a measure of this kind? It simply gives the Postmaster General carte blanche to go on. It simply says: Parcel post is hereby established and will be maintained in Canada. That language is very significant. That is the enacting clause of the measure, and the one which, I assume, is supposed to create immediately this parcel post system; but in regard to everything else, except a limitation as to weight and the payment for the conveyance of parcels, the whole thing is left in the hands of the Postmaster General.

The principle of the Civil Service Act in regard to the appointment of officials especially fitted for the carrying out of this Act is violated by section 6; and yet we are asked to congratulate ourselves in the dying hours of the session that what is said to be an important system has been submitted to us. If a measure of this kind is going to be of any value to the people of Canada it should receive more consideration by this Parliament before it is adopted. I think the Postmaster General should hold over this measure until next session, prepare all the facts in regard to the matter, go into this question fully, tell us what he is going to do, what his rates are going to be, how he is going to maintain the system, and put the whole proposition in a statute, so that Parliament will be able to know just what is going to be done. To say that we shall simply declare that a parcel post shall be established and then let the Postmaster General do as he pleases in regard to it is not proper legislation, and it is not the proper way of approaching a subject that is as important as hon. gentlemen seem to think this is. Why this measure is prepared and presented at this time in the way in which it has been presented ought to have more explanation than has been given. Why should the Postmaster General bring forward a measure under which he, and he alone, is to determine everything in regard to it? What is Parliament for?

The United States Post Office Department and individual Congressmen gave years of attention to the study of this question in order to frame a well-devised and certain system before they undertook to put it into force. But we are beginning the other way, and the Postmaster General is being congratulated upon the fact that at last a Bill has been presented for parcel post which is nothing but a blank cheque presented to the minister under which he is to do just as he pleases with regard to the matter. No satisfactory results can be obtained from legislation of that kind in regard to the establishment of a parcel post system. I submit that this measure should stand over until next session, but that in the meantime the Post Office Department should prepare all the facts in regard to it in order that hon. gentlemen on both sides of the House, at the next session, may be in a position to know just how this matter is worked out and to consider and to amend if necessary such proposition as is placed before them, in order that all parts of the country may be satisfied. Any other course will only result in discomfiture. I venture to say that, if the Postmaster General does bring into effect this crude proposition, it will prove largely unsatisfactory to the people, especially under the operation of the last clause of the Bill. My hon. friend cannot possibly frame a measure which would be satisfactory to the conditions in all the provinces of this Dominion without giving opportunity to the representatives of the people in Parliament to declare what their special needs are in regard to the matter. Hence it is that I submit this measure should stand over. If we are to have parcel post, let us have it after the fullest deliberation and examination into the conditions, so that the system will be one that will be satisfactory. To proceed under this Bill can only result in dissatisfaction and in the creation of conditions that will require immediate and continuous amendment. The hon. gentleman, who seems so anxious in regard to his Bill, will be the first one to admit his disappointment. I make this suggestion, in the interests of the proposition itself, that it should be established under proper conditions and with the judgment of Parliament behind it. In the interests of the country, this measure at this period of the session, should be allowed to stand.

Hon. CHARLES MURPHY: May I ask my hon. friend the Postmaster General why, under section 6 of this Bill, he proposes to appoint two officials, who I presume are necessary to put the Bill into operation, rather than appoint them under the terms of the Civil Service Act?

Mr. PELLETIER: We may want somebody who has special qualificaions or powers of organization for that purpose. We have nobody in mind now.

Mr. MURPHY: The Civil Service Act makes provision for that under section 21.

Mr. PELLETIER: If we can do it under the Civil Service Act, we shall be glad to do so. We are taking this power in case we need it.

Mr. MURPHY: I object to this setting aside the terms of the Civil Service Act. There is very little left of that Act except the title. I am sorry that my hon. friend the Postmaster General is following in the footsteps of some of his colleagues in this regard. If this section passes in its present form, are these officials to be appointed by the Civil Service Commission?

Mr. PELLETIER: If we can get them through the Civil Service Commission, all right. If there are parties outside, whom we consider better qualified, we shall certainly use this section, because it was put there for that purpose.

Mr. C. GAUVREAU: Mr. Chairman, when the Postmaster General introduced this Bill this morning, it was my intention to object to its provisions, and I had resolved to take a stand in compliance with the request forwarded to me by the Retailers' Association. If I am to believe the hon. minister's statement of this morning, that association not only does not object to the passing of the Bill, but approves of it.

Mr. PELLETIER: My statement of this morning was to the following effect: When the question came up before the House on January 15 last, and the hon. member for Rouville made certain remarks in connection, I received immediately after a communication from the Retailers' Association, wherein they stated their objections against the pasing of the Bill and requested me to postpone its introduction until a deputation which they were to send to Ottawa would have made known their views. The president of that association is Mr. P. J. Côté, of Quebec. I wrote at once to Mr. Côté that I would be very glad to meet them and discuss the question with them.

The association sent me two delegates who met me at my office and stated their objections. They rested entirely on the fear of competition which these gentlemen anticipated on the part of departmental stores. I explained to them the meaning of the Bill, pointing out that there would be among other things a special rate within a radius of twenty miles, so as to protect the retailer. Following on those explanations, these gentlemen stated that, not only did they no longer object, but that they approved of the Bill

Mr. GAUVREAU: In view of the explanations tendered by the hon. Postmaster General, I beg to withdraw my opposition to the Bill.

Hon. FRANK OLIVER (Edmonton): I am very strongly in favour of the Government of Canada establishing a parcel post system, provided that system is established to give the greatest reasonable amount of benefit to the people for the least possible amount of cost. I am decidedly opposed, however, to the giving of a blank authority to my hon. friend the Postmaster General. The importance of the question of legislating for Canada in regard to a parcel post system, renders it necessary that it should be dealt with by Parliament just as any other subject of interest and importance to the whole of the people of Canada.

I realize that it is the traditional policy of the party now in power to centralize authority in the hands of the Government. We have had many examples of that principle in the legislation of the former and particularly of the present session. This is only another manifestation of that principle. From my point of view the principle is none the better because it is acted upon so often. In fact, the more frequently the principle of parliamentary control of legislation is departed from the greater will be the abuse and the greater the objection. As a parliamentary representative I cannot be a party to placing in the hands of the Postmaster General the authority that properly belongs to Parliament to regulate a great public service. I would not wish to be understood as making any improper suggestions; but, if I might be privileged to use the word, I would say that the Bill which the hon. the Postmaster General has put before the House is a 'bluff.' There is no provision in the Bill that establishes a parcel post system. It is true that it gives my hon. friend the authority to establish a parcel post system. As a representative of a constituency, I do not think I am warranted in failing to exercise the responsibility placed upon me to see that legislation in regard to parcel post as in regard to other matters is, so far as I can bring pressure to bear, in the interests of the people whom I represent.

Mr. PELLETIER: If this is a bluff, my hon. friend from Edmonton will have lots of opportunity to call the bluff.

Mr. OLIVER: It is on the point my hon. friend has raised that I wish to speak. My hon. friend has said that he hoped to have the system in operation by the 1st of January 1914, not before. In all human probability Parliament will sit again before that date.

Mr. BELAND: Not too sure.

Mr. OLIVER: Not too sure; but, according to the routine of parliamentary sessions, it will in the natural course of events sit in November next. There is no reason why my hon. friend could not, between now and November next, take measures to inform himself fully with regard to such proposals as he may see fit to place before Parliament when it meets, on the responsibility of the Government. Assuming that he has used due dilligence during the intervening months, assuming that he is able to bring before Parliament an acceptable measure—and there seems to be no good reason why he should not be able to do so—Parliament could have the advantage of advising, criticising, possibly amending and to some extent directing, the character of that measure; at any rate members of Parliament would have such opportunity as membership in Parliament gives them to protect the interests they are here to represent in the consideration of that measure and still have the measure become law and be carried into operation as early as my hon. friend proposes to operate under the present Bill. I ask this committee if such a course of action on the part of my hon. friend would not be, not only more in accordance with the principles of parliamentary government but more in accordance with the public interest looked at from every point of view. I must say that the course my hon. friend has followed since he became Postmaster General has not inspired me with that confidence in his good will that would lead me to hand over to him a blank authority to do as he pleases in regard to the establishment of a very important public service. In any case, it is the business of this Government in any of its departments—and in the Post Office Department more than any other, because the work of that department touches more intimately and more universally the people in their most intimate affairs—to submit their legislative proposals to Parliament for its consideration and approval, and no department of Government has the right to come to Parliament and ask for such authority as is proposed to be given under this Bill.

Mr. LEMIEUX: I desire to say just one word to supplement what has just been stated by my hon. friend from Edmonton (Mr. Oliver) and my hon. friend from Pictou (Mr. Macdonald); not that I wish to be unduly critical of my hon. friend the Postmaster General, but, in view of the language used this morning by my hon. friend from East Lambton (Mr. Armstrong), who is always ready to pelt me with epithets. To that hon. gentleman I would say that his enthusiasm over this legislation is somewhat premature. When the Postmaster General comes before this House with a schedule of rates acceptable to the people and actually giving cheap parcel post, then he will be entitled to the

encomiums which the hon. member for East Lambton heaped upon him this morning. But he is not entitled to them yet. As the hon. Postmaster General himself stated this morning, and as the hon. member for East Lambton knows, there is no more in this Bill than we have already on the statute book. If you read section 74 of the Post Office Act, you will find the following:

The Postmaster General may establish and maintain parcel post within Canada.

The Postmaster General is already clothed with authority in this matter, and we have parcel post actually established under the regulations of the Post Office Department, though established under a misnomer—it is called fourth-class matter. This is provided for in the regulations as follows:

This class includes merchandise of all descriptions, such as confectionery, dry goods, groceries, hardware, stationery (including blank books, &c.) not included in the first, second and third classes, and not excluded by the general prohibitory regulations with respect to objectionable matter. The rate of postage for articles in this class is one cent for each ounce or fraction thereof.

Mr. MURPHY: How long has that regulation been in existence?

Mr. LEMIEUX: For twenty-five years or more. When I was Postmaster General, I attempted on many occasions to alter that so as to give the eleven-pound limit and the cheaper rate. But vainly; I always found objection somewhere, objections from the express companies and, I am bound to say objections even from some of the post office clerks. The only man who was sympathetic was my friend Mr. Ross, the superintendent of the post office in Toronto, who is the authority on this subject in Canada, and who has prepared, to his credit be it said, a long and very accurate report on the subject. If the Postmaster General will follow that report he will come pretty near giving to the people of Canada such a parcel post as they should have. Of course, unquestionably, it is difficult to establish the system. And, much as my hon. friend from East Lambton may say about our not following the United States, it is not a bad thing to have the experience of the United States as a guide in matters of this kind. The one year of experience in this matter which the United States has had will help the Postmaster General immensely in his framing of rates and regulations. So, we have the parcel post, though under a misnomer. This Bill only states that parcel post is hereby established, but the Postmaster General does not fix the rates. I know it is a difficult thing to fix the rates. I hope that between now and the first of January the Postmaster General will have what the United States have had, a commission of experts on the subject. Let that commission be headed by Mr. Ross and let it include the best experts. There should be no false shame in this matter; there is no reason why even the American postal experts should not appear before that commission and give their experience. When I was Postmaster General, it happened that we had to consult the Washington authorities. Moreover, the Washington officials themselves come to us and consult us on post office matters. There should be no objection to our consulting Washington on business which may involve the department in difficulties if it is not wisely carried out. We had a convention with the United States, and it was so intricate and so interlocked, that, as a matter of course, we had to consult them. Once more, I say that, for my part, I have no objection to this Bill. As my hon. friend from South York stated this Bill will be real legislation only when we get the rates. I hope the rates will be cheap and popular. But the Bill is no more than we now have on the statute-book; what we have in addition is the promise of the Postmaster General that before the 1st of January next he will fix the rates.

Mr. BURNHAM (West Peterborough): In view of what has been said before in the way of encouraging the Postmaster General to bring on this Bill, the actions of the members of the Opposition at this time seem very strange. There must be some objection to the passage of this Bill which we do not see at the present time. Allow me to say in my humble way that the people of this country are so anxious for parcel post that they would rather take only a fairly good system than have none at all; half a loaf is much better than no bread. I have yet to see that the objections that have been made by members of the Opposition who have spoken are not met by section 5:

The rates of postage applicable to post parcels shall be determined by the Postmaster General, and all powers which the Postmaster General now has with regard to mail matter are hereby vested in him for the parcel post system.

There is nothing new about this provision; it simply enlarges the scope of the present powers of the Postmaster General. To urge that this Bill should be postponed in order that a parcel post system should be devised is simply to put off the interests of the people—I make no insinuation—it is to put off the just demands of the people of Canada in the interests of the express companies.

Bill reported.

Mr. SPEAKER: When shall this Bill be read the third time?

Mr. MACDONALD: At the next sitting of the House.

Mr. PELLETIER: Now.

Mr. OLIVER: Can the Bill be read the third time without unanimous consent?

Mr. BORDEN: Yes, if reported from the committee without amendment.

Mr. LEMIEUX: When the rates are prepared and definitely settled, will they be published in the Canadian Gazette?

Mr. PELLETIER: They will be made public, yes.

Bill read the third time, and passed.

RAILWAY SUBSIDIES.

Hon. FRANK COCHRANE (Minister of Railways) moved the second reading of Bill No. 244, to authorize the granting of Subsidies in aid of the construction of the railways and bridges therein mentioned.

Mr. CARVELL: I wish to call the attention of my hon friend the Minister of Railways to an assertion made by him based on information received from one of his officials, namely that a certain change in the grade of the St. John and Quebec railway would mean a saving of four miles of line. I think the minister was in error, and possibly he will state whether or not the assertion was correct.

Mr. COCHRANE: The chief engineer was sitting before me at the time, and gave me information to that effect, but he came to me this morning and told me that the saving would be only half a mile.

Motion agreed to, Bill read the second time, considered in commitee, reported, read the third time, and passed.

CANADIAN NORTHERN RAILWAY SUBSIDIES.

On motion of Mr. Cochrane, Bill No. 245, to authorize the granting of Subsidies in aid of the construction of certain lines of railway of the Canadian Northern Ontario Railway Company and the Canadian Northern Alberta Railway Company respectively, was read the second time, and House went into committee thereon.

Mr. GRAHAM moved that the Bill be amended by inserting the following as section 6:

The granting of such subsidies and the receipt thereof by the said company shall be subject to the condition that the Board of Railway Commissioners for Canada may at all times provide and secure to other companies over the line of railway of the Canadian Northern Pacific Railway Company, situated in the province of British Columbia, from a point at Yellowhead pass to Vancouver at the mouth of the Fraser river, such running powers, traffic arrangements and other rights as will afford to all railways connecting with the said railway so subsidized reasonable and proper facilities in exercising such running power, fair and reasonable traffic arrangements with connecting companies and equal mileage rates between all such connecting railways, and the said board shall have absolute control, at all times, over the rates and tolls to be levied and taken by the company hereby subsidized: Provided always that any decision of the said board made under this section may be at any time varied, changed or rescinded by the Governor in Council, as he deems just and proper.

The CHAIRMAN: I would like to ask the advice of Mr. Speaker on this motion. A ruling has been made by His Honour with regard to it, and I understand that His Honour would like to make a further explanation to the House.

Mr. SPEAKER, having resumed the Chair, said: With regard to the question which was raised last night and which I afterwards looked up, I find that the English rule, according to May's Parliamentary Procedure, appears to be the ruling that I made; but the Canadian practiee is a little different. May, at page 615, says:

The constitutional principle which vests in the Crown the sole responsibility over national expenditure, and which forbids the Commons to increase the sums demanded by the Crown for the service of the state, is strictly enforced in the Committees of Supply, and Ways and Means.

At page 616, May says:

Nor can the committee attach a condition or an expression of opinion to a grant, nor alter its destination.

But the Canadian practice, as set forth in Bourinot at page 601, is:

It is not allowable at this stage—more than any other—to increase or alter the destination of a grant of money, recommended by the Governor General, but it is always in order to propose an amendment stating the conditions under which the House makes a grant of money.

Thus there is a difference between the practice which has been followed in this House and the English practice. The Canadian House has admitted that amendments attaching conditions may be imposed, while the British House does not.

House resumed in committee. (Mr. Deputy Speaker in the Chair.)

Amendment negatived on division.

Mr. OLIVER: I desire to move, seconded by Mr. Buchanan, that the following be added to the Bill, as section 6:

The granting of such subsidies and the receipt thereof by the respective companies, shall be subject to the condition that the said

companies shall, within two months from the date of the passing of this Act, submit to the Board of Railway Commissioners for Canada, a schedule of traffic rates upon the lines of the said companies now or hereafter to be constructed west of Fort William, which shall be the same as now apply on the lines of the said companies in the provinces of Ontario and Quebec, except in so far and to such extent as the said railway companies may be able to establish higher cost of operation on such lines west of Fort William, and the said schedule shall be subject to the authority and control of the said Board of Railway Commissioners, to be revised and adjusted by them in accordance with the foregoing provision.

Amendment negatived, on division.

Mr. MACDONALD: I desire to move, seconded by Mr. Buchanan, that the following be added to the Bill as clause 6:

That the granting of such subsidies and the receipt thereof by the Canadian Northern Ontario Railway Company and the Canadian Northern Alberta Railway Company shall be subject to the conditions that the Board of Railway Commissioners for Canada may at any time, after the completion of the lines or railway above mentioned, require such railway company as is then operating the railway system which includes these lines, to file a schedule of freight rates from such points touched by the lines of such company in the provinces of Ontario, Quebec, New Brunswick and Nova Scotia as they may designate, not including points in Ontario west of Sudbury, to such points in the provinces of Manitoba, Saskatchewan and Alberta, touched by the lines of the said company as they may designate. And the Board of Railway Commissioners shall revise such schedule of rates so that they shall be no higher than the rates per mile charged for like service over railway lines in the United States and Canada between New York and Winnipeg by way of Chicago and Minneapolis. The said rates shall be binding upon the said railway company until further revised by the Board of Railway Commissioners for Canada.

Amendment negatived, on division.

On section 8—transfer of stock to Crown:

Mr. GERMAN: I desire to move an amendment to section 8. It will really have to supplant sections 8 and 9. If the committee will excuse me for a moment, I shall have to alter the wording of my amendment.

Mr. CLARK (Red Deer): While the hon. member for Welland is looking for his place, can the Prime Minister let us know when we are going to prorogue?

Mr. BORDEN: Just as soon as we can.

Mr. GERMAN: The hon. member for Red Deer has received such an absolutely satisfactory answer to his question, that I beg to move that clauses 8 and 9 be struck out and the following be substituted therefor:

The grants made under this Act shall be repayable with interest half-yearly at the rate of 4 per cent per annum not later than the 1st of July, 1933, and to be secured by debentures charged upon the undertaking, equipment property, rights and franchises of the Canadian Northern Railway Company, the Canadian Northern Pacific Railway Company, the Canadian Northern Alberta Railway Company, the Canadian Northern Ontario Railway Company and the Canadian Northern Quebec Railway Company, ranking next after the securities already issued and at present existing against each and all of said companies, and also be further secured by a transfer to the Minister of Finance and Receiver General of Canada in trust for His Majesty, shares in the common stock of the Canadian Northern Railway Company of the par value of fifteen million dollars which said stock shall be deemed to be fully paid-up non-assessable and not subject to calls and to be transferred upon the books of the Canadian Northern Railway Company, and which said shares of stock shall be on the repayment by the said company of the said sum of fifteen million dollars, and all interest thereon retransferred to the said company, their successors or assigns.

I make this motion for the reason that I do not believe the Canadian Government should be a shareholder in any public corporation. I do not think it is in the interest of the country, or in the interest of the Government, that it should be. I think that if this company are receiving $15,000,000 they should do as the Grand Trunk Pacific did—give Canada security for the money they are getting.

Amendment negatived on division.

Mr. COCHRANE: With the consent of the House I would move:

That section 8 be amended by striking out the words 'the Governor in Council' in the 31st line, and inserting in lieu thereof the word 'Parliament', and that in line 33 the word 'he' be struck out and the word 'it' be substituted therefor.

This makes the consent of Parliament necessary instead of that of the Governor in Council.

Amendment agreed to, and section as amended agreed to.

Mr. MACDONALD: Last evening, it was suggested that the Government should follow the practice adopted in connection with the Grand Trunk Pacific Railway Company of providing for representation on the board of directors of the company. It struck me in the course of the discussion that the Prime Minister did not seem to attach much importance to such representation. I desire to urge upon him that, under the provisions of this measure, a situation is created wherein the country becomes a stockholder in the company, and, unless the Government takes some step on this occasion that stock will be entirely without representation upon the

board of directors. The fact that the country is the holder of $7,000,000 worth of stock in the corporation demands, it seems to me, some representation upon the board. The country would not be in a position to have its interests protected unless it had such representation. The policy which was insisted upon in the case of the Grand Trunk Pacific, in which the country was not a stockholder, has met with results which, I am sure, must have been in the interest of the country, because it enabled the Government to be advised from time to time as to the various internal movements of the directors of the company. Without representation on the board, we would be in this position, that while we were large stockholders, we would know nothing whatever about the passing interests of the company.

Mr. BORDEN: I will take into consideration what my hon. friend has urged. He is quite correct in saying that I do not think it would be of any great importance to have representation. That conclusion was reached from what I saw of the value of representation upon the Grand Trunk Pacific Board.

Mr. MACDONALD: There is no stock there.

Mr. BORDEN: The Government has voting power, I suppose, if it desires to exercise it. However, I will give my best consideration to the hon. gentleman's suggestion, and we can amend the Bill at another session, if necessary.

Bill reported.

Mr. COCHRANE moved the third reading of the Bill.

Mr. OLIVER: Before the motion is carried, I desire to move, seconded by Mr. Buchanan:

That the said Bill be not now read a third time, but that it be referred back to the Committee of the Whole House for the purpose of amendment as follows:—

'That the granting of such subsidies and the receipt thereof by the respective companies, shall be subject to the conditions that the said companies shall, within two months from the date of the passing of this Act, submit to the Board of Railway Commissioners for Canada, a schedule of traffic rates upon the lines of the said companies now or hereafter to be constructed west of Fort William, which shall be the same as now apply on the lines of the said companies in the provinces of Ontario and Quebec, except in so far and to such extent as the said railway companies may be able to establish higher cost of operation on such lines west of Fort William, and the said schedule shall be subject to the authority and control of the said Board of Railway Commissioners, to be revised and adjusted by them in accordance with the foregoing provision.'

House divided on the proposed amendment:

YEAS:

Messieurs:

Béland,	Lemieux,
Boivin,	Macdonald.
Bourassa,	Maclean (York, O.),
Buchanan,	MacNutt,
Carroll,	McKenzie,
Carvell,	Molloy,
Delisle,	Murphy,
Fortier,	Nesbitt,
Gauvreau,	Neely,
German,	Oliver,
Graham,	Papineau,
Hughes (King's, P.E.I.),	Pardee,
	Proulx,
Lachance,	Robb,
Lanctot,	Ross,
Lapointe (Kamouraska),	Sinclair,
	Thomson (Qu'Appelle),
Lapointe (Montreal, St. James),	Tobin,
	Verville,
Laurier (Sir Wilfrid),	Warnock.—37.

NAYS:

Messieurs:

Achim,	McKay,
Ames,	McLean
Armstrong (Lambton),	(Queen's, P.E.I.),
Barrette,	Meighen,
Beattie,	Merner,
Bellemare,	Middlebro,
Bennett (Calgary),	Mondou,
Bennett (Simcoe),	Morphy,
Blain,	Morrison,
Blondin,	Nantel,
Borden,	Nicholson,
Boulay,	Nickle,
Boyce,	Paquet,
Boys,	Paul,
Brabazon,	Pelletier,
Bradbury,	Perley,
Broder,	Reid (Grenville),
Chabot,	Rogers,
Clare,	Schaffner,
Cochrane,	Sexsmith,
Coderre,	Sharpe (Lisgar),
Crocket,	Sharpe (Ontario),
Crothers,	Shepherd,
Elliot,	Smith,
Fisher,	Smyth,
Foster (King's, N.S.),	Stanfield,
Fripp,	Steele,
Garland,	Stevens,
Girard,	Stewart (Lunenburg),
Guilbault,	Sutherland,
Hartt,	Taylor,
Henderson,	Thoburn,
Hepburn,	Thornton,
Jameson,	Walker,
Kemp,	Wallace,
Lalor,	Weichel,
Lancaster,	White (Renfrew),
Lavalée,	Wilson (Wentworth),
Lewis,	Wright.—78.
Macdonell,	

PAIRS:

Ministerial.	Opposition.
Aikins,	Turriff,
Arthurs,	Devlin,
Baker,	Kay,

Barnard,	Martin (Regina),
Bristol,	Bickerdike,
Bowman,	Turgeon,
Burrell,	Douglas,
Cockshutt,	Charlton,
Tremain,	Chisholm (Inverness),
Davidson,	Chisholm (Antigonish),
Northrup,	Clarke (Red Deer),
Doherty,	Marcil (Bonaventure),
White (Leeds),	Emmerson,
Fowler,	McLean (Sunbury),
Best,	Wilson (Laval),
Greeen,	Knowles,
Hazen,	Pugsley,
McCurdy,	Maclean (Halifax),
Robidoux,	Michaud,
Alguire,	Boyer,
Foster (Toronto),	Clarke (Essex),
Roche,	Gordon,
Wilcox,	Cruise,
Elson,	Demers,
Clements,	McCoig,
Munson,	McCraney,
Marshall,	McCrae,
Barker,	Bureau,
Gauthier (Gaspé),	Gauthier, (St. Hyacinthe),
Ball,	Kyte,
Lesperance,	Power,
Currie,	Guthrie,
Webster,	Lovell,
Edwards,	Law,
Cromwell,	Loggie,
Armstrong (York),	McMillan,
Clarke (Wellington),	Champagne,
Porter,	Richards,
Forget,	White (Victoria),
Carrick,	Cardin,
Burnham,	Brouillard,
Osler,	Seguin,
Thompson (Yukon),	Reid (Restigouche),
Stewart (Hamilton,	Martin (St. Mary's),
Rainville,	Lafortune,
Lamarche,	Cash,
Sevigny,	Pacaud,

Mr. TURGEON: I am paired with the hon. member for East Huron (Mr. Bowman); otherwise I would have voted for the amendment.

Mr. CHISHOLM (Inverness): I am paired with the hon. member for Hants (Mr. Tremain); otherwise I would have voted for the amendment.

Mr. WHITE (Minister of Finance): I am paired with the hon. member for Westmorland (Mr. Emmerson); otherwise I would have voted against the amendment.

Mr. ARTHURS: I am paired with the hon. member for Wright (Mr. Devlin); otherwise I would have voted against the amendment.

Mr. MICHAUD: I am paired with the hon. member for Kent, N.B. (Mr. Robidoux); otherwise I would have voted for the amendment.

Mr. HAZEN: I am paired with the hon. member for St. John City (Mr. Pugsley); otherwise I would have voted against the amendment.

Mr. DOHERTY: I am paired with the hon. member for Bonaventure (Mr. Marcil); otherwise I would have voted against the amendment.

Mr. CLARK (Red Deer): I am paired with the hon. member for East Hastings (Mr. Northrup); otherwise I would have voted for the amendment.

Amendment negatived.

Mr. MACDONALD moved in amendment:

That the said Bill be not now read the third time, but that it be referred back to Committee of the Whole for the purpose of amendment by adding the following:—

'That the granting of such subsidies and the receipt thereof by the Canadian Northern Ontario Railway Company and the Canadian Northern Alberta Railway Company shall be subject to the conditions that the Board of Railway Commissioners for Canada may at any time, after the completion of the lines of railway above mentioned, require such railway company as is then operating the railway system which includes these lines, to file a schedule of freight rates from such points touched by the lines of such company in the provinces of Ontario, Quebec, New Brunswick and Nova Scotia as they may designate, not including points in Ontario west of Sudbury, to such points in the provinces of Manitoba, Saskatchewan and Alberta, touched by the lines of the said company as they may designate. And the Board of Railway Commissioners shall revise such schedule of rates so that they shall be no higher than the rates per mile charged for like service over railway lines in the United States and Canada between New York and Winnipeg by way of Chicago and Minneapolis. The said rates shall be binding upon the said railway company until further revised by the Board of Railway Commissioners for Canada.'

Mr. BORDEN: Mr. Speaker, I might say in regard to this amendment, as in respect to the amendment moved by the hon. member for Edmonton (Mr. Oliver), that it does not seem to carry the matter farther than it is already carried by the Railway Act of Canada. The hon. gentleman desires an amendment providing that a certain schedule of freight rates shall be filed by this Company, and that the rates shall not be higher than certain rates which prevail by routes partly through the United States and partly through Canada. But in the end his amendment remits the whole matter absolutely to the Board of Railway Commissioners for Canada, as it is already vested in that board, because we find at the end of it these words:

The said rates shall be binding upon the said railway company until further revised by the Board of Railway Commissioners for Canada.

So that even if such a schedule were prepared and brought into effect by the Railway Commissioners, it might be revised and altered next day. It seems to me that one observation indicates the futility of the amendment. It is not of a permanent character and it has no good effect, because eventually it leaves the whole matter just where it was before. The matter is at the present time under the Board of Railway Commissioners. An amendment of this kind would do no good and it would only tend to complicate the situation. The question of railway rates in the western country has been left to the Board of Railway Commissioners, and on the whole it has received reasonably effective action from that Commission. It may be that from time to time some delay has taken place on account of the enormous stress of work laid upon the commission in view of the great extent of the transportation lines of this country and the variety of the problems that have arisen. On the whole I think they have done reasonably good work, and, at all events, the amendment of my hon. friend does not tend to assist in relieving any situation or difficulty that may now exist.

Mr. MACDONALD: I would like to say, in answer to my right hon. friend the Prime Minister, that there is this distinction created by this amendment, if it is included in the Bill, that there is laid down for the guidance of the Board of Railway Commissioners certain rules that are to be the determining factor in the preparation of these rates. As the matter stands, the whole question is open to the Board to deal with along general lines. This is a definite declaration by Parliament that in the framing of these rates hereafter, in so far as its conduct is concerned, the Board of Railway Commissioners must frame them with this object in view, and having before it the freight rates of the United States, and the idea that there is to be given to the Canadian people lower freight rates, so that we will be able to carry freight from the East on our own soil and over our own lines of transportation. The limitation which this legislation would impose would be binding upon the board of Railway Commissioners and the schedules which they would prepare would be of such a character as to give relief and bring about conditions which would be in the interest of the people of Canada as a whole.

House divided on the proposed amendment:

YEAS:

Messieurs:

Boivin,	Lemieux,
Bourassa,	Loggie,
Buchanan,	Macdonald,
Carroll,	Maclean (York, O.),
Carvell,	MacNutt,
Delisle,	McKenzie,
Fortier,	Molloy,
Gauvreau,	Murphy,
German,	Neely,
Graham,	Oliver,
Hughes (King's, P.E.I.),	Papineau,
Lachance,	Pardee,
Lanctot,	Proulx,
Lapointe (Kamouraska),	Robb,
Lapointe (Montreal, St. James),	Ross,
Laurier (Sir Wilfrid),	Sinclair,
Law,	Thomson (Qu'Appelle),
	Tobin,
	Verville,
	Warnock.—37.

Mr. BORDEN.

NAYS:

Messieurs:

Achim,	McLean (Queens, P.E.I.),
Ames,	Meighen,
Armstrong (Lambton),	Merner,
Barrette,	Middlebro,
Beattie,	Mondou,
Bellemare,	Morphy,
Bennett (Calgary),	Morrison,
Bennett (Simcoe),	Nantel,
Blain,	Nicholson,
Blondin,	Nickle,
Borden,	Paquet,
Boulay,	Paul,
Boyce,	Pelletier,
Boys,	Perley,
Brabazon,	Reid (Grenville),
Bradbury,	Rhodes,
Broder,	Rogers,
Clare,	Schaffner,
Cochrane,	Sexsmith,
Coderre,	Sharpe (Lisgar),
Crocket,	Sharpe (Ontario),
Crothers,	Shepherd,
Elliot,	Smith,
Fisher,	Smyth,
Foster (Kings, N.S.),	Stanfield,
Fripp,	Steele,
Garland,	Stevens,
Gauthier (Gaspé),	Stewart (Lunenburg),
Girard,	Sutherland,
Guilbault,	Taylor,
Hartt,	Thoburn,
Henderson,	Thompson (Yukon),
Hepburn,	Thornton,
Jameson,	Walker,
Kemp,	Wallace,
Lalor,	Weichel,
Lancaster,	White (Renfrew),
Lavallée,	Wilson (Wentworth),
Lewis,	Wright.—80.
Macdonell,	
McKay,	

PAIRS:

Ministerial.	Opposition.
Aikins,	Turriff,
Arthurs,	Devlin,
Baker,	Kay,
Barnard,	Martin (Regina),
Bristol,	Bickerdike,
Bowman,	Turgeon,
Burrell,	Douglas,
Cockshutt,	Charlton,
Tremain,	Chisholm (Inverness).

Davidson,	Chisholm (Antigonish),
Northrup,	Clark (Red Deer),
Doherty,	Marcil (Bonaventure),
White (Leeds),	Emmerson.
Fowler,	McLean (Sunbury),
Best,	Wilson (Laval),
Green,	Knowles,
Hazen,	Pugsley,
McCurdy,	Maclean (Halifax),
Robidoux,	Michaud,
Alguire,	Boyer,
Foster (Toronto),	Clarke (Essex),
Roche,	Gordon,
Wilcox,	Cruise,
Elson,	Demers,
Clements,	McCoig,
Munson,	McCraney,
Marshall,	McCrae,
Barker,	Bureau,
Ball,	Kyte,
Lesperance,	Power,
Currie,	Guthrie,
Webster,	Lovell,
Edwards,	Nesbitt,
Cromwell,	Reid (Restigouche),
Armstrong (York),	McMillan,
Clarke (Wellington),	Champagne,
Porter,	Richards,
Forget,	White (Victoria),
Carrick,	Cardin,
Burnham,	Brouillard,
Osler,	Seguin,
Stewart (Hamilton),	Martin (St. Mary's),
Rainville,	Lafortune,
Lamarche,	Cash,
Sevigny,	Pacaud,
Chabot,	Béland,

Amendment negatived.

Mr. GRAHAM: Before this Bill is finally disposed of, I beg to move. seconded by Mr. Pardee:

That the said Bill be not read now the third time, but that it be recommitted to the Committee of the Whole House, with instructions to amend the same by inserting the following as clause 6:

'That the granting of such subsidies and the receipt thereof by the respective companies shall be subject to the condition that the Board of Railway Commissioners for Canada may at all times provide and secure to other companies such running powers, traffic arrangements and other rights as will afford to all railways connecting with the railway and bridges so subsidized reasonable and proper facilties in exercising such running power, fair and reasonable traffic arrangements with connecting companies, and equal mileage rates between all such connecting railways; and the said board shall have absolute control, at all times, over the rates and tolls to be levied and taken by any of the companies, or upon any of the railways and bridges hereby subsidized: Provided always that any decision of the said board made under this section may be at any time varied, changed or rescinded by the Governor in Council, as he deems just and proper.

Mr. BORDEN: Before the question is put, I should like to make it clear that section 6 of the Bill as it is before the committee contains these provisions with regard to the companies to which subsidies are granted by this Bill, but the hon. gentleman desires to provide that similar provisions shall be applied to another company that has no connection with the Bill at all. The reasons which induced the hon. gentleman to take that course were indicated by him when the House was in committee on that Bill. I made such answer as I thought was necessary on that occasion, and I will not take up the time of the House to repeat now what I then said. I would merely add that so far as concerns the practical question, I am thoroughly convinced that when this line comes to be operated as a transcontinental line from the Atlantic to the Pacific, no difficulty will be found to exist. The line must be operated under the control and jurisdiction of one company, and when that time comes it is abundantly clear that such arrangements must be reached as will enable the Board of Railway Commisioners of Canada to exercise jurisdiction.

Mr. GRAHAM: The reason this amendment is moved affecting a company not included in the Bill is this: The company not mentioned in the Bill before the House is the Canadian Northern Pacific which forms with the roads mentioned in the Bill, the transcontinental line of the Canadian Northern Railway system. Under an arrangement made with the British Columbia Government, the Canadian Northern Pacific is excepted and agrees to be excepted from the control of the Board of Dominion Railway Commissioners. It being a transcontinental line, I submit that in the interest of the people of Canada this line in its entirety, including the Canadian Northern Pacific should be under the Board of Railway Commissioners, particularly as to rates; and this amendment is to place that link in the transcontinental line, with the other links, under that board.

Mr. SPEAKER: A portion of this amendment at least is out of order—the portion on which the House has twice already registered its verdict with regard to the control of rates by the Board of Railway Commissioners. This is practically the same thing for the third time, but the rest of the amendment will of course be in order.

Mr. BORDEN: It relates to another company and is different in that respect.

Amendment negatived on the same division as last recorded.

Mr. GERMAN: Before the Bill is read the third time, I desire to move:

That the said Bill be not now read the third time, but that it be referred back to the Committee of the Whole House with instructions to amend the same by striking out sections 8 and 9 and adding in lieu thereof the following:

'The grants made under this Act shall be repayable with interest half-yearly at the rate of four per cent per annum not later than the 1st July, 1933, and to be secured by debentures charged upon the undertaking, equipment and property, rights and franchises of the Canadian Northern Railway Company, the Canadian Northern Pacific Railway Company, the Canadian Northern Alberta Railway Company, the Canadian Northern Ontario Railway Company and the Canadian Northern Quebec Railway Company, ranking next after the securities already issued and at present existing against each and all of said companies, and also be further secured by a transfer to the Minister of Finance and Receiver General of Canada in trust for His Majesty shares in the common stock of the Canadian Northern Railway Company of the par value of fifteen million dollars which said stock shall be deemed to be fully paid up non-assessable and not subject to calls and to be transferred upon the books of the Canadian Northern Railway Company, and which said shares of stock shall be on the repayment by the said company of the said sum of fifteen millions dollars, and all interest thereon retransferred to the said company, their successors or assigns.

Mr. BORDEN: The amendment which the hon. gentleman proposes seems to me to be of a rather curious nature. It would appear to be his desire that the House should give a larger sum than the Government proposes. Certain subsidies have been provided for in the Bill which is before the House. The amendment of the hon. gentleman leaves this intact, and further provides that we should give a loan of $15,000,000 to this Company.

Mr. GERMAN: Oh, no.

Mr. BORDEN: That may not be what the hon. gentleman means, but it is what the resolution says. The amendment does not propose to strike anything out of the Bill; it proposes to amend it by providing that there shall be a loan of $15,000,000; therefore if the hon. gentleman's amendment were adopted there would be not payable only the subsidy of $15,000,000, but a loan of $15,000,000 as well. I do not think the hon. gentleman has made out any case for that, and it seems to me, for that reason alone, that it would be proper for the House to reject the motion.

Mr. GERMAN: The amendment says that the grants made under the provisions of this Bill shall be repayable, and the grants to be made under the provisions of the Bill are the subsidies. The right hon. gentleman is evading the question.

Mr. BORDEN: My hon. friend is quite mistaken; he proposes to amend the resolution by providing for an advance out of the consolidated revenue fund of $15,000,000.

Mr. GERMAN: No; the hon. gentleman has not seen the resolution.

Mr. GERMAN.

Mr. BORDEN: I am reading the one he proposed yesterday.

Mr. GERMAN: This is not the same as the resolution I proposed yesterday, because the Speaker ruled that one out of order.

Mr. SPEAKER: I may say that in my opinion this amendment also is out of order. The resolution which came before this House for consideration and which received the assent of the Crown, was for a subsidy. This one is for a loan, re-payable; it has not received the assent of the Crown, and is therefore out of order.

Mr. GERMAN: I beg leave to appeal from your ruling to the House, and I wish to speak on the point of order.

Mr. SPEAKER: If the hon. member appeals, it is without debate.

Having read the main motion and the proposed amendment thereto:

Mr. SPEAKER said: This amendment I ruled out of order on the well-understood principle that it is not permissible to increase or alter the destination of a grant of money recommended by the Governor General. In support of this Bourinot cites Canadian Commons Journals, 1875, page 240, Decisions of Canadian Speakers, No. 160, 10th June, 1869; No. 176, 6th May, 1870. The amendment contemplates an expenditure different from that proposed by the resolution which came before this House, and which had received the assent of the Governor General. The original resolution and the Bill founded upon it provided for an absolute grant of money, whereas the amendment provides for a loan of money, and is therefore different from the grant provided for in the resolution to which the assent of the Crown was given, and from the Bill based upon it. My ruling was that for that reason the resolution was out of order. From that ruling Mr. German appeals to the House.

House divided on the question: shall the ruling of the Chair be confirmed?

YEAS:

Messieurs

Achim,	Macdonell,
Ames,	Maclean (York, O.),
Armstrong (Lambton).	McKay,
Barrette,	McLean (Queen's, P.E.I.),
Beattie,	Meighen,
Bellemare,	Merner,
Bennett (Calgary),	Middlebro,
Bennett (Simcoe),	Mondou,
Blain,	Morphy,
Blondin,	Morrison,
Borden,	Nantel,
Boulay,	Nicholson,
Boyce,	Paquet,
Boys,	

Brabazon,
Bradbury,
Broder,
Clare,
Cochrane,
Coderre,
Crocket,
Cromwell,
Crothers,
Currie,
Elliot,
Fisher,
Foster (Kings, N.S.),
Fripp,
Garland,
Gauthier (Gaspé),
Girard,
Guilbault,
Hartt,
Henderson,
Hepburn,
Jameson,
Kemp,
Lalor,
Lancaster,
Lapointe (Montreal, St. James),
Lavalée,
Paul,
Pelletier,
Perley,
Reid (Grenville),
Rhodes,
Rogers,
Schaffner,
Sexsmith,
Sharpe (Lisgar),
Sharpe (Ontario),
Shepherd,
Smith,
Smyth,
Stanfield,
Steele,
Stevens,
Stewart (Lunenburg),
Sutherland,
Taylor,
Thoburn,
Thompson (Yukon),
Thornton,
Walker,
Wallace,
Weichel,
White (Renfrew),
Wilson (Wentworth),
Wright.—82.

NAYS:

Messieurs

Boivin,
Bourassa,
Buchanan,
Carroll,
Carvell,
Delisle,
Fortier,
Gauvreau,
German,
Graham,
Hughes (Kings, P.E.I.),
Lachance,
Lanctot,
Lapointe (Kamouraska),
Laurier (Sir Wilfrid),
Law,
Lemieux,
Loggie,
Macdonald,
MacNutt,
McKenzie,
Molloy,
Murphy,
Neely,
Oliver,
Papineau,
Pardee,
Proulx,
Richards,
Robb,
Ross,
Sinclair,
Thomson (Qu'Appelle),
Tobin,
Verville,
Warnock.—36.

PAIRS:

Ministerial.	Opposition.
Aikins,	Turriff,
Arthurs,	Devlin,
Baker,	Kay,
Barnard,	Martin (Regina),
Bristol,	Bickerdike,
Bowman,	Turgeon,
Burrell,	Douglas,
Cockshutt,	Charlton,
Tremaine,	Chisholm (Inverness),
Davidson,	Chisholm (Antigonish),
Northrup,	Clark (Red Deer),
Doherty,	Marcil (Bonaventure),
White (Leeds,	Emmerson,
Fowler,	McLean (Sunbury),
Best,	Wilson (Laval),
Green,	Knowles,
Hazen,	Pugsley,
McCurdy,	Maclean (Halifax),
Robidoux,	Michaud,
Alguire,	McMillan,
Foster (Toronto),	Clarke (Essex),
Roche,	Gordon,
Wilcox,	Cruise,
Elson,	Demers,
Clements,	McCoig,
Clark (Wellington),	McCraney,
Marshall,	McCrea,
Barker,	Bureau,
Ball,	Kyte,
Lesperance,	Power,
Lewis,	Guthrie,
Webster,	Lovell,
Armstrong (York),	Champagne,
Munson,	Boyer,
Forget,	White (Victoria),
Porter,	Reid Restigouche),
Carrick,	Cardin,
Osler,	Seguin,
Burnham,	Brouillard,
Stewart (Hamilton),	Martin (St. Mary's,
Rainville,	Lafortune,
Lamarche,	Cash,
Sevigny,	Pacaud,
Monk,	Gauthier (St. Hyacinthe).

Ruling of the Chair confirmed.

Mr. CLARK (Red Deer): I desire to state that I am paired with the hon. member for East Hastings (Mr. Northrup). Had I voted I should have voted to sustain the ruling of the Chair.

House divided on the motion of Mr. Cochrane for the third reading of the Bill:

YEAS:

Messieurs

Achim,
Ames,
Armstrong (Lambton),
Barrette,
Beattie,
Bellemare,
Bennett (Calgary),
Bennett (Simcoe),
Blain,
Blondin,
Borden,
Boulay,
Boyce,
Boys,
Brabazon,
Bradbury,
Broder,
Clare,
Cochrane,
Coderre,
Crocket,
Cromwell,
Crothers,
Currie,
Elliot,
Fisher,
Foster (Kings, N.S.),
Fripp,
Garland,
Gauthier (Gaspé),
Girard,
Guilbault,
Hartt,
Henderson,
Hepburn,
Jameson,
Kemp,
Maclean (York, O.),
McKay,
McLean (Queens, P.E.I.),
Meighen,
Merner,
Middlebro,
Mondou,
Morphy,
Morrison,
Nantel,
Nicholson,
Nickle,
Paquet,
Paul,
Pelletier,
Perley,
Reid (Grenville),
Rhodes,
Rogers,
Schaffner,
Sexsmith,
Sharpe (Lisgar),
Sharpe (Ontario),
Shepherd,
Smith,
Smyth,
Stanfield,
Steele,
Stevens,
Stewart (Lunenburg),
Sutherland,
Taylor,
Thoburn,
Thompson (Yukon),
Thornton,
Walker,

Lalor, Wallace,
Lancaster, Weichel,
Lapointe (Montreal, St. James), White (Renfrew),
Lavalée, Wilson (Wentworth),
Macdonell, Wright.—83.

NAYS:

Messieurs

Boivin, Loggie,
Bourassa, Macdonald,
Buchanan, MacNutt,
Carvell, McKenzie,
Champagne, Molloy,
Delisle, Murphy,
Fortier, Oliver,
Gauvreau, Papineau,
German, Pardee,
Graham, Proulx,
Hughes (Kings, P.E.I.), Richards,
Lachance, Robb,
Lanctot, Ross,
Lapointe (Kamouraska), Sinclair,
Laurier (Sir Wilfrid), Thomson (Qu'Appelle).
Law, Tobin,
Lemieux, Verville,
Warnock.—35.

PAIRS:

Ministerial.	Opposition.
Aikins,	Turriff,
Arthurs,	Devlin,
Baker,	Kay,
Barnard,	Martin (Regina),
Bristol.	Bickerdike,
Bowman,	Turgeon,
Burrell,	Douglas,
Cockshutt,	Charlton,
Tremaine,	Chisholm (Inverness),
Davidson,	Chisholm (Antigonish),
Northrup,	Clark (Red Deer),
Doherty,	Marcil (Bonaventure),
White (Leeds),	Emmerson,
Fowler,	McLean (Sunbury),
Best,	Wilson (Laval),
Green,	Knowles,
Hazen,	Pugsley,
McCurdy,	Maclean (Halifax),
Robidoux,	Michaud,
Alguire,	McMillan,
Foster (Toronto),	Clarke (Essex),
Roche,	Gordon,
Wilcox,	Cruise,
Elson,	Demers,
Clements,	McCoig,
Clark (Wellington),	McCraney,
Marshall,	McCrea,
Barker,	Bureau,
Ball,	Kyte,
Lesperance,	Power,
Lewis,	Guthrie,
Webster,	Lovell,
Armstrong (York),	Champagne,
Munson,	Boyer,
Forget,	White (Victoria),
Porter,	Reid (Restigouche),
Carrick,	Cardin,
Osler,	Seguin,
Burnham,	Brouillard,
Stewart (Hamilton),	Martin (St. Mary's),
Rainville,	Lafortune,
Lamarche,	Cash,
Sevigny,	Pacaud,
Monk,	Gauthier (St. Hyacinthe),

Mr. CLARK (Red Deer).

Motion agreed to, and Bill read the third time, and passed.

GRAND TRUNK PACIFIC LOAN.

On motion of Hon. Frank Cochrane (Minister of Railways and Canals) Bill No. 246, to authorize a loan to the Grand Trunk Pacific Railway Company, was read the second time.

House went into Committee on the Bill. (Mr. Deputy Speaker in the Chair.)

Mr. GRAHAM: Is the literal construction of each section exactly as it was in the resolution?

Mr. WHITE: The resolution is general in character, while the Bill is particular, and the sections of the Bill are not strictly the same as in the resolution.

Mr. GRAHAM: Have they been compared carefully to see that there is no departure from the principle of the resolution?

Mr. WHITE: There is no departure from the principle of the resolution, and I believe that the Bill is properly founded on the resolution.

Mr. OLIVER: I desire to move as an amendment, the insertion of a clause similar in effect to that which I moved in connection with the subsidy to the Canadian Northern Railway Company. While this is not a subsidy Bill, as it provides merely for a loan, for which I assume the country has ample security, the condition of affairs existing in the western country in regard to railroad rates calls for a remedy. While I do not wish to be understood as objecting to the form which the aid to the Grand Trunk Pacific takes in this Bill, or to the amount of the aid, I consider that the Grand Trunk Pacific Railway Company has received from this Government, directly and indirectly, such aid as fully warrants this Parliament, at this time, attaching to the proposed loan conditions which will protect, as far as we can, the interests of the people of the West in regard to freight rates. I therefore move, seconded by Mr. Carvell, that the Bill be amended by adding to it the following clause:

That the granting of the loan hereafter provided and the receipt thereof by the company shall be subject to the conditions that the said company shall, within two months from the date of the passing of this Act, submit to the Board of Railway Commissioners for Canada, a schedule of traffic rates upon the lines of the said company west of Fort William, which shall be the same as now apply on the lines of the said company in that provinces of Ontario and Quebec, except in so far and to such extent as the said railway company may be able to establish higher cost of operation on such lines west of Fort Wil-

liam, and the said schedule shall be subject to the authority and control of the said Board of Railway Commissioners, to be revised and adjusted by them in accordance with the foregoing provision.

I have stated to the committee on a former occasion the reasons why it appears to me to be necessary that a specific arrangement should be made in order that the relief that is urgently required by the people of the western country in the matter of freight rates should be given. My right hon. friend the leader of the Government has done me the honour to suggest that the motion of like character which I moved in connection with the Bill granting the subsidy to the Canadian Northern Railway Company was made rather with the view of political effect, than for the purpose of rendering efficient aid. It is true that any motion made from this side of the House to amend a Government measure, is not effective unless it is impressed favourably upon the mind of the Government. Notwithstanding that fact, members of Parliament sitting in opposition have a like responsibility with members sitting on the other side of the House and supporting the Government, to declare their minds in regard to matters of interest to their constituents, and I submit it is not becoming to the Prime Minister that when a proposition dealing with a matter that is admitted to be of great interest and of serious importance to the people of western Canada is submitted for the consideration of this House, the act of submitting it is subjected to any such criticism as the right hon. gentleman saw fit to give vent to in the House last night. If it is impossible for us to impress our views upon the Government that is dealing with these things it is at least our duty to do what we may in order to make that impression. I do not wish to detain the committee, but I must reiterate that the condition that exists in the Northwest, admitting everything that my right hon. friend has said, calls for a remedy and the people of western Canada are entitled to look to this Parliament for that remedy. My right hon. friend has not only seen fit to refuse them that remedy, but he has seen fit to take such action here to-day as to prevent even a proper voicing of the opinions of the House in regard to an important feature of this proposed aid to the Canadian Northern Railway Company.

Mr. BORDEN: The motion which the hon. gentleman has proposed by way of amendment to the Bill is one which does not seem to me to have any merit or justification inasmuch as the whole question which is covered by his amendment has been entrusted to the Railway Commission under the Act which was passed ten years ago, or in 1903. With all deference to the views of the hon. member for Edmonton (Mr. Oliver), I cannot see that the object which he has in mind would be advanced by the proposition which he has made inasmuch as the principle which he has laid down is one that is already being acted upon by the Railway Commissioners who are dealing with the subject in accordance with certain definite principles which they have laid down and which must regulate their action. The principles so laid down ought to justify themselves in the view of the hon. member for Edmonton. The hon. gentleman will no doubt agree that it would be absolutely impossible for this Parliament to undertake an investigation into the conditions that are specified in his resolution. The Board of Railway Commissioners have a trained staff of experts to assist them to investigate this question, they have legal gentlemen before them to assist them in the investigation, they have all the machinery which this House absolutely lacks for the purpose of carrying on any investigation of the kind and I repeat that, notwithstanding the earnestness with which the hon. gentleman has advocated his amendment, the passing of the amendment would not improve the situation, but would rather tend to complicate it.

Mr. MACLEAN (South York): In view of all the study I have given to this matter of freight rates, I am convinced that the only remedy is by Parliament laying down principles, the insertion of these principles in the Railway Act, and especially the insertion of the principle of equality of treatment. I do not believe that relief will ever come from investigation on the part of the Railway Commissioners, but I believe that Parliament must direct the Railway Commission that there is one underlying principle governing and that principle is equality of rates. I am sure that if such a conclusion is not reached there will be an agitation for public ownership in this country. If we cannot get the principle of equality in rates inserted in the Railway Act there is another quick procedure and I believe to-day that the quickest and shortest solution of the railway question and the easiest way to bring all the lines within the immediate jurisdiction of this Parliament is for the Dominion of Canada to buy the common stock of the Grand Trunk Railway Company. We have practically built the Grand Trunk Pacific out of the public treasury and we have not control of the road, we have not control of the rates and we have practically nothing for what we have given them except the control that is vested in the Railway Commission. The way to get complete and absolute control of the Grand Trunk Pacific is for the Government to buy in the shares of the company. By that means they will get control of the Grand Trunk railway and Grand Trunk Pacific and by linking them with the Intercolonial railway they will imme-

diately be able to give the people of Canada a transcontinental line that will be dominant in the maritime provinces, in Quebec, in Ontario and throughout the West. I believe that the people to-day are prepared to undertake that venture. It may be that we are only buying back what we have already built but it will not cost a great deal of money to control the Grand Trunk Pacific. We can do this under the legislation which now exists in connection with the Grand Trunk Pacific. We might be able to do it in other ways, for instance by going into the open market and buying the stock. But the solution is the acquisition by this Government of the Grand Trunk railway and Grand Trunk Pacific, their consolidation with the Intercolonial railway, and then to run that consolidated railway in the interests of the people and with complete control over the rates. It will not be a hard thing to do. I totally disagree with what was said by the hon. member for Welland this afternoon when he stated that he did not believe in the nation holding the shares of a railway company. I do not agree with him at all. We should begin to buy shares of the Grand Trunk Pacific or the shares of any railway wherever we can get them, and we should use them for the purpose of gradually getting control of these systems and consolidating them with the present Government railway.

Mr. BUCHANAN moved that the Bill be amended by adding thereto the following clause:

That the granting of the loan herein provided and the receipt thereof by the Grand Trunk Pacific Railway Company shall be subject to the condition that the Board of Railway Commissioners for Canada may at any time, after the completion of the lines of railway above mentioned, require such railway company as is then operating the railway system which includes these lines, to file a schedule of freight rates from such points touched by the lines of such company in the provinces of Ontario, Quebec, New Brunswick and Nova Scotia as they may designate, not including points in Ontario west of Sudbury, to such points in the provinces of Manitoba, Saskatchewan and Alberta, touched by the lines of the said company as they may designate. And the Board of Railway Commissioners shall revise such schedule of rates so that they shall be no higher than the rates per mile charged for like service over railway lines in the United States and Canada between New York and Winnipeg by way of Chicago and Minneapolis. The said rates shall be binding upon the said railway company until further revised by the Board of Railway Commissioners for Canada.

He said: In moving this amendment I would say that I come from a part of western Canada where railways are in demand, but I believe that I represent the opinion of the majority of the people there when I say that this Government, or any other government in Canada, in making certain advances to railways, either in the nature of subsidies or loans, should insist upon receiving something in return. In the past I believe all governments have been more or less generous to the railway companies but the time has come to call a halt in that respect and if we have to do anything to assist railways we should receive something in return so that the people will be benefited. I claim that, in this particular amendment and the other amendments that have been moved on this side of the House, we have been aiming in that direction. The people in western Canada are clamouring for railroads, but at the same time they are clamouring for protection from high freight rates. If we have to assist railroads, we should see that the people are properly protected when we are handing over the money. I am somewhat inclined to agree with the hon. member for South York (Mr. Maclean) in this respect, that in some of the subsidies we are granting it might be much better that, when we are going to the assistance of these railroads so lavishly, we should secure absolute control over them and operate them if necessary. I am more or less a believer in government ownership and operation of railroads in the Dominion of Canada. I believe it would be a relief from the high freight rates that exist in the West, and we would be able to keep the other railroads under control. I have also been a believer in municipal ownership, and I have not yet found that I have been mistaken in that regard.

Mr. BORDEN: This resolution, if I am not mistaken, is of a character similar to the one moved when the House was in committee yesterday upon another Bill. It provides that the granting of the loan shall be subject to the condition that the Board of Railway Commissioners for Canada may at any time, after the completion of the line of railway, require the company to file a certain schedule of freight rates. The best answer to the motion is this: that without this amendment the Board of Railway Commissioners for Canada can do the very thing which is asked. This amendment therefore adds nothing to the powers of the Board of Railway Commissioners; and, so far as I am able to appreciate its import, it could only serve to complicate the situation.

Amendment negatived on division.

On the schedule:

Mr. GRAHAM: This schedule is a little complicated, and no doubt refers to legislation in reference to the western division of the Grand Trunk Pacific. If

my hon. friend the Minister of Finance will give us a short explanation of what this is, it will be of interest to the House and will probably save many questions.

Mr. WHITE (Minister of Finance): My hon. friend's request is a very proper one, when we are dealing with large sums of money. There is an error in the schedule which I wish to correct. Section 8 of the Bill says:

> The Governor in Council may, on the certificate of the chief engineer of the western division of the said railway appointed by the Governor in Council, or on the certificate of such other officer as the Governor in Council may appoint for the purpose, authorize and direct the Minister of Finance to make advances to the company out of the Consolidated Revenue Fund, upon the pledge of debentures as aforesaid, of such sums as the chief engineer or other officer may certify have been expended by the company in construction work on either the prairie or mountain section of the said western division, as the word 'sums' and the words 'construction work' are defined in the schedule to this Act.

I desire to move that the figure '7' in the first line of section 1 of the schedule be changed to '8,' and also the figure '7' in section 2, line 1, be changed to '8.'

Motion agreed to.

Mr. WHITE (Minister of Finance): My hon. friend (Mr. Graham) will recall that the line of the Grand Trunk Pacific in the West comprises two sections, the prairie section and the mountain section; and that bonds of the Grand Trunk Pacific, guaranteed by the Dominion Government as to principal and interest, were authorized, and as a matter of fact have been issued to the amount of $13,000 per mile upon the prairie section. He will also recall that, so far as the prairie section is concerned, additional bonds were issued by the Grand Trunk Pacific, guaranteed by the Grand Trunk Railway Company, called Series 'A' bonds, to the extent of a little over £2,000,000. He will also recall that in 1909 a loan was made to be expended in connection with the completion of the prairie section to the amount of $10,000,000. If my hon. friend will look at sub-clause (a), he will see that these two bond issues and the loan which I have mentioned are covered, and that the moneys, which we now propose to advance, are to be expended upon construction work as defined in the second section of the schedule, namely: the construction work necessary for the completion of the prairie section. If he will look at sub-clause (b) of section 1, which refers to the mountain section, he will see that reference is made to seventy-five per cent of the cost of construction. It will be remembered that, under the legislation affecting the mountain section, the Grand Trunk Pacific Railway Company were authorized to issue their bonds, guaranteed by the Dominion of Canada as to principal and interest, to an amount sufficient to provide for seventy-five per cent of the cost. Then bonds of the Grand Trunk Pacific, called Series 'B' bonds were authorized under legislation affecting the mountain section, to an amount of £2,000,000 to provide the additional twenty-five per cent, so far as it would provide it. The proceeds of the Grand Trunk Pacific bonds guaranteed by the Grand Trunk Railway Company have been exhausted, and further moneys are required. This loan is to be applied, as I stated before, to complete the prairie section and also to complete the mountain section, so far as the proceeds of the two issue of bonds and the loan that I have mentioned are insufficient.

Briefly, the position as to construction is this: The cost of construction of the prairie section up to April 30, 1913, as estimated by the chief engineer, was $35,438,230.31. To meet this estimated outlay there has been available, from the three sources which I have mentioned, $30,737,409.21, leaving a balance of $4,700,821.10 on the prairie section, plus some additions for trestle work, $2,700,000; for additions including building additional elevator tracks and extending some of those already built, constructing new stations, section houses, tank houses, &c., of $3,600,000, making a total of $10,230,821 required to complete the prairie section.

Then on the mountain section the estimated cost, which I think will be exceeded according to the latest available estimates of the chief engineer, is $61,509,600. Call this $70,000,000. Of this twenty-five per cent is to be furnished by the Grand Trunk. This amounts to $17,500,000. The proceeds of the series 'B' bonds were $9,000,000. This leaves a balance to be furnished from other sources—including this loan of $8,500,000. So, according to this estimate—which is only an estimate—an additional $10,000,000 is required to complete and fully equip the prairie section, and a balance of $8,000,000 to complete the mountain section, making a total of $18,000,000. This will be exceeded so call it $20,000,000. We are providing $15,000,000 which will be available pro tanto for the work.

Mr. GRAHAM: Can the hon. gentleman tell me as to the time it will take to complete the mountain section?

Mr. WHITE: Of course, it will be only an estimate. I think they are aiming at the end of 1914. Of course, we are desirous that it should be expedited as rapidly as possible.

Schedule agreed to.

Bill, as amended, reported.

Mr. WHITE moved the third reading of the Bill.

Mr. OLIVER: Before the Bill is read the third time, I desire to move:

That the said Bill be not now read a third time, but that it be referred back to the Committee of the Whole House with instructions that they have power to amend it by adding as section 15 thereof the following:—

'That the granting of such loan and the receipt thereof by the company shall be subject to the conditions that the said company shall, within two months from the date of the passing of this Act, submit to the Board of Railway Commissioners for Canada a schedule of traffis rates upon the lines of the said company west of Fort William, which shall be the same as now apply on the lines of the Grand Trunk Company in the provinces of Ontario and Quebec, except in so far and to such extent as the said railway company may be able to establish higher cost of operation on such lines west of Fort William; and the said schedule shall be subject to the authority and control of the said Board of Railway Commissioners, to be revised and adjusted by them in accordance with the foregoing provision.'

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

Mr. OLIVER: In offering to the House this amendment, I desire to draw attention to the difference in the conditions surrounding the enterprise that it is proposed to aid by the Bill before the House and the conditions surrounding the enterprise aided by the Bill passed immediately before. The aid agreed to in the earlier part of this afternoon was a gift of $15,000,000. The aid proposed to be given by means of the Bill now under consideration is a loan of $15,000,000, a loan which is acknowledged by the debentures of the company receiving the money, guaranteed by another railway company, and, as I read the Act, giving the Government all the authority to recover that is possessed by any creditor against any railway company. While the greater assistance is given to the company that was the subject of the Bill of this afternoon, I wish to point out that, according to my judgment, the conditions surrounding the enterprises render that enterprise which is under consideration by the Bill now before the House entitled to greater and not less consideration at the hands of Parliament. In doing so I do not wish to say anything derogatory to the enterprise already aided and neither do I wish to say anything that will unduly or unwarrantably excuse the enterprise that we are now considering for any part of its failure to meet expecta- drew attention at considerable length, and

My hon. friend the Minister of Finance drew attention at considerable length, and no doubt with great accuracy, to the enormous cost that has been incurred in respect of this enterprise of the Grand Trunk Pacific. I am not proposing to find any fault with his figures, but I wish for a moment to draw attention to some of the conditions surrouding that enterprise which it appears to me justify to a greater degree the expenditure of the public money that has been expended on it than those public moneys that have been already spent on the enterprise under consideration this afternoon. I desire to speak particularly of that part of the Grand Trunk Pacific enterprise which opens up new country. From Edmonton westward to the Pacific coast, the distance is something over eight hundred miles. For every foot of that distance, excepting such radius as naturally would be tributary to the city of Edmonton, that is a distance of thirty or forty miles, every foot of that eight hundred miles traversed by the Grand Trunk Pacific is through absolutely new country, a country that was absolutely unoccupied until the construction of that railroad was begun. The building of that railroad has added to the effective territory of Canada an area, served by the Grand Trunk Pacific and its branch lines between Edmonton and Prince Rupert, as a home of population and as a field for the production of wealth, absolutely as great as the area of the United Kingdom. What the actual ultimate value of the territory will be, no one can tell, but that it is and will be of stupendous value there is no question. Every shovelful of earth, every ton of rock that has been moved, has been taken out under conditions absolutely created by and at the cost of the Grand Trunk Pacific Railway Company. It has been not only a pioneer enterprise, but absolutely a creative enterprise, and while it is to be regretted that the cost is as great as it is, my view of the cost is that, so far as the money contributed by the Dominion of Canada is concerned, Canada is expending that money, not for the building of eight hundred miles of railroad, but for the creation of eight hundred miles of territory, and in doing so, let the figures be as high as the Minister of Finance has placed them, still there is substantial merit in the enterprise and the Dominion of Canada has gained and not lost by its being carried forward.

From Quebec to Winnipeg, a distance of fourteen hundred miles, or, we will say, something over twelve hundred miles, the conditions are absolutely simliar to those on the Grand Trunk Pacific from Edmonton to

Prince Rupert, for twelve hundred miles traversing an absolutely unoccupied country, hundreds of miles distant, for a large part of the distance, from the nearest productive occupation or settlement. The value of the Transcontinental, between Winnipeg and Quebec, has not only been the building of a railroad; it has been the creation of a country, and as such it stands in an entirely different position, so far as value to Canada is concerned, from the enterprise that we aided by this legislation this afternoon.

Not only so, but by reason of the route that has been taken, Winnipeg, the converging point of the traffic of the wheat fields, has been brought nearly two hundred miles nearer to ocean navigation than it was before. From every side, the enterprise that is now under consideration is valuable not for its mere existence, but for that which it has created. If I may make a comparison, the Canadian Northern Railway Company has done magnificient pioneer creative work in the prairie West, but the work which it has now in hand, and for which it is being aided by Parliament, is essentially not creative work. It is work which is necessary to the well-being of the system already established. It is desirable from a national point of view, as giving transcontinental railway competition, but it is as a competitor for railway traffic that it is valuable, and not in a creative capacity, as is the enterprise now under consideration. And yet, in dealing with these two enterprises, neither of them completed, and both of them requiring assistance, this Parliament gives to the one of lesser merit a gift of $15,000,000, and to the other a loan absolutely secured.

I have moved, Mr. Speaker, to attach a certain condition to the loan that is now under consideration. I do so with full regard to the aid that the construction of the Grand Trunk Pacific is to the development of the Dominion of Canada. But towards that enterprise the Dominion of Canada has contributed liberally, and when we are considering the question of further aid, I maintain, as I did on the former occasion, that that is the time to consider a readjustment of conditions which will secure for our people a maximum of benefit in consideration of the advantage given.

I have heard the right hon. the Premier say and repeat that the amendment I have the honour to offer is not necessary, and not valuable; and I understood him to say that it would not be effective even if it were carried. I wish to contend that the view which he expressed in regard to the authority of the Railway Commission, as set forth in the Railway Act, is not warranted by the facts, as we know them. I do not know what interpretation he may be pleased to place upon the terms of the Railway Act. I am not in a position to say with authority how the terms of that Act should be interpreted, but I am in a position to say that the object that I have in view in moving this amendment has not yet been attained under the Railway Act, as it stands, and I am anxious that it should be attained. There is no mandate in the Railway Act requiring the Board of Railway Commissioners to equalize rates between eastern and western Canada. No such provision can be found in that Act. I will admit that the Railway Cimmission has power to equalize those rates, just as the members of this Parliament have power to vote to themselves $10,000 as a sessional indemnity. But because they have the power to do that, it does not follow that they are going to do so, or that it would be right if they did so. The Railway Commission has the power under the Railway Act to do many things, but the Railway Commission is governed by conditions and principles that are expressed in the Railway Act, and I assert that the Prime Minister has no right to say that the country is entitled to receive at the hands of the Railway Commission that which I ask this Parliament to instruct the Railway Commission to give under the authority they have. The Railway Commission had power to reduce express rates in the West to the same level as express rates in the East. The Railway Commission took cognizance of the facts both East and West. They delivered a decision which, I am bound to think, was in accordance with their best judgment, and they decided not to reduce western express rates to the level of eastern express rates. Does my right hon. friend say that the Railway Commission did wrong when they rendered that decision? He will not say so. Then if they did right, when they rendered that decision, I ask him on what ground does he assert that there is no purpose in the amendment that I have placed before the House.

I contend that the fact that this Parliament is giving to the Grand Trunk Pacific and the Canadian Northern the aid that has been given out of the public treasury entitles the country to a return upon that payment in rates which shall be equal in western Canada to those in eastern Canada having regard to the extra cost of operation if such exists. That is what the amendment asserts, that is what the people of western Canada are entitled to, and it is a necessity to the well-being and development of this country. When the country is even loaning the Grand Trunk Pacific $15,000,000, is the time to make a specific arrangement with them whereby the de-

mand that has been voiced all over the prairie country during the past several years shall secure the result desired. I am not speaking alone here; I have the demand of the Winnipeg Board of Trade. If the right hon. gentleman thinks I do not know what I am talking about or that I am talking only for political effect, I would refer him to the Winnipeg Board of Trade, a body of gentlemen, who, I think, it may fairly be presumed, do know what they are talking about and certainly are not talking for political effect. If I wanted further authority for moving the amendment I might refer my right hon. friend to the precedent of the Government of Canada in dealing with the Crowsnest Pass railway in 1898, and the Government of Manitoba in dealing with the Canadian Northern Railway Company in 1901. We have a condition existing to-day in the West that calls for a remedy and the fact that we in Parliament are agreeing to provide this money warrants us in securing that remedy. I move the amendment believing it is my duty and the duty of every member of this House to take this opportunity to provide that remedy.

Mr. BORDEN: My hon. friend from Edmonton (Mr. Oliver) has repeated at considerable length and in somewhat extended form observations to the same effect that we have heard from him on three or four occasions. I do not desire to be understood as suggesting that the hon. gentleman does not know what he is talking about, nor do I wish to be understood as casting any reflection upon him by reason of the arguments which he has put forward. I have already pointed out some of the reasons why I do not think it is desirable that an amendment of this character should be accepted by the committee or by the House. Some of the observations that I made last evening to which he took exception are very much borne out by the amendment which he has offered just now and to which apparently he has not given very much consideration. I would like to know from him, before I begin to consider his amendment, what are the lines of the Grand Trunk Pacific in Ontario and Quebec to which he alludes in this resolution. I am not aware that that company operates any lines in Ontario and Quebec. Perhaps he would be good enough to explain so that I will understand his point.

Mr. OLIVER: Perhaps the right hon. gentleman does not hold in his hand the motion I made.

Mr. BORDEN: I hold the one that Mr. Speaker has handed down to me as the one that the hon. gentleman moved. I will read it to him. It is marked in his own handwriting with his name, and it is the motion which he has proposed, as I understand it.

Mr. OLIVER: There is an error some where.

Mr. BORDEN: There is obviously an error, but it would have been well for the hon. gentleman to have considered well this resolution before he proposed it. This is the resolution which he seriously asks this House to accept:

That the granting of such subsidies and the receipt thereof by the company, shall be subject to the condition that the said company shall, within two months from the date of the passing of this Act, submit to the Board of Railway Commissioners for Canada, a schedule of traffic upon the lines of the said company now or hereafter to be constructed west of Fort William, which shall be the same as now apply on the lines of the said company in the provinces of Ontario and Quebec, except in so far and to such extent as the said railway company may be able to establish higher cost of operation on such lines west of Fort William, and the said schedule shall be subject to the authority and control of the said Board of Railway Commissioners.

Therefore the hon. gentleman has taken up half an hour of the time of the House in asking us to apply to the line of the Grand Trunk Pacific Railway Company west of Fort William the same rates as those which apply to its lines in Ontario and Quebec, when a moment's reflection should have convinced him, as every hon. gentleman in the House knows, that the Grand Trunk Pacific Railway Company is operating no lines in Ontario and Quebec. Before taking up that amount of time at this stage of the session, the hon. gentleman might have taken the trouble to read his resolution or to understand it. I do not know that any meaning at all can be attached to the resolution. If there are any lines of the resolution. If there are any lines of the Grand Trunk Pacific Railway Company being operated in Ontario or Quebec, I am not aware of them. If there are no such lines being operated in Ontario or Quebec, then the hon. gentleman's resolution is absolutely meaningless, and the time of the House has been unnecessarily sacrificed by the remarks which he has seen fit to deliver.

Mr. OLIVER: Might I ask if the right hon. the Premier rests his objections to my remarks, and to the tenor of the resolution on the wording which he has mentioned?

Mr. BORDEN: I made all necessary observations with regard to the matter before. I do not see fit to occupy the time of the House in repeating them.

Amendment negatived on division.

Motion (Mr. Cochrane) agreed to, and Bill read the third time, and passed.

APPOINTMENT OF COMMITTEE REPORTER.

Mr. SPEAKER: I have the honour to inform the House that I have directed the Clerk of the House to lay upon the table the recommendation and other papers respecting the appointment of Herbert Thomas Owen, as reporter on the committee section of the staff.

TIMISKAMING AND NORTHERN ONTARIO RAILWAY SUBSIDIES.

On motion of Hon. Frank Cochrane (Minister of Railways and Canals), Bill No. 247, to authorize the granting of Subsidies to the Government of the province of Ontario in aid of the construction of the Timiskaming and Northern Ontario railway, was read the second time, and House went into Committee thereon. (Mr. Blain in the Chair.)

On section 2—subsidies to Government of Ontario for construction of railways:

Mr. GRAHAM: I think this should be stated in the usual terms. I suppose it would amount to the same thing, but it might not. Why not use the terms of the Subsidies Act?

Mr. COCHRANE: It is already built, and cost over $49,000 per mile.

Mr. GRAHAM: What I say is that the result will no doubt be the same; but it will be a precedent for some other Bill that might not be the same.

Mr. COCHRANE: It was the law clerk of the department who drafted it. But he got no special instructions, and I cannot tell why he put it that way.

Mr. GRAHAM: I suppose it is because, as my hon. friend says, it will be the same thing anyway.

Mr. MACDONALD: The proposition contained in this Bill is one that ought not to be voted in this committee or ratified by Parliament. The object of granting railway subsidies is to induce the construction of railways in sections which have not already the advantage of railway communication. Where you have railways constructed and railway communication established, whether by a company or by a province, it is absurd and ridiculous, and it is unprecedented, to ask this Parliament to go on and—

Mr. COCHRANE: It has already been established.

Mr. MACDONALD: That is exactly what I am pointing out—that it has already been established.

Mr. COCHRANE: No, what I mean is that the precedent has been established.

Mr. MACDONALD: In what case?

Mr. COCHRANE: I will give it later on; I have not it at hand at the moment.

Mr. MACDONALD: This Bill is presented to Parliament under the name of a Bill 'in aid of the construction of the Timiskaming and Northern Ontario Railway.' What is really proposed is a subsidy and bonus to the province of Ontario,—neither more nor less. It is absurd for the minister to come to this committee and ask it to vote a 'railway subsidy' under these conditions. Why does not he come down boldly, and why does not the Government come down boldly with the proposition to grant so much additional money to the province of Ontario. This railway was constructed as a public work within the province. Under the terms of Confederation, the provincial authorities are given the exclusive right to provide for the construction of public works within the province. If this Government of Ontario is entitled to come and ask the federal Government to give this large sum of money, $2,000,000, because they happen to construct a public work within the province, then every provincial Government in the Dominion of Canada that has at any time since Confederation constructed a public work within the province, has an equal right to come to this Government and, under the precedent which it is here proposed to establish, ask the Dominion of Canada to give them the money. Why does the minister introduce this Bill under the title 'To authorize the granting of subsidies to the Government of the province of Ontario in aid of the construction of the Timiskaming and Northern Ontario railway'? Why does he want to bring in a Bill under false pretences?

Mr. SHARPE (North Ontario): Order.

Some hon. MEMBERS: Oh, oh.

Mr. MACDONALD: What is the matter with my hon. friend from North Ontario?

Mr. COCHRANE: I do not think I am bringing in the measure under false pretences.

Mr. MACDONALD: I may say that the statement in the title is absolutely untrue. This is not a proposition to grant aid to the construction of the Timiskaming and Northern Ontario Railway. That railway is already constructed. What sense is there in proposing a measure to grant aid to the construction of a road that is already consummated? When the hon. gentleman comes here with a measure with a false title, there is only one thing to do, for us who use the English language, and that is to use the word which accurately applies to the state of affairs.

Mr. COCHRANE: If it does you any good, go on.

Mr. MACDONALD: The hon. gentleman cannot object to the truth even though it may be distasteful. The hon. gentleman is here with a Bill to grant a subsidy in aid of the construction of the Timiskaming and Northern Ontario Railway. What is that railway? It is a railway that was constructed by the Government of the province of Ontario some years ago, running up to a town bearing the same name as the Minister of Railways—called after him. That road has been in operation for years, providing the facilities and affording all the advantages of railway communication to the people who live along that line. To say that this is granting aid to the construction of a railway is not a mere misnomer, it is to say what is untrue. What encouragement do we need to give to the construction of a project that has already been brought to fruition? The title of this Bill should be 'An Act to provide for giving to the province of Ontario a gift of $2,000,000.' My hon. friend is not fair in regard to this disposition of money. In my province, the hon. member for Guysboro (Mr. Sinclair) and others come and ask the minister to take charge, in the furtherance of the operation of the Government railway which he controls, of the construction of a railway into a part of the country which is now without railway communication. And when this is asked of him the hon. gentleman says: Before I will even look at the project, somebody must come and satisfy me, not only that I am going to get interest on the money—

Mr. COCHRANE: I take exception to that. I never said anything of the kind. I said I wanted to have some assurance that there was business enough to pay running expenses. I did not want any interest.

Mr. MACDONALD: What kind of assurance?

Mr. COCHRANE: I have not been able to get any kind.

Mr. MACDONALD: From whom?

Mr. COCHRANE: From anybody.

Mr. MACDONALD: The hon. gentleman is laying down impossible conditions. What is the good of the minister saying that he will engage in the construction of a public work if he is given assurance from somebody whom he does not name, of facts which he does not declare. Who can give him such assurance? Is there anyone in Parliament or out of it who can give him assurance such as he asks that will be of any value or furnish any basis for the carrying out of the project submitted? My hon. friend will give $2,000,000 as a gift to the Provincial Government with which he was formerly connected, under the pretext that it is to aid in the construction of railways, but he will not find or spend five cents in the province of Nova Scotia to give railway communication to portions of the country that have not it now, and cannot get it except through him.

Mr. COCHRANE: That is another statement that cannot bear the light of day, because we are building a road there now.

Mr. MACDONALD: Where?

Mr. COCHRANE: From Dartmouth to Dean.

Mr. MACDONALD: In the constituency of the Prime Minister, and for the purpose of carrying out the declaration he made to his constituents. But you are absolutely declining to give another part of the province which has no railway communication—because the effect of asking for assurance which you know cannot be given is equivalent to a refusal, the facilities which you alone can afford. The hon. gentleman is discriminating against Nova Scotia, and is making the gift of $2,000,000 to his own province under the pretext that it is to assist in railway construction, when as a matter of fact, the road is already constructed and the people have the benefit of the railway in operation. This is not a subsidy in aid of the construction of a railway, but it is an absolute gift without justification and without any reason whatever. And while they do this, this Government absolutely ignore and refuse to consider favourably the demands made in most reasonable fashion by people who live in a portion of the Dominion without railway facilities. They are unwilling to deal with the problem in any way. Not only that, but they absolutely reverse the policy of previous governments which had voted the money and agreed to construct that railway. I say the proposition contained in this measure is one contrary to every principle of fair play and justice. I have asked the minister and this Government in regard to railway construction in my province, and they would not go on and carry out their manifest duty to give to that province the railway communication that is necessary, nor would they give the transportation companies of this country, whom we are aiding here to-day to the extent of $30,000,000, an opportunity to go into our province so that the people of our province could go to them and ask them to do what this Government will not do. They will do neither one thing nor the other; they will not give the money and they will not permit the transportation company to come into our province. Yet my hon. friend asks this Parliament to vote $2,000,000 not in aid of railway con-

struction, by means of a Bill the title of which is absolutely untrue and misleading, asks this Parliament, I say, to vote a subsidy to the province from which he happens to come, as a gift to the Government with which he was lately associated. The proposition is an unheard of one, and is absolutely unjustifiable and unfair to the other portions of the Dominion of Canada which are lacking in railway communication. Hon. gentlemen occupying the treasury benches last night extolled the advantages of railway transportation to those parts of Canada which did not have it. People were coming into that country, they said, in hundreds of thousands every year, and the duty was laid upon us to give to these people an opportunity of doing business and having proper railway communication. That was the ground they took last night to vote $15,000,000, but when we come to this Parliament on behalf of a portion of this country which has not proper railway facilities and ask hon. gentlemen not merely to vote a sum of money but to retain in the estimates a vote which would have satisfied the demands of the people, they not only ignore our representations but strike the vote out of the estimates. I suppose my right hon. friend the Prime Minister will go to the province of Nova Scotia and proclaim to the people the wonderful performances of his Government; yet his Government ignore the demands made by this portion of the Dominion, the people of which are compelled by the force of circumstances to rely upon the Government for proper railway communication, and they vote $2,000,000 under the pretence of aiding a railway, but really for the purpose of aiding Sir James Whitney to add $2,000,000 to the funds in his treasury.

Mr. CARVELL: Is the minister in a position to give the committee a statement as to the financial results of the operation of the Timiskaming railway during the last year?

Mr. COCHRANE: The total amount of revenue and receipts was $1,707,450.07; operating expenses, $1,394,697.69, making a surplus of revenue over operating expenses of $322,752.38. But there is fixed charge of interest on bonds for the construction of the road amounting to $746,000, leaving a deficit of $423,247.

Mr. BELAND: How many years has the road been in operation?

Mr. COCHRANE: The first sod was turned in 1902, during the election.

Mr. CARVELL: Is it true that the Grand Trunk Pacific Railway Company made an agreement with the Government of Ontario by which it obtained running rights over the Timiskaming and Northern Ontario railway?

Mr. COCHRANE: Yes.

Mr. CARVELL: Will that not bring a revenue to the road in future that it has not enjoyed in the past?

Mr. COCHRANE: I have not before me the particulars of the agreement to which my hon. friend refers, but if my memory serves me right the added revenue will not be sufficient to make up the deficit. We cannot expect as large a business over that railway as there has been in the past, because what helped it out at first to a very great extent was the boom in Cobalt and Porcupine. This resulted in a great deal of passenger traffic which we cannot now expect, as Cobalt and Porcupine have now settled down into mining camps.

Mr. CARVELL: What revenue will the railway receive through the operation of the Grand Trunk Pacific?

Mr. COCHRANE: I think about $300,000.

Mr. CARVELL: On the basis of the business that was done last year, that will practically even up the interest and running expenses.

Mr. COCHRANE: There will still be a deficit of about $124,000. We are not coming here under any false pretences, and I must throw that charge back at the hon. gentleman. Sir George Ross, now leader of the Opposition in the Senate, when he started this road made an application for a subsidy during the regime of our predecessors in office. When Sir James Whitney came into office he also made an application for a subsidy, and I introduced the same resolution last year as I am introducing this year. The Senate in its wisdom thought it was not right, and threw the Bill out, but they did not hesitate to sanction the subsidy which was granted to the Canadian Northern railway in British Columbia at $12,000 a mile, three times as much as the amount proposed to be given to the Ontario company. This road was started as a colonization road. It opened up a large clay belt in that part of the country, extending into the province of Quebec. The Liberal Government of the province of Quebec has given an extremely large subsidy to the road, encouraging the opening up of the clay belt north of Montreal. I believe it is a good policy on the part of any government to subsidize any province that will have sufficient stamina to develop its own resources as Ontario is doing and has done, and I think it is right and proper that this Parliament should help out any province that will do the same thing. I may say to the hon. member for Pictou that I shall be glad, as long as I am Minister of Railways, any

time that the Nova Scotia Government wants to build a railroad in any portion of their province, to recommend a subsidy equal to this one. When the matter of the railway in Nova Scotia of which my hon. friend has spoken was discussed in the House on a previous occasion, I said to the hon. member for Guysborough that this year I would send a traffic expert through that country to find out whether the Government is justified in making any expenditure there.

Mr. MACDONALD: Why did the minister proceed with the construction of the railway to Dean Settlement? He had no such assurance as he asked for in the other case.

Mr. COCHRANE: I found the contract let there; if the contract had not been let as it was, I would not have interfered with it. The contract was let from Country Harbour to Guysborough, and no provision was made for connection with the main line. I feel very strongly with regard to this matter, because I do not think that the remarks of hon. gentlemen have been fair. We are not here for the purpose of making any misrepresentations, and the province of Ontario does not seek to make any misrepresentations. I claim that this road was a great help in the construction of the Transcontinental; they were enabled to get their supplies through an almost impassable country; it would have cost ten times as much otherwise. The construction of this line was a great benefit to the province of Ontario, and when I was a minister in the provincial Cabinet I helped them out all I could because I knew that the railway was in the interests of Ontario and in the interests of the country generally.

Mr. GRAHAM: I am delighted to hear my hon. friend the Minister of Railways eulogize the pluck with which the Government of Ontario carried out the construction of this road. Without desiring to be egotistic I am inclined to feel that I am entitled to much more credit than the hon. minister for the construction of that road.

Mr. COCHRANE: You were a member of the House at the time; I was not.

Mr. GRAHAM: I was supporting the Government and we got no support from my hon. friend's friend, we were laughed at for our temerity and it was called a political project.

Mr. COCHRANE: I think that Sir James Whitney made the statement that, if the Government of which my hon. friend was a member did not build the road, he would.

Mr. GRAHAM: I was in the House, I know what took place. It went so far as the representative of Ottawa moving a resolution to wait until we had further investigations, as my hon. friend is waiting in the case of the railroad from Country Harbour. But that is a matter of history and my hon. friend is convinced that the building of the road was a sign of courage and statesmanship. I might say that I am glad to have him with me in that respect. This road was built, as he says, as a colonization road, and the building of the road discovered to the world perhaps the richest area of silver deposit in the world, to say nothing of the deposits of other material. I would point out the fallacy of the hon. gentleman's argument in reference to this Country Harbour road. As his predecessor I did let two contracts, one for the road from Dartmouth and the other from Country Harbour; but the fact that the contract was not let for the entire distance to the Intercolonial railway does not form a fair excuse for not continuing the contract. A contract was let for a portion of the road and the balance would have been let a little later, perhaps after some further surveys.

Mr. COCHRANE: Would the hon. member let me know where he intended to build from, because I believe the hon. member would have built where he had the best information?

Mr. GRAHAM: We had let a contract for a portion. Then there was a question as to the distance, which we would have had to decide in a few months, but the road would have been under construction by this time, without doubt.

Mr. WHITE (Minister of Finance): The hon. member for South Renfrew has paid himself a compliment, and let us consider it a well-deserved compliment, for the pluck which he says he and his colleagues exhibited in projecting this road. I am going to ask him, as an influential member of this House from Ontario, whether he is going to show a like degree of pluck in dealing with this question, in so far as Ontario is concerned, in giving to Ontario this subsidy to which that province is justly entitled?

Mr. MACDONALD: It is not a subsidy; it is a grant.

Mr. WHITE: I take exception to what my hon. friend says, but I shall deal with his arguments in a moment. This is a subsidy to the Ontario Government in respect of building two hundred and fifty-nine miles of the Timiskaming and Northern Ontario railway.

Mr. MACDONALD: Not to assist in its building at all.

Mr. WHITE: If ever a subsidy was deserved in respect of the building of a line, it is in this case of the Timiskaming and Northern Ontario railway, if

regard be had either to the enterprising spirit which prompted the construction of the road or to the results which have flowed from its building; results that are not only provincial in character, but national. This House is no doubt aware that this road has opened up one of the richest mineral areas in the world. I think that Cobalt produces one-sixth of the world's supply of silver. Then, in addition to Cobalt, we have Porcupine, and in that northern section we have a wonderful clay belt capable of vast development under colonization. A great part of Ontario, some say the greatest part of Ontario, is at the north. If the Canadian Pacific railway or the Canadian Northern railway had built this line instead of the Government of Ontario, we would not have had the hon. member for Pictou on his feet to-night criticising the giving of a subsidy.

Mr. MACDONALD: Let me tell my hon. friend that subsidies are given in order to induce the construction of railways: I would oppose giving to any company an amount of money after the public got the accommodation which was furnished by the railway.

Mr. WHITE: I do not see why, if an injustice was done on the inception of this enterprise, we should not remedy it now that we have the power to remedy it.

Mr. MACDONALD: That is not an answer.

Mr. WHITE: I think it is an absolute and entire answer, and I think the people of Ontario will regard it as an answer to the hon. member for Pictou. When the hon. member for Pictou makes the criticism he does to-night, he does not appreciate the condition of public opinion of Ontario in regard to this matter.

Mr. MACDONALD: Why do you not call the Bill by the right name?

Mr. WHITE: The people feel that the action of the Senate in throwing out this measure last year was wholly unjustifiable, that the Government of Ontario is abundantly justified in making application for this subsidy, and that this parliament will only be doing an act of clear justice in granting it. Let us take some other cases by way of analogy. The Minister of Railways has pointed out that a line has been projected from Montreal north to meet the eastern division of the Transcontinental railway, and parliament gave $6,400 a mile last year to that line, a precisely parallel case, opening up a new territory; and under the administration of the right hon. leader of the Opposition, at a time when I believe the hon. member for Pictou was a member of the House, was not a subsidy granted to the Canadian Northern railway in respect of a line from Toronto north to Sudbury? The whole principle of granting subsidies has been in connection with lines opening up territory such as this is opening up. My hon. friend talks about the title of this Bill being a matter of false pretences. We all know that the road is built and that this subsidy should have been granted years ago but Parliament, when my right hon. friend was leader of the Government, did not see fit to grant this aid. It makes no difference that the province of Ontario built the line, if it is proper to grant a subsidy from the Dominion treasury in respect of the building of a line into new territory, the opening up of which will benefit not only the province but the whole Dominion, it makes no difference whether a railway company or a province builds the lines, they are equally entitled to a subsidy and I say it is an invidious distinction and an absolutely unjust criticism to make of this legislation that the province of Ontario happens to be putting forward the claim. If a railway company had put forward this claim no question would have been raised about it by any hon. member opposite. But because the public money of Ontario has been spent, and because it has been a public enterprise of Ontario, the province of Ontario is to be discriminated against, a discrimination that would not exist if the line had been built by a private railway promoter, the Grand Trunk Pacific or the Grand Trunk or the Canadian Pacific railway or the Canadian Northern railway. If one of these had built it, not a word would have come from hon. gentlemen opposite. I repeat that it is a mere act of justice to the great province of Ontario that this line, built from public money as a great public enterprise to open up a great territory, the opening up of which has inured to the benefit of the province and of the whole Dominion, should be granted this aid.

Sir WILFRID LAURIER: I submit to the House, and I invite serious attention to what I am about to say, that my hon. friend who has just addressed the House (Mr. White, Minister of Finance), has not at all placed this matter upon the basis on which it should rest. I grant at once to my hon. friend that if this railway had been built by a private company, and that company had come here, it would have received assistance; but I claim that a distinction is to be made between the treatment to be given to a company and the treatment to be given to a provincial government. What is the reason for this? The reason is that if you do what we are now asked to do, you do exactly what my hon. friend has complained about—you discriminate against the other provinces. We give

subsidies to the provinces already. The province of Ontario this year, last year and next year, will have received from the federal treasury something like two and a half million dollars, one dollar a head of its population. Every year the province of Ontario receives that subsidy. In this the province of Ontario is not alone; all the other provinces receive equal subsidies in proportion to their population. The Act provides that a part of the revenue which is collected by the Dominion treasury shall be apportioned among the provinces, according to the population. Some of the provinces employ the money in erecting public buildings, others in constructing railways. But, Sir, if one province employs it in constructing railways, why should there be given to that province any advantage from the Dominion treasury? It is quite within the right of a province to employ the subsidy it receives as it pleases, but it will be obvious to everybody that if, in addition to the subsidy which you give to the province of Ontario or to the province of Quebec or to any other province, you give further aid from the Dominion treasury, you discriminate against the other provinces. The province of Ontario is a wealthy province. It thought well to go into railway construction. We have no fault to find with that; it employed its own money. But there are provinces which are not so well situated as the province of Ontario, and which cannot undertake the construction of railways. Therefore these provinces will not do so, and if you give a subsidy to the province of Ontario, they have a right to complain that they have been discriminated against. It seems to me that if you open this door to-day and give out of the Dominion treasury a subsidy to the province of Ontario for railway construction, you encourage the other provinces perhaps to become extravagant, to spend more than they should, and then to come to the Dominion treasury. Railway construction should be the work of the Dominion; but if the provinces choose to undertake it, well and good; I have nothing more to say. I observe that this year again my right hon. friend says there is a precedent for this, because the province of Quebec in 1884 constructed a branch line which is now part of the Canadian Pacific railway from Quebec to Ottawa. The province of Quebec had gone into railway construction, and it had undertaken more than it could carry. The line had to be disposed of, and it was sold to the Canadian Pacific company at a certain figure. Then the Quebec Government came to this Government to be recouped, but upon what ground? Upon the national ground that it had built a railway which was part of a transcontinental railway, a Dominion railway. But, even so, at that time, under the guidance of Mr. Blake, who was then leader of the Opposition, we took the ground that it was not fair to give that grant to the province of Quebec, unless a similar advantage was given to the other provinces? Was that not right? Was that not absolutely fair? If you are going to give money out of the Dominion treasury to one province—I do not care for what object it may be, whether for railway construction, or for anything else—it is an injustice to the other provinces. You must give them an equal advantage, and, unless you do that, you will always invite criticism, and legitimate criticism. That is the reason why the late administration did not think it advisable to give any subsidy for railway construction to any province. The province of Ontario applied to us, but we did not think it advisable to grant a subsidy. We received a similar demand from the province of British Columbia, and we did not think it advisable to give a subsidy to that province. In our judgment, the provinces should be content with the subsidies we pay them every year under the disposition of the British North America Act. The Dominion Government should not do more than what is provided by the terms of that Act. It may be that at the present time we can do so because we have an ample revenue. But the revenue is not always ample, and, as surely at the sun will rise tomorrow, we shall create a precedent which must recoil upon the Dominion Government at some time or other. That is the criticism which I have to make of the present gift to the province of Ontario. If the province of Ontario were coming to us in the stress of hard times or of difficulties in finance, perhaps we might have looked at the matter from a different point of view. But the province of Ontario is in a good financial condition, and therefore there is no possible excuse for its application.

There is something more. If the view which I have presented does not appeal to the majority, there is another point which will perhaps appeal to them. If the province of Ontario, or the province of Quebec, or any other province, chooses to go into railway construction and to build a railway of its own, it is within its rights; I have nothing to say provided it does not come to us for a subsidy. But if it comes here for a subsidy, the least we can expect from it is that it will accept the conditions which are imposed upon a company. If a company were to come here and ask for this federal assistance, we would say: Well and good, but you have a provincial charter, and so

you cannot get this federal bounty unless you accept the law of the Dominion, and make your railway subject to the laws of the Dominion. Is that not perfectly fair and right? If the great province of Ontario asks for a subsidy for a railway out of the federal treasury, it should agree to make that railway subject to the laws of the Dominion, and its tolls subject to the control of the Railway Commission. The matter came up last year, and at that time my right hon. friend objected to that argument, because he said there was already provision in the Railway Act which guaranteed the jurisdiction of the Dominion in respect to the tolls upon a railway of that kind. He referred to section 8 of the Railway Act, which says:

> Every railway, steam or electric street railway or tramway, the construction or operation of which is authorized by special Act of the legislature of any province, and which connects with or crosses or may hereafter connect with or cross any railway within the legislative authority of the Parliament of Canada, shall, although not declared by Parliament to be a work for the general advantage of Canada, be subject to the provisions of this Act relating to—
>
> (a) the connection or crossing of one railway or tramway with or by another, so far as concerns the aforesaid connection or crossing;
>
> (b) the through traffic upon a railway or tramway and all matters appertaining thereto;
>
> (c) criminal matters, including offences and penalties; and,
>
> (d) navigable waters:
>
> Provided that, in the case of railways owned by any provincial government, the provisions of this Act with respect to through traffic shall not apply without the consent of such government.

This provision of the Railway Act shall not apply to the tariff of this railway except with the consent of the Ontario Government. That is the present law; that is the condition of things to-day. So far as through traffic is concerned, our law cannot apply to the Timiskaming and Northern Ontario railway except with the consent of the Ontario Government. So far, so good. If the conditions remain as they are, the Government of Ontario must give its consent before this law applies. But, Sir, when the Government of Ontario itself comes here and asks for federal assistance, for what is sometimes asked for by a company, is it not right and just that the same conditions which apply to a company should also apply to that Government? The only argument which has been urged in favour of this subsidy is that if it were asked for by a company we would give it. Undoubtedly we would; but this is not a company; it is the Government of Ontario, which is acting precisely as a company would act; and therefore the Government of Ontario should consent or be forced to accept the conditions which we would impose upon any company. So my criticism of this measure is that it is not in the proper spirit of the British North America Act, and that if the subsidy be granted, it should be granted under the usual condition that the laws of the Dominion shall apply to this railway.

Mr. DONALD SUTHERLAND (South Oxford). I wish to offer a few observations in regard to the Bill now before the committee. It is quite evident that a serious offence has been committed by the province of Ontario, in the eyes of some hon. gentlemen opposite who have spoken on this Bill, in undertaking to build a railway and then to operate it. The hon. member for South Renfrew (Mr. Graham) has stated that when this road was about to be constructed the proposition was received very coolly by the Opposition in the legislature of Ontario. He endeavours to make it appear that very little assistance was rendered by the Opposition at that time. I happened to be in the legislature then and I have a distinct recollection of what took place there. I have something to say in regard to the applications that were made at that time, and at later dates for the usual subsidy that is granted by the federal Government for the construction of railways. The attitude of the then Opposition in the legislature was that they did not have sufficient information in regard to the route that it was proposed to follow when the road was first undertaken. I believe that the hon. member for South Renfrew referred to the representative from Ottawa as taking that stand and urging upon the Government the necessity of obtaining further information. As a matter of fact, during the past two or three years, the commission having this road in charge have been endeavouring to overcome one of the chief obstacles to the carrying of heavy traffic over the road. Thirty-five miles north of North Bay there is a very high elevation and I believe that the grade on this thirty-five miles is between six hundred and fifty and seven hundred feet. New surveys have been made and it is the intention of the commission immediately, not only to reconstruct that road, but to build a new road entirely to take the place of this thirty-five miles to which I have just referred where the elevation will be one hundred and thirty feet less. I have the estimates that have been made as to what will be the cost of this road, from which I will quote:

> The cost of this diversion between M. P. No. 2 and 35, $1,482,500. Cost of diversion between Dougherty and Temagami is estimated at $367,675, and cost of diversion between Johnston and Latchford is estimated at $220,000, with additional expenses between M. P. No. 40 and 112 for train filling of $192,935; a total expenditure of $2,263,110.

Which justifies the attitude of the Opposition at that time. But later on the Opposition urged upon the Government of that day that they should not only build this road, but operate it as well. That was the stand which the Opposition took and it was not a stand in opposition to the building of the road. I have here the record of a question which I placed upon the Order Paper in the Ontario legislature on February 3, 1904, and which is as follows:

Has the Government made application to the Government of Canada for the usual subsidy given towards the building of railways, to be applied towards the construction of the Timiskaming and Northern Ontario railway?

2. If so, what reply has been received?

3. If no application made, is it the intention of the Government to make application?

To which the Premier replied as follows:

The Government has applied to the Government of Canada for the usual railway subsidy for the Timiskaming and Northern Ontario railway, without receiving any definite answer.

They did not get even anything definite from them. Further on he says:

It is the intention of the Government to renew the application.

This was at the time when the Hon. George W. Ross was premier of Ontario. He did not receive any definite answer from the Government of Canada when he made application to them. Applications of that nature have been repeatedly made since that time. I was somewhat amused to hear the right hon. leader of the Opposition (Sir Wilfrid Laurier) state a few minutes ago that if Ontario was not a wealthy province, if it was in financial straights, or something to that effect, possibly assistance would have been rendered. We have heard so much about Ontario being a wealthy province and that they should contribute towards a generous expenditure in the other provinces and be denied similar treatment, forcing the province to do work that should be done by the federal parliament, but when we come here and ask that even-handed justice shall be meted out to Ontario we are taunted, as we were by the hon. member for Pictou (Mr. Macdonald) who threw out the insinuation—an insinuation which never should have been permitted in this House—that this Bill had been brought in under false pretences and an attempt made to deceive the House. The province of Ontario is not asking for favours from the other provinces or from the federal Government. We are simply asking that justice shall be done to that province and that no penalty shall be imposed on the province for undertaking to build and operate a railway. I know that is contrary to the policy of hon. gentlemen opposite. We know in years gone by when the proposition was made to extend the Intercolonial railway westward to the great lakes that it did not meet with their approval. Instead of that they duplicated the Intercolonial, they endeavoured by every means in their power to put that road out of business and to allow the company-controlled roads to put the Government-owned roads in such a position that they would not be popular in the country.

Just a word or two about another matter; that is, the attitude of the Opposition in the Ontario legislature in regard to the Bill that was put through this House last session. We know that it carried by a large majority and we know that it went to the Senate and was rejected by that body. We found that the matter was taken up in the legislature and from the votes and proceedings of the legislature we ascertain that a motion was made by the Opposition there. I am going to read part of the resolution and it is rather amusing. They even assumed that the Senate of Canada did not really understand the question and that the Government of Canada were to blame for not conveying the information to the Senate that this road was constructed. I will read part of the resolution:

And this House regrets that when the question of a subsidy for the said railway came before the Senate of Canada just closed, it does not appear to have been drawn to the attention of the Senate that a subsidy was applied for by the Government of this province when the construction of the said railway was undertaken and before the first section thereof had been completed and the matter appears to have been considered in the Senate simply on the basis of an application for a subsidy for a railway, the construction of which had already been completed and which was now being operated at a profit.

They even go so far as to say that it is being operated at a profit. Anyone who takes the trouble to look into the cost of the construction of the road will find that it is not being operated at a profit. This road has cost the province of Ontario upwards of $17,500,000 and we find that during the past year the expenses of operation have increased over $200,000, while the earnings have decreased by $70,000 compared with the previous year. Everything indicates that the expenses in connection with operation will increase. There will have to be somewhere in the neighbourhood of $2,000,000 expended in rebuilding the road, or in building the road from North Bay northwards for thirty-five miles. Extensions are being continually made. The province of Ontario has met the expense so far and all they ask is a simple matter of justice. I want it to be distinctly understood that it is justice only

that we are asking for and that the usual subsidy shall be paid to that province. The road will be extended further until eventually it reaches James bay and we will have in Ontario a road which will be a credit to the province and to Canada as a whole, and which will be one capable of being successfully operated. I rather resent the tone of the hon. member for Pictou in dealing with this question. I do not think it is becoming in any member of this House to assume the attitude that he assumed when referring to the manner in which this Bill was introduced. If he had taken the trouble to read the preamble, he would see that it was not misleading. It says:

Whereas the Government of the province of Ontario has constructed a line of railway known as the Timiskaming and Northern Ontario railway, from North Bay on the Canadian Pacific railway, and at a junction with the Toronto line, so called, of the Grand Trunk railway, to Cochrane on the Grand Trunk Pacific railway, and several branches thereof, and has them under operation; and whereas the line of railway from North Bay to Cochrane makes a through connection for the Transcontinental railway with Toronto, and also with Montreal and Quebec, and being, as such, a work of national and not merely provincial utility: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

I do not see anything ambiguous or misleading about that. It is perfectly clear what it is for. It is to remedy an injustice that has been done to the province for a great many years. I think it ought to pass this House without a dissenting voice, and we should at least recognize that any province which undertakes anything of that nature is deserving of encouragement and should not be penalized in this way.

Mr. EDWARD PROULX (Prescott): Does the hon. member object that the rates of this railway should be under the control of the Dominion Railway Board?

Mr. SUTHERLAND: I presume the hon. gentleman understands that this railway is owned and controlled by the Crown, and that consequently it could not very well be placed under the jurisdiction of that board.

Mr. PROULX: My hon. friend the Minister of Finance (Mr. White) said that the people of Ontario were very much disappointed at the action of the Senate last session in proposing an amendment which had the effect, as he says, of killing the Bill. It did not have the effect of killing the Bill, but it gave an excuse to the Government to drop the Bill. The Senate proposed to put the rates of this Railway under the control of the Dominion Railway Board. Last summer I was through some parts of northern Ontario traversed by this railway, and I met some people there who were not disappointed at the action of the Senate. They said they were discriminated against by the Timiskaming and Northern Ontario railway, and that the rates were too high. One man told me that he had paid $33 freight on a car of machinery from North bay to Englehardt, whereas the rate on the Grand Trunk railway from Hamilton to North Bay, which is about double the distance, is only $30. I approve the granting of this subsidy, but on the condition that the rates shall be put under the control of the Dominion Railway Board.

Mr. J. H. SINCLAIR (Guysborough): I would not have intervened in this debate had not the Minister of Railways drawn a distinction between the two projected lines of the Intercolonial railway in Nova Scotia, and endeavoured to justify himself and his department in refusing to build a road into the county of Guysborough, on some ground which he failed to make clear to the House. I submit that the cases of these two proposed branch lines are very similar. If any distinction can be drawn between them, the road running from Sunnybrae into the county of Guysborough was further forward than the road from Dartmouth to Dean's Settlement at the time of the defeat of the late Administration, in this way, that more money had been expended in carrying on the proposed extension from Sunnybrae to Guysborough.

Let me say shortly what has been done. At the time that this question was dealt with by the late Government, it was found necessary to have two branch lines, one starting at the town of Dartmouth and running through the valley of the Musquodoboit to Dean's Settlement, the other starting at the village of Sunnybrae and running to the port of County Harbour and the town of Guysborough. In order to build the railroad from the Intercolonial to the town of Guysborough, it became necessary to purchase the Sunnybrae branch, some twelve miles in length, belonging prior to that date to the Nova Scotia Steel and Coal Company. The late Government had surveyors in the field in both cases, at the date of the defeat of the late Government, there were surveyors at work on the Musquodoboit line and also on the Guysborough line. In the case of the Guysborough line they had made greater progress. They had gone as far as to purchase the line from Ferrona to Sunnybrae at a cost of $100,000. They had obtained title to that road to form part of the Guysborough branch. The survey was completed from Country Harbour to Guysborough. The survey of the western end of that line was

not altogether completed, and it was decided to let the contract in two sections. A contract was let for the section from Country Harbour to Guysborough, and the Sunnybrae branch was purchased. Therefore my hon. friend cannot justify himself in abandoning the Guysborough branch by saying that less progress had been made in regard to it than in regard to the branch in Halifax. I do not think my hon. friend is sincere when he says that, if the survey had been completed between Sunnybrae and Country Harbour, he would not have abandoned the construction of the Guysborough branch. It is clear to everyone who understands the matter that that was not the reason why he abandoned it. A million dollars was voted to build a road from Sunnybrae to Country Harbour and to the town of Guysborough. There was no question as to survey not being completed. The million dollars in the other case was voted to build a branch in the county of Halifax. There can be no distinction of that kind honestly drawn between them. In the discussion in the House, when authority was given to the late Government to build these branch lines, my right hon. friend the Prime Minister was in favour of building both of them. He did not at that time make any inquiry or ask any explanation from anyone as to what the traffic would be. No man knows better than the Prime Minister himself—and he is the man who must be held responsible for the action of the Government in this matter—that the traffic on the Guysborough branch is much more likely to be profitable than that on the Halifax branch. There is one reason that will suggest itself to the Prime Minister if he will look at the matter squarely, and it is this, that the branch which he is constructing in the county of Halifax runs into the forest and stops there; whereas the proposal in regard to the branch from Sunnybrae to Country Harbour is to bring a branch line to a great ocean port which would tap the great fishing industry of the Atlantic coast. There was a probability of shipping coal to Country Harbour from the coal mines of the county of Pictou. There is timber along the line. It strikes an ocean port where a fish traffic could be collected, whereas none of these things apply to the branch which he is constructing in the county of Halifax. My hon. friend the Minister of Railways is very fertile in finding excuses to justify himself in regard to his conduct in this matter. It is quite true that last year, when pressed with regard to this matter, he did make the statement that it would be necessary to show him that the branch would be profitable if it was to be built in the county of Guysborough. It is true also that he did not ask any such assurance in regard to the branch in the constituency of the Prime Minister. Why is that? Why is the Minister of Railways willing to embark on the construction of a branch in the constituency of my right hon. friend without getting assurance from any person that there is traffic enough to pay interest or even to pay running expenses, whereas in the other case he insists that some one shall give him assurance that if the road is constructed there will be what seems to him sufficient traffic. As was remarked by the hon. member for Pictou, who is to give this assurance to the minister. The minister is the man to find out. He informed us last year that he would make an investigation during the summer and that he would be prepared at this session of Parliament to give some definite statement in regard to the matter. When Parliament met and he was questioned on the subject, what was his reply? He said he had consulted his engineers and had found that it was not necessary for him to make further surveys, but that it would be necessary to send a traffic man over the line to ascertain whether there would be sufficient traffic to pay interest and running expenses. I have already submitted to the Minister of Railways and Canals that if he exacts conditions of that kind in regard to a small branch line connected with the Intercolonial railway in Nova Scotia or anywhere else, he will not be able to get such assurance from any source whatever. It would not be expected that one of these short lines intended as feeders to the Intercolonial railway would pay interest and running expenses at the commencement; it would take some time to work up the traffic. All the minister wants to assure himself is that there is a possible traffic in the vicinity, so that if he builds the line in the course of years the business will be built up. What has been the history of this road in the province of Ontario which is under discussion? Has it not been improving? Is not its revenue larger this year than it was last?

Mr. SUTHERLAND: No; less.

Mr. SINCLAIR: I was surprised to hear the remarks of the hon. member for South Oxford in regard to that road. It was currently reported in the province of Ontario that that road was under such good management that it was paying, that it was a profitable line. And comparisons were drawn between the management of this Ontario line and the management of the Intercolonial railway by my hon. friend from South Renfrew, then Minister of Railways and Canals. What has happened in the province of Ontario? Is the road going to the dogs under the present Government of that province? After all, is it not a fact that this railway in Ontario was paying running expenses and a certain amount of interest and with a prospect ahead of it of

paying even better in the end? and is not that sufficient for the province of Ontario? Railway subsidies are not given for the purpose of helping any particular province, but for the purpose of improving transportation facilities in Canada. If a province is fortunate enough to have sufficient traffic to be able to support a line of railway without obtaining a subsidy from the Dominion, and if that road is built and paying running expenses and a considerable sum towards the interest on the capital, with excellent prospects of still better returns in the future, I submit that they have no strong claim upon this House for a subsidy. If they were constructing a new road, we should feel more inclined to pay out public money to assist them. But, especially when they refuse to bring the road under the control of the Railway Commission, I think this assistance should not be given. All the roads subsidized by this Parliament come under the Railway Commission in the matter of rates. That is the principle which hon. members on both sides all agree to. If the Government of Ontario declines to allow the road in question to come under the control of the Railway Board, I submit that that justifies the Senate in the action they took last session.

I should like to have some statement by the Minister of Railways as to what his future policy is to be in relation to branches in Nova Scotia. My hon. friend from Pictou asked him from whom he expected to get assurance that the proposed branch line running throught the counties of Pictou and Guysborough would pay. And why does he draw a distinction between the constituency of the Prime Minister and the county of Guysborough in regard to the matter? When the Prime Minister, very shortly after he obtained power, sent a telegram to Prince Edward Island a few days before the election, assuring them of the construction of the ferry, and when branch lines were promised to the people of Prince Edward Island was there any investigation as to what the profits of the road would be.

Mr. COCHRANE: There was a pledge that had to be carried out.

Mr. SINCLAIR: What?

Mr. COCHRANE: There was a pledge made when they came into confederation that something would be done in that respect.

Mr. SINCLAIR: There was no pledge that there should be a certain number of branch lines built. A number of branch lines are being constructed by the minister in the province of Prince Edward Island. Is he laying down the same principle there as in Nova Scotia? Is he sending a traffic man to Prince Edward Island to investigate this matter to learn whether these branch lines are likely to pay. I am not objecting to the branches in Prince Edward Island, and do not wish to be understood in that way. But I point out that a distinction is made between the branches in Prince Edward Island and in the constituency of my right hon. friend on one side, and the branch line in the county of Guysborough on the other; and it is up to the minister to show why he is making that distinction.

Mr. W. F. MACLEAN (South York): I argued, earlier in the present sitting, that there should be equality of treatment as regards different sections of the country; and I argue for that equality of treatment in this matter. The province of Ontario has undertaken a work that a railway company usually undertakes for other places; and because that province has built a substantial road opening up a new country—opening up as much country as the hon. member for Edmonton said was opened by the Grand Trunk western section—why should we not have equality of treatment? The whole of that road west of Edmonton was financed by the Dominion; but the province of Ontario built this road, and now only asks the ordinary subsidy. But, because it is a publicly-owned road, it is proposed to be discriminated against. Because there is no watered stock, because all the money raised by the sale of bonds was put into the road and the road well built, public ownership is now to be discouraged. There is more territory to the north to be opened up by the Timiskaming and Northern Ontario railway. We hope that they will build a line to James bay and by opening James bay provide a direct way for opening up the navigable waters running into Hudson bay. Yet a road of this kind, because it happens to be publicly-owned, is to be discriminated against. What I contend for is the same equality of treatment that I contended for this afternoon in regard to freight rates. There is no reason for the discrimination, no reason if the people build a railway that they should not be as well treated as a company would be. Surely, a province is entitled to equal treatment with a private company. I resent the idea that a road, because it is publicly-owned, should not be treated in the same way as other roads. This road has enabled the great Transcontinental railway for which hon. gentlemen opposite take such credit, to come into operation within a few weeks. The Quebec end is not ready, and the Ontario gate is provided by this very road, and it will enable the Transcontinental to do its work at a much earlier day than it could have done it otherwise. Yet a road that has done this and that opens up a great section of new country is to be discriminated against simply because it is owned by the province—owned by an enterprising people who put their own money into the build-

ing of it. And it is to be discriminated against because Ontario happens to be well off. Ontario is well off. It contributes the largest to the revenues of the whole Dominion.

Mr. MACDONALD: What is a railway subsidy for?

Mr. MACLEAN: To help in the construction of a road.

Mr. MACDONALD: No help is needed for the construction of this railway, for it is constructed already.

Mr. MACLEAN: I leave it to the people of Ontario to say.

Mr. MACDONALD: Leave it to the people of Canada.

Mr. MACLEAN: They are simply asking the same assistance that is given to other roads all over the country.

Mr. SINCLAIR: Suppose I agreed with the proposition of my hon. friend, that the province of Ontario is entitled to the same privileges as a company, then will he admit that the province of Ontario should be subjected to the same conditions as a company? The hon. gentleman has been a great advocate of control of rates; on that question I have listened to him make many speeches. He has been dinning that into our ears for years. Will he say that the province of Ontario should submit to the control of rates by the Railway Commission if they get a subsidy?

Mr. MACLEAN: I will not object to that. Speaking for myself, I say I will not object to that; I am going to try to keep a straight line.

Mr. SINCLAIR: Then, how does the hon. gentleman justify the party he is supporting in refusing to pass the Bill on account of that condition being made?

Mr. MACLEAN: I say I want Ontario to be treated in the same way, as far as this subsidy is concerned, as a private company is treated; and if it is in the interest of the public that the rates of the province of Ontario's road shall be under the control of the Railway Commission, I have no objection to such a proposition.

Mr. GRAHAM: The hon. member for South Oxford (Mr. Sutherland) will not mind, I am sure, if I do not follow him in his delving into ancient provincial history. Reference has been made to applications made by the Ontario Government for subsidies in years gone by. It is true that such applications have been made, and I plead guilty to having been a supporter of the then Prime Minister who asked for the subsidies. At the time of the construction of this road it was problematical what would be the result; it was being constructed merely to open up a portion of the country and there was very strong ground for asking for a subsidy. Conditions are somewhat different to-day, but I go so far as to say now that I am not going to oppose the granting of a subsidy to this railway. I want to point out, however, that no political consideration can be charged against the present leader of the Opposition, because it was a friend of his who was then at the head of the Ontario Government and who asked for the subsidy. The present leader of the Opposition has always taken the ground as outlined by him to-night; he declined the request of the Hon. George W. Ross, now Sir George W. Ross, when he was Prime Minister of Ontario, for a subsidy for this road, so that whatever his attitude in that respect was, it certainly was not political.

Mr. SUTHERLAND: I think the hon. gentleman is mistaken; he did not decline; he rather did not give a definite answer.

Mr. GRAHAM: If my hon. friend asked me for five dollars and I walked away without giving it to him, he could very well say that I declined to give it to him. I am not glad that the Ontario railway is not making a profit, but I wish to call the attention of the Minister of Railways to the fact that all through Ontario I was met with the statement that if I would run the Intercolonial railway on the same basis upon which the Ontario Government railway was being run, I would have a surplus, as they were having a surplus, while as a matter of fact the two roads were in the same condition: each had a surplus over operating expenses, but did not pay the interest. The Temiskaming and Northern Ontario railway is a well conducted road, but the hon. member for Prescott (Mr. Proulx) brought up a matter which has been called to my attention very strongly. I have communications in my possession from gentlemen along the line of the Temiskaming and Northern Ontario railway urging most emphatically that we should in some way get the Ontario Government railway under the control of the Board of Railway Commissioners with regard to rates. If the Minister of Railways will compare the rates on that line with those of the Intercolonial, he will see that, unless a change has been made within the last few months, the Intercolonial rates are much lower. I admit, as I did last year, that there is naturally a certain amount of provincial pride in a local government-owned road; they are a government as we are a government, and the Temiskaming and Northern Ontario railway is a government railway as the Intercolonial is a govern-

ment railway. But when it places itself in the position of a company railway there is some reason why it should accept some of the disabilities as well as some of the advantages of a company railway. As I said, there is some pride in a provincial Government as well as in this Government managing its own affairs, although it does come for a subsidy; but I make this suggestion to the Prime Minister, and I think he will see the reasonableness of it, repeating what I said last year, that the Ontario Government, in asking for this subsidy now, should at least agree, before the subsidy is granted, that the through rates on its line should be under the Board of Railway Commissioners.

Mr. COCHRANE: That will be under the agreement which has been made with the Grand Trunk Pacific, and which has been ratified by this Government and placed before this Parliament.

Mr. GRAHAM: It might or it might not. I have read that agreement carefully. The point I wish to make is that the Ontario Government has leased running rights over this line to a company. That company operates a transcontinental line. Unless the Ontario Government agrees that the through rates shall be subject absolutely to the Board of Railway Commissioners, then we have a link in a through line not under the control of the Board. When I mentioned this last year, my right hon. friend the Prime Minister added the section in the Act, clause 4, which provides:

> This Act shall come into force on a day to be fixed by proclamation by the Governor in Council published in the Canada Gazette.

I think he assured me that before this Act would come into force he would endeavour to make an agreement with the Ontario Government along the lines I had suggested, and he saw the reasonableness of it. That is what I wish to urge on the Government more than anything else, that they make sure that the through traffic by the Grand Trunk Pacific or any other company operating on this line, shall be under the Board of Railway Commissioners, so that we shall have no link in the transcontinental system over which we shall not have control as to rates.

Mr. WILLIAM CHISHOLM (Antigonish): I wish to take advantage of the spirit of justice that seems to animate the Minister of Railways, who has made an appeal on behalf of the Temiskaming and Northern Ontario railway and on behalf of the Ontario Government, and has based his appeal on strict justice. I invite his attention to a portion of the Intercolonial traversing the counties of Pictou, Antigonish and Guysborough, and I ask that that same justice which he speaks of be accorded to those counties. The Minister of Railways may not be aware that that portion of the Intercolonial formerly known as the Halifax and Cape Breton railway, was built by a company, and that the municipalities granted a free right of way through the counties of Pictou, Antigonish and Guysborough. Subsequently the Dominion Government acquired that portion of the road, and it is today a portion of the Intercolonial. That portion of the Intercolonial that runs between the Strait of Canso and Sydney was built by the Dominion Government, and the right of way through the municipalities was paid for by the Dominion Government. I say that, as a matter of justice, the counties of Pictou, Antigonish and Guysborough should be recouped the amount they paid out for the right of way through those counties which is now used by the Intercolonial. Last year a commission was appointed by the Nova Scotia Government to investigate the right of the municipalities to recover from the provincial Government. It was held that the provincial Government was not required to recoup the municipalities the money that was paid for that right of way. The fact stands out, that the municipalities of the three counties of Pictou, Antigonish and Guysborough paid $200,000 or a little better for the right of way of that portion of the road which the Intercolonial now owns and I say it is not fair that that portion of the road should be owned by the Intercolonial without their having paid back the subsidies paid by the municipalities for the rights of way, just as has been done in the island of Cape Breton. The Minister of Railways says that in this case he has been proposing to give justice to the province of Ontario, as far as the Timiskaming and Northern Ontario railway is concerned, Canada as a whole does not own any portion of it; but as far as the Intercolonial goes, Canada and the country as a whole own it. It is only right that as the Intercolonial is owned by the people of Canada the people of Canada should pay for the road and the subsidy or the cost of the right of way which was borne by the municipalities is as much a part of the cost of the Intercolonial as anything else that goes into it, and I say that it is only right that the Minister of Railways should take into consideration the claim that is being made in this respect. A few years ago the province of Nova Scotia made a claim for the subsidies that were paid by the province to the company that owned the portion of the road now constituting the eastern end of the Intercolonial, and this Government,

under an award by a commission appointed for the purpose, was obliged to repay those subsidies to the province. The claim of the municipalities is just as strong, in fact it is stronger against the Intercolonial than was the claim of the province of Nova Scotia for the subsidies that went into that portion of the road, and I would ask the Minister of Railways to give the matter his attention and see if justice cannot be done. When you invoke justice in aid of the Timiskaming and Northern Ontario railway, the justice of their claim is very faint indeed alongside the justice that is in the claims of the counties of Antigonish, Guysborough and Pictou in this regard.

Mr. BORDEN: I wish to say a word in answer to some observations made in criticism of the Minister of Railways with regard to his treatment of the provinces through which the Intercolonial railway runs. I venture to say that at no time in the history of this country has more generous treatment been given in respect of the development of the Intercolonial than that which has been accorded by the gentleman who now holds the portfolio of Railways and Canals. The construction of a railway that is now proceeding in the county of Halifax which I have the honour to represent, the terminals which are being developed at Halifax, not for the benefit of that port alone but for the benefit of the whole province and of the whole Intercolonial system, the betterments that are being effected upon the permanent way of the Intercolonial, the provision which the Minister of Railways is making for a ferry from Nova Scotia to Prince Edward Island—in these and in many other respects which could be enumerated if it were necessary, the Minister of Railways and Canals has shown his determination not only to put the Intercolonial upon a thoroughly efficient basis in every respect, but also to give the advantages of railway extension in the province of Nova Scotia so far as may be reasonably possible and desirable in the public interest. I do not think that any advantage is to be derived in a discussion of this kind from an endeavour to arouse the jealousy of one province by reason of some proposals in respect of another. I shall not dwell further on that, but there are some matters which have been mentioned by my right hon. friend the leader of the Opposition and by my hon. friend the member for South Renfrew. My right hon. friend the leader of the Opposition has taken the ground that a provision of this kind, by way of a subsidy to the state-owned railway of the province of Ontario, is a discrimination against the other provinces. Well, I fail to see the cogency of the reasoning of the hon. gentleman. If this road had been built by an ordinary railway corporation in the province of Ontario, and the subsidy had been granted to that railway corporation, it is perfectly apparent that the argument of the right hon. gentleman would be wanting in any force whatever. If the province of Ontario, instead of subsidizing a corporation to build a railway, sees fit to employ its own funds, or, it may be, to incur a debt for that purpose, is it any less in the public interest that the Parliament of Canada should encourage and assist the building of that railway than it would be if the road had been built by a private corporation. I do not think that the right hon. gentleman has always been true to the principles which he enunciated to-night, because the observations of the hon. member for Antigonish (Mr. Chisholm) recall to my mind the fact that on an occasion not many years ago the course which he took was not consistent with that which he now urges. The province of Nova Scotia granted subsidies to the amount of $670,000 to a railway known as the Eastern Extension railway in that province. There was a provision attached to the provincial subsidy, if I remember correctly, by which the province could take over that line. Subsequently, the province did take over that line, and operated it, only for a short time, and then it was taken over by the federal Government, and became part of the Intercolonial railway. Afterwards the claim was made by the province of Nova Scotia that the sum of $670,000 which it had granted should be refunded by the Dominion. It was refunded by the Dominion, and with interest, although there had been a perfectly plain bargain between the federal Government and the provincial Government at the time it was taken over which excluded the payment of any such subsidy.

Mr. CHISHOLM: After the award had been made.

Mr. BORDEN: What was done was this: The federal Government left it to certain arbitrators for the purpose of determining whether or not the subsidy should be paid, knowing perfectly well what the arbitrators were going to determine. That is the substance of it, so far as I remember the transaction.

Mr. SINCLAIR: How could they know what decision the arbitrators were going to give?

Mr. BORDEN: Because the terms under which they put it before the arbitrators pointed distinctly to the conclusion that the subsidy should be paid back. It was not submitted on the basis of a legal claim at all. The matter was to be determined upon purely equitable considerations, and I do not know that the Minister of Railways would earn any more support on the other side of the House if he left the question of granting this subsidy to the equit-

able consideration of certain arbitrators whom he should select.

Mr. McKENZIE: If the Prime Minister will pay some attention to the decision which was given in that arbitration, he will find that the ex-Chief Justice of Ontario based his decision entirely on the fact that the Government of Canada committed a breach of contract, it was for that reason that the money should be paid back.

Mr. BORDEN: I have not examined the documents for some time, but my recollection does not quite accord with that of my hon. friend. My recollection is that there was some claim of duress. It was claimed that the Government of Nova Scotia, having taken over the line, and being unable to undertake its operation, were faced with an alternative which they were in effect obliged to accept, and for that reason they must be regarded as having been controlled by duress, when they did agree that this road should be taken over by the federal Government on certain terms. I speak with all deference to the recollection of my hon. friend; I am speaking purely from recollection, for I have not looked at the documents for some time.

There is another point which was mentioned both by my right hon. friend the leader of the Opposition, and by the hon. member for South Renfrew (Mr. Graham), and it is a point of some importance. My hon. friend from South Renfrew said that I pointed out last year that we proposed not to bring the Act into operation at once. That was not in the Bill as originally proposed in this House. We brought it in by way of amendment and we certainly brought it in for the purpose of entering into negotiation with the Government of Ontario on that point. In introducing the Bill this year, my hon. friend the Minister of Railways has placed in it that clause which we adopted by way of an amendment last year, and it stands in that way before the House. It is of importance that through rates should be under the control of one body, but my hon. friend from South Renfrew is perfectly well aware that the provisions of the Railway Act would prevent us from bringing that about without the consent of the Government of Ontario. I do not know what the result of negotiations may be, but we shall have that consideration in mind. My hon. friend the Minister of Railways is impressed with the desirability of it, but he is also impressed with the consideration that in the practical result there will undoubtedly be some such control as that.

Sir WILFRID LAURIER: When the Government of Ontario comes here for a subsidy of this kind, does my right hon. friend not think that it should be granted on condition that it agrees to the control of rates over that railway.

Mr. BORDEN: My right hon. friend is departing from his own maxim of relying on sunny ways. What we are proposing here is not to hold a pistol at the head of the Government of Ontario, but to insert a provision which will enable us to negotiate with the Government of that province, and to endeavour to arrive at a conclusion by the sunny ways which my right hon. friend was wont to practice.

Sir WILFRID LAURIER: Sunny ways are always good, but sometimes they are not sufficient.

Mr. BORDEN: We trust that under the circumstances, they will be sufficient. Having regard to these considerations, it seems to me that the Bill is a perfectly reasonable provision. I will not go over the arguments which I used at some length last year; probably I shall earn the gratitude of every hon. member in the House by simply referring to what I said last year, without taking up time.

Mr. SINCLAIR: I do not think that the Minister of Railways should altogether ignore the question put by my hon. friend from Antigonish (Mr. Chisholm). The cases are very similar. We have not time here tonight to argue out the claim of those municipalities for the return of the money that they were forced to pay to the railway that my hon. friend now manages. But I think my hon. friend should have some consideration given to his request when he puts it before the minister. He has pointed out that those three municipalities were compelled by a local Act to pay a large sum of money for the right of way of the Intercolonial railway through those municipalities. The people were not willing to pay. There is that distinction between that case and the case of the province of Ontario. The province of Ontario embarked in the construction of a railway, and did so wilingly, and they own the road; in the case of those three municipalities an Act of Parliament was passed by which they were taxed. They resisted the tax in the courts, they were beaten and the money was collected. Subsequently the railway was turned over to the Dominion of Canada and it is one of the most profitable sections of the Intercolonial to-day. But the municipalities have not been paid back their money. If the province of Ontario is to be recouped for the subsidy which my hon. friend says it ought to have received a number of years ago, surely the municipalities of Antigonish, Pictou and Guysborough ought to be recouped for the money they were compelled to put into the Intercolonial railway now owned by my hon. friend, the profits of which are being taken by him to put into the treasury of this country. I do not want to discuss this question at any length, but

I think the Minister of Railways ought to recognize the position of my hon. friend from Antigonish and give him some reply.

Mr. CHISHOLM (Antigonish): The leader of the Opposition in the Nova Scotia legislature has taken the ground that the claim of the municipalities is stronger than the claim of the province. The claim of the province has been upheld by a commission headed by a former chief justice of Ontario, and the claim of the municipalities against the Government, if presented, ought to be equally successful.

Mr. COCHRANE: I do not think I should be expected to express an opinion upon this question because personally I did not know anything about it until I heard it discussed here to-night, but I shall be glad to go into the question during the vacation so as to be able to discuss it with my hon. friend at a future time. I am sorry that the hon. members from the province of Nova Scotia could not support us upon this Bill because we are only granting a subsidy to a province that builds a railway. I said before that I would be glad to recommend a subsidy to the province of Nova Scotia if the Government would only build a railway.

Mr. SINCLAIR: If my hon. friend would turn over the Intercolonial railway in Nova Scotia to the province they might be able to do something with the little branches which are feeders to the main line. But without that it is idle for my hon. friend to say that he is willing to subsidize the province.

Mr. CHISHOLM: Has the hon. gentleman any application for a subsidy for a short line of railway between Antigonish and Country Harbour from the Antigonish Coal and Iron Company?

Mr. COCHRANE: I do not remember having received one.

Mr. CHISHOLM: You had one last year, but I was asking with reference to this year.

Mr. McKENZIE: I do not think I should allow the observations of the right hon. Prime Minister to pass without making a slight explanation. The Prime Minister says that it is only right that the province of Ontario should receive this money because of the large amount it has expended in the building of the Timiskaming and Northern Ontario railway, that there is a precedent for paying the money by reason of the treatment which Nova Scotia received at the hands of the Government of my right hon. leader, and that because of the position the leader of the Opposition took on that occasion he is not justified in taking a different position with regard to this case. There is no analogy between the two cases. The Prime Minister will find it difficult to get any precedent for the line of action that is taken by his Government now. There may be cases in the Dominion of Canada where a province has received a subsidy for the building of a railway within its own limits, but I am not aware of any. I would be glad if the hon. Minister of Railways and Canals (Mr. Cochrane) would tell us of any precedent there is for this line of action. I am sure there was no such treatment handed out to the province of Nova Scotia. I am not aware that any other province in Canada ever received any subsidy from the Dominion for the building of a railway. As far back as 1877 an arrangement was entered into between the Government of Nova Scotia and the Government at Ottawa that when a road was built from New Glasgow to the Straits of Canso the Government at Ottawa would hand over to the Government of Nova Scotia the line known as the Pictou branch which had been owned by the Dominion ever since Confederation. As I understand, the Pictou branch is now the section of road from Truro to Pictou Landing, a very valuable piece of railway, and it was to be handed over to the Government of Nova Scotia as soon as the railway was completed from New Glasgow to the Straits of Canso. The Eastern Extension Company completed their road by some arrangement with the Government of the province of Nova Scotia, the details of which would not be pertinent to this discussion, and when the company completed the road it was taken over by the Government of Nova Scotia. The Government of Nova Scotia came to the Government of Sir John Macdonald and asked for a fulfilment of the contract to pass over to them the Pictou branch and there was an Act of Parliament passed to confirm that arrangement. But Sir Charles Tupper who was then Minister of Railways and Canals refused to consummate the bargain and the Government of Nova Scotia was forced to pass over to the Government of Canada this Eastern Extension, because without the aid of the Pictou branch, they could not run it at all. A bargain was forced on the Government of Nova Scotia which was absolutely unfair, but by reason of the Dominion Government's failure to carry out their part of the arrangement the Government of Nova Scotia were obliged to forfeit this Eastern Extension railway. They were always claiming that they should be paid back the money that was forced from them and, failing to secure a recognition of that claim, they succeeded in having the matter referred to arbitration. Sir George Burton, ex-chief justice of the province of Ontario, was the gentleman who tried the case and who handed down the decision. His decision is

a matter of record and my hon. friend will see that he based it entirely upon the ground that the Government of Canada had committed a breach of contract in having failed to carry out the bargain and that they were bound to make good the moneys which we lost in Nova Scotia by reason of that failure. That is briefly what took place and my right hon. friend and his Government will not find any precedent in that transaction to carry out the proposition that is before the House to-night.

On section 3—how subsidies shall be paid:

Mr. GRAHAM: I see there is no variation from the usual inspection of a road. Will these branch lines be built up to our standard?

Mr. COCHRANE: Yes, every branch will cost at least $30,000 a mile.

Bill reported, read the third time, and passed.

GOVERNMENT RAILWAY CLAIMS.

Mr. BORDEN: Some time ago the hon. member for Pictou (Mr. Macdonald) brought to the attention of the hon. Minister of Railways and of myself a Bill which stands as No. 35 of Public Bills and Orders. The object of this Bill is to provide more effectively for the adjudication of small claims on the Intercolonial. A very slight amendment to the law increases the jurisdiction of the county courts from $200 to $500. If my hon. friends on the other side of the House have no objection, I would move that No. 35 of Public Bills and Orders be now called.

Motion agreed to.

On motion of Mr. Macdonald, Bill No.95, to amend chapter 26 of the Acts 9-10 Edward VII, entitled, 'An Act to provide for the adjudication of small claims arising in respect of the operation of the Government railways,' was read the second time, and House went into committee thereon. (Mr. Deputy Speaker in the Chair.)

On section 1—claims under $500:

Mr. BORDEN: The Bill merely provides that the word 'five' shall be substituted for the word 'two' in the Act which is to be amended. I think the better course would be to re-enact the section, as that is perhaps a more desirable form of drafting. I therefore move to that effect.

Mr. McKENZIE: The county court originally had jurisdiction of only $400; that jurisdiction was raised some years ago to $800. I think we could very well put this Bill within the limits of the jurisdiction of the county courts.

Mr. BORDEN: I would prefer to leave it as suggested by the hon. member for Pictou. The suggestion of my hon. friend might be taken into consideration at some other time.

Amendment agreed to, and section as amended agreed to.

Bill reported, read the third time, and passed.

POST OFFICE ACT AMENDMENT.

On motion of Hon. L. P. Pelletier (Postmaster General), Bill No. 248, to amend the Post Office Act, was read the second time, and House went into Committee thereon. (Mr. Deputy Speaker in the Chair.)

On section 1—mailable matter:

Mr. LEMIEUX: How does section 1 differ from section 9 of the Post Office Act?

Mr. PELLETIER: I am re-enacting the whole section, for the reason that in the French version there are five lines omitted. I am also making certain additions in lines 16 and 17. In line 16 we have the words 'thereof any words or devices.' The words 'devices which' are new. The words 'in the opinion of the Postmaster General' are also new. The clause now reads:

Any words tending to injuriously affect.

We are making it read:

Words or devices which, in the opinion of the Postmaster General, tend to injuriously affect.

The reason is this: My hon. friend knows that the Post Office Department has always tried to stop the circulation through the mails of immoral literature and advertising literature of all kinds of spurious schemes. Now, the Department of Justice have informed us that this practice of ours in relation to fraud orders, which we have followed for years, has been carried on illegally, and they have advised us to have these words, together with the words that are to be found at the end of the clause:

And for the return of such letters, circulars or other mail matter to the senders.

This will permit us to continue legally what has been the practice of the department for years. We are making the amendment because the Justice Department say we should have that clause, but they suggested the amendment so that we may continue to co-operate under the arrangement we have with Washington to prevent fraud. The hon. gentleman knows that people at the head of lotteries and that kind of thing have changed their fields of operation from the United States,

where they have been detected, and have come over to this side of the border and continue to use the post office to carry on their depredations. They have questioned our right to hold their letters and to return them, and we consulted the Justice Department with the result that that department said it would be better to get Parliament to make the matter clear.

Mr. LEMIEUX: I certainly do not find fault with the object of the clause explained by my hon. friend. At present there is much matter passing through the post office that is intended for purposes of fraud. I regret that my hon. friend from Bonaventure (Mr. Marcil) is not in his place to-night, for he was consulting me some time ago about a certain French lottery whose literature is being circulated in Bonaventure, and I saw the other day an article in the Montreal Witness calling attention to a German lottery of which the same thing is said. Of course, lotteries have a legal existence in Germany and in France, but in Canada, as my hon. friend knows, legislation was passed years ago against all lotteries. The Post Office Department would do well to exercise more vigilance to prevent the letters and circulars of such concerns going through the mails. I do not object to giving to the Postmaster General the widest latitude in this matter, because I know that the power is always used in a very moderate way, and also because of the tendency in certain quarters to use the mails to disseminate immoral literature. It is only right that there should be someone in authority to prevent the mails being used for such purposes. Do I understand correctly that the words 'any words or device which in the opinion of the Postmaster General tend to injuriously affect the commercial or social standing of the persons to whom they are addressed' are to be read in connection with the earlier words in the section concerning immoral publications and illegal enterprises?

Mr. PELLETIER: Yes, they go together.

Mr. LEMIEUX: Certainly an immoral post card or circular sent to A or B is apt to affect his commercial or social standing. I see that point. And what was the other point?

Mr. PELLETIER: Allowing us to return these letters.

Mr. LEMIEUX: Yes. I will give to the Postmaster General privately the names of two lotteries—I do not care to mention them publicly—one operating from France and the other from Germany, sending circulars throughout Canada—

Mr. GERMAN: You cannot control that.

Mr. LEMIEUX: I think we can. We have a law prohibiting lotteries from operating in our country, and lotteries in France or Germany sending circulars into Canada are even more injurious than lotteries whose principal seat of business would be in this country. My hon. friend from Bonaventure showed me circulars into the adjoining county of Gaspé, which I formerly represented, and told me that many poor fishermen have been defrauded by this means. If an authorative statement were issued by the Postmaster General stating that lotteries are illegal and that such circulars are liable to be seized, people would be put upon their guard. Also, with regard to immoral post cards, it is simply scandalous to see some of the post cards which are circulated. Many of these, of course are circulated without going through the post office and the Postmaster General is not clothed with authority, nor is the responsibility put upon him, to act in these suppressions of this literature; it is for the provincial authorities to act. But we cannot emphasize too much by our legislation our sense of the evil caused by such immoral and licentious prints.

Mr. PELLETIER: I shall be glad if my hon. friend will give me privately such information as will lead to the detection of these irregularities, and he can rest assured that we will do all we can to prevent their occurrence. Of course, we have no right to open letters, but in such cases we send our trusted officers to the parties to whom the letters are addressed, and they are requested to open them in the presence of the officers, by whom they are then inspected. We endeavour to put a stop to anything that is objectionable.

Mr. LEMIEUX: The same is to be said with regard to advertisements for immoral purposes. Many of such advertisements are circulated, and the hon. gentleman can take ample power to override such any gratuitous immorality.

Mr. LAW: Is it not within the power of the Postmaster General to prevent the circulation of immoral literature?

Mr. PELLETIER: Yes.

Mr. LAW: I have often wondered why the Postmaster General does not put a ban upon the disseminating and sending through the mails by the Senate of the immoral literature they send out from time to time with reference to the divorce cases which come before them. I think we should commence to clean up our own doorsteps first, and if the Postmaster General wants to take the matter in hand and stop the circulation of immoral literature through the mails, I would advise him to start with the Senate and prohibit

them from circulating the immoral literature which is contained in the records of the proceedings of the divorce cases heard before them.

Mr. PELLETIER: That is a matter certainly worthy of consideration.

Mr. LEMIEUX: I hold, as my hon. friend knows, no brief for the Postmaster General, but I may tell my hon. friend (Mr. Law) that when a divorce is granted by the Senate, the only copies of the evidence sent out are two copies of the proceedings which are furnished to each member of the House of Commons. For my part, I have applied for an additional copy when I have lost my own, and my request has been refused by the Senate authorities. So far as the Senate are concerned, therefore, their morals are well preserved.

Section agreed to.

On section 5—increase of certain salaries:

Mr. LEMIEUX: How much is involved in this?

Mr. PELLETIER: $219,000.

Mr. LEMIEUX: Under this section it is provided that no one will receive less than two dollars a day after a certain date?

Mr. PELLETIER: That is it. I am deducting from the $219,000 the $44,000 which we now pay out as bonuses, so that the net increase is $175,000.

Section agreed to.

On section 7—yearly leave of absence with pay:

Mr. LEMIEUX: What is this change?

Mr. PELLETIER: In the law as it now stands there is a provision that letter carriers, instead of getting three weeks' leave of absence as other members of the staff do, get only two weeks, and they may be granted another ten days with pay on account of satisfactory service. They have the option of waiving the ten days' additional leave, in which case they are paid two dollars a day for the work they do during that period. Under this provision we are putting them on the same footing as the other members of the staff, and abolishing the ten day period.

Section agreed to.

On section 8—money for payment of salaries:

Mr. LAFORTUNE (Montcalm): Mr. Chairman, I wish to call the attention of the hon. minister in connection with registered letters. Would it not be necessary to amend the postal law so as to prevent the sending of money in letters which are not registered? It is really a matter of deep regret to see what is taking place every day in our criminal courts. Under the present law anybody has a right to put money in a letter without being obliged to have it registered. The consequence of this mode of proceeding is that letters are frequently stolen in all the provinces of the Dominion. Children and very young people belonging to good families have been known to so far forget themselves as to steal one, two or three dollars from a letter.

The postal law is very severe, and rightly so, and such employees are punished with great rigour. The minimum is three years, without any option whatever, and the magistrate has not the power to reduce the penalty. Since I am a Crown prosecutor I have noticed that, unfortunately a large number of young men are sent to the penitentiary for the theft of a dollar, and even less.

Would it not be time to do what is being done in other countries more experienced than we are? Could not the public be utterly prevented from sending money in letters unless that letter is registered? That is being done in several countries.

Mr. PELLETIER: What countries?

Mr. LAFORTUNE: In the United States and in France. I am not positive as to the United States, but in France you are not allowed to send a letter containing money without registering your letter. And furthermore, the person who puts money into a letter and sends it without having it registered is liable to a penalty. Why not adopt that system? I am not prepared to give you the names of the countries where it is in vogue, but I am sure there are several of them where it is absolutely prohibited to put even a cent into a letter and send it without having it registered.

Registered letters are hardly ever stolen, because greater care is taken of them and they can be traced to where the theft was committed; while the stolen letters are almost always letters that were not registered.

As far as my experience goes, it is very seldom that a person is brought before the courts for stealing a registered letter, because thieves do not dare to touch such letters.

I therefore suggest to the hon. minister that he should give this matter his careful consideration, and make a special study of it, and he will find that such a legislation is absolutely needed.

In days gone by it might have been more difficult, because communications were not as easy as they are now. But to-day there are communications with all organized territories, and there is no inconvenience in amending the law in that direction, that is to say that everybody should be forbidden under the penalty of a fine to put even a cent in a letter which is to be mailed without being duly registered.

This new system, instead of being a source of expense, will on the contrary be a source of revenue, and the public will certainly be better protected.

When a letter is stolen, there is no recourse against the Government. You cannot sue the Government and say: I have lost money by mail; give it back to me.

I believe public opinion would be favourable to this idea. The losses incurred through such offences against the law are often very small to the individual losers, but the consequences are very rigorous. Now, employees should be protected against themselves; we should diminish for their sake whatever temptations may beset them to take money which does not belong to them.

I hope the hon. minister will give his earnest consideration to this suggestion, and, if he does not do so now, that next session he will see that the law is amended in the sense I have just indicated.

Mr. PELLETIER: Mr. Chairman, the remarks of the hon. member certainly deserve consideration, and we shall examine the French law on that point.

Mr. LAFORTUNE: I have discussed the matter with a gentleman who is well informed on the subject. The gentleman is Mr. Gaboury, the inspector in Montreal. He strongly approved the idea. He said: You are perfectly right, and he is the man who gave me the information. He said: The thing exists in several countries, and that remark from him was not made recklessly.

Mr. PELLETIER: We will look into this thing. The remarks made by the hon. member will do good if our newspapers endeavour to impress upon the public the imprudence of putting money into unregistered letters, in order to save a few cents or the price of register stamps. The public ought to understand that there are three methods of transmission which afford perfect security; in the first place there are the postal notes, then the money orders and finally the register stamps. As a rule registered letters do not get lost; they are entered in a book or on a detached sheet and their course is followed. Therefore, failing to use one of these three methods of sending money in order to save a few cents is utter carlessness. The money lost by putting it in a letter which is mailed without registration cannot be recovered by the loser who has no claim against the Government.

I thank the hon. member for having called my attention to this point. I hope the newspapers will not fail to deal with the question and tell the people that they should avoid mailing letters containing money without having them registered.

There is something sacred in the fact that a letter is mailed, but I do not see how we are to prevent people from putting money in an unregistered letter. Nothing short of French genius was necessary to discover that means. At all events the matter deserves consideration.

As to the three years in penitentiary for that offence, I must say that the law is very severe; but the 'tickets of leave' abound, and the Post Office Department always insists to have the culprit kept in for one year at least; after that they are allowed to go on a ticket of leave.

Mr. LAFORTUNE: It was on the occasion of the investigation I held as a Royal Commissioner at St. Vincent de Paul Penitentiary that the ticket of leave was invented. A young man belonging to one of the best families had forgotten himself. For having stolen one dollar he had been given three years in the penitentiary. I felt very sorry to find such a case, and that was one of the reasons why we adopted the ticket of leave. The thing was recommended to the then Minister of Justice, Mr. Mowat. Until that investigation took place the ticket of leave did not exist, and it has been used in order to attenuate such extreme cases as these. I know that after a year or two such convicts are released under certain conditions.

Mr. LEMIEUX: I fully concur with the wise and humane remarks which have just been made by the hon. member for Montcalm. As has been said by the Postmaster General, I know that a letter is a sacred trust, which for no consideration should be violated by the postman, letter carrier or anybody else.

Unfortunately, the young men who have to content themselves with the paltry salary of a letter carrier, are often tempted, principally during the holidays—and the Postmaster General will notice that the thefts of money letters are most numerous during the holiday season—when the mails are much more voluminous than at any other time during the year. Instinctively the letter carrier knows that more money is then going by mail, the young letter carrier whose cupidity is then aroused at New Year's time, when feeling the letters is tempted to chisel out the contents.

I know the law must be severe, but when we come to consider, as the hon. member for Montcalm has said, the amount of the theft, the gravity of the offence and the penalty to which the culprit is liable, it is hard to say how justice should proceed. Here is a young man, aged eighteen or twenty years, who steals out of an envelope a sum of twenty-five dollars or even twenty-five cents—I say twenty-five cents because, right here in Ottawa, a religious corporation who were receiving by mail small sums of five and ten cents had been robbed for a long time before the unfortunate letter carrier had been arrested.

But when such a young man is brought before the magistrate and is sentenced to three years in the penitentiary many bitter tears are shed because the offence, grave as it is, has drawn upon that young man a punishment out of proportion with the offence itself.

I only wish to suggest this point to the minister, but it seems to me that the age of the culprit should be taken into consideration, and that a scale of punishment should be established. It seems to me that a minor should not meet the same degree of punishment as a man of more mature years.

The penalty of three years in the penitentiary is a stigma which hangs on through life. When that young man, after one year, gets that ticket of leave which is given so liberally by the Minister of Justice, the stigma hangs on. He has been convicted, he has entered the doors of the penitentiary, that is sufficient to exclude him thereafter from social circles and to disgrace him forever.

It is useless to insist. The hon. Postmaster General, who has for a long time practised law in the criminal courts, knows that as well as I do. The best means seems to have been suggested by the hon. member for Montcalm. This question deserves consideration, without, however, admitting that the postal service is any worse than it has been in the past. Considering the increase of population in the larger centres, it is a wonder that the thefts are not more numerous, when it is known that millions upon millions are carried through Canada from ocean to ocean. But in the large cities, where the population is getting more and more heterogeneous, the number has increased with the population.

We see every day in the papers that young men eighteen or twenty years old have been sentenced to three years in the penitentiary for that offence. I repeat that three years in the penitentiary is a very hard punishment for a theft which is often very small. That penalty, as I said, is out of proportion with the offence and my hon. friend the Postmaster General should consider concurrently with the Minister of Justice whether that penalty should not be investigated.

Mr. LAFORTUNE: The cost of registering the letters might be decreased as a further inducement to the public for using this safer method of transmission of money. Such a decrease would involve no loss to the revenue of the department, for I feel sure that, in such a case more people would avail themselves of registration. That decrease would thus be compensated by an increase in the number of registered letters.

We must also bear in mind the fact that each theft is aggravated by a violation of the secrecy of correspondence. It is found that not only do the thieves take the money contained in the letters but also read the letters which are often of a very confidential nature. Of course, the letters are not opened with the intention of reading them; they are opened to take what money they contain, but having opened them the thief takes occasion to read them.

I would therefore advise the Postmaster General to reduce the cost of registration so as to induce the people to register the letters containing money, and thus protect at the same time the secrecy of correspondence.

Mr. EMMERSON: The suggestion of the hon. member for Montcalm (Mr. Lafortune) is an excellent one. The time seems to have arrived when the charge for registering a letter should be reduced. It seems absurd that you should be called upon to pay two cents postage and then be obliged to affix the five cent registry stamp. With the enormous revenues of the Post Office Department, in comparison with those of former years, it would seem almost to be obligatory upon the department or upon Parliament to take into consideration a reduction of the registration charge.

Mr. CARROLL: How long does a railway clerk serve before reaching the maximum of his salary at the present time?

Mr. PELLETIER: The railway mail clerk starts at $500 and goes up by yearly increments of $100 until he reaches $800; and then, from $800, the annual increase is $50 a year up to $1,400, which is his maximum.

Mr. LEMIEUX: Then the mileage brings it up sometimes to $1,800 a year.

Mr. PELLETIER: Oh, yes, the railway mail clerks on the long routes make a good bit of money.

Mr. CARROLL: I have a telegram from the railway mail clerk at Sydney, who seems to think that the present Bill makes some changes with reference to the time when a railway mail clerk will reach his maximum. He seems to indicate that, previous to the present Bill, it took twenty years to reach the maximum salary and that after the passing of this Bill he will reach the maximum salary in fifteen years.

Mr. PELLETIER: This Bill does not change anything so far as that is concerned, Its only effect on the railway mail clerk is to give an increase of $100 a year to the railway mail clerks who, on the 1st of April, 1913, had been fifteen years in the service.

Mr. CARROLL: Have the railway mail clerks asked for legislation to make the law such that in fifteen years they will reach the maximum?

Mr. PELLETIER: That is the law now. This clause is introduced to meet in part the

demands of the railway mail clerks who came to see us. We may not be able to grant them this year all they ask, but we are taking care of the old employees. This will in certain cases put them up to the maximum of their class. We also take care of the letter carriers for whom we are spending $175,000 more than last year. Last year we provided for the salaries of post office clerks. This year we are taking care of the old railway mail clerks and of the letter carriers in whom my hon. friend from Cape Breton takes so much interest. I expect we will be able to do something for the postmasters and little by little meet all the demands, most of which are legitimate, that are made on us.

Mr. EMMERSON: Perhaps the minister will give some expression of opinion as to the possibility of a reduction in the registration charge.

Mr. PELLETIER: This is the first time that it has been suggested and of course there is part of the suggestion which is worthy of consideration. The hon. member for Montcalm has put it in very good form, that perhaps it might induce a great many more people to register letters if they had less to pay. But this is a question that I would have to take up with my officers to see what the result would be from a financial point of view. My hon. friend speaks of the large revenue of the Department. Everybody is jumping after it and if we had not a Chinese wall around it it would be gone.

Mr. EMMERSON: I was speaking on behalf of the so-called consumer. I am not approaching his revenue from the standpoint of getting any portion of it, but from the standpoint of somewhat reducing that revenue in the interest of the people at large and not of any particular class.

Mr. LEMIEUX: My hon. friend can always take it for granted that the cheaper the rate the greater will be the revenue. That was my experience when I was in his place. When Sir William Mulock reduced the postal rate from 3 cents to 2 cents, it was predicted from this seat by the late Sir Adolphe Caron that there would be a huge deficit in the department. The same prediction was made by the present Minister of Trade and Commerce. For one or two years the prediction held good but if the surplus has been so abundant during the last ten or twelve years it is due largely to this postal reduction of Sir William Mulock. Then, when I was Postmaster General, I made a further reduction in the drop letter rate, that is to say the letter dropped in the city to be delivered within the limits of the same city. Previously the rate was 2 cents, it has been reduced to 1 cent. My hon. friend will know from his officers that commercial firms in cities heretofore had letters distributed by special messengers at 1 cent per letter, which was contrary to law by the way, but was done on such a large scale that you could not pretend to prevent it. Those large firms ceased employing messenger service for this delivery of circulars or advertisements and became the patrons of the Post Office Department and from that source the Post Office Department has been able to reap quite a large amount of money. I should say that with the large number of money exchanges that are now being made between the various sections of the country by letter, if there were a reduction in the registration charge—and of course in this I am subject to correction by the officers of the department—I am inclined to believe that after a while my hon. friend would derive an increased revenue from this source.

Mr. PELLETIER: We will look into it.

Mr. EMMERSON: Particularly would that be so if the transmission of money not registered were prohibited. If that were prohibited as has been well suggested, and the charge for registration were reduced, I think the revenues of the department would be sustained, and the evils incident to the present practice would be very largely avoided.

Mr. PELLETIER: The two things will be considered together.

Mr. CARROLL: Under the Bill a person who has been fifteen years in the service gets an increase of $100 a year, beginning on the first of April, 1913.

But such increase shall not exceed the difference between his present salary and the maximum salary of a railway mail clerk.

That seems to me to put a premium on the mail clerk who has fifteen years' service as against the clerk who has had twenty or twenty-five years' service.

Mr. PELLETIER: That is to arrange matters so that the salary will not go beyond the maximum of $1,400. My officers inform me that none of the mail clerks has yet reached the maximum of $1,400.

Mr. CARROLL: Has F. N. McMillan not yet reached the maximum?

Mr. PELLETIER: I am informed that no man has reached the maximum of $1,400. The maximum used to be $1,200, and a year ago we increased it to $1,400, to be reached by increases of $50 a year.

Mr. CARROLL: I understand that, but still it does not seem fair to the man who has been twenty years in the service, and who may have reached the maximum, or

who reached the maximum last year, we will say, before the $200 was added.

Mr. PELLETIER: No man has reached it.

Mr. CARROLL: He might have reached it before the increase of $200.

Mr. HAZEN: He could have reached the maximum of $1,200, but a year ago the maximum was increased to $1,400, to be reached by annual increases of $50, so that at present no clerk can be getting more than $1,250, or if you add $100 to that, more than $1,350 which is within the maximum.

Mr. PELLETIER: Under this all the old employees benefit.

Mr. McKENZIE: I must take advantage of this Bill to bring a certain matter to the attention of the Postmaster General. It has nothing to do with the Bill, but I shall have no other opportunity of directing the attention of the minister to it. I wrote a couple of letters to him about it, and on each occasion I received a reply stating that the subject matter of my letter was under consideration. Now that we are near the close of the session I would like to ask the minister, when he has the advantage of the presence of his officers, what he proposes to do about a certain contract in the county of Inverness?

Mr. PELLETIER: How does that come up under this Bill?

Mr. McKENZIE: What pertains to the Bill and what does not, is a question in regard to which I do not require any direction from the hon. the Postmaster General.

Mr. PELLETIER: My hon. friend surely understands that we are discussing this Bill, and if he says that what he is about to refer to is in no way connected with the Bill, he will admit that he is not in order.

Mr. McKENZIE: I simply asked the right to bring the matter to the notice of the minister, as we are near the close of the session and possibly we will have no further opportunity of bringing up a matter pertaining to the affairs of the post office.

Mr. PELLETIER: There will be the supplementary estimates.

Mr. McKENZIE: A contractor in the county of Inverness was dismissed by the Postmaster General, in the usual courteous and kindly way, before his time had expired, and the Postmaster General kept back the man's salary for the last quarter. He had a postmaster who tried to make political charges against that contractor, and they went to the courts with him. Officers were sent from Ottawa to take him into the criminal court, and he was exhaustively tried and honourably acquitted. Still, they kept his money from him. I wrote two letters to the Postmaster General to find out why this poor man had not been paid. It was bad enough for the Postmaster General to dismiss him, but surely he should have been paid the money which he had earned. I could get no reason why the man was not paid, and possibly the Postmaster General does not know of his own knowledge, but he is surrounded by his officers, and I trust they will see to it that the little money earned by that contractor will be paid.

Mr. PELLETIER: I do not wish to be discourteous to the hon. gentleman, who has persisted in speaking on a matter not connected with this Bill, but I may tell him that the honourable acquittal of the man to whom he refers has been reported to me as a gross miscarriage of justice.

Mr. HENDERSON: I desire for a moment or two to refer to a matter that was brought up by my hon. friend the ex-Postmaster General (Mr. Lemieux). He says he remembers well that year after year I persistently urged upon him the propriety of reducing the postage on drop letters in the country villages and towns. When he made the reduction in the cities by 50 per cent he should have given us a corresponding reduction in the country; that is, he should have given us a half-cent rate instead of a cent rate. I do not know how the rates are working out now under the rural mail delivery, but I am under the impression that we are not even getting the benefit of the cent rate on drop letters. I trust that the present Postmaster General will take up the matter, which I pressed so strongly upon his predecessor, and equalize matters in that regard, so that the people in the country may feel that when the people in the cities are treated so generously, the Postmaster General will be generous enough to give them a similar reduction. I failed to make an impression upon the ex-Postmaster General, but I trust that the present Postmaster General will not be quite so hard, and that he will do something for us along that line.

Mr. PELLETIER: If my hon. friend will tell his people to try that drop letter we will see to it that they are all right.

Mr. HENDERSON: We do it every day.

Mr. PELLETIER: You have got it, then?

Mr. HENDERSON: No, we still pay the old rate. I do not think we get any half cent rate or a reduction of fifty per cent, similar to what they got in the city.

Mr. PELLETIER: Oh, I understood that the hon. gentleman wants the rate to be half a cent?

Mr. HENDERSON: Yes.

Mr. PELLETIER: That is asking a great deal.

Mr. HENDERSON: It is no more than was given to cities like Toronto and Montreal.

Mr. PELLETIER: They pay one cent.

Mr. HENDERSON: They have to pay one cent, but they formerly paid two while we still have to pay one cent instead of getting a similar reduction. The people living in towns are entitled to a similar reduction to that which they received in the cities, as the hon. ex-Postmaster General knows.

Mr. LEMIEUX: It is quite vivid in my memory and I must congratulate my hon. friend on his pertinacity. I like his way of explaining by the law of average what the reduction should be for the country folk. It reminds me of the story of the two Turks in the city of Manchester. Someone asked: 'How many Turks are left in the city?' and the answer was: 'Fifty per cent have left.' There were only two. My hon. friend says you have given a reduction of fifty per cent to the city and you must give the same reduction to the country folks. At the time my hon. friend was insisting upon the reduction we were experimenting in the cities and I said that if it was a success in the city surely the country people would be entitled to the same. Now that I sit here, where my hon. friend used to sit in days gone by, I join with him and I say, give the reduction to the country folks, give the Halton farmers the reduction which has been vainly demanded by their worthy representative for so many years. The time has come now that you have a good surplus in the treasury.

Mr. HENDERSON: I appreciate what my hon. friend says. If he had only spoken three years ago along the same line we would have had that boon at the present time. But he was always waiting to see how the one-cent rate in the cities would turn out. He waited too long. Now that he is not in power he thinks his successor should do what he refused to do. I thank him for the suggestion.

Mr. LEMIEUX: There is every five years a postal union congress. The last one took place in Rome, and the next one will take place in Madrid this year or next year.

Mr. PELLETIER: Next year.

Mr. LEMIENX: My hon. friend the Postmaster General, if he attends the sessions of that very important congress, will, I hope, be the spokesman of the British people at large on the question of penny postage. He will remember that one of his predecessors, Sir William Mulock, at the Imperial conference of 1897, succeeded in winning to his cause, namely, penny postage within the British Empire, the Postmaster General of Great Britain and the postmasters of the various British dominions. My hon. friend will remember the famous stamp 'greater than has been' issued in 1897 in commemoration of the jubilee of Her late Majesty and also of the establishment of penny postage within the Empire. There is a movement on foot to have penny postage extended all the world over, that is to say, between the countries which belong to the Postal Union. I believe that, with the exception of three or four barbarian states, all the civilized and semi-civilized peoples belong to the Postal Union. There is a strong movement to have penny postage extended between all the various countries of the world. It belongs to the Postmaster General of Canada to take the lead in this matter. I believe he will have with him the very progressive statesman who is now the Postmaster General of Great Britain, Mr. Samuel, the Postmaster General of Australia, the Postmaster General of New Zealand, and the Postmaster General of the United States of America. With that splendid team, if he does not succeed, his name is not the name he bears.

Mr. PELLETIER: The Postmaster Generals are all right, I believe, but it is their colleagues, the chancellors of the exchequer who are all wrong.

Mr. LEMIEUX: Sir William Mulock had to fight a battle against the British Postmaster General at the time, I think the Duke of Norfolk, but with his great pertinacity and firmness he carried the day. He found it more difficult to convince the British Postmasters General than to convince all the postmasters general upon the continent. He succeeded and it has been a huge success throughout the British Empire. My hon. friend should put that feather in his cap at the next congress and advocate penny postage throughout the world. If my hon. friend reads the various postal reviews that are published he will know that this is the question of the day. I sincerely hope that as Canada has led in the van of progress within the British Empire, so will Canada lead in the van of progress throughout the world.

Mr. BUCHANAN: I want to ask the Postmaster General a couple of questions with regard to the effect of the increase in regard to rates of pay allowed to letter carriers. Just before I came East the letter carriers in my city interviewed me, and spoke about this increase in pay. I want to know

whether there is provision for an extra allowance to letter carriers from Winnipeg westward. The argument they placed before me was that in western Canada the cost of living was higher than in the East and that therefore they should be given an extra allowance. I would like to know if provision is made for that in the Bills?

Mr. PELLETIER: They have it now.

Mr. BUCHANAN: They will get it in addition to this increase?

Mr. PELLETIER: It will not disappear; they will get this increase over and above.

Bill reported, read the third time, and passed.

TECHNICAL EDUCATION COMMISSION.

Hon. T. W. CROTHERS (Minister of Labour) laid on the table of the House the report of the Commission on Technical Education.

RAILWAY BELT WATER ACT AMENDMENT.

House in Committee on Bill No. 195, to amend the Railway Belt Water Act.—Mr. Crothers. (Mr. Deputy Speaker in the Chair).

On section 1—short title:

Mr. OLIVER: The hon. minister was good enough to give me a copy of the Bill with certain typewritten explanations attached to it. I do not wish to delay the committee. If the hon. minister would make a short explanation of the terms of the Bill, I would then give my views, and the Bill could go through Committee of the Whole without further delay.

Mr. CROTHERS: The Bill has been revised since I gave my hon. friend the proposed amendments. I understand the Bill as reprinted has been distributed amongst the members.

Mr. OLIVER: What will be the nature of the later amendments?

Mr. CROTHERS: They were made for the purpose of more clearly defining the rights of private individuals. My hon. friend knows the conditions in the West.

Mr. OLIVER: That was the only feature of the Bill in which I was especially interested.

Mr. CROTHERS: Counsel representing these private interests, counsel for British Columbia, and a representative of the Justice Department had a conference and proposed certain changes. They agreed upon the Bill as now reprinted, so that it is satisfactory to those interested in these private rights, to the province of British Columbia and also to the Justice Department.

Mr. OLIVER: At this late date of the session, it would not be appropriate that any serious length of time should be taken in discussing this or any other measure that is introduced on the responsibility of the Government. The Government having decided to make certain changes in the law and to place them before the House, these measures must be accepted by the House and the Government must take the responsibility for them.

I merely wish to point out what appears to me to be a course of action in regard to this question that is, to say the least, remarkable. A certain area of land in British Columbia was the property of the Dominion Government. The province of British Columbia assumed to grant rights to water within that area, called the Railway Belt. The Dominion Government also granted rights to water within the same area. The respective jurisdictions of the province and of the Dominion in regard to water were in question. It was decided by the Privy Council that the jurisdiction over the water in the Railway Belt rested in the Dominion Government. That established that rights granted by the Dominion Government were valid rights and that rights granted by the province were not valid rights, in the Railway Belt. As I read the Bill, the Government has seen fit, in arriving at an adjustment of the rights in dispute, first of all to hand over to the provincial Government the responsibility of deciding as to private rights, whether granted by the Dominion or by the province. In the same Bill by which they do that, they specifically establish that rights granted by the provincial Government shall have equal status with the rights granted by the Dominion Government. I can only say that such a proceeding is certainly contrary to every principle of justice. Rights granted by the Dominion, when the land and the water were the property of the Dominion, were legal rights. Rights purporting to be granted by the province at that time were not legal rights; and a certain provision of this Bill is for the express purpose of declaring that the rights purporting to be granted by the province, which had no legal status, shall have equal status with the rights granted by the Dominion, which were absolutely legal and within the right of the Dominion to grant. If it is the pleasure of the Government to become responsible for legislation of this character, it is not possible at this stage of the session to plead the case at any great length or to attempt to maintain the rights granted by the Dominion Government, and for the maintenance of which this Government is properly responsible; but I do not feel that it would be right to allow the Bill to go through containing such remarkable provisions, without attempting to call the atten-

tion of the House to it. When a Bill bearing this title was brought before the House last session, when the present Minister of Public Works was Minister of the Interior, he made the statement very definitely that the Dominion Government would stand behind the water rights that had been granted by the Dominion Government and, that although the jurisdiction was to be handed over to the province, still the Dominion would protect the rights which the Dominion had granted. This Bill is absolutely the reverse of that declaration of policy.

Mr. CROTHERS: I readily understand that my hon. friend has not had an opportunity to read this Bill, although it was distributed yesterday or the day before. The object of the Bill is not at all what the hon. gentleman seems to think, nor does it contain the provisions that he believes are there. I think he is not quite accurate as to the substance of the decision of the Judicial Committee of the Privy Council. That case arose in this way: The commissioners appointed by the Government of British Columbia issued a license to the Burrard Power Company to divert a certain quantity from the Lillooet lakes and river, and holders of timber berths lower down the river complained of the diversion of this portion of the water as injurious to their timber limits and called upon the Dominion Government to protect them in their rights. Information was laid by the Dominion Government before the Exchequer court and that court gave judgment to the effect that the Government of British Columbia had not the right to divert the water as they had done. That judgment was confirmed by the Supreme Court of Canada and also by the Judicial Committee of the Privy Council. The judgment held that the Dominion had jurisdiction in any unpatented lands, but on patented lands the provincial legislature had jurisdiction under the provisions of the British North America Act giving to the provincial legislatures jurisdiction over property and civil rights; and they held that as the Dominion had parted with these rights in the land it had also parted with its rights in the water and that the provincial legislature, therefore, would have jurisdiction. Hon. gentlemen all understand the position in British Columbia. The railway belt is simply a strip of land twenty miles on either side of the Canadian Pacific railway right of way, making a strip forty miles wide. Hon. gentlemen know also that the Canadian Pacific railway for the most part follows the windings of the river into which streams flow from both directions. Some of these streams arise outside the railway belt, flow into the railway belt and through it, while others rise in the railway belt and flow out beyond it. On many of these streams are private individuals who have received their patents from the Dominion Government and therefore, according to the judgment of the Privy Council come within the jurisdiction of the provincial legislature. There were on these streams patented lands and unpatented lands, so that you have a double jurisdiction unless some arrangement were made between the two governments whereby one would administer the water-power. It would be unfortunate and impracticable if there were two jurisdictions dealing with water in the railway belt. The convenience and necessity of some arrangement being made will be apparent to every hon. gentleman who has given the matter consideration. It was agreed upon between the two governments that the administration of the water-powers should be exercised by the legislature of British Columbia, they administering the water-powers and paying over to the Dominion Government the revenues derived therefrom over and above the costs of administration. With that object in view an Act was passed last year but it was found defective in several particulars making it unworkable. We are proposing to amend it in this Bill, making it workable. And if my hon. friend will examine the various sections in this Bill, I think he will find that as far as it is possible to protect these rights, they are protected. All grants and licenses, and Orders in Council issued by this Government are to be given effect to under this Bill, and all private rights are preserved. My hon. friend will see at once the drift of the legislation; we have endeavoured to preserve as far as we could, the rights of private individuals and at the same time place in charge of the province the administration of the water. You will observe in this Bill that we except from its operations property in all the Dominion parks, so that these matters will be dealt with from Ottawa rather than from Victoria. If the hon. gentleman will read the sections, I think he will find that the rights of private individuals are protected under the Bill. We have consulted private individuals and have satisfied parties represented by counsel, one representing private rights and one the province of British Columbia, and the Minister of Justice representing the Dominion, that all the rights concerned were protected under this Bill.

Mr. OLIVER: I do not at all disagree with what the hon. gentleman has said as to the circumstances that led up to the passage of this Act last year. Nor do I disagree at the moment with the policy of the Government in placing water rights in the railway belt under the administration of the provincial Government rather than retain it themselves.

As I said this is not the time when these broad questions can reasonably be discussed. I particularly confined my remarks to the protection of the private rights which have legally been granted by the Dominion

Government and on which I maintain the Dominion Government in the maintenance of its self-respect as well as for the sake of justice should absolutely refuse to stand behind any injustice of that description. That was the promise of the minister last year, and I regret that, notwithstanding the explanation my hon. friend has made that the effect of the Bill as printed is that the rights not legally granted by the province are given the same status under sub-section (b) of section 2 as the rights granted by the Dominion and dealt with under sub-section 3.

Mr. CROTHERS: If the hon. gentleman will notice this is all subject to sub-section 5 of section 4:

5. All records, grants, licenses, Orders in Council, or contracts of, for or affecting the use of water within the railway belt, heretofore granted or made by or on behalf of the Government of Canada or the minister, shall, notwithstanding anything in this Act, be and be deemed to be valid and effective and shall be given effect to.

The sub-section that my hon. friend was reading is made subject to what I have just read. The second sub-section of the new section 5 says:

Subject to the property in and the rights to the use of water referred to in sub-section 1 hereof.

Mr. OLIVER: I read this, as plain as print can make it, that all records, grants, licenses, Orders in Council, or contracts of, for, or affecting the use of water, which have been granted by the provincial government are given a legal status just as all applications granted by the Dominion Government under sub-section 3 are given a legal status. Both are made subject to adjustment by the board appointed under the Water Act.

Mr. CROTHERS: I think my hon. friend has overlooked what I have just endeavoured to call his attention to. That is all subject, under clause 2 of section 5, to the rights declared in clause 1 of section 5, which in very plain terms preserves the rights granted by the Dominion or the minister.

Mr. OLIVER: It preserves the rights granted by the Dominion, but it specifically gives the same status to the rights purporting to have been granted by the province as are given to rights granted by the Dominion. The rights which have no legal status are given an equal position before the Water Board as the rights which have a legal status. It is that to which I object, and I do not think it would be right to allow the Bill to go through without calling attention to that view of the case.

Section agreed to.

Bill reported, read the third time and passed.

JUDGES ACT AMENDMENT.

House in Committee on Bill No. 243, to amend the Judges Act. (Mr. Deputy Speaker in the Chair.)

On section 1—Revised Statutes, chapter 138, section 8, amended:

Mr. GRAHAM: I suppose what my hon. friend wants to do is to get in his resolution with regard to the Ontario judges.

Mr. DOHERTY: The resolution which I introduced this morning was referred to the committee to which this Bill was referred, so I suppose the resolution and the Bill should come before the committee now.

Mr. GRAHAM: Where is the additional Ontario judges to be located; at Berlin?

Mr. DOHERTY: The Bill provides that there shall be salaries for seventy-four county court judges instead of seventy-three. The reason why provision is made for seventy-four is that Berlin has become entitled to a junior judge.

Mr. LEMIEUX: I wish to repeat what has already been said with regard to the centralization of the judicial system in the province of Quebec. I share the views of my hon. friend the Minister of Justice that the time has come when some of the districts surrounding the city of Montreal, also those adjoining the city of Quebec, should be annexed, so to speak, to those centres. In the present case the judge who is to have concurrent jurisdiction in Beauharnois has been so very faithful and so very hard-working that he certainly deserves that promotion. Mr. Justice Mercier has been a very exemplary official, and has given great satisfaction to the bar and to the public generally. The same may be said in the case of the judge at Richelieu, Mr. Justice Bruneau, of the judge at St. Hyacinthe, Mr. Justice Martineau, and of the judge at St. Johns, Mr. Justice Monet. Of course this is a matter which has to be taken up by the Quebec legislature, and the sooner it is done the better for the interests of the people in that section of the country.

On section 7, judges sitting outside of district, exceptions.

Mr. PROULX: Why is this needed? I know of only one case where a county court judge has power to sit in chambers outside of his district, that is the senior judge of Prescott and Russell. There was some legislation passed in 1907 by the Ontario Legislature permitting a county court judge to transact business in chambers outside of his district, at a place to be named in the Order in Council. The Order in Council was passed at his solici-

tation to permit him to sit in chambers at Ottawa. It is a great injustice to the Bar of the district. He should come and sit in chambers in the county town, and the lawyers of the district should not have to run after the judge and should not have to come to Ottawa. I would ask the minister if there are other cases than this case.

Mr. DOHERTY: The section referred to has no bearing at all on the case referred to by the hon. member. That is a case, as I understand, in which, in virtue of legislation of the Ontario Legislature, the judge of Prescott is allowed to live in Ottawa.

Mr. PROULX: He is not allowed to live in Ottawa, he is allowed to transact business in chambers in Ottawa that he should transact in his county town.

Mr. DOHERTY: That is done under legislation of the province of Ontario, and if I should put into this Bill an express prohibition of that, it would be waste paper.

Mr. PROULX: I did not ask the minister to put in a prohibition.

Mr. DOHERTY: The object of this section is that when a judge is unavoidably absent from his county, laid up ill for instance, he may ask a brother judge of another county to go and take his court, and in some cases it has been thought there were abuses of that right, entailing expenditure on the country. The purpose of this section is to provide that in order to be paid under those circumstances, the judge earning the payment must make it appear to the satisfaction of the Minister of Justice that his attendance was duly authorized and necessary, that he did not ask to go and take the other judge's court, but was called on by the other judge, and that there was some reason for it being done.

Mr. PROULX: I know there was only one case in which a judge was allowed to transact business in chambers outside of his district.

Bill reported, read the third time, and passed.

INSPECTION AND SALE ACT.

House in Committee on Bill No. 199, to amend the Inspection and Sale Act. (Mr. Deputy Speaker in the Chair.)

On section 1—short title:

Mr. NEELY: Before we make any progress with this Bill, I would submit to the minister that in view of the protest made against the passing of this Bill when it was in committee on a former occasion, the minister might very well have withdrawn it. It appears to me more than ever that the only people who are going to benefit by the passing of this Bill are the already privileged class of the fruit growers in British Columbia and possibly, to some extent, the fruit growers of other provinces. I am confirmed in that opinion by a despatch which came to my notice some days ago, dated Winnipeg, May 15, in which a gentleman of that city, Mr. George Grisdale, president of the Winnipeg Wholesale Fruit Jobbers Association, expressed the following opinion with reference to this legislation:

Winnipeg, May 15.—Geo. Grisdale, speaking as president of the Winnipeg Wholesale Fruit Jobbers Association, stated that the change made by amendment to the Canadian Fruits Act was an attempt to cater to the fruit growers of British Columbia and Ontario by restricting importation from the United States to the West, but United States dealers do both their packing and grading so well that the public demands their goods.

'Before the fruit growers of British Columbia and Ontario,' said Mr. Grisdale. 'can stop the importation of fruit from the South they will have to cultivate their trees better and look more to their grading and packing than they have done in the past. Then, again, Canadian fruit and that from the United States is not ready for the market at the same time and it is necessary to get fruit from the South before Canadian fruit comes in.'

The substance of this Bill is contained in the second section which provides:

The Governor in Council, by regulation, may—

(a) prescribe the kinds of imported fruit the packages containing which must be branded or marked;

(b) prescribe the brands or marks to be used thereon;

(c) prescribe the manner and places in and at which such fruit is to be inspected and such packages branded or marked.

All packages of fruit not branded or marked in accordance with such regulations shall be forfeited to His Majesty, and may be destroyed or otherwise disposed of as the minister may direct.

I do not know Mr. Grisdale personally, but he is a man in the fruit business who imports a great deal of fruit apparently from the United States, as do all fruit jobbers and wholesalers throughout the West and throughout the country. If the minister has a fear that fruit is coming in from the United States of an inferior quality, that it is not properly branded or graded and that the people are being defrauded by the methods of grading and branding of the fruit growers of the United States, Mr. Grisdale's opinion would be that the minister is mistaken in that because he says that the grading of fruit in the United States occupies a higher position than in Canada, and that the fruit imported from the United States is, apparently, on an average, better graded than

the fruit in Canada and is of better quality. That is to say they live up better to their regulation and he complains of the way in which the packing of fruit is done in Canada and in which Canadian fruit growers live up to the Fruit Marking Act and the regulations made under it. The minister did not say, on the former occasion, that there was any demand whatever on the part of the consumers throughout Canada for this legislation. After reading the opinion of one whose business is the fruit business, I am more than ever confirmed in my view that the only class who will be benefited by this legislation are the fruit growers of British Columbia and of other parts of Canada. I fancy that so far as other parts of Canada are concerned, they are a negligible quantity, and that the protest comes from the fruit growers of British Columbia. It is at the behest of the fruit growers of British Columbia, and for their benefit, that the minister has introduced this legislation. If he had shown us that the United States exporters of fruit were making it a practice to send into this country fruit improperly marked, branded or graded, there might be some show of justification for this legislation. The tariff protects the fruit growers of British Columbia, and that ought to be sufficient. But, in his legislation, the minister certainly takes to himself the power to practically prohibit the importation of fruit from the outside. Now, why should that be? Why should the Minister of Agriculture or any other person have that power? The Canadian exporter of apples or of other fruits would regard it as a very grievous hardship indeed if other countries to which he exports were to apply legislation of this kind. I think that this is class legislation, and that it is exceedingly objectionable from the point of view of the great consuming population of this country, and especially of the people on the plains, where we do not grow to any extent the larger fruits such as apples. There is no question of doubt that the more regulations of this kind that we have, the more expensive will fruit be for the consumer. Take for instance the case of the fruit grower in the State of Washington or in any of the States contiguous to western Canada. Under this legislation, the minister takes to himself the right to—

--prescribe the kinds of imported fruits the packages containing which must be branded or marked, to prescribe the brands or marks to be used thereon.

We quite understand that under our regulations the Canadian fruit grower is compelled to grade his fruit according to the regulations and according to the terms of the Act. The brands used by the fruit growers and packers in the United States are distinct from ours. They do not use the same names, and there is some slight variation in the grades. For instance, our No. 1 may approximate to a similar grade or brand in the United States, but there is a slight difference. Supposing that a wholesale merchant in the city of Winnipeg sends an order to a shipper in the State of Washington. That order is received, and what is the consequence? That particular exporter has his fruit packed and branded according to the legislation of the State of Washington. If the Minister of Agriculture compels that fruit grower or shipper to conform to regulations which he may lay down for fruits coming into Canada, that exporter in the city of Washington will be compelled to take the fruit out of the packages in which he had placed it, and re-select, and re-grade, and re-mark it according to the regulations imposed by our legislation. What is the result going to be to the consumers? The only possible result from that sort of thing is that if the exporter in the State of Washington or in any other state to the south of us, is compelled to go to this trouble in filling an order from a Canadian importer, the price will necessarily be enhanced. That can be the only possible result. I repeat that the condition will be particularly onerous in view of the fact that, as Mr. Grisdale states, the seasons in the two countries vary. The fruit to the south matures before the fruit in the province of British Columbia, and I think that that in itself, along with the tariff ought to be quite sufficient protection for the fruit growers of that province. I would like to hear from the minister whether in view of these considerations he does not think it would be advisable to withdraw this Bill.

Mr. CARVELL: Before the minister replies, I wish to enter my protest against this Bill. I shall do so briefly, as I gave my views on the second reading. I look upon it as the most vicious legislation which has been introduced during this session, and that is saying a good deal. There is one point which perhaps my hon. friend from Humboldt (Mr. Neely) did not emphasize. I do not say that the minister will do all that is proposed to be done under this legislation, but this Parliament is not acting properly when it places in the hands of any minister such powers as the Minister of Agriculture is asking under this Bill. All he has to do is to prescribe by regulation that a certain brand shall be placed upon those goods, contrary to the law of the country in which it is produced, and he absolutely prohibits the importation of those goods into Canada.

In the United States, they have their Inspection and Sales Act just as we have in Canada. Their law provides that the fruit shall be inspected and branded in a certain way, and the moment my hon. friend prescribes regulations different from those, he prohibits the importation of those goods into Canada. To my mind that is the real difficulty in the matter, and I rather think it is the real object of this legislation. Look at the enormous powers he is asking.

The Governor in Council by regulation may prescribe the kinds of imported fruits, the packages containing which must be branded or marked.

In the first place he can say that every article of fruit that comes into Canada must be branded or marked. Next he can—

—prescribe the brands or marks to be used thereon.

Then he can—

—prescribe the manner and places in and at which such fruit is to be inspected, and such packages branded or marked.

It may be interesting to some members of the committee to realize the enormous quantities of fruit which we bring into Canada from the United States every year. We have to bring it in because our fruit is not matured at the time the United States fruit is. I have here the trade and navigation returns for the first eleven months of the last fiscal year, and I find that during that period we imported from the United States $751,000 worth of green apples. We would not bring these apples into this country unless we needed them, and I think it is fair to assume that they would not be imported if we produced them for our own consumption at that particular time. They were brought in because we had to have them. Take blackberries, gooseberries, raspberries, and strawberries, $565,000 worth came in; cherries $102,000 worth and we know that these cherries are brought in here before our cherries are ripe for the market; grapes from the United States, $279,000 worth; peaches from the United States, $330,000; plums from the United States, $266,000 worth; quinces, apricots, pears and nectarines, $372,000 worth. There is nothing coming from any other country practically than the United States. Our total importations, with the exception of a mere bagatelle, come from the United States. All the minister has to do under this law is to prescribe a mark or brand different from that prescribed by the law of the United States and we prohibit the importation of these goods. Surely, if the protection which the tariff gives is not sufficient for the fruit-growers of Canada, they had better go out of business, the country had better pension them off and the land which they occupy had better be devoted to some other purpose. If the labouring men and consumers of this country have to pay any more for their fruit than they are paying now the country had better pension off the fruit-growers, keep them out of this business, and let them devote their energies to something else. This is class legislation of the most vicious kind; legislation that is not justified, that is a direct attack on the labouring and consuming people of the country and entirely in the interests of the fruit-growers in two or three sections of the Dominion.

Mr. BURRELL: I can only assure my hon. friend from Carleton (Mr. Carvell) that the purpose of this Bill is simply to establish uniformity in the grading, packing and branding of all fruits that are sold in Canada. A man who offers a case of apples in Canada shall offer it under certain markings and grades that are prescribed by this Act whether he is a foreign producer or a home producer. I will be frank with my hon. friend and say that there is not the faintest possibility of the Government dealing with the various foreign fruits that he has mentioned, or that he mentioned the other day, because it would be folly on the Government's part or on the department's part to antagonize people in Canada by dealing with those things that we do not grow at all.

Mr. CARVELL: Do we not grow apples, pears, peaches, plums and cherries?

Mr. BURRELL: There is a great deal of foreign fruit that we do not grow here at all. I am only saying that this provision will only be applied to some of the deciduous fruits that we grow and the Act, as it stood, which is practically as the Act stands now except that the Justice Department thought that we should have it made clearer, has been applied to some extent, because there have been prosecutions against producers of or dealers in fruit that has been shipped in as violating the terms of the old Act. But when we came to apply the Act to the packers of the fruit it could not be applied in the same way as to the home packers, because the people who were the packers were on the other side of the line. This amendment will not necessarily restrict the sale of American fruit. The American producer who sends fruit to Canada, after this is published in the Canada Gazette, will know what the requirements are as to branding in this country and will conform to them. I cheerfully admit, what was stated by the hon. member for Humboldt (Mr. Neely), that an immense amount of American fruit comes packed in first-class style, is admirable in every respect, and that no person in British Columbia

can criticise it. But if that be true it is also the fact that occasionally fruit does come in that is misleading as to the brand and this proposed law will put it on the same basis as that occupied by Canadian fruit. All that is aimed at by this amendment is to put everybody on the same footing with respect to the Act.

Mr. CARVELL: If that is all my hon. friend wants, why does he not provide that the Governor in Council may take power to prescribe places at which this fruit may be branded? My hon. friend says that it is well packed and properly branded now. Why does he want to provide places? If he provides places he prohibits the importation of fruit except through those places.

Mr. BURRELL: It is quite evident that we could not provide that the fruit shall be branded in Washington or Oregon or New York because we have no jurisdiction there.

Mr. CARVELL: Thas is what we object to.

Mr. BURRELL: We have only jurisdiction to deal with it in this country, it has to be inspected at a custom point and the intention of the act is that it shall be put on the same footing as any other fruit. That is the whole purpose of the enactment. We cannot say that a man shall brand his fruit in some obscure place in Oregon, Washington, New York or Florida. We can only deal with it after it comes into this country and then we say that it shall conform to our law. My hon. friend asked the reason for establishing these regulations. If he were to ship any commodity to the United States he would have to conform to their regulations. If he were to ship the finest carcass of beef to the United States it would only be admitted under certain conditions. In regard to a great many things you must conform to the regulations of the country to which you ship them and they will not be admitted unless you comply with these conditions. I assure my hon. friend that there is absolutely no desire under the provisions of this bill on the part of my department to do anything but apply to some deciduous fruits the same grades that are establised by this act and there is no desire to work any hardship. We are simply providing for the possibility of some one undertaking to sell fruit purporting to be of a certain brand when as a matter of fact it does not conform to that standard. If we say to our own Canadian citizen: You must mark your fruit as being of a certain grade and you shall not put any other brand upon your fruit, surely my hon. friend would not expect that we would ask for anything less from the man who undertakes to sell the same kind of foreign fruit in our markets.

Mr. CARVELL: I must take my hon. friend's word when he says that he is not trying to prevent the importation of fruit from foreign countries but my hon. friend has admitted all that we have been trying to argue. He has told us that branding will not take place in the United States but has to take place at certain designated points in Canada. That is the very thing we are objecting to. I just want to give him a concrete illustration of what will be done. The law provides that strawberries must be branded in a certain way and that they must be branded when they get into Canada. The strawberries will be held at Vanceboro or Macadam Junction on the New Brunswick frontier until they are rotten and the Canadian consumer will be prevented from getting them. It will be the same with peaches. They are stopped at the boundary line and they will be rotten before they can get to their destination. My hon. friend says: Trust me. Yes, I will trust my hon. friend, but he will not always be the minister of Agriculture. That may be possible, and we have to guard against all these possibilities. We are objecting to my hon. friend making legislation by which a man, who has not his ideas of fair-play and uprightness between man and man, would have the right to injure the public. My hon. friend has confessed all we are claiming, namely: that this legislation is giving him rights which no government should have. It is interfering with the liberty of the subject and the very living of the people.

Mr. OLIVER: My hon. friend has made the plea that the present Act is not sufficient. In my humble judgment the present Act is sufficient if protection to the consumer is all that is wanted. Section 320 provides for the marking of fruit; that is to say, it lays down a certain law which governs the Canadian producer of fruit for market. Section 321 lays down the rules which shall govern the condition of foreign fruit offered for sale in Canada. I maintain that the provisions of section 321 are entirely adequate to give all necessary protection to the consumer. The provisions are naturally of a general character; but their result is that fruit must be sound, honestly packed and honestly branded. My hon. friend needs no more authority to protect the Canadian consumer of foreign fruit than is contained in that section. When he asks for legislation to place in his hands authority whereby, as has certainly been proved by my hon. friends who have already spoken, not only can he prevent the importation of foreign fruit into Canada, or hamper the importation to such a degree as to minimize the advantage of its importation; but, if he puts this law on the statute-book, he will be required to take action under it, either that or the law should not be on the

statute-book. The plea of fair-dealing that my hon. friend makes in his own behalf does not hold good. He is asking for legislation that is not necessary, that, if it is enforced, will be seriously detrimental to the country; and that, if it is put on the statute-book, it will be his responsibility to enforce. In the face of that condition, I certainly wish to enter my strongest protest against the passage of this legislation. This Bill has been before the House for a considerable time; and it does not indicate fair-play that a Bill of such effect as this should be brought forward for second reading and committee after twelve o'clock on the last day but one of the session. The Bill is objectionable for the reasons that I have stated, and the time and manner of its being brought forward for passage is not an indication of good faith.

Mr. LANCASTER: Does the hon. member not remember that all this was said two or three weeks ago, and that the matter was thoroughly discussed on the resolution. .

Mr. NEELY: Perhaps most of what has been said was said on a former occasion. Then the minister saw fit to leave this Bill on the Order Paper until, as the hon. member for Edmonton (Mr. Oliver) says, we have come to the closing hours of the session. It is now an early hour of the morning, with a small membership in the House. Many other members, had they been in the House, would add their protest to those already made.

After listening to the remarks of the hon. minister, I am more than ever convinced of the vicious character of this legislation. The hon. minister admitted that this Bill was intended to mean exactly what I thought it meant; that is to say, he proposes to make the exporter from the United States conform, so far as branding and marking is concerned, with the fruit grower in Canada.

Mr. LANCASTER: Why not?

Mr. NEELY: My hon. friend's own judgment ought to show him that that makes practically an insurmountable obstacle, so far as importing fruit from the United States is concerned. The fruit grower and packer in each state is compelled to pack and brand his fruit according to the laws and regulations of his state. He is primarily supposed to be catering to the trade of his own country, and therefore he considers its regulations. Suppose he was allowed by the laws of his state to adopt two systems of packing and branding for a particular grade of fruit, which is no more than the Canadian fruit grower is permitted to do. His chief customers are in his own country, but we in Canada are compelled to import fruit from the United States. By this legislation we are giving to the hon. minister or to the Governor in Council the power to say to the fruit exporter from the United States that, when his fruit crosses the international boundary, he must conform with the laws and regulations of the Dominion of Canada as to grading and branding. I think my hon. friend from Lincoln (Mr. Lancaster), who comes from a fruit district, ought to see the effect of such legislation. The grades, brands and markings used in the United States are different from ours. The hon. minister has admitted, from a practical standpoint, that this legislation is not necessary; that the bulk of the fruit coming from the United States comes in good packing, well packed and well graded. While the grades are not uniform with ours in that they are marked or named differently, nevertheless every Canadian importer of fruit from the United States knows exactly what quality of fruit to expect when he orders a certain brand.

Mr. BURNHAM: Has the Canadian exporter to conform with American laws?

Mr. NEELY: Not by any means. I am sure of that, excepting that his fruit has to conform with the Canadian brands. The minister undertook to say that so far as the export of our beef is concerned it must conform to the legislation of the United States. Of course it must, so far as inspection is concerned. If it is bad meat, it is diseased, it cannot cross the international boundary, and be distributed in the United States. If we export our fruit, that fruit must conform to what the importer in another country knows to be the grade according to the Canadian brand. So, it is proper to see to it that fruit that comes from the United States marked according to American legislation, shall conform to the brand as fixed by that legislation. But that is a very different thing from what this Bill proposes which dictates what the brands shall be. What will be the effect of this legislation? A shipment of apples, for instance comes across the boundary graded according to the regulations on the American side where it was grown. The minister takes power under this Bill to compel the unpacking and regrading of these apples according to the grades fixed in Canada. The minister knows—he must know—that that is vicious legislation.

Mr. LANCASTER. But if the packer knew that is the law in Canada, would not he pack the fruit in the first place to conform to the law of the country in which he expected to sell? He would if he is not a fool, and if you want legislation for fools in the United States, it is no wonder you do not accept this Bill.

Mr. NEELY: The hon. member must know that fruit packed in Canada and fruit packed in the United States must conform to the laws of the country in which it is packed.

Mr. LANCASTER: Yes, but if the packer is going to sell it in Canada he must conform to the laws of Canada.

Mr. NEELY: Where is the fruit grower in the United States going to do his packing? He packs it in the United States and must pack it according to the laws of his own country.

Mr. LANCASTER: As the hon. gentleman asks the question, the answer is that if the American packer seeks the Canadian market, he knows, what the hon. gentleman says everybody knows, that there is a law in Canada with regard to the packing of fruit, and he will pack it in accordance with that law, just as the Canadian packer will do.

Mr. NEELY: The minister who sits beside the hon. member for Lincoln I am sure could enlighten him that in Canada as well as in the United States the fruit packer is not allowed to pack according to the laws of any country but his own.

Mr. BURRELL: There is no federal law on this subject similar to our own. This is done in the several states by associations or individuals very largely.

Mr. NEELY: If I am correctly informed, the several states regulate these matters. But the minister knows perfectly well the effect of state legislation there is the same as that of federal legislation in this country. The packer on either side must conform to the law under which he lives.

Mr. STEVENS: Would not that apply to the different states? So, a packer in the United States could not sell outside of his own state according to the hon. gentleman's argument.

Mr. NEELY: There is no legislation as between state and state such as we are proposing putting into effect, as between Canada and the United States. They certainly can ship their fruit from one state to another as they do from the United States to Canada, but if we adopt this legislation they will not be able to ship into Canada.

Mr. LANCASTER: The hon. gentleman is talking a lot of law about which he knows nothing.

Mr. NEELY: The hon. member for Lincoln may know a great deal of law, but instances have come under my own observation in which his knowledge has not been exactly plain to the ordinary layman.

Mr. LANCASTER: Give us a little common sense, then, seeing your law is no good.

Mr. NEELY: The hon. gentleman speaks of law, and may know something on that subject, but when it comes to common sense, so far as my observation goes, that is rather beyond him. It is common sense and not legal technicalities that I am discussing. The hon. gentleman is versed in legal technicalities, perhaps, but not in practical affairs. I said that the Canadian fruit grower must conform to the law of his own country and cannot pack and grade his fruit differently even if he wants to meet the regulations as to grading and branding of any other state to which he is going to ship. The minister should take the member for Lincoln aside and enlighten him on these practical questions.

Mr. THORNTON: Does not the hon. gentleman know that Canadian apples shipped to New York state must conform in regard to inspection and marking with the laws of that state?

Mr. NEELY: They must conform to the grade that is required in this country.

Mr. THORNTON: No, I ask if he does not know that they must conform to the laws of the State of New York?

Mr. NEELY: So far as inspection is concerned, that is quite possible. But if there is a state of the Union that enacts legislation of the sort the hon. gentleman speaks of, it is outside my knowledge. I would like to see it before I would believe that such legislation exists in any state of the Union.

Mr. LANCASTER: If the hon. gentleman had lived in the fruit-growing district as I have, he would know absolutely that this has been so for years. That is the fallacy of his whole argument.

Mr. NEELY: I will take the hon. gentleman's word when he produces the proof.

Mr. LANCASTER: That is your size.

Mr. NEELY: The hon. gentleman says he knows this; he ought to be able to submit the proofs.

Mr. LANCASTER: I have lived there for thirty years, and that has been the law for twenty years.

Mr. OLIVER: Just the same as the law of Canada is to-day, and it does not require any change such as is proposed.

Mr. LANCASTER: You are wrong again.

Mr. NEELY: I think probably my hon. friend, with all his years of experience, may be mistaken as to legislation of New York state. I shall be glad to look into the matter if my hon. friend can furnish evidence that so far as marking is concerned we must employ the same marks as the fruit packers of the state of New York. Does my hon. friend say that?

Mr. LANCASTER: Yes, if you are shipping to packers in New York state that is so, and has been so for years. The hon.

gentleman ought to have acquainted himself with the facts before taking up the time of the House in discussing this matter on false premises.

Mr. NEELY: So far as taking up the time of the House is concerned, I have no apology to make to my hon. friend. The hon. gentleman takes up his own share of the time of the House, and I do not require any advice from him as to the time I shall take up in the discussion of any particular matter. My hon. friend gives his word as to a certain condition of affairs existing in New York state; if he has information on the subject he ought to be able to prove his assertions. Whether or not that legislation does exist in New York state—does not affect this question one particle. Even if that legislation does exist in New York state, taking my hon. friend's word without proof, I say that this would be vicious legislation if the people of New York state were large importers of fruit, because we are, as is demonstrated by the blue books, very heavy exporters to the United States, and these regulations without the shadow of a doubt, would be a very great injury to that trade and a very great hindrance so far as obtaining fruit from the United States is concerned.

Bill reported, read the third time and passed.

THE PUBLIC ARCHIVES.

On motion of Hon. Louis Coderre (Secretary of State), Bill No. 240, to amend the Public Archives Act, was read the second time, and House went into Committee thereon. (Mr. Deputy Speaker in the Chair).

Mr. CODERRE: Under the law placing the public archives under the Department of the Secretary of State, the Dominion archivist was accorded the rank and status of a deputy minister. Up to the present time certain duties in respect of the archives have been fulfilled by the Under-Secretary of State, and it has been thought desirable that the Dominion archivist should assume the duties, as well as responsibility for and control over the finances of the archives. The Dominion archivist is himself desirous that this change shall be effected, and the purpose of the amendment is to fulfil this common desire. Under this amendment all these duties will now be assumed by the Dominion archivist. Since I have been in charge of the Department of the Secretary of State, the desire has been very emphatically expressed by both Mr. Mulvey, the under Secretary of Sstate, and Dr. Doughty, Dominion archivist, that this amendment should be passed. Dr. Doughty would like to have control of his own finances, and Mr. Mulvey does not care to interfere in the finances of the Dominion archivist. That is the whole purpose of this amendment.

Mr. CARVELL: Does this create another deputy minister?

Mr. BORDEN: This does not create a new deputy minister.

Mr. LEMIEUX: Last year Dr. Doughty, whose services as Dominion archivist we have been very fortunate to have, was given the rank and salary of a deputy minister, and this amendment has regard to the administration of that branch of the Department of the Secretary of State. Dr. Doughty, I understand sends to the United States, England, France and other countries young men who are authorized to copy very interesting documents, and it is in order to avoid red tape that this power is given him to administer the affairs of his branch under the department. I can assure my hon. friend the member for Carleton, knowing Dr. Doughty as I do know him, that no department of the Government is better administered than that branch of the Secretary of State known as the public archives.

Mr. CARVELL: Does this mean the appointment of extra clerks? Certain duties now being performed by the under-Secretary of State are being handed over to the Dominion archivist, and I presume that means the appointment of a staff of clerks.

Mr. CODERRE: There may be an accountant. Whether the Government pays the present accountant of the Secretary of State for the work that he is now doing for the Archives branch, or pays another accountant, seems to me a matter of indifference.

Mr. CARVELL: If an accountant be appointed for the Archives, will there be a reduction of the salary to that extent in the Secretary of State's office?

Mr. CODERRE: There is to-day before the department a request by Mr. Coulson, the accountant of the department, for relief, as he contends he has been overworked because he has been obliged to do the accounting of the public archives; for that he has been paid no more than he would be entitled to as accountant of the Department of State. Whether we pay him an additional amount or whether we pay a separate accountant for the Archives seems to me to be a matter of indifference.

Mr. CARVELL: I suppose it is no use objecting, but it seems to me as if it was a case of the tail wagging the dog. The Civil Service is growing to such an extent in Ottawa that I do not know where the end will be. I have no fault to find with Dr. Doughty, who is a good man; but there is no doubt every move made means

more officials. The minister will not say that it will reduce the cost in his own department; his own officials will receive as much as now, but a new set of officials will be created in the Archives branch. It seems to me that this Parliament is acting almost like a lot of children; all that is necessary is for someone to say: I am not getting enough salary, I ought to have promotion, and they devise some means by which a new office is created, a new deputy minister is provided for, and $15,000 or $20,000 expended.

Mr. LEMIEUX: Has the minister made choice of a successor to Mr. Roy, the very able assistant archivist who died the other day, and whose death is an irreparable loss to the country?

Mr. CODERRE: No action has been taken. Many applications have been made and I believe the best man will be chosen.

Mr. LEMIEUX: Mr. Roy, who was appointed by the late Government, was, of course, a well known Conservative. He was appointed because of his special ability as an archivist, he had made a special study of the archives and was known not only in Canada but in other countries. I hope my hon. friend in choosing his successor will make a similar choice, that is to say that he will have regard to the ability only of the person appointed and not to his political leanings.

Mr. CODERRE: There are no politics in that.

Mr. LEMIEUX: I trust he will make the best choice in the interest of the country.

Bill reported, read the third time and passed.

On motion of Mr. Borden, House adjourned at 1.20 a.m., Thursday.

HOUSE OF COMMONS.

THURSDAY, June 5, 1913.

The SPEAKER took the Chair at eleven o'clock.

QUESTIONS.

(Questions answered orally are indicated by an asterisk).

LEVIS MILITARY PROPERTY.

Mr. BOURASSA:

1. Has the lease of a house, consented to by the Minister of Militia and Defence of Canada, in favour of Prudent Bossé, in the town of Lévis, on the 11th of October, 1893, been cancelled?
2. If so, (a) when, (b) why and (c) at whose request?
3. Was notice given to the tenant, in accordance with the terms of the said lease, that this lease would be cancelled?
4. Has Prudent Bossé always conformed to the terms of his lease?
5. Was the land leased, and such as described in the said lease, a portion of the land of the said Prudent Bossé?
6. (a) To whom has the said land been leased, (b) what are the qualifications or occupation and (c) place of residenec of the new tenant, (d) what is the yearly rental?
7. For what purpose is the leased land used?

Mr. HUGHES (Minister of Militia):

1. Lease dated October 11, 1893, has been cancelled. There is no house on the property.
2. (a) April 1, 1913. (b) Under the condition of the lease that the Crown has the right to resume possession at any time, on demand. (c) Mr. Bernier, M.P.P.
3. Yes, on May 3, 1912.
4. Yes.
5. No. This land belongs to the Crown, and was transferred at Confederation to the control of the Dominion of Canada. It forms a portion of the military reserve at Lévis.
6. (a) Mr. Odilon Roberge. (b) Occupation, butcher. (c) Residence, 109 St. George street, Lévis. (d) $12 per annum, same rental as that formerly paid by Mr. Bossé.
7. Pasturage.

AMMON POSTMASTER.

Mr. EMMERSON:

1. Has John Wilbur, postmaster at Ammon, Westmorland county, New Brunswick, been dismissed? If so, for what cause?
2. Were any charges preferred against him? If so, by whom, and what was their nature and purport?
3. Was any investigation held? If so, by whom?
4. Has any one been appointed to succeed him? If so, who, and by whose recommendation?
5. Were any petitions respecting the matter received from residents of the locality? If so, what was the nature and purport thereof?

Mr. PELLETIER:

1. No.
2. No.

3, 4 and 5. A petition was received asking for a change in the site and postmastership of the Ammon post office, and the inspector, having reported that the proposed site would better accommodate a larger number of the residents, the change in location was authorized, involving also a change in the postmastership.

MANITOBA LAND TITLES.

Mr. PROULX:

1. What was the Governor General's pro-

clamation of July 15, 1870, in reference to land titles in Manitoba?

2. Is it the policy of the Department of the Interior to set up the Statutes of Limitation in order to bar the rights of the pioneer Selkirk settlers of Red River, who have been deprived of the means of protecting their civil rights through the suppression of the public records from the custody of the state, at the transfer in 1870, covering the period from 1812 to 1835?

3. Why does the department refer to the Exchequer Court the heirs of the pioneer Selkirk settlers, in the absence of the public records from the custody of the state?

Mr. DOHERTY: There is no proclamation by the Governor General of July 15, 1870, known. The province of Manitoba did not exist at that date.

2. It is not known what rights there are.

3. The department does not refer to the Exchequer Court the heirs of the pioneer Selkirk settlers.

HAY AND STRAW GRADES.

Mr. BUCHANAN:

1. Has the Government been asked to fix grades for hay and straw in western Canada?

2. If so, is it the intention of the Government to meet the request made in this regard?

Mr. PERLEY:

1. The Department of Trade and Commerce has received representations in connection with the fixing of grades for hay and straw in western Canada.

2. The subject of fixing grades is now engaging the attention of the department.

THE PEACE CENTENARY.

Mr. GERMAN:

1. Is the Government aware that an International Conference has recently been held in the city of New York for the purpose of discussing methods of celebrating the centenary of the signing of the treaty of Ghent?

2. Does the Government contemplate the granting of aid towards the holding of such a celebration?

Mr. BORDEN:

1. The Government has received the following information from the officers of the Canadian Peace Centenary Association.

An International Conference took place in New York from May 5 to May 9, between delegations representing the American Committee for the celebration of the One Hundredth Anniversary of Peace between the United States and the British Empire; the British Committee for the celebration of the One Hundredth Anniversary of Peace between the British Empire and the United States; and the Canadian Peace Centenary Association. In addition, it was attended by representatives of Australia, of Newfoundland and of the city of Ghent.

The delegates from the British Committee included: The Right Hon. Baron Weardale; the Right Hon. Earl Stanhope; the Hon. Sir Arthur Lawley, G.C.S.I., G.C.I.E., K.C.M.G.; the Right Hon. Sir Herbert Maxwell, P.C.; Hon. Neil Primrose, M.P., Mr. Moreton Frewen; Mr. Henry Vivian and Mr. H. S. Perris.

The delegates from the Canadian Peace Centenary Association were: Sir Edmund Walker, C.V.O., LL.D.; Senator R. Dandurand; Mr. Travers Lewis, K.C., Mr. C. A. Magrath, Mr. C. F. Hamilton.

The delegates from the American Committee, who were more numerous, included Hon. Joseph H. Choate, Judge Alton B. Parker, Hon. Chauncey M. Depew, Mr. Nicholas Murray Butler, Mr. John D. Crimmins, Dr. Thomas Nelson Page, Mr. Andrew Carnegie, Mr. Cornelius Vanderbilt, Mr. H. P. Judson, Mr. John A. Stewart, Mr. William Church Osborn, Mr. George Burleigh, Mr. George T. Wilson and Mr. W. B. Howland.

Australia was represented by Sir George H. Reid, G.C.M.G., High Commissioner for Australia; Newfoundland by Mr. Eugene H. Outerbridge; and the municipality of Ghent by M. C. deBruyen and M. Alphonse Van Werveke.

The delegates were given a cordial and sympathetic reception by the President of the United States, Mr. Wilson, by the Vice-President of the United States, Mr. Marshall; by the Secretary of State of the United States, Mr. Bryan; by Mr. Theodore Roosevelt, formerly President of the United States; by Mr. Clark, Speaker of the House of Representatives; and by Mr. Underwood, leader of the majority in the House of Representatives. The American Committee showed a zeal and interest in the movement which created a most favourable impression on all who came in contact with them.

The British and Canadian delegates received many courtesies and attentions from the United States Committee as well as from other prominent and representative citizens.

The Government understands that the proceedings of the conference, which were entirely harmonious, resulted in the passing of resolutions recommending a definite scheme of commemoration, partly by the erection of visible monuments, possibly of identical design; partly by the ceremonies attending the laying of the corner stone of these monuments, and partly by the establishment of lectureships scholarships and similar methods of diffusing correct information upon international relations.

The Canadian delegation has communicated full information with regard to the conference in a letter which is herewith laid on the table for the information of the House.

2. While the Canadian Peace Centenary Association is an unofficial body, the Government strongly sympathizes with and approves of its object and purpose of promoting good will and peace between the nations of the world. The Government is disposed to give favourable consideration to a grant such as that mentioned in the question in case similar action should be taken in other countries.

The following is the letter referred to:

Canadian Peace Centenary Association.
Ottawa, May 24, 1913.

Sir,—The Canadian delegates have the honour to lay before you a statement of the events associated with the International Conference recently held in New York for the purpose of adopting a definite programme for the celebration of the centenary of the signing of the treaty of Ghent.

The delegation from the Canadian Peace Centenary Association was headed by Sir Edmund Walker, C.V.O., the president of the association. At the conclusion of the deliberations Sir Edmund Walker was obliged to proceed to Europe, having indeed, more than once postponed his sailing and dislocated his personal arrangements in order to discharge his duties as a member of the conference. In his absence the duty of making this report devolves upon the remaining members of the delegation.

The conference did not regard itself as a body authorized to determine with finality the questions before it, but rather as a meeting of delegations from parent bodies to which report must be made and to which all recommendations must be submitted. All business transacted and resolutions passed are conceived upon that basis.

The British delegation consisted of:—The Rt. Hon. Baron Weardale; the Rt. Hon. Earl Stanhope; The Hon. Sir Arthur Lawley, G.C.S.I., G.C.I.E., K.C.M.G.; the Rt. Hon. Sir Herbert Maxwell, P.C., the Hon. Neil Primrose, M.P.; the Hon. C. T. Mills, M.P.; Mr. Shirley Benn, M.P.; Mr. J. Allen Baker, M.P.; Mr. Moreton Frewen; Mr. Henry Vivian, and Mr. H. S. Perris.

The American delegation, which was much larger, included: Mr. Joseph H. Chocate, former American Ambassador to Great Britain, New Work; Judge Alton B. Parker, New York; the Hon. Robert Bacon, Boston; Mr. Henry Clews, New York; Mr. Chauncey Depew, New Work; Mr. Howard D. Hadley, Plattsburg, New York, Mr. Henry Fairfield Osborn, New York; Mr. William Church Osborn, New York; Dr. James Brown Scott, Washington; Bishop N. S. Thomas, Cheyenne, Wyoming; Mr. George William Burleigh, New York; Dr. Nicholas Murray Butler, President of Columbia University, New York; Colonel Benehan Cameron, Raleigh, N.C.; Mr. Andrew Carnegie, New York; Mr. John D. Crimmins, New York; Mr. William Curtis Demorest, New York; Captain William D. Forbes, New York; Mr. Austin G. Fox, New York; Dr. E. R. L. Gould, New York; Hon. George Gray, Wilmington, Del.; Mr. W. O. Hart, New Orleans; Mr. Job E. Hedges, New York; Mr. William B. Howland, New York; Mr. Marcus M. Marks, New York; Dr. Thomas Nelson Page, Washington; Mr. George Foster Peabody, New York; Dr. Louis Livingston Seaman, New York; Mr. Andrew B. Humphrey, New York; Dr. George F. Kunz, New York; Mr. Isaac N. Seligman, New York; Dr. Albert Shaw, New York; Mr. T. Kennard Thomson, New York; Dr. James L. Tryon, Boston; Mr. Cornelius Vanderbilt, New York; Mr. George T. Wilson, New York; Mr. George W. Perkins, New York; Hon. Lyman J. Gage, Point Loma, Cal.; Mr. Harry P. Judson, Chicago; Mr. John A. Stewart, New York.

The Canadian delegates were: Sir Edmund Walker, C.V.O.; the Hon. Raoul Dandurand, P.C.; Mr. C. A. Magrath; Mr. Travers Lewis, K.C., and Mr. C. F. Hamilton.

In addition, the Rt. Hon. Sir George H. Reid, P.C., G.C.M.G., High Commissioner for Australia, accompanied the British delegation; two Belgian gentlemen, M.C. de Bruyen and M. Alphonse Van Werveke, represented the city of Ghent; and Mr. Eugene H. Outerbridge was requested by the Prime Minister of Newfoundland, to represent that colony.

The proceedings of the conference began on May 5 and terminated on May 9. During their continuance the American committee constituted themselves the hosts of the visiting delegates, and discharged that function with the utmost generosity. Great interest was evinced in the conference while it sat in New York, an interest which in part took the form of a hospitality which culminated in a banquet held on the evening of May 9. The visiting delegates were afterwards conveyed to Boston, Washington, Philadelphia, Chicago and other cities, where flattering attentions were paid to them; the Canadian delegates were unable to visit all of these places. It may not be out of place to add that the newspapers of the United States devoted to the proceedings of the conference a degree of attention which we were assured was quite unusual; while there was much editorial comment, couched in terms of a gratifying friendliness.

We feel constrained to state that apart altogether from the abundant hospitality accorded us, we have every reason to feel gratified at the distinguished personnel and cordial disposition of the American committee. In New York Mr. Joseph H. Choate showed the most active interest in the conference, and on several occasions acted as its chairman; Judge Alton B. Parker, who was Democratic candidate for the presidency in 1908, attended the conference regularly, and Mr. Theodore Roosevelt, former president of the United States, at his home at Oyster Bay addressed and entertained the delegates in a most cordial manner. President Nicholas Murray of Columbia University was active in the work of the conference; Mayor Gaynor of New York formally welcomed the delegates in a cordial speech; Dr. Thomas Nelson Page, the well-known author, bore an active part in the deliberations; Mr. Carnegie, Mr. Cornelius Vanderbilt, Mr. Henry Clews, Mr. William Church Osborn, Mr. George W. Perkins, and Dr. Louis Livingston Seaman exerted themselves to make the conference a success. Other prominent men in New York who bore a part in the deliberations or otherwise showed interest were Mr. Walter H. Page, the new Ambassador to Great Britain,

Hon. Chauncey Depew, Mr. John D. Crimmins Judge George Gray, Mr. T. Kennard Thomson, Dr. George F. Kunz, Mr. George Foster Peabody, Mr. Isaac N. Seligman, Hon. Lyman J. Gage, Dr. Albert Shaw, Dr. E. R. L. Gould, Mr. W. B. Howland, Mr. John A. Stewart, Mr. George W. Burleigh Mr. George T. Wilson, Mr. Willian Curtis Demorest and Mr. Austen G. Fox. A feature of the official banquet at New York was the reading by the Chairman, Mr. Choate, of a letter from Cardinal Gibbons, approving the project in terms of marked cordiality, which included the following passage:

'Let Britannia and Columbia join hands across the Atlantic and their outstretched arms will form a sacred arch of peace which will excite the admiration of the nations and will proclaim to the world the hope that with God's help the earth shall never more be deluged with bloodshed in fratricidal war.'

In Boston the entertainment enjoyed by the delegates was given by the city authorities. The speakers there included the Hon. Eugene Foss, Governor of the State of Massachusetts, the Hon. John D. Long, former Governor of the State and former Secretary of the Navy, and Dr. Charles W. Eliot, President Emeritus of Harvard University, while present among those who bore a part in the organization work were Mr. Thomas J. Kenny, acting mayor of Boston, and Mr. T. B. Fitzpatrick, and many of the most prominent residents of Boston were met at a reception given by Mrs. J. Malcolm Forbes, mother of the Governor General of the Philippine Islands. In Washington the delegates were formally received by the President in the White House, and in addition were received by the Vice President, the Secretary of State, the Hon. W. J. Bryan, the Speaker of the House of Representatives, the Hon. Champ Clark, and Mr. Underwood, the leader of the majority in the House of Representatives. Mr. Bryan addressed the delegates on no less than four occasions, two of these being the banquets given in Washington and New York. Senator Root presided at the banquet at Washington. At Philadelphia, the civic corporation acted as hosts, and Mayor Blankenburg, a representative of the German element in the United States, was present and spoke at the banquet, which was presided over by Mr. Chariemagne Tower.

The propinquity of the United States and Canada renders anything which either may do in regard to the erection of monuments along the boundary line of interest to the other, and it thus happened that while the British, Australian, Newfoundland and Canadian delegations felt themselves all one in representation of the Empire, special consultation was necessary between the American and Canadian delegations on the subject of the various proposals put forward to signalize the occasion at the international boundary. In these consultations the Canadian delegates can testify to the utmost consideration of their point of view shown by their American friends and co-delegates. Apart from this necessary co-operation, the general principle was followed that each of the countries concerned should carry out such celebrations as it determined upon independently of the others. Thus the nature of the celebration in the United Kingdom was regarded as a domestic matter resting with the British committee, though the conference, as will be seen, suggested that certain general features be regarded as common to all. In like manner, the conference expressed the opinion that memorials of the First Century of Peace might profitably be erected in great centers of population in the United States remote from the border, but such memorials would be exclusively a matter for the American committee and allied or similar bodies in the American Republic. The keynote of the action of the conference was substantial unity of purpose, with circumstantial variety in detail.

The transactions of the conference may be summarized under three general headings:—

(a) The issue of a manifesto, declaratory of the principles actuating it and containing a request to the British and American governments to invite the governments of all other countries to send official representatives to the principal ceremonies in connection with the proposed celebrations.

(b) The drawing up of general plans regarding such features as were considered of an international character.

(c) The arriving at an understanding between the delegations from Canada and the United States with regard to such memorials as would be on or near the border.

For information upon these several heads we beg to refer you to the appended statement. This was drawn up and issued by the full conference, and expresses the result of its proceedings.

The question of raising the money for these projects was discussed by the conference, and its recommendation in this respect is contained in the following clauses of the appended report under the general heading 'International monuments, possibly of identical design.'

(d) The committees to request their respective governments to defray the cost of these monuments, or that the cost be defrayed in part from public funds or by private subscriptions.

The British delegation stated that on their return they would ask His Majesty's Government for the necessary appropriation. The American committee already have formally preferred a request to the Government at Washington for like public aid. In the circumstances, corresponding action will be both desirable and necessary by Canada to sustain fittingly her relative part in a commemoration so eminently deserving of international recognition and encouragment, designed as it is to increase that spirit of goodwill among nations which must materially assist in the friendly solution of differences that are prone to arise between two such great nations.

It may not be amiss to observe that the view was emphasized at the Conference that some of the projects suggested were not unsuitable for action on the part of the provinces of Canada and of the States of the American Union as distinguished from the Federal authorities. For instance, it was proposed to erect 'peace arches' at points where certain highways intersect the boundary; and it was considered that joint action by the neighbouring state and province interested would

commend itself to those more immediately concerned as fitting and appropriate.

Before closing this report, it is well to add that we and our British and other colleagues joined with the American delegates in disclaiming on every occasion the idea that the proceeding of the International Conference masked any design for effecting a formal alliance between the American Republic and the Empire. Fortunately little credence was attached in the United States to such a construction of the present movement.

The Canadian delegates felt it desirable, alike in conference and in public speeches, to qualify somewhat the current term 'English speaking peoples.' We pointed out that Canada has a large number of British subjects whose mother tongue is not English; that the British Empire, containing as it does, nearly a quarter of the earth's population, includes millions of European stock who do not speak English, while great numbers of the people of the United States are not of British origin. This reminder, we are pleased to say, impressed all present on such occasions as timely and proper.

We have the honour to be, Sir,

Your obedient servants,

(Sgd.) R. Dandurand,
C. A. Magrath
Travers Lewis,
G. F. Hamilton.

The International Conference for the consideration of the commemoration of the First Century of Peace between the United States and the British Empire submits the following report to the national bodies from which its delegations derive their authority.

1. Platform.

The central idea for consideration is not only a programme for the celebration of one hundred years of peace, but a statement of purposes for the perpetuation of peace.

2. International monuments, possibly of identical design.

(a) To be erected in Great Britain, the United States, and their dominions and possessions beyond the seas.

(b) The committee to request their respective governments to defray the cost of these movements, or that the cost be defrayed in part from public funds or by private subscriptions.

(c) The foundation stones to be laid on the selected day, if possible by His Majesty the King, in Great Britain, and by their representatives in their respective dominions and possessions overseas.

(d) In view of the good relations prevailing between the American and British peoples, and other nations, all foreign governments should be cordially invited to honour the more important of those occasions by an official representation.

(e) That at the time fixed for laying the foundation stones, there should be a stoppage of five minutes from work throughout all the countries interested, to be occupied, where a public gathering or other assemblage is practicable, by the reading of the agreed inscription on international monuments.

(f) At the time fixed as stated, the work in all schools to be stopped, appropriate addresses to be delivered, and the two national anthems to be sung, followed by a half-holiday.

(g) A sub-committee should be appointed to ascertain what dates, arrangements, &c., are in the minds of the several countries, with power to determine them and to make them generally known. This city to be assigned to any international committee which may be appointed to carry out the objects of the joint celebration.

3. Educational features of the celebration.

An organized endeavour should be made in British-American countries to promote, by well considered methods, the growth of these feelings of mutual respect and goodwill, which already exist. This might include:

(a) The endowment of Chairs of British-American History, with special reference to the peaceful progress and relations of the two peoples, and based upon the principle of an interchange of professors; and the endowment of travelling scholarships to enable journalists and writers to visit the various English speaking countries.

(b) The awarding of prizes for essays and some other topics in all schools, colleges and universities.

(c) The co-operation of the respective committees in the preparation of a history of the Century of Peace from which text books and school books in the several countries may be prepared or revised.

(d) An annual peace-day celebration in the schools.

4. Universal commemorative tablets.

5. Universal religious services of thanksgiving to be held on a day hereafter to be selected.

6. Permanent monuments.

7. The cordial approval of the early appointment of a preparatory committee as recommended by the last Hague conference.

8. Celebration in Ghent, after consultation with the municipality.

9. An International commemorative medal.

10. The conference recommend that an international committee with power to deal with such matters as may be referred to them of the several countries concerned.

11. Appeal for co-operation.

The success of the movement requires not only the cordial support of national governments, but also local governments, and municipal and religious bodies, as well as of the citizens seeking national methods for dealing with international problems. To that end, it is earnestly hoped that all will join in this movement.

12. Manifesto to the nations.

The following manifesto was approved and issued:—

Representatives of Great Britain, of Newfoundland, of the United States, of the Dominion of Canada, of the Commonwealth of Australia, and of the municipality of Ghent, having been in conference concerning an appropriate celebration of the centenary of the signing of the treaty of Ghent, which marked the end of the last international war between the British and Amercan peoples, unite in offering to the governments and the peoples of the civilized world an earnest invitation to take part in making this celebration in every way worthy of the one hundred years of peace that it commemorates.

We invite such co-operation to the end that it may be made clear and unmistakable to

public opinion everywhere that the time has come when international rivalries and differences, though numerous and severe, may be settled without the carnage and the horrors of war. Although it be unreasonable to disregard the possibility of conflict arising in the future, out of mutual or partial misunderstanding, yet we gratefully recognize that the chances of misunderstanding have been largely eliminated by the degree in which modern science has facilitated intercourse and accelerated communication. We are therefore encouraged to hope that the development of letters, science and the arts, of commerce, industry and finance, of mutual knowledge, trust and good feeling on the part of those who owe different allegiances and who speak different tongues, may profitably absorb the energy of mankind, as well as offer opportunity for the display of the noblest and finest traits of mind and of character.

Great Britain has been a colonizing nation, and the United States has drawn to its population various and powerful elements from different countries and different flags. Therefore, a century of peace between Great Britain and her dominions beyond the seas on the one hand, and the United States on the other hand, touches directly both the interest and the imagination of every land to which Great Britain's sons have gone, as well as those of every nation from which the present day population of the United States has been drawn. Such a celebration will not only mark the close of a century of exceptional significance and importance, but it will call attention to an example and an ideal that we earnestly hope may be followed and pursued in the years to come. What nations have done, nations can do.

We respectfully request that His Majesty's Secretary of State for Foreign Affairs and the Secretary of State of the United States do transmit this invitation, through the proper world official channels, to the governments of the world, in order that both by participation of governments and by the co-operation of men of good-will in every land, this celebration may be so carried out as to mark not merely the close of one hundred years of peace between English speaking peoples, but the opening of what we sincerely trust will be a fresh era of peace and good-will between all nations of the world.

The International Boundary.

In addition to the foregoing, at a sub-committee meeting held between the delegates representing the United States and Canada, for the purpose of taking up the matter of appropriate marking of the international boundary in commemoration of the first hundred years of peace between the two nations, it was decided that suggestions be made to the organizations of the United States and Canada, as follows:—

That they urge upon their respective Governments:—

(a) The erection of arches at the points where the proposed highways—Quebec and Miami in the east, and Los Angeles to Vancouver in the west— cross the international boundary.

(b) The erection of shafts at a few historical and prominent points upon or on each side of the boundary (which, in the latter case, should be erected in the immediate vicinity of the boundary) at points to be selected hereafter. This might properly include water-gates on opposite sides of the Detroit river, near the city of Detroit.

(c) That such arches and shafts be briefly and suitably inscribed.

It was further felt that these outward and visible signs of the spirit of the occasion should not be restricted to the international boundary, but should also find a place in the great centres of population, often far distant therefrom, thus carrying the message of mutual good-will to the mass of both peoples.

It was urged before the sub-committee that an enduring monument in the shape of a memorial bridge be built across the Niagara river. This and other like projects appealed quite strongly to the sub-committee, but it felt that, involving as it does very large expenditures on the part of the governments of both countries, they might very properly be allowed to stand for further consideration until the respective committees shall have had greater opportunity to look more closely into these larger projects in accordance with the following resolution:—

'This sub-committee recommends that after the American and Canadian committees shall have decided upon a plan of celebration regarding boundary monuments, memorials and arches, a committee of six, composed of three members from each of the respective committees, shall be appointed with instructions to consult experts in art, architecture and engineering with a view to the preparation of plans and the execution of the particular works to be undertaken.'

STAFF OF THE HOUSE OF COMMONS.

Right Hon. R. L. BORDEN (Prime Minister) moved:

That the classification and organization of the staff of the House of Commons, as submitted to the House by His Honour the Speaker on the third day of June be approved and confirmed.

He said: I would refer hon. members to page 1428 of the Votes and Proceedings, where details covered by this resolution will be found. I propose to have an amendment made in that section of the resolution relating to the committees branch. The words 'and chief clerk of special committees' appear in connection with the name of Mr. E. P. Hartney, examiner and registrar of Private Bills. I move that the words 'and chief clerk of special committees' be struck out.

Sir WILFRID LAURIER: I would suggest to my right hon. friend that it would be well to take the classification as we take the railway subsidies and go over the names one by one. There are some names as to which I would like to have some information.

Mr. BORDEN: The House might go into committee for that purpose.

Sir WILFRID LAURIER: I think it would be well.

On motion of Mr. Borden, the House went into Committee on the resolution. (Mr. Deputy Speaker in the Chair).

Smith, Lt.-Col. H. R., C.M.G., I.S.O., J.P., A.D.C., grade 1-A, Sergeant-at-Arms, $3,950.

Sir WILFRID LAURIER: The salary of Dr. Flint, clerk of the House, is $5,000. I have no observations to make as to that. And the salary of Mr. Laplante, assistant clerk, is $4,000. I have no objection to that But the Sergeant-at-Arms, whose name comes before that of Mr. Laplante, is given a salary of $3,950. Why this discrepancy?

Mr. BORDEN: Discrepancy between what?

Sir WILFRID LAURIER: Between the salary of the assistant clerk and that of the Sergeant-at-Arms.

Mr. BORDEN: According to my recollection, the discrepancy is not nearly so great as it was a few years ago. I think that at that time the Deputy Clerk had $700 or $800 higher salary than the Sergeant-at-Arms.

English section—Journals branch—Colwell, Charles F., grade 2-A, Clerk of Orders and Records, $2,100.

Sir WILFRID LAURIER: Mr. Colwell is a very old and faithful officer of the House. Why his salary should be only $2,100 and his grade only 2-A, instead of his being in the first division, I do not know. My right hon. friend himself, I know, has had no time to give to these matters. I do not know whether he was a member of the committee on this reorganization or not.

Mr. BORDEN: No, I was not. But I know that this whole question has been considered very faithfully by His Honour the Speaker and the other members of the committee. The acting Minister of Trade and Commerce (Mr. Perley) is better informed with regard to these matters than I, and if there is any information I am not able to give, I will ask him to give it.

Sir WILFRID LAURIER: Does the hon. member for Argentueil (Mr. Perley) know the reason why Mr. Colwell is classified as he is?

Mr. PERLEY: I can give no particular reason for it. This branch of the service is proposed to be reorganized under this resolution, and the whole Journals branch put together, with Mr. Bowles at the head of it. It was not considered advisable that this particular office should be advanced or made a branch by itself.

Mr. GRAHAM: It would seem that almost every one in the same circumstances had been advanced except Mr. Colwell.

Mr. PERLEY: No one in that branch has been advanced above Mr. Colwell.

Mr. GRAHAM: Here is a man who has been a good many years here, and who, to the knowledge of all, is one of the hardest-working men in the service, and fully efficient. His duties keep him here at night until the House rises, no matter what time it may be, because he must attend to the Orders of the next day. He is very obliging, and, even though a good many of us violate the rules in handing in our notices late—I suppose members of the present Government do it too, as do other members—Mr. Colwell always seeks to meet their wishes. It is not fair to him and it is not encouraging to a man of his abilities not to get promotion when the time comes. No person will question his ability and knowledge. I would certainly suggest to the Government that they include him in these promotions.

Mr. BORDEN: I have no exception to take to what has been said with regard to Mr. Colwell's capacity and devotion to duty. Mr. King has been in the service since 1886, and he has now for the first time been advanced to division 1 B. Mr. Colwell, I think, has been in the service about twelve years, less than half the time of Mr. King's service, and under the circumstances I do not think he has been treated with any injustice.

Mr. CLARK (Red Deer): Surely my right hon. friend will not insist on the reason that he has just given—length of service. I would think that the reason given by the member for South Renfrew (Mr. Graham) should have more weight. The scripture against the procedure of my right hon. friend is that the man who went in at the eleventh hour was treated just the same as the others.

Mr. GRAHAM: Length of service is surely not a test which my right hon. friend would employ to come to a conclusion as to the ability of anyone in his employ. The remuneration a man gets should be based upon his energy and his ability to carry out the duties of his office, and in any case twelve years is a substantial length of time for a man to be in one position. Of course, I cannot accomplish anything if my right hon. friend does not see his way clear to meet my views, but I would urge upon him to consider the matter.

Mr. GUTHRIE: As I understand the situation, it is this. Mr. Colwell is now in division 2 A, ranking as clerk of orders and records, salary $2,100, and he has now reached the maximum of his class. If he be promoted, he will not receive an immediate increase of salary, but the maximum of the higher grade is, I understand, $2,800. Mr. King, clerk of Votes and Pro-

ceedings, has been placed in the higher grade, in the class the maximum of which is $2,800. I think I can speak for hon. members on both sides of the House when I say there is no more industrious and obliging official of the House of Commons than Mr. Colwell. His duties are exceedingly arduous; during a session of this kind his hours are even more arduous than his duties, and his period of service has been long. Why a distinction should be made between Mr. King and Mr. Colwell I cannot say. I think the Government might well reconsider this classification, and put Mr. Colwell in the higher class, and enable him as years go on to draw an increased salary.

Mr. BORDEN: I will ask His Honour the Speaker and the committee to give their best consideration to the suggestions that have been made on behalf of Mr. Colwell.

Sir WILFRID LAURIER: The next two items are: Clerk of sessional papers and of joint committee on printing, and assistant clerk in Votes and Proceedings office. Are these new offices?

Mr. BORDEN: No.

Mr. PERLEY: This reorganization is to take effect on the 1st of July. The positions have been held by Mr. Polkinghorne and Mr. Macdonell; it is proposed to superannuate these two gentlemen.

Committees Branch—E. P. Hartney, 1-A, examiner and registrar of private Bills, and chief clerk of special committees, $3,300.

Mr. BORDEN: I move that this item be amended by striking out the words 'and chief clerk of special committees.'

Amendment agreed to.

Hansard Division—Translation branch.

Mr. BELAND: In the French copy, the maximum salary of Mr. Larose is given as $2,650, and in the English copy the salary runs up to $2,800.

Mr. PERLEY: Mr. Larose has been placed in division 1 A, the minimum salary of which is $2,800.

Mr. LEMIEUX: I do not rise to criticise this increase; I think the cost of living is felt by the employees of the Government to a greater extent than by any other class of society; but, as this translation is more or less under the supervision of the Debates Committee, I wish to express my regret that the Debates Committee has not been consulted with regard to the reorganization and re-classification of the translating staff. The Debates Committee is the proper body to supervise the translation of 'Hansard' in the House of Commons. We had during this session a special meeting called by the chairman, the hon. member for New Westminster (Mr. Taylor), and the complaints were many and loud with regard to the translation of 'Hansard.' I do not blame any translator in particular; I know that the majority of the translators are men of the highest ability; but, unfortunately, there are two or three on the staff who are totally inefficient and unable to translate decently. I can assure the members of the committee that it is rather annoying when one speaks in English in the House, to find his remarks the next morning or a few days afterwards translated into French which is far from being good French. I have given illustrations to the members of the Debates Committee during the winter, and they all agreed with me that some of the translations of speeches made during this and the last session have been simply horrible. I resent having my remarks translated in that way into French. We all love our mother tongue, and when the members of the French speaking minority in this House speak in English the least they can expect is that their speeches, shall be well translated. We have, as I stated, an excellent staff. I could name, for instance, men like Mr. Fortier Mr. Gascon, Mr. Gérin, Mr. Girard, Mr. Hughes, Mr. Labine. Mr. Lasalle, and Mr. Desaulniers, who are expert translators. I am told, and it was established to our satisfaction at the Debates Committee, that no revision of the translation is made before it reaches the Printing Bureau. We were told that the copy is rushed through the translation office to the Printing Bureau because we are anxious to get the French 'Hansard' at the next meeting of this House, and that we cannot afford to wait. I can assure the majority in the House of Commons that we would much prefer that the publication of the unrevised French 'Hansard' should be delayed two or three days, if need be, so that we might have a proper translation of our speeches. We have impressed upon the committee the necessity of having a thorough revision made before the manuscript leaves the translation office for the Printing Bureau. We have stated to the committee that this is absolutely necessary, and the committee agreed with us. My good friend from New Westminster (Mr. Taylor) agreed with me, and so did my friend from Bonaventure (Mr. Marcil) who is an old journalist. But our orders have been ignored, I am sorry to say, by the chief of the translators, Mr. Larose. He had it in his head that he knew it all better than we did, and so the system continued. Here is the trouble: The manuscript of the translation leaves the translators' office without any revision, goes directly to the Printing Bureau, and we receive, the next day, the unrevised French 'Hansard'. This unrevised edition

of the French 'Hansard' is the one that is distributed to the French press in Quebec and other parts of Canada. There are mistakes, there are absurdities, in that unrevised edition; but when the mistakes and the absurdities have left Parliament and are spread throughout Canada in the French press, they are there and remain there, and we have to wait some days before we get the revised edition of the French 'Hansard.' I say it is simply intolerable, and the will of the French members of the House of Commons on both sides should be respected. The hon. member for Rimouski (Mr. Boulay) was present at one sitting of the committee, and he remembers how we impressed the committee with the necessity of obtaining this revision. I have never risen in the House to lay a complaint against the French translators, and I repeat it again: You have on that staff some very able men. There are experts in translation but their work is very often destroyed by others. I could give you instances if time were not so precious at this stage of the session. I really feel inclined to ask the committee to strike off one item. I shall not do it, because I am sure that I would be accused of trying to take away from one of my own compatriots the living which he gets from this Parliament. But the least we might expect from that gentleman is that he should obey the orders of the Debates Committee.

Mr. BOULAY: Mr. Chairman,

Mr. LEMIEUX: I would ask my hon. friend, who has taken a great interest in this matter, if he would express what he has to say in English.

Mr. BOULAY: I would like to know if this translation division means that the translators in future will not be under the jurisdiction of the Committee on Debates. Will a new committee be formed, or will the translation branch be under the Speaker only?

Mr. BORDEN: I do not understand that the reorganization and reclassification now proposed makes any difference in that respect.

Mr. LEMIEUX: We in the Debates Committee have practically no jurisdiction.

Mr. BORDEN: The point is as to whether or not this rearrangement effects any change in that regard. I do not see how it possibly could.

Sir WILFRID LAURIER: It effects nothing but the salaries.

Mr. BORDEN: And the organization.

Mr. LEMIEUX: The hon. member for New Westminster (Mr. Taylor), the chairman of the Debates Committee, can state that when we brought the chief translator before the committee this winter, this official said that he was in the hands of the Speaker, and has ignored completely our orders.

Mr. SPEAKER: I did not consider myself competent to deal with a matter of this nature. It seems to me it ought to be as much as possible under the control of the Debates Committee. They make their recommendations, and I endeavour to see that they are carried out. With regard to defective translation, as an old member of this House, I may say that I have heard these complaints for the last thirty years, so that they are not new. Whether the translation is worse or better now than it has been in the past, of course I am not prepared to say. But it did seem to me that it would require very careful examination by experts in French and English translation to determine where the fault lies. There are at the Printing Bureau two men who, when complaints were made in this regard, were brought before me, so that I might ascertain whether or not they were faithfully revising the translation. So far as I could find they were faithfully endeavouring to do their work all right. Beyond that, of course, I could not go. There are many members of this staff, several of whom, I think it is admitted, do their work very well, and it is very difficult to tell who is doing the bad work. Therefore it did seem to me that if the intention was to find where the weakness was, it would be necessary to have an inquiry by competent men who understand that work in order to reach a conclusion. I did not feel that I was competent to deal with it. With regard to the arrangement of the staff, it is much the same as it has been heretofore. It was submitted to the Civil Service Commission with the request that they go over it, consult with the men, and arrange it according to their judgment. That was done, and of course I accepted the arrangement as correct.

Sir WILFRID LAURIER: It is well understood, of course, that all employees of this House are under the supervision of Mr. Speaker; but when the reporting of the debates was introduced in this House in 1875, a special committee was appointed to supervise the debates, and ever since it has been understood that all the employees on that staff were under the orders of that committee. I do not know whether or not these officers are legally under the supervision of Mr. Speaker. Nominally they are, but in reality they have always been under the Debates Committee. All the Speakers that I can remember have done as Mr. Speaker has done at the present time—left the matter altogether in the hands of the committee. I understand, however, that

some of the translators refuse to recognize the powers of the committee, and that is the difficulty that has arisen in this matter.

Mr. PELLETIER: I certainly think that the state of things which has been described by the hon. member for Rouville (Mr. Lemieux), cannot be tolerated. I was not aware that there were such gross errors in the French 'Hansard.' I have heard of them for the first time this morning.

Sir WILFRID LAURIER: You cannot read it very carefully.

Mr. PELLETIER: I must confess that I do not read it, but if I ever do read it, I shall probably find that they have made some big blunders in translating what I have said. But on principle I think that the hon. member for Rouville is right in complaining that such things have happened, and in calling for a remedy. I agree entirely with hon. members opposite that the employees are under the guidance and direction of the Debates Committee, and any attempt to ignore the wishes or orders of that committee should not be tolerated at all. But I understand that this branch of the work is undermanned. A recommendation was made years ago when Mr. Gervais, who is now a judge of the Court of Appeal, was chairman of the Debates Committee, that another good French translator should be added to the staff. Up to this date, that addition has not been made, for what reason I do not know. I desire to throw no blame on anybody, but, as the Speaker put it a moment ago, these complaints have been made for a long time. Some of these men may be incompetent; I do not know about that; but certainly some of them are overworked, and when a man is overworked it is not to be wondered at if he makes mistakes. I think we should take care of that situation; and I would suggest that before prorogation there should be a meeting of the Debates Committee in order that an effort may be made to cope mith it. If that appeals to the Speaker and to hon. members who are members of the committee, an emergency meeting of the committee might be held. I do not know about Mr. Larose. If he has taken that position—I do not know that he has—he has no right to take it. However, I suggest that something should be done at once to relieve the situation.

Mr. LEMIEUX: My hon. friend the Postmaster General states what is absolutely true: some members of that staff are overworked, but they are also handicapped. The mistakes and absurdities, however, do not arise from those who are overworked: they arise from the inability of some members of the staff—and we know them. Sir,

Sir WILFRID LAURIER

during this session I was asked by a former Consul General of France, whom my hon. friend knows well, one of the most distinguished men that we have had in Canada, to send him a copy of 'Hansard' containing the naval debate. He was very much interested in that subject. I sent him the French edition and the English edition, and I wrote to him asking his choice. To my sorrow and shame, he replied that he would rather read the English version than the French. Here is a Frenchman, a devoted friend of Canada, who writes from Paris that he would rather read the English edition of our 'Hansard' than the French edition. The majority of the staff are exceedingly able men, but they are handicapped. Take now the case of Mr. Hughes, who is suffering in his eyesight, or the case of Mr. Lasalle, who has practically lost the use of his right arm in writing. They appealed to the Speaker at the beginning of the session, and I must thank the Speaker for what he did for them, two very able and trusted translators. Yes, we should cheerfully give those civil servants the help for which they are in need, because, as my hon. friend knows, their work is most difficult. It is expert work, and if there are two or three inferior translators, with the best staff in the world you will have the medley that one can imagine. I would certainly favour the appointment, not of one, but of two other translators of the debates, so as to relieve men like Mr. Lasalle, Mr. Hughes, Mr. Labine, Mr. Gérin, Mr. Girard, and others. They are able men, but are overworked and handicapped. At present the translation is spoilt by the interspersion of very inferior translation done by a few others. As regards the supervision of the office, Mr. Larose is also an excellent translator; but he should obey the instructions and commands of the Debates Committee. When he is told that he should revise the copy before it reaches the Printing Bureau, he should obey our orders and he should not take it upon himself to say: 'Well, I will consult the Speaker, and I will not recognize your authority.' Mr. Larose is under our direction, and he must obey our orders. It is because there is no revision of the manuscripts made at the translation office before it reaches the Printing Bureau that we have these absurdities in 'Hansard' which spoil the good work of efficient translators, and which belittle the value of our French 'Hansard.'

Mr. BORDEN: It is desirable, of course, that the translation should be made as speedily as possible, and correctly made. Is it the opinion of the Debates Committee that the staff of the translation branch, which we are now considering, should be increased?

Mr. LEMIEUX: The Debates Committee did not pronounce on that during this session, because the question was the revision of the manuscript before it reached the Printing Bureau. We did not consider the other question; but members of the committee are here. Personally speaking, I have followed this work, I have it at heart, and I take it as a matter of pride that our French 'Hansard' should be the equal of the English 'Hansard.' Therefore, I have no hesitation in saying that this staff should be strengthened. I ask my hon. friend from Beauce (Mr. Beland), my hon. friend from Temiscouata (Mr. Gauvreau), my hon. friend from Gloucester (Mr. Turgeon), all the French members of the House who take an interest in 'Hansard,' if they are not of opinion that the staff should be increased? I would give them a chance to be relieved of some of the work.

Mr. SPEAKER: With regard to Mr. Hughes and Mr. LaSalle, I might explain that Mr. Hughes has done very little work during the present session on account of his illness; but there have been others to do the work. The question which seemed to be of interest was in regard to the revision of the translation and whether the revisers should be here or at the Printing Bureau. It was represented to me that it would be an economy to keep them at the Printing Bureau, and for that reason they were put there, because, as the revision commenced and went on at the Printing Bureau the copy was handed over to the typesetters so that the work of typesetting and revision could be carried on simultaneously. If they remained here there would be delays, and the holding back of copy for a time; because, if it were in the hands of the chief here, portions would have to be kept back until other portions were ready to accompany it. But if they were there they could deal with the copy as it came in from moment to moment, and there would be no time lost. These officials revise the translation which goes into the hands of the printer. It seemed to me that there was some merit in that method, and therefore I did not recommend any change in it, although at first I did contemplate giving an order that the revisers of the translation be located here instead of at the Printing Bureau. In regard to the suggestion that there should be one or two more translators, the matter came before me in the midst of the session, during the time that this reorganization was going on, and, intending to have this reorganization made, I thought it well, instead of recommending new appointments, to add to the present staff at the commencement of next session. It is the intention to do that, although it is not mentioned in this report, and therefore it may not be understood.

Mr. CARVELL: I would like to know if the Debates Committee have been consulted as to the reorganization which is here recommended.

Mr. TAYLOR: I have to endorse fully the complaint made by the hon. member for Rouville (Mr. Lemieux) as to the condition of the first edition of the French 'Hansard,' of the House of Commons, and also to express my regret that, after the matter had been very carefully considered, and a remedy suggested by the Debates Committee which we felt sure would prove to be absolutely effective, our recommendation was turned down, for some reason never disclosed to the committee, and the present ineffective means of dealing with the 'Hansard' was continued just as it had been before the committee dealt with the subject. I may say that the Debates Committee have been ruled to have no authority at all except to discuss matters affecting 'Hansard'—that it has been ruled that we have no power even to make a recommendation to this House; so that all the Debates Committee could do was to write a polite letter to Mr. Speaker stating that in the opinion of the committee a certain course should be adopted to improve 'Hansard.' We found that the trouble could be very easily rectified, and we made a recommendation which involved not one dollar of expense or any increase of staff—simply that the translation should be revised before the printer got the copy, instead of after it had been printed and distributed, which is the course followed now. From the best inquiries I could make, the two gentlemen who are at the Printing Bureau making this revision are as capable men as can be found anywhere for the work. I discussed the matter with them, and they told me that if they were put, as we recommended they should be put, in the room with the translators, to get the translators' copy just as it came from their hands, and as the news editor of a paper gets his reporters' copy as it comes from their hands, they might revise it and do it just as well as, and even better, than they revise it now. They told me that the work would be no more to them, and that there would be no delay in handing the copy to the printer, and there would be no trouble of any kind whatever. If these two translators were taken from the Printing Bureau, and put into the translators' office to take the copy and read and revise it before it went to the printer, I am satisfied that the cause of complaint would be removed; and I have to express my disappointment again that after the Debates Committee had gone so thoroughly into this question and had called atten-

tion to the matter their recommendation was turned down.

Mr. LEMIEUX: I thank my hon. friend from New Westminster (Mr. Taylor), who is an old journalist, and who knows where the trouble lies. My hon. friend from Bonaventure (Mr. Marcil) is also an old journalist, and he also knows where the trouble is. It is all very well to say that, in order to rush the printing of 'Hansard,' you must send your manuscript to the Printing Bureau to be set up, and that there are two men there for proof reading. But that is not the way to cure the evil. Sir, French is a most difficult language, even much as you may be surprised, let me say that after some practice the French-Canadian member who speaks English in the House finds it easier after a time to speak English than pure and classical French. Let me explain how the translation is done. The copy is sent from the 'Hansard' office to the translators, and is divided into so many pages for each translator, and they begin work early in the morning. There are many different words in English which express the same ideas in French, and if the translator does not see the manuscript his confrere has, and does not understand the context, absurdities creep in. If the chief translator would take the manuscript and with the help of the two translators stationed at the Printing Bureau, examine it before it leaves the translating office, it would not be printed with the absurdities we complain of. Although the Debates Committee expressed the opinion that this should be done, I regret to say that the order of the Debates Committee has been ignored. If it is the opinion of the committee that two more translators should be added, this classification should be delayed until next session, and meanwhile the two translators would be appointed and the Debates Committe would in the meantime examine more carefully the situation, and be in a better position to judge whether or not some persons are entitled to an increase in their salary.

Mr. BELAND: I fail to understand how the recommendation of the Debates Committe has been turned down. The usual course is for the committee to report to the Speaker its recommendations, and the Speaker has authority to carry out the recommendation of the Debates Committee. I fail to realize how the chief translator could turn down such a recommendation of the committee. We all realize that the work of translation is very difficult, and the work of revision is also a matter of difficulty. I believe the work of revision would require more than one man.

Mr. LEMIEUX: There are two men at the Printing Bureau.

Mr. TAYLOR.

Mr. BELAND: Are we to understand that the two men at the Printing Bureau are translators, or only proofreaders?

Mr. LEMIEUX: They are appointed as translators and they are described in the reorganization as belonging to the translation branch, but they were sent by Mr. Larose to act as proofreaders. Any journalist knows that a man may be an excellent proofreader and a poor translator; or, on the other hand, he may be an excellent translator and a poor proofreader.

Mr. SPEAKER: My own opinion was that the men should be up here. I went to see the place where they work and I found there was no room for them. It was contended that the urgent demand for having the French unrevised edition come out as early as the English made it necessary that these officials should be kept at the Bureau. I still thought there ought to be one or two translators up here, and I went to ascertain if there was room, and I found that the office was fully occupied. I left instructions to the effect that we would endeavour to remedy that next session and provide accommodation, so that we could have one or two men up here, and if it was still thought desirable to keep the others down there, they might continue to revise the proof after it came from the printer.

Mr. BELAND: I realize that it is necessary to keep in the Printing Bureau a certain number of proof readers, and I endorse entirely the position taken by my hon. friend from Rouville, by the Postmaster General, and by the hon. member for New Westminster, that provision for revision should be made at once. But revision involves a vast amount of work, because, to have a proper revision of the translation, the English text has to be read with the French translation. I do not see how one man could do that; in fact, I do not think two men could do it. It would require almost as many revisors as there are translators. I have myself come across some painful errors in the translation; but, of course, errors will slip in anywhere. However, in some cases these errors are unexplainable. I am happy to say, however, that the large majority of these translators are competent. I do not know them personally, but I think as a general rule the translation is fair; and some of my poor English is sometimes put into very excellent French. I think there should be more than two officials added to the translation branch for the work of revision. I also submit that any recommendation that is sent to Mr. Speaker by the Debates Committee, should not be turned down or overruled by the chief translator. That is a thing I cannot understand.

Mr. PROULX: If we abolished 'Hansard,' we would save ourselves a lot of trouble and much expense to the country. But if we are to have 'Hansard,' we should have good translation. My hon. friend from Rouville (Mr. Lemieux) says there are some incompetent translators on the staff. If that is so, it should not be. If they are incompetent, they should be appointed to some other position in the Civil Service, and be replaced by competent men. It is not necessary to add two other translators and keep the incompetent men. So far as I am personally concerned, I have no complaint to make. I can say like my hon. friend (Mr. Beland), that my poor English is sometimes put into very good French.

Mr. BORDEN: Perhaps it would be better to leave this classification as it is at present, upon the understanding that if the Debates Committee recommend the appointment of two additional men, at the commencement of next session, their recommendation will be acted upon.

Mr. LEMIEUX: Hear, hear.

Mr. H. BOULAY (Rimouski): I had a few remarks to make a moment ago, but the hon. members for Rouville (Mr. Lemieux) and for Westminster (Mr. Taylor) having since dealt with the subjects I wished to allude to, it is useless for me to revert to those same points now. I am not so competent, from a literary point of view, as is the hon. member for Rouville, to speak of the defects in the translation of the speeches, but I know that many complaints have been made at the meeting of the Debates Committee at which I was present. What is the cause of this, I could not say; but I have visited the office of the debates translators on more than one occasion and I have witnessed that there prevailed some uneasiness. What should this disagreement be attributed to, I do not know. But I know that the complaints voiced by the hon. member for Rouville really exist and that they have been brought to the knowledge of the committee.

I have witnessed, also, that the chief translator, Mr. Larose, seemed to keep an independent office. He never registers his presence, and so we do not know when he is absent or present. He seems to be in absolute command. He is a public official like the others and I think he should register his presence so that we might be informed as to his being present or absent. I often went to see him at his office and I never could succeed in meeting him. It is possible that his presence was required somewhere else. I do not know about that; but at all events he was not there. I have witnessed, moreover, and anybody can do so, that there seems to exist a complete dissent between the debates translators and their chief. I do not know whether the translators can be called his subordinates, but they do not seem to depend upon their chief. I think this uneasiness could be done away with if the chief would remedy it by being more conciliating and by taking a share of the work for himself. I have witnessed that Mr. Larose contented himself with distributing the work to the translators. If such are his functions, they are very light. He should register his presence and take a part of the work like all the other translators, and he would earn his money better if he did so. I see that his salary is being increased; I have no objection to that, but he should have a certain amount of work to do for that money. Measures should also be taken to the effect of indicating if he is constantly at the office like the other employees and when he is really absent. In fact, he should take his share of work like the other translators.

The CHAIRMAN: Does this stand?

Mr. SPEAKER: As far as I can see, there is no reason for it standing over. Anything that requires to be done can be done by regulation. If the matter is left in my hands, when the committee make a recommendation it can be carried out without trouble.

Translation Branch—House Division.	
Laframboise, Louis	$3,000
Desaulniers, D. L.	2,800
Tremblay, Remi	2,300
Clapin, Sylva	2,100
Paradis, Oscar	1,900
St. Louis, H.	2,025
Duckett, Charles E.	1,650
Noailles, Louis	1,600
Query, Eli	2,100
Briand, J. M.	1,900
Vacancy	1,600
Vacancy	1,600
Vacancy	1,600
Vacancy	1,600
Vacancy	1,600
Vacancy	1,600
Vacancy	1,600
Vacancy	1,600
Vacancy	1,600
Vacancy	1,600

Sir WILFRID LAURIER: What is the meaning of all these vacancies?

Mr. PERLEY: Some of the work of translation is being sent from Ottawa to various parts of the Dominion, and it is thought that it would conduce to efficiency if all the work were done in Ottawa. The intention is to provide for ten men, and provision has already been made for naming them, and the next resolution standing in the Prime Minister's name covers this.

Mr. SPEAKER: I found that this work was being done by over a hundred translators all over the country. Much of the work was very defective and had to be done over again. It occurred to me that it would be much better to provide for a permanent force of competent men to do the work here, with a man over them. When I

suggested this, the Civil Service Commission provided an examination, and competent men have been chosen, whose names will be found at page 1416 of the Votes and Proceedings.

Mr. PROULX: Who is responsible for fixing the age limit after the examinations were held? Was it the Internal Economy Commission or the Civil Service Commission? People were notified to come to Ottawa to take the examination, no age limit being fixed. One gentleman came from my own town. When he asked me, as he was over forty, I told him I thought he would not be entitled to try the examination, the age limit for the Civil Service being thirty-five. He said that no age limit had been stated. He wrote to the secretary of the Civil Service Commission, who replied that there was no age limit. He passed the examination successfully, although not among the first ten. After the examinations were held, either the Internal Economy Commission or the Civil Service Commission fixed the age at forty. I know one man who held the fifth place, but who could not be appointed because he was a little over forty—forty-two, I think.

Mr. SPEAKER: The limit was fixed by the Civil Service Commission, the Internal Economy Commission did not fix it at all.

Mr. PROULX: Were they asked to fix an age limit?

Mr. SPEAKER: I do not know.

Mr. BELAND: It seems very singular that these men were allowed to go through the examination, and were then turned down because of the age limit.

Mr. BORDEN: The statute fixes the age limit, I think. Apparently, the difficulty has arisen through some inaccurate information having been given to the gentlemen whom the hon. member has mentioned. I know nothing at all about it.

Mr. LEMIEUX: It is true, there is an age limit, but some years ago the Minister of Justice gave an interpretation of section 31 of the Civil Service Act as regards technical work. Translation being considered technical work there is no age limit. But the point in which I am interested is that mentioned by Mr. Speaker, that this work was formerly done by any number of translators outside this House of Parliament, and it was sometimes very inferior work. Now, with a staff of expert translators, we should have good work, and I hope we shall have the public documents published in French more promptly. I said the other day that the French-Canadian members of the House had just received the Auditor General's report for 1911—two years late. Amongst those who successfully passed the examination were two supernumerary officials of the House, Messrs. Daoust and Allarie. After having passed the examination, they were under the impression that they could be appointed as translators, but it was found that they had passed the age limit fixed by the commission. They are good men, who have worked very assiduously for several years, and it would be a hardship if they were put out of their positions now.

Mr. SPEAKER: They are both good men, and it was my suggestion that they should be appointed as a result of the examination, but as they are over forty-five years of age they have passed the age limit and the commission instructed me that they could not be appointed. I am, however, endeavouring to get them employment elsewhere in the department.

Hansard section—Reporting branch:

Mr. GRAHAM: A rumour has apparently reached the reporting branch and the reporters of committees that some new restrictions are to be placed upon them as to how they shall spend the time between sessions, and there is a little alarm amongst these officials. When the Civil Service Act was passed, I think there was in it a clause exempting the 'Hansard' staff, and the reporters from being subject to the House of Commons between the sessions, and it was distinctly provided, I think, that they should be allowed to add to their salaries by doing any work they desired to do when the House was not in session.

Mr. SPEAKER: There is no change in that respect.

Sir WILFRID LAURIER: In the Stationery the office of chief of stenographers seems to be vacant. Has any selection been made?

Mr. SPEAKER: Mr. Joseph Smith has been doing the work, and has been found to be a very competent man for the position.

Mr. BELAND: He is a good man.

Mr. GERMAN: I would like to emphasize that; Mr. Smith is a good man.

Post Office and blue-book division.

Mr. LEMIEUX: In view of the statements which have been made from time to time as to the number of persons of my pedigree who have been placed in the Civil Service by myself, I am pleased to be able to state publicly before my hon. friend the Postmaster General and the other French-Canadian members of the House that Mr. F. X. Lemieux, who has for some time been assistant postmaster in the House of Commons, is no relative of mine, although I would feel honoured to bear relationship to him, as he is an excellent official. My friends went around the province of Que-

bec during the election campaign with a list of all the Lemieuxs they could find in the blue books, and said: Look at what this Postmaster General has done; he has given all the important offices in the public service to his family. Let me say, once and for all, that only one member of my family was appointed to a position in the Civil Service. He was appointed by the Macdonald-Sicotte Government; he was my revered father, and had been over fifty years in the Civil Service. My friends the Nationalists and Conservatives made a list of every Lemieux they could find in the Civil Service list, and labelled them as being members of my family. I desire to say that this gentleman is not in my family, although I am glad to see that he is getting an increase.

Law Branch—parliamentary counsel.

Mr. PROULX: In this branch provision is made for a new official to be known as parliamentary counsel. Will this official be employed only during the session?

Mr. BORDEN: He will be a permanent officer, and will perform his duties during the entire year.

Mr. PROULX: Will he take the place of the Law Clerk of the House?

Mr. BORDEN: He will. It is understood that the Law Clerk, Mr. O'Brien, desires to retire, and it is only just to him to say that during my experience, both before this Government attained office and since, I have found him to be a most capable, industrious and devoted officer, from whom I have obtained a great deal of assistance.

Mr. EMMERSON: Has anyone been named for the position?

Mr. BORDEN: No one has been named, or even considered. The change was recommended by the Civil Service Commission and others who made inquiry into the matter, and it was thought advisable to re-establish the position of parliamentary counsel, which was established years ago, but which for some reason was discontinued.

Mr. PROULX: I suppose his services will be at the disposal of private members? If a private member, for instance, wishes to introduce a public Bill, he may have it drafted by the parliamentary counsel, and have the benefit of his services?

Mr. BORDEN: Certainly.

Mr. CHISHOLM (Antigonish): Has the report of the body who made inquiries into that branch been submitted to the House; and, if not, why the delay?

Mr. BORDEN: The reorganization really carries out the suggestions of the report that was made.

Mr. CHISHOLM: Is that report likely to be brought down?

Mr. BORDEN: Yes.

Mr. CHISHOLM: When? I asked some questions about that some time ago, and did not get very much satisfaction.

Mr. BORDEN: We will bring it down to-day or to-morrow.

Mr. BOULAY: I think considerable inconvenience has been experienced because of the fact that in the parliamentary restaurant the waiters are nearly all English-speaking. For my part, I have great complaint in this regard, because I do not understand much English, and I think there should be more French-speaking waiters in the restaurant. There is another place to which the same thing applies, and which I do not frequent very much, but when I have some friends here we go there, and we do not find any person speaking French. I refer to what we call the buffet—the bar. This lack of French-speaking waiters is sometimes very inconvenient.

Mr. CHISHOLM (Antigonish): I would suggest that the Minister of Inland Revenue should take the food inspector whom he appointed for the province of Nova Scotia recently at the magnificent salary of $100, Moses Delorey, and put him in the restaurant. We have no use for him in Antigonish, or in Nova Scotia. While he is a good judge of food laid before him on the table, he knows nothing whatever about the inspection of food, or the qualities of food in a commercial sense. He could not tell butter from margerine, or honey from tomato catsup. We have no use for him down there.

Mr. NANTEL: I suppose Mr. Chisholm, the preventive officer, has some use for him.

Mr. CHISHOLM: The preventive officers have no use for him.

Mr. EMMERSON: I see a vacancy in 1-B, under the law branch. Is it a new appointment, or is it to replace somebody who is retiring?

Mr. BORDEN: This is to replace Mr. Loucks.

Mr. EMMERSON: No one has been named?

Mr. BORDEN: No.

Resolution reported, read the first and the second time, and agreed to.

BUSINESS OF THE HOUSE

On the Orders of the Day being called:

Sir WILFRID LAURIER: I would renew my request of the other day, whether or not any new legislation is to be introduced.

Mr. BORDEN: No, there will be no further legislation. Possibly there may be two or three supplementary estimates, which I shall submit to the right hon. gentleman before introducing them.

Sir WILFRID LAURIER: Is it the intention to call up all the items which are now on the Order Paper?

Mr. BORDEN: Yes.

Mr. SINCLAIR: I would suggest to the Prime Minister that some arrangement should be made in regard to returns ordered by the House, but not yet brought down. I find about twenty returns for which I moved at various times from January up to the present that have not yet been brought down. Could the Prime Minister arrange with the officers of the departments to forward copies of these returns when they are completed to the members who moved for them?

Mr. BORDEN: I shall take into consideration my hon. friend's suggestion and see whether it can be carried out. Where the return is very voluminous and partly in writing, there might be some difficulty in carrying out the suggestion; but if it is altogether in typewriting, I see no difficulty in sending a copy to the member moving it. I would point out that there have been at least three times as many returns brought down in the present session as in any preceding session of which I know.

Sir WILFRID LAURIER: There are very few returns except those relating to dismissals.

Mr. BORDEN: I think there are quite a number of others.

Sir WILFRID LAURIER: Not in proportion to the number of dismissals.

Mr. BORDEN: My right hon. friend's statement does no credit to the industry which I have seen displayed on the other side of the House.

Sir WILFRID LAURIER: There has been great industry on the part of the Government in dismissals.

Mr. BORDEN: I do not think there has been more industry than there was on the part of my hon. friend's Government sixteen years ago. One of the officers told me on my request some two or three months ago, that the index of returns had run, I think, to sixty-five pages, and that in no previous session had it ever gone up to thirty pages.

Mr. GRAHAM: I shall move for the index.

Mr. BORDEN: At that rate it would take a considerable time to prepare it and bring it down.

Mr. CHISHOLM (Antigonish): I would suggest to the Prime Minister that he ask the Postmaster General, when bringing down returns, to try and bring them down fully. I have had occasion to look over several, and I have found a number of letters missing.

This morning a return was brought down with reference to the postmaster at Arisaig, and on the first page I find a letter dated November 13, 1912, signed by the postmaster and written to Senator Girroir. I have looked over the file and there is no record of that letter. Several cases of the same kind have occurred. I submit that it is contempt of the House to refuse to bring down papers simply because the minister thinks they may contain something out of which a political argument might be made against his department.

Mr. WILSON (Laval): It took the Prime Minister fourteen months to give me a return ordered by the House in regard to dismissals.

Mr. HUGHES (Minister of Militia and Defence): What did you do with it when you got it?

Mr. WILSON: I did the best I could with it. Then on the 6th of April last I asked for a return relating to the law branch. That is two months ago. I see that there are some vacancies in that branch, and that some man is going to have a salary of $5,000 as parliamentary counsel. It seems to me that it is only reasonable that I should get the return ordered by the House before we pass these estimates. I do not know whether my right hon. friend expects the House to wait fourteen months more.

Mr. STANFIELD: I have been waiting four years for a return.

Sir WILFRID LAURIER: With regard to the business of the House, there are two items which, if called, would certainly involve a great deal of discussion. There is Order No. 6: Second reading of Bill No. 163, to amend the Canadian Grain Act.

Mr. BORDEN: That goes out.

Sir WILFRID LAURIER: Then there is the resolution providing for two additional members of the Senate from each of the provinces of Manitoba, Alberta and Saskatchewan. Is that to be taken up at this stage?

Mr. BORDEN: I did not suppose that it would be controversial.

Sir WILFRID LAURIER: That is a violent supposition.

Mr. BORDEN: I think it would have been a violent supposition to imagine otherwise. However, we will see when we get through the others.

IMPROVEMENT OF HIGHWAYS.

House proceeded to consider amendments made by the Senate to Bill No. 32, to encourage and assist the Improvement of Highways.—Mr. Cochrane.

Mr. COCHRANE moved:

That this House do not agree to the first amendment made by the Senate to Bill No. 32 to encourage and assist the improvement of highways for the following reasons:—

1. Because substantially the same amendment has already been considered and rejected by this House.

2. Because the amendment is unnecessary and undesirable since (a) the Supply Bill will make provision for the apportionment of the proposed subsidies to the respective provinces for the ensuing fiscal year; and since (b) such apportionment can be more conveniently provided for in the annual Supply Bill.

3. Because the said Bill defines the ends, purposes, conditions, limitations and qualifications to be established in respect of aids and supplies to be granted by this House, and the same are not alterable by the Senate.

At one o'clock, House took recess.

House resumed at three o'clock.

Sir WILFRID LAURIER: Mr. Speaker, it is certainly regrettable that in a matter of this kind there should be any difference of opinion between the Upper Chamber and the House of Commons. In my estimation the attitude which is taken by the Government is not at all warranted, and the action of the Upper Chamber is fully justified. To make the matter perfectly clear, it is necessary that I should put before the House the text of the Bill, the amendments made to it by the Upper Chamber, and then the reasons alleged by the Government why we should not agree to the action taken by the Senate. The Bill is a short one, and I may read it to the House. It is composed only of six sections. The first section is of no consequence; it is simply the title of the Act. The second section merely defines the meaning of the word 'Minister'; it means Minister of Railways and Canals. Then, the Bill provides as follows:

3. The Governor in Council may, in any year, and upon such terms and subject to such conditions as are prescribed by Order in Council, grant to the several provinces of the Dominion in aid of the improvement of existing highways or bridges, or the construction of new highways or bridges, or for all or any such purposes, subsidies not exceeding in the whole such sum as may in such year be voted by Parliament for that purpose.

4. Any highway or bridge for which aid is granted to a province shall be improved or constructed, as the case may be, according to descriptions, conditions and specifications approved by the Governor in Council on the report of the minister, and specified in each case in an agreement between the minister and the government of the province, which agreement the minister, with the approval of the Governor in Council, is hereby empowered to make.

5. Each highway or bridge to be constructed or improved shall be defined and described in such agreement, and provision may be made therein for the future maintenance of such highway or bridge in good condition according to a specified standard and to the satisfaction of the Governor in Council.

6. The minister, with the approval of the Governor in Council and upon such terms and conditions as are prescribed by Order in Council, may undertake the construction of any new highway or bridges or the improvement of any existing highway or bridges in any province, and may expend in such improvement or construction the whole or any part of the sums voted by Parliament for such subsidy to that province: Provided, however, that the minister shall first obtain the necessary authority from the legislature of such province and the consent of the Lieutenant Governor in Council.

The Senate have not amended the fourth section. The sixth section they have suppressed altogether, and to the third they have added a sub-section. Before I give the amendment made by the Senate, let me again read section 3 of the Bill:

The Governor in Council may, in any year, and upon such terms and subject to such conditions as are prescribed by Order in Council, grant to the several provinces of the Dominion in aid of the improvement of existing highways or bridges, or the construction of new highways or bridges, or for all or any such purposes, subsidies not exceeding in the whole such sum as may in such year be voted by Parliament for that purpose.

To which the Upper Chamber has added the following sub-section:

The sum of money voted in any year to be expended under this Act shall be apportioned among and paid to the several provinces of the Dominion in proportion to the population of such provinces respectively as shown by the then next preceding census.

Can any one take exception to a provision being introduced into the Bill that the sum to be appropriated by Parliament each year shall be expended among the provinces according to population? Nobody on that side of the House can find fault with it; in fact, it is not found fault with, as I shall show presently, in the reasons that have been given in the motion now before the House why these amendments should

not be concurred in. It is admitted by the hon. Minister of Railways and Canals—and I think it will be admitted by the right hon. the Prime Minister and by everybody—that the money which is to be appropriated by Parliament for the improvement of highways should be apportioned among the provinces according to population, as stated by the census. If it is agreed that this should be done, why is it not incorporated in the Bill creating the law under which the money is to be expended? Can any good reason be given? I cannot understand what is in the minds of hon. gentlemen opposite to cause them to refuse to put in a law what they say shall be their course in carrying out the law. If it is to be their course in practice, why should it not be put in the law? The Government take exception to the provisions which have been introduced into the Bill by the Upper Chamber, and here are the reasons, as stated in the motion, why they do not propose to ask the House to agree to them:

1. Because substantially the same amendment has already been considered and rejected by this House.

Which is very true.

2. Because the amendment is unnecessary and undesirable, since (a) the Supply Bill will make provision for the apportionment of the proposed subsidies to the respective provinces for the ensuing fiscal year; and since (b) such apportionment can be more conveniently provided for in the annual Supply Bill.

3. Because the said Bill defines the ends, purposes, conditions, limitation and qualifications to be established in respect of aids and supplies to be granted by this House, and the same are not alterable by the Senate.

In the first place, it is said we should not agree to the amendment because substantially the same amendment has already been considered and rejected by the House. That is very true. Last year the same question arose, and the same difference of opinion existed between the House of Commons and the Senate. The House would not agree to the same amendment which was made by the Senate. This year the Senate does not agree to pass the Bill otherwise; and it comes down to this, that either one or the other must give way. Which should give way? Should the Senate give way to the House of Commons, or should the House of Commons give way to the Senate? Of course, at some time or other, there will be an election upon this point, and it will be decided by the people; but in the meantime, what is to be done? If we are to be moved in this matter by the principles of reason which generally regulate the opinions of men, it seems to me that the House of Commons should give way to the Senate, because the weight of reason is altogether with the Upper Chamber and not with this House. If there were any exception to be taken to the Senate's proposal, if the Government said that it was unfair, unjust or impracticable, then I could well understand the House of Commons saying: We will not give way, because what we are asked to accept is not reasonable, just or fair. But, on the contrary, it is admitted that what is asked by the Senate is so just, so fair and so reasonable that the Government say: We will act upon the very principle which is embodied in this amendment. This amendment provides that the money to be devoted to the improvement of roads shall be applied in the different provinces according to population, and yet the Government say that they will not accept it. The refusal seems to be without any justification at all.

In their second reason, the Government merely say that the amendment is:

—unnecessary and undesirable, since the Supply Bill will make provision for the apportionment of the proposed subsidies to the respective provinces for the ensuing fiscal year.

As far as this year is concerned, that is very true. The estimates which have been brought down contain an appropriation of $1,000,000 to be expended among the provinces according to population. Item 542 of the supplementary estimates reads:

Canadian Highways Act.

To provide for the payment, under the Canada Highways Act, of the following subsidies to the several provinces of Canada for the construction or improvement of highways, or for both such purposes as in the said Act mentioned, that is to say, on $1,500,000 basis:

Alberta	$ 78,282
British Columbia	82,005
Manitoba	95,196
New Brunswick	73,524
Nova Scotia	102,870
Ontario	527,201
Prince Edward Island	19,584
Quebec	418,449
Saskatchewan	102,889
	$1,500,000

No exception can be taken to this; it is very fair. But the Supply Bill is an annual Bill, and this, when it is passed, will be a permanent statute; and while this year the minister provides that the money shall be distributed according to population among the provinces there is nothing to prevent him next year providing that it shall be appropriated in a different manner. Since it is the intention of the minister that the money shall be apportioned among the provinces according to population, what reason can be given why that should not be provided for in the statute? The Minister of Railways will not contradict me when I say that pressure has been put on him from some quarters to

prevent a distribution according to population.

Mr. COCHRANE: That is not true.

Sir WILFRID LAURIER: My hon. friend should not say that.

Mr. COCHRANE: There has been no pressure put on at all.

Sir WILFRID LAURIER: My hon. friend should not say that, for if he has not, the Prime Minister has received applications—I have received duplicates of them—from the province of British Columbia, to the effect that the money should not be apportioned according to population, but that a larger proportion of it should be apportioned to British Columbia on the contention that the roads are more difficult of construction in that province than they are in any other. The minister has not been impressed by that argument, and I do not think there is anything in it; but still the pressure is there on the Government, if not on the Minister of Railways personally. The hon. minister heard last year a prominent member of the House, now Mr. Justice Lennox, suggest that the Government should not bind itself to have this money apportioned proportionately among the provinces, but that occasions might arise which might determine the Government to give a larger proportion to one province than to another. That being so, I can understand that the Minister of Railways, consciously or unconsciously—I will say unconsciously, because he says no pressure has been put upon him—has left the door open to the apportionment of the money next year differently from its apportionment this year. If it be not the intention to reserve the power to spend the money differently, then I ask the minister why he does not do as has been done under the provisions of the British North America Act, so that the provinces may know exactly, once and for all, what they are to expect, and be able to act accordingly? If we were to be guided simply by the good intentions of one party or the other, as between man and man, there would be no necessity for courts of law or parliaments, for we could rely on a sense of fair play in every man as being sufficient. But it is because we cannot do so that we have courts of law and parliaments, and that is the reason why the Senate has thought it advisable that once and for all, as soon as this law is passed, the conditions should be there to guide the Government in the application of it.

I pass on to another reason which is given by the Government why we should not agree to the Senate amendment:

Because such apportionment could be more conveniently provided for in the annual Supply Bill.

I am at a loss to understand what this means. Why the apportionment should be made more conveniently in the annual Supply Bill than in this Bill, one cannot understand.

Another reason given why we should reject the Senate amendment is:

Because the said Bill defines the ends, purposes, conditions, limitations and qualifications to be established in respect of aid and supplies to be granted by this House, and the same are not alterable by the Senate.

Well, the provisions of this Bill are alterable by the Senate, and for the very good reason that it has not been treated by the Government as a money Bill. Last year, as this year, this Bill was introduced without any message from His Royal Highness the Governor General, and when I raised the point of order that it was a money Bill, I was told it was not, and Mr. Speaker so ruled. Therefore, the Senate has properly treated it as not being a money Bill. But there is in this an argument which tells absolutely against the attitude taken by the Government. I will read it again:

Because the said Bill defines the ends, purposes, limitations and qualifications to be established in respect of aid and supplies to be granted by this House, and the same are not alterable by the Senate.

This Bill is alterable by the Senate. What is not alterable by the Senate is the Supply Bill. If next year or the year after the Supply Bill should contain a provision different from the provisions contained in the Supply Bill of this year, and should apportion the money to the provinces, not according to population, but according to what the minister believes to be the needs of one province as against another, the Senate would have to accept it without amendment, or to reject it entirely, which, of course, nobody would desire. Therefore, the very reason which the Government gives for rejecting the Senate amendment is a strong argument against the attitude taken by the Government.

Another amendment made by the Senate, which has not been touched upon by the motion before the House, is the elimination of clauses from the Bill. Clause 6 reads:

6. The minister, with the approval of the Governor in Council and upon such terms and conditions as are prescribed by Order in Council, may undertake the construction of any new highway or bridges or the improvement of any existing highway or bridges in any province, and may expend in such improvement or construction the whole or any part of the sums voted by Parliament for such subsidy to that province: Provided, however, that the minister shall first obtain the necessary authority from the legislature of such province and the consent of the Lieutenant Governor in Council.

This means that the Minister of Railways contemplates going into highway building in the provinces, contemplates that he, having obtained authority from the legislature, and the consent of the Lieutenant-Governor in Council, may build a highway in any one of the provinces. Without attributing any motive, but simply speaking from the rationale of the thing, what reason can be urged on behalf of the Department of Railways undertaking highway construction in any part of Canada? It is not in accordance with the fitness of things.

According to our constitution, the control of highways belongs to the provinces. In the older portions of the provinces, where there is municipal organization, highway construction is carried on by the municipal authorities; but in those parts of the provinces where municipal organization has not yet been established, the provinces build the highways. The province of Ontario is a large builder of highways every year, so is the province of Quebec, and so with other provinces. Every province has a staff of engineers and others devoted to this work. My hon. friend the Minister of Railways has no such staff at his disposal, and if he goes into highway construction he must create a special branch of his department. In any case this work would not be permanent, but only occasional; and, not having permanent work to do the minister cannot have a permanent staff. Therefore it goes without saying that the work had better be left to the provinces.

I cannot understand why my hon. friend should want to go into this work. It must be clear to him, on reflection, that he had better leave it where it is, with the provinces. This matter has engaged the attention of the public at large, and especially of the municipal authorities. I moved, some time ago, for the correspondence between the Dominion Government and the provincial governments on this subject, but it has not yet been brought down. We may have it later on; I am satisfied there must have been correspondence between the Dominion Government and at least some of the provincial governments on this subject. The legislature of Saskatchewan has passed a strong resolution on the subject, declaring that there should be a provincial conference to discuss with the Dominion authorities this whole matter. The Premier of the province of Quebec, Sir Lomer Gouin, gave an interview on this subject, in which he set forth his views in a very temperate manner—views which, I think, should commend themselves to the House, and especially to the advisers of His Excellency. This interview appears in La Presse of Saturday, May 3, last. It is as follows:

It is to be regretted that the federal Government did not heed the suggestion to modify their proposed legislation.

The object of this Bill, as is well known, is to govern the manner in which the subsidies voted each year by Parliament for the improvement of highways generally are to be expended. It says that the federal Government may either grant a sum of money to any one of the provinces for the purpose of making, or improving certain highways; or spend, themseleves, the whole or part of the money for the above purposes, in the province.

In the first case, the province would have to have the work done under conditions and after plans approved of by the federal Government; in the second instance it would be necessary for the Government at Ottawa to obtain the consent of the provincial administration before any work was started.

I am an advocate of good roads and my greatest desire is to see our roadways improved as much as possible. The present legislation, however, is not satisfactory in my opinion, and to a certain extent dangerous.

I say it is not satisfactory because there is no guarantee as to a fair repartition between the provinces of the money voted by Parliament. It is true we have been told by the Government that according to the statute-book subsidies must be distributed among the provinces according to population, but, in my estimation, a clause to that effect would be more satisfactory. Governments are subject to change, and Mr. Borden's word would not bind another administration. Why should not the present Government do as the fathers of Confederation did? Why not do in connection with highways what has been done with respect to agriculture? This latter Bill provides that each province shall receive a stated sum; I do not understand why the same principle should not apply to the present measure.

I think it is dangerous in that it encroaches upon provincial rights and tends to reduce local administrations into bondage. Clause 92 of the constitution is very clear in this regard: 'In each province,' it says, 'the legislature may exclusively make laws in relation to matters coming within the classes of subjects next hereinafter enumerated; that is to say,—

'8. Municipal institutions in the provinces.

'10. Local works and undertakings of a local nature.

'16. Generally all matters of local or private nature in the province.'

What then would be the position of the several provinces should this Bill pass the House in its present form? They would have to barter their rights and prerogatives for the subsidy, or do without.

And, should we to-day allow the federal Government to interfere with the highways, they could, by means of similar grants, meddle with our school affairs and dictate to us a programme of studies and methods of teaching.

I do not want the impression to go abroad that I am antagonizing the Borden Administration. What I say to-day I would repeat to-morrow to any Liberal government that would introduce legislation so dangerous in character, and contrary to the spirit of the

constitution. The vigorous stand which I made in 1905 upon the question of federal subsidies is well known. I am to-day as I was then, an advocate of provinical autonomy; the federal Government should respect our rights and give us full justice.

There is great force in these views, and I commend them to the House. There is one thing noted there which is very remarkable. Two measures have been introduced this session to give aid to the provinces, one in agriculture and the other in highways. The Bill to give aid to agriculture contained the provision that the grant should be apportioned among the provinces, and its distribution is made a part of the Bill. This provision is accepted by the Senate without criticism, and stands as law to-day. Why should not the same principle be introduced in this Bill? Why should the Government, introducing two measures absolutely similar in character and almost identical in purpose, discriminate as between one and the other? There is no possible reason for it so far as we have been informed, unless you suppose that behind it there are sinister motives and danger of far-reaching effects upon the elections. I do not wish to bring that consideration forward to-day; but, unless you give us better reasons than those given hitherto, we shall be forced to that conclusion.

Right Hon. R. L. BORDEN: The right hon. gentleman has referred to the Agricultural Aid Bill as one that supports the view he has just put forward. He evidently forgets that this Bill did not make the distribution purely on the basis of population, but made it subject to an allowance of $20,000 to each of the provinces. There is no doubt that the Senate took the action which they have taken in regard to this Bill with the full knowledge that their amendment could not be accepted, as it had not been accepted last year; therefore, so far as they are concerned, they are responsible if the Bill does not pass. My right hon. friend accepted full responsibility for their action last year, and he is doubtless prepared to take full responsibility for their action this year; therefore we have a very clear and distinct issue with regard to the matter.

Sir WILFRID LAURIER: Hear, hear.

Mr. BORDEN: My right hon. friend, in the first instance, said to this House that he would support the Highways Bill, but in the end, if I am not mistaken, he voted against it.

Sir WILFRID LAURIER: Not at all.

Mr. BORDEN: Then I am mistaken as to that?

Sir WILFRID LAURIER: I certainly voted against it, with the blemishes it had upon it.

Mr. BORDEN: I am not at all disposed to agree with the right hon. gentleman's impressions as to the character of the proposed legislation; I do not think there are any blemishes upon it.

Sir WILFRID LAURIER: My right hon. friend is of that opinion himself.

Mr. BORDEN: Of what opinion?

Sir WILFRID LAURIER: That this money should be apportioned according to the population of the provinces.

Mr. BORDEN: I said last year, and again this year, that under conditions as they are now, and in the entire absence of exceptional circumstances, there was no reason why this money should not be apportioned to the different provinces upon a population basis. I did point out, however, that while the right hon. gentleman adhered absolutely to a population basis in respect of this Bill, he was not disposed to adhere to that principle in respect of the Agricultural Aid Bill, because he thought that the proposals of the Government were reasonable, although not strictly upon a population basis. The right hon. gentleman insists that in the action they have taken, the Senate are entirely within their rights, and that the very reason we have given is one which supports his contention. If this legislation were brought in as an annual measure setting forth explicitly in the Bill the amount of the grant, does my right hon. friend contend that in such a case the Senate would have the right to interfere with the limitations and conditions under which the grant was made? They could reject the Bill, but they could not alter its limitations or conditions. That is a well-understood principle as between the Senate and the House of Commons, and they would be precisely in the same position if they permitted this Bill to pass as it is, because in the end they would have exactly the same remedy as they would have if this legislation were brought in as an annual Bill setting out the amount of the grant. In the case supposed, they could reject the appropriation if they thought it was proposed upon an unjust basis. So far as the Senate are concerned, they have not the right to interfere with the limitations and conditions which this House sees fit to attach to grants which it proposes to make. I venture to say that the Senate has overstepped the limits of its powers in undertaking to impose a limitation in respect of this Bill. We brought in this measure for the purpose of establishing certain conditions under which aid could be granted to the prov-

inces, and, so far as I have ever been able to understand the arguments of hon. gentlemen on the other side of the House, I really cannot comprehend their objection to it. They seem to imagine that there is some extraordinary and sinister purpose behind it all.

Mr. GRAHAM: I have had the experience.

Mr. BORDEN: That was before the hon. gentleman came into this House and when he was a member of the provincial Government of Ontario.

Mr. GRAHAM: It was when I was trying to get into this House and the Government was trying to keep me out.

Mr. BORDEN: I am not aware that there is anything in this Bill which can touch the argument which the hon. gentleman is now making.

Mr. CARVELL: Perhaps the Minister of Customs could inform the right hon. gentleman what that means.

Mr. BORDEN: The Bill simply provides two things: in the first place, that the Governor in Council may make a grant to the provinces, and, in the second place, that that grant shall be applied under certain agreements to be arrived at between the federal Government and the provincial governments. The money which is to be devoted to any one province cannot be diverted to any other province, and this House and the Senate will have perfect control over the situation when the appropriation comes to be made. I repeat again that the Senate would thus have as good control over that situation as they would have if this legislation were proposed by means of a Bill annually placed before Parliament. What was the object of the Bill? The object was to give to the various provinces of Canada, upon an equitable and just basis, aid for the improvement of public highways. The Senate has not been content to accept the Bill as it was, but has attached to it a condition which we rejected last year, and which we are not disposed to accept this year, namely, that this House shall not be at liberty, even under the most exceptional circumstances, to make any deviation whatever from a strictly population basis. Suppose, for example, some great disaster occurred in one of the provinces, and that there was an urgent need in respect of that province that the population basis should be diverted from in some particular year. Is there any reason why that proposition should not be made and considered in the House of Commons and the Senate? I have expressed my strong opinion on two occasions in this House that this grant should be made upon a population basis, but my right hon. friend himself will admit that circumstances might arise under which he and every other hon. gentleman on that side of the House might agree that some deviation would have to be made from that basis in some particular instance. But if that did not commend itself to hon. gentlemen on the other side of the House, if it did not commend itself to Their Honours in the Senate, exactly the same remedy would be open to them as that which they have seen fit to exercise, in what I consider an unjustifiable manner, with regard to this Bill. In the one case they would be acting strictly within their rights; they would be rejecting the appropriation altogether because it did not commend itself to their judgment as being a just appropriation. In the other case they have gone beyond their constitutional rights and have seen fit to use their powers in violation of constitutional principles for the purpose of altering and changing the limitations and conditions which it is the undoubted prerogative of this House to establish.

As to the other amendment to which my right hon. friend alluded, and in respect of which the Minister of Railways and Canals will propose another motion in a moment, I am equally unable to understand how the provision in the Bill interferes in the slightest degree with the autonomy of any province of Canada. I think it safeguards the autonomy of every province, even beyond the constitutional limits fixed by the British North America Act. I see no reason under the British North America Act why the Parliament of Canada might not undertake the construction of a road from one province to another. I see no reason under the British North America Act why the Parliament of Canada might not declare a particular road, running, for example, through the province of Quebec to its boundary line, to be a work for the general advantage of Canada. We could not do this under this Bill; we could not exercise even the powers that are conserved to us by the British North America Act, because it is distinctly provided in this Bill that under no circumstances shall the Governor in Council or the Minister of Railways and Canals spend one single dollar unless they have the authority of the provincial legislature and the consent of the provincial executive. We had this amendment under consideration last year; we have had it under consideration again this year on a motion of hon. gentlemen on the other side of the House. We did not see our way clear to accept it; and under the circumstances the motion which the Minister of Railways and Canals has proposed is the only motion which the Government, having regard to its self-respect, could present to this House, particularly in view of the fact that very offensive reasons were given by some speakers in the Senate in support of the modifications and amendments which they

proposed to this Bill. There was a direct suggestion from gentlemen there that it was the intention or desire of the Government to use this legislation for some corrupt or unworthy purpose. That I think was the argument put up by the leader of the Liberal party in the Senate as a reason why the Senate ought to amend the Bill in this way. I do not attach too much consideration to such an argument so emanating; but it is not to be expected that, when the action of the Senate is supposed to be based on arguments of that character, we should be very willing to accept them. We do not propose to accept them, and we propose to insist on this measure as it stands.

Mr. MICHAEL CLARK (Red Deer): It seems as if the history of this Parliament were going to resolve itself to a large extent into a quarrel between the Government and the Upper Chamber of the Legislature, and, if so, I think it well for my part to intrude upon the House even at this very late hour and to see that one member at least gets himself right on the quarrel to begin with. Up to now, Sir, history is rather on the side of the Senate. My right hon. friend, in the opening of the remarks which he has just made to the House, said that there was a clear issue as between the Senate and this Chamber on this particular measure, and proceeded to give as his reason for the clearness of that issue that the Senate ought to have been sure from the first that the Government would not accept an amendment which they refused to accept last year. Is my right hon. friend not presuming on the history of the dispute in assuming that that would be the correct finding of the Senate?

What was the main ground of the dispute between the Senate and the Government last year? It was not the Roads Bill, it was the Tariff Commission Bill. It was the Tariff Commission Bill which the Senate rejected, by which rejection they drew upon themselves an extraordinary diatribe from the Minister of Trade and Commerce (Mr. Foster) at the end of the session which produced an extraordinary scene in this Chamber, that is the call of three cheers for the Speaker, which were given in resounding fashion by a full assembly of hon. members opposite. What has happened to the Tariff Commission Bill? The Senate, according to the argument of my right hon. friend, had a right to expect that this Government were sincere or meant business in their quarrel with them on the Tariff Commission Bill, and they had a right to expect that the war which was declared in such vigorous terms by the Minister of Trade and Commerce on that occasion would have been carried into the country. But what actually happened was that the Minister of Trade and Commerce disappeared from Canada and has been largely out of Canada ever since, and the Government of which he is so distinguished a member, has proved to the hilt the wisdom of the Senate on the Tariff Commission Bill, by not introducing the measure this year. I ask my right hon. friend what right he or anybody else has to expect the Senate to be so absolutely and confidently wise as to the motives and proceedings of this Administration. If we are to argue from last year, the Senate might reasonably have said to themselves: This Government, after all, is a somewhat imperfect Government but even they will improve with time, we have taught them something, combined with the efforts of Mr. Woodrow Wilson in the United States, about the effectiveness of a tariff commission, and they will probably learn wisdom on the question of roads also. That is my answer to my right hon. friend on the proposed clearness of this issue.

There was, as I pointed out, a great deal of unreality in the attack which was made upon the Senate last year and I am bound to say that there is a great deal of unreality too in the affection of the hon. gentlemen opposite and the Government they support for the people of this country, and the desire they have to improve their roads. If, at the bottom of their minds, their motives were to help the provinces in the matter of better roads, they would not hesitate to accept the amendments of the Senate. I do not hesitate to use that very strong language on this point.

Just think of what my right hon. friend has given as reasons for not accepting the amendments. One of his reasons is that certain members of the Senate have attributed unworthy motives to the Government. That is not an unusual procedure in politics. My experience of politics is that unworthy motives are being continually attributed by one side of politics or the other. Is that the way to approach the consideration of a matter of this importance? The question is are the Senate amendments right? If they are right, what would be the duty of the Government in regard to these suspicions? To say: We cannot accept a right amendment because unworthy motives have been attributed to us in connection with the Bill in the original form? So far from that being his duty, his duty is to disarm the suspicion held by the Senate and shared by some members on this side and held by a large number of people in this country. It is his duty to disarm the suspicion and to consider the amendments absolutely upon their merits.

The Senate would have been justified in amending this Bill, if for nothing else, because neither we nor they nor anybody else can possibly know what is the object of the Bill. My right hon. friend asked the question, what is the object of this Bill, and then, I quite admit, he gave his answer. He said it is to help the provinces in the construction of roads within the provinces. Now, that is all very well so far as it goes, but in the debates of last year an important supporter of my right hon. friend, who now occupies a seat upon a commission, the then member for Kootenay, dilated at considerable length upon the power that would be given under this Bill to construct a national highway from the Atlantic to the Pacific. That possibility in the measure has been referred to in the Senate itself by the leader of the Government in the upper Chamber, so that we have this extraordinary position, that the Prime Minister suggested this afternoon that the object of the Bill is to help the construction of roads within the provinces, while the leader of the Government in the other House referred to the possibility, under this Bill, of the construction of a national highway across the whole country. The Government themselves do not know the object of the Bill, or if they do, they do not tell us, and they do not tell the Senate. In regard to the project of constructing a national highway, if that is the object of the Government, why do they not put it in the Bill? Why do they not state that that is their object? Let that project be debated on its merits, and I tell my right hon. friend that if he will take that course he will find that he has less support even from the Conservative provinces than he has at the present moment. It may be all very nice for people to travel from the Atlantic to the Pacific in automobiles, and to call at the city of Calgary, and have a good time there, but the farmers who keep the city of Calgary and a lot of people who are driving automobiles, and who want to get their grain and stock along decent roads to market, will not be very much interested in that kind of proceeding. What they want is help to make the roads in the provinces. I have had an experience in this connection. When I first came to this country my team used to stick three times regularly every day between my home and the railway station. That is where, as a farmer, I wanted a good road, and that is where the farmers want good roads. That is where the farmer had provision for good roads under the British North America Act, when, by the wisdom of the Imperial Parliament, the construction of roads was placed in the hands of the provincial legislatures, and not in the hands of the federal Government who now want to usurp

that position. That is my comment upon what is said to be the object of my right hon. friend. If any other member of the Government can step in between the leader of the Government in this House, and the leader of the Government in the Upper House, and tell us what the Government mean to do, we shall be better able to give a reasonable decision on this question.

My right hon. friend resents very much the imputation of motives. Mr. Gladstone once said that we should never impute motives, and as a counsel of perfection it is very good. But can we expect my hon. friend from South Renfrew (Mr. Graham) to reach that point of perfection? He hints here that some minister in the present Government has used the proposed expenditures upon roads to influence public opinion. I understood him in that sense.

Mr. GRAHAM: He promised expenditures under this Bill.

Mr. CLARK: Then we are not interpreting motives, we are witnessing actions. What is the good of my right hon. friend, who can put up a good argument when he has a good case, assuming this air of wounded virtue and objecting to his motives being impugned, when what he ought to do is to explain the actions of his colleagues, and not concern himself with suspicions or motives. The Government ought to get themselves cleared up on this question. If they are a set of angels, let them produce fruits meet for repentance.

I do not want to say very much more on the subject. If there is no sinister motive, dispel that suspicion and accept the amendments of the Senate, and we shall have a chance of improved highways in Canada. It is a pity that we cannot arrive at an agreement on the subject at the present moment. The country is in a condition of very great peace after having fought imaginary Armageddons for five years. I propose that we should cut the battle of Armageddon out of the Book of Revelation, and proceed to produce the millennium in our own way. And one of the ways of getting a little bit of the millennium will be to improve the highways.

Mr. BORDEN: Hear, hear.

Mr. CLARK: The Government can do so, and at the same time establish some of that peace of the millennium and also peace between themselves and the other branch of the legislature on this particular subject. They can get to work at once instead of dangling this thing as something to be voted for by the people, and as something to use on platforms in condemnation of those who have criticised it. I am not imagining this sort of thing. I have referred to the leader of the Government in

the Senate. His colleague in law practice is the representative of Calgary in this House, and the latter went to Calgary last fall and said that if the farmers were struggling with the difficulty of taking their grain to market, they should remember that this Bill for the improvement of highways went to the Senate and was never seen again.

Mr. BURNHAM: Hear, hear.

Mr. CLARK: My hon. friend from Peterborough says, 'hear, hear.' He is just as accurate in his history as the hon. member for Calgary (Mr. Bennett) was on the occasion to which I refer. It was necessary to say that the Bill was never seen again to prove that the Senate killed it. What did happen was that it was seen again; it is being seen to-day in an amended form. It was not a case of homicide, it was a case of infanticide. If the Government have a good policy either upon highways, or upon anything else, let them produce it, and let them get the political credit that will always go to a Government that produces a good policy, and that helps the people. But do not let them have the suspicion hanging around that they want to get credit for the policy, when they intend to use the money spent under the policy for the benefit of heelers of their own party.

My right hon. friend the Prime Minister spoke in very moderate terms. I would just like to say that while I accept his declaration that he means well under this arrangement, I do not think he is serious in asking us to accept his own intentions as being a guarantee for all time as to what would be done under this Bill, if it were passed in its present shape. He was surely hard up for an argument when he referred to the possibility of disaster as a justification of this Bill. If I understand him correctly, he said that a disaster might at any time destroy roads and might create an urgent need. The words were quite familiar to me. On the road question, the policy of the Prime Minister seems to be to introduce his permanent policy for the relief of an emergency. Surely my right hon. friend was not serious in giving that as his only justification for differing from the Senate on this question. I might use an argument that was used on the other side of the House in the debates which occupied so much of our time this winter. I might point out that in the case of an emergency we would always have the power to grant immediate relief. I borrow that argument from my hon. friend from North Grey (Mr. Middlebro). In the course of the debate, I asked my hon. friend a simple question about the possibilities in emergencies, and as to some explanation which I wanted to get in regard to the policy of the Government on the naval question. I think I asked him whether one contribution constituted his sole idea as to Imperial federation, and the hon. gentleman gave me a speech on earthquakes. He spoke in terms of earthquakes. He said that if we had earthquakes we could contribute at once. I take the argument from the naval debate, and present it to my right hon. friend to soothe him in contemplation of the possibility of internal tempest in Canada. I am glad to withdraw his mind from the possibility of Imperial tempests, and to console him with the certainty that Canada will always be ready to deal with disaster. This is not a question of disaster. I do not think that argument carries you very far.

I do not want to introduce anything of a very strong party flavour at this time, but my right hon. friend, if he is inclined to carry this dispute with the Senate to its legitimate outcome, must be prepared to submit it to the judgment of the people. I felt sure that would be the case a little time ago and I felt sure of it when I heard the hon. Minister of Trade and Commerce (Mr. Foster) speak at the end of last session. I am sure that if he had been here now and if he had made another speech like that, following on the declarations which my right hon. friend made on various occasions in regard to another matter, we could not, in order to put an end to the embroglio that has arisen between the Senate and the House of Commons, have avoided a general election. I give my right hon. friend credit for sincerity on that question of a general election. I am not inclined to taunt him with the non-fulfilment of all that he has given us by way of pledges on that question because I have said in this House before that holding an election, especially with a great Imperial issue in the balance, would be a questionable line of policy. Still, unless the Government will learn from the Senate, as they have already done on other matters, in the long run this question will go to the electors. I am sure that my right hon. friend, on personal grounds, would not altogether dislike the occasion. I know that he would be happier in many other positions than in his present one. I think I have read his mind and I have no doubt that he sometimes communes with himself and in the lines of Hamlet wonders. . . .

> Whether 'tis nobler in the mind to suffer
> The slings and arrows of outrageous fortune,
> Or to take up arms against a sea of troubles,
> And by opposing end them.

I am sure he holds that kind of communion with himself; but if he does, there is another minister who is in a different camp

in the Cabinet, the hon. Minister of Public Works (Mr. Rogers). He finds his guidance in the latter portion of Hamlet's soliloquy: he has really a dread of the undiscovered country that makes him rather bear the ills he has than fly to others that he knows not of.

Well, I do not urge the point. The roads will wait, the navy will have to wait, but the navy can wait better than the roads. We would like these roads and there is no reason why the Government should not accept this amendment. I do not want to say anything on the platform that I do not say here but I fear that on the platform one would have to say that the Government in all these measures have half an eye upon the public interest and an eye and a half upon how votes are going to be guided at the next election. That may be an imputation of motives again, that may be saying something which will ruffle the composure of my right hon. friend but he would be doing himself credit by accepting the Senate amendments because he must admit if he reads the Bill that the Senate has acted quite sensibly. I undertook to justify them in various meetings in the West last summer and when the full particulars as to the original Bill were brought before the people they endorsed the Senate's action up to the hilt, as I believe the people of Canada will.

Hon. GEO. P. GRAHAM (South Renfrew): Mr. Speaker, I want to point out one or two things to my right hon. friend the Prime Minister in reference to this Bill. This Government is proposing to kill the Highways Bill, because rejecting this amendment ends it. The murderers of the Bill are on the Government benches, and why? Because the Senate proposes to introduce an amendment to ask the Government to give by statute something the Govment say they are going to do anyway. Is that a good reason for the Government to give for not proceeding with this Highways Bill? Let me take the viewpoint of the Senate for a moment. The Senate was established for the protection of minorities and of the various provinces, particularly the smaller provinces. Bearing that in mind, suppose the Government next year deviated from the principle that they have adopted this year of apportioning this money according to population and the Bill went to the Senate? The Senate, under the constitution is the protector of the smaller provinces. What power would it have to exercise that protection? It would have absolutely none. The majority in this House, at the instance of the Government, would have voted through the Supply Bill, unamendable as far as the Senate is concerned, it would go to the Senate and the Senate could not exercise the right of protecting any of the provinces by rejecting a part of the Supply Bill and agreeing to another part of it. The only way that it could remedy what it believed to be an injustice to some of the provinces would be to inflict an injustice on all the provinces by rejecting the entire Supply Bill.

The Government should think for a moment from the standpoint of the Senate and realize the position they are taking and the reasons they are giving in this motion for rejecting this amendment. If the Government intend to apportion this money, and they say they do, according to population, then this amendment would be a confirmation by law of what they propose to do anyway. Is the fact that the Government rejected this provision a year ago a good reason why they should reject it this year and deprive the various provinces of the aid proposed by this Highways Bill? My hon. friend goes further and says that something might happen in one of the provinces that would require special attention. Well, special conditions cannot be met by general legislation. Some of the difficulties we find ourselves in arises from the attempt to meet special cases by general enactments. The general law must be a law that will be applicable to normal conditions, the conditions that generally prevail, and the conditions usually prevailing will always enable the Government to divide this money among the provinces according to population. If anything should arise whereby a province required special consideration this House could at any session pass an Act which was necessary without doing an injury to any other province. So much money is to be apportioned by this Bill. If, as the right hon. gentleman says, something might happen in a province which would require to be met by a special provision, would he take the money from one province and give it to another province in order to meet that special case? If he did so, under the provisions of this Bill, he would have to take the money from one, or from several provinces, and give it to another. That would not be the proper way to meet a special case. The way to meet a special case would be, not to interfere with the votes to the various provinces, but to bring in a Bill to deal with such a case and if he did so I am sure that Parliament would assent to it.

The last clause of this Bill does encroach upon the rights of the provinces and municipalities. Under the constitution highways are left to the provinces and the municipalities. Under this Bill, if the hon. Minister of Railways and Canals decided so to do and the Government of the province of Ontario said 'agreed,' he could go into any municipality and build any road he saw fit without the consent of the municipality itself. The minister can go into any city, town or township in the Dominion and build a road

without consulting the mayor or the reeve. I do not say he would do it, but I say it would be possible for him under this section, because in no place is there any reference to the consent of the municipality.

The question has been raised as to the motives underlying this, and I have not to guess as to what would likely take place if this Bill should pass with clause 6 in it. I was a victim of this Bill less than a week after it was introduced a year ago. I did not happen to be a willing victim, and it did not altogether annihilate me, but I believe it did reduce the Liberal majority in South Renfrew by a good many votes. No sooner had this Bill been introduced—it was introduced hurriedly for that purpose a year ago; it was stated it had been introduced hurriedly and that some of the clauses were not perfect—but no sooner had it been introduced in this House than men went through the riding of South Renfrew telling the electors that hereinafter the distribution of roads would not be in the province but in the Minister of Railways, and that if they voted for the Conservative candidate so much would be spent here and so much would be spent there. They went to that extent, simply because the member of the local legislature supporting Sir James Whitney was standing by an arrangement he made and he was not allowing the grant of the provincial Government to be used in the Dominion campaign. But he was pushed to one side by the agents of this Government, who promised, under this section of the Bill, that money would be spent by the Dominion Government in that riding lavishly for the building of good roads, if the Government candidate were elected. With that experience I am not conjecturing; I know what would be done under this clause 6, and I know what was intended to be done under it in South Renfrew.

I put this to the Government: they have a vote in the estimates for the building of good roads, and I make the statement to this House and to the country that there is not a dollar in these estimates that cannot be expended in the interests of the people of the various provinces under the Bill as amended by the Senate. And, for the Government to reject the amendments made by the Senate, under one pretext or another, is to deprive the people of the various provinces of the expenditure of $1,500,000 this year, which should be expended if the Government did accept these amendments.

Mr. ANDREW BRODER (Dundas): Surely the hon. member for South Renfrew (Mr. Graham) has not well considered some of his arguments. This Dominion Government cannot go into a province and make an agreement with that province by which they can override the municipalities, because the province cannot make an agreement of that kind. Then, where is his argument?

Mr. GRAHAM: Look at the Bill.

Mr. BRODER: That is not the point; the point is this: the provinces have no power to make an agreement which would override the rights of the municipalities, and, therefore the objection of the hon. member falls to the ground. The hon. gentleman knows very well that the Dominion Government could build roads from the Pacific to the Atlantic without this Bill, if they saw fit.

Mr. GRAHAM: There is no doubt about that.

Mr. BRODER: Very well. Then the hon. member tells us that this House can make the Bill good by accepting the amendment of the Senate, and my answer is that the Senate can make the Bill good by withdrawing its amendment. That argument, therefore, applies with equal force to both situations. The hon. gentleman tells us about his experience in South Renfrew, but he can well understand that the people of many sections of South Renfrew were made apt scholars on that question by the policy of the provincial Government, of which he was a member. That Government made plenty of promises as to roads.

Mr. GRAHAM: That is not a very good answer.

Mr. BRODER: It is a very good answer, because it is the hon. gentleman himself and the Government to which he belonged in the province that made these apt pupils on the road question. The people were told time and again, by that provincial government, that they would get roads in South Renfrew if they sent such and such a man to Parliament. That was what was taught the people of Ontario by the Liberal Government for twenty-three years, and it is time the hon. gentleman should get some of his own medicine; he should not complain. The hon. gentleman complained that this Bill would lead to the exercise of political influence by the Dominion Government, but the proposal of the Senate increases the political influence by handing it out to the various provinces to use it. Legislation generally is intended not to keep people from doing right, but to keep people from doing wrong, and the argument of the hon. gentleman in this instance is to the effect that people should be kept from doing right. The relations between the Dominion and the provinces, and their rights constitutionally, are to some extent a matter of growth, rather than a matter of law, because necessity must have its way in dealing with all these great questions, and we know that the provinces have dealt with the road questions ever since 1843, and yet the complaint of the whole country is that we have not good roads. Is it not time some other authority had

something to say in helping the people to get good roads?

A great deal is said about provincial autonomy and all that kind of thing; but I say that the people want good roads, and the proposal of this Government is to help the provinces to give the people good roads, and that is the question that is before the people and not the constitutional issue. It is a question of doing what the people require to be done in the public interest, and yet hon. gentlemen opposite see fit, through the action of the upper House—the same political blood runs through the veins of the gentlemen opposite in this House, although it may be a little more lively; it is the same breeding and the same everything—and they are afraid something will be done for the people. That is what is troubling them, but I am not afraid of that. I would be glad to see something done for the people, and I do not care particularly who does it, so long as it is done. It is all very well for hon. gentlemen opposite to suspect the intentions of the Government, but they would have a much stronger case if they let the Government go on—but they have not the courage to do that—and then attack them if they do wrong. It is time we did something to improve the roads in this country. Take France, with its 18,000 miles of municipal roads. My hon. friend from Red Deer is very much afraid of an automobile going through his country.

Mr. CLARK (Red Deer): I am afraid of my wagon sticking.

Mr. BRODER: Very well; if you run behind the wagon you will be perfectly safe.

Mr. CLARK: I keep my dogs there.

Mr. BRODER: New York State has had some experience with automobiles, and the taxes on the automobiles maintain the roads. That would not be a bad idea for this country to adopt. I do not care how many wealthy men from the States or anywhere else come through Canada over good roads, because I look upon them as a splendid advertisement of what this country is and what its prospects are. It would be a good thing for the poorest man in the country to have automobiles coming here and wealthy men in them. I am not going to quarrel with my neighbour because he is rich; if all my neighbours were rich there would be a better chance for me. I don't want a man to be so shaken up on our roads that he will be profane before he ends the journey. I would rather have him travel over a good road. I am not afraid of automobiles nor of good roads. I do not think it would be wrong to have some leading roads of distinctive character in this country; on the contrary, it would be a good thing. I believe the Senate has made a mistake. The people of this country realize that it is time this question had a chance to be tried, and let the results either commend or condemn those who are responsible for carrying the idea into effect.

Mr. W. M. GERMAN (Welland): I congratulate my hon. friend from Dundas (Mr. Broder) on the humorous remarks he has made. It is not often that he favours the House with an expression of his views. But, though he be a believer in good roads, as I am, and in the policy of promoting good roads, he has made suggestions which, to my mind, would work out to prevent, and not promote, the extension of good roads. We have in the supplementary estimates an item of $1,500,000 to be expended 'under the Canada Highways Act.' Now, the Canada Highways Act is the Bill now under discussion. So, if this Bill does not pass, even though the money were voted by the House, it could not be expended. I want to see the money expended, for, so far as the section of country from which I come is concerned, the question of highways is one of vital importance. In that county we are building good roads under the authority of the Provincial Act. The improvement is much needed, for our roads are very bad in spring and fall. The provincial Highways Act of Ontario was placed on the statute book by Sir George Ross, and has been faithfully carried out, and supplemented, by Sir James Whitney. It was administrated by the present Minister of Railways (Mr. Cochrane) when he was a member of the Ontario Government. Under this Act, if a county in Ontario decides that it wishes to improve its highways, it passes a bylaw, and the province will aid it with money for the purpose of improving the highways.

As I understand it, under the Bill now before this House, the Dominion Government proposes to aid the provinces by a grant of $1,500,000, and in the supplementary estimates it is shown how that money is to be distributed among the provinces. Now, let us, without desire for eloquence or controversy, see what can be done under the Act as it comes from the Senate. My hon. friend from South Renfrew (Mr. Graham) stated that every dollar which was being asked for under this appropriation in the estimates could be expended under the Act as it comes from the Senate. What, then, is the difference between the Government proposition and that of the Senate? Simply that the Senate says that section 6 should be struck out. And what is section 6? It reads:

The minister, with the approval of the Governor in Council and upon such terms and

conditions as are prescribed by Order in Council, may undertake the construction of any new highway or the improvement of any existing highway in any province, and may expend in such improvement or construction the whole or any part of the sums voted by Parliament for such subsidy to that province: Provided, however, that the minister shall first obtain the necessary authority from the Legislature of such province and the consent of the Lieutenant Governor in Council.

The Minister of Railways and Canals could expend in the province of Ontario $527,000 according to his own sweet will—where he likes and as he likes. This would be, to my mind, placing in the hands of a minister of the Crown a sum of money which could be used, if he saw fit to use it so, as a corruption fund. I am not saying that the Minister of Railways would use it in that way; I do not believe he would; I am convinced that he would not. I am convinced that the present Minister of Railways and Canals would use that $527,000 in the best interest of the people of Ontario according to his judgment; I wish to give him that certificate of character so far as I am concerned and so far as I know him. But he is not the only Minister of Railways and Canals that may exist, and even he may not be able to control the Government. No minister of the Crown should have the right to expend at his own discretion that amount of money. Let the money be paid to the province under the law of the province. I do not know what the law is in any other province, but I know what it is in Ontario, and I know that that law is equitable, fair and just. I know that we in Ontario would like to have this money expended under the law of our own province, and I do not see why the Government will not accept this Bill with section 6 struck out, and why it will not hand over this money to be expended under the local law as it exists in the several provinces.

Mr. W. F. NICKLE (Kingston): Just a word or two in reply to the hon. member for Welland (Mr. German). It seems to me extremely unfortunate for the country at large that a great scheme that means so much to the farming community should be kept in abeyance because the members of this Parliament who sit on the other side of the House and form the majority in the Senate have not sufficient confidence in the honesty and integrity of this Administration to believe that money appropriated in the manner proposed will be fairly and properly spent for the improvement of highways in the several provinces?

I listened with considerable interest to the remarks of the hon. member for Red Deer (Mr. Clark). Before I came to this House I had followed that hon. gentleman's record with considerable interest. I looked upon him as a radical of the radicals. I had heard him humourously termed 'Red Michael,' and, as I was somewhat the same complexion myself and had often had my attention drawn to the attributes that the word 'red' seemed to impute, I expected to find in the hon. gentleman a vehement, fiery man, with the courage of his convictions. But since I have had the honour of a seat in the House, my views of the hon. gentleman have entirely changed. I have almost reached the conviction that he and I should change positions, that I should go over to the Liberal party and that he should sit among the Conservatives. The ex-Radical has become a most extreme Conservative. He supports an Upper House in everything. Whether it be a navy question, on which I give him credit for having strong constitutional views; or a banking act, of which he frankly admits he knows nothing; or a question of roads, of which, he says, he knows something—in every case he supports the Upper House against the House elected directly by the people. To summarize the whole question,—and these are the conclusions expressed by the people I represent,—we want good roads in Ontario, more particularly in eastern Ontario, and eastern Ontario welcomed the news that the Dominion would contribute a sum for the construction of these roads. It may not be known to hon. gentlemen opposite—it is to the members who come from Ontario—that the eastern part of Ontario has not the electric service that the western part of the province has, because electric power is so expensive that it is impossible profitably to operate electric roads. It is equally true that during the regime of the late Administration, in the Government of which the late Minister of Railways and Canals had a portfolio, it was charged that in a good many instances the road money of the province of Ontario was improperly spent. I am not going to say whether or not those charges were correct; it is an unfortunate thing in public life to-day that in the administration of public money those who are dissatisfied with its expenditure are always ready and willing to say unpleasant things about those who have the spending of the money. But so long as governments are governments, and men are men, I suppose governments will spend the money where they think the best advantage will come to their party without shocking public conscience. In other words, they will deal fairly with the people, but more or less with the idea of serving their own interests.

Mr. LEMIEUX: Hear, hear.

Mr. NICKLE: The hon. member for Rouville says, 'hear, hear.' I am speaking frankly, as I understand this matter, and I want the House to understand me.

I admit that governments are frail. I believe that this is a big issue and that the people of the country want better roads. I think this House and the Senate should rise above the partisan considerations which are allowed to crush out such a beneficial measure simply because they have a dread that something may be improperly done. The right hon. leader of the Opposition frankly tells us, as does the hon. Minister of Railways and Canals, that the principle that should underlie these appropriations should be distributed upon a population basis. This is the difference between the two parties; the Conservative party says: we are going to spend the money ourselves; the Liberal party and their friends in the Senate say: you are not going to do anything of the sort; we are afraid you will spend the money in a corrupt manner. The hon. member for Welland (Mr. German) admits that the Minister of Railways and Canals is honest and straight-forward, and that this measure will be carried out without favour and without graft. If he believes what he says, why does he not rise above those partisan considerations that seem to influence him and his party and vote for this Bill? If in the working out of the measure it is true that the Minister of Railways and Canals is not such a man as the hon. member for Welland represents him to be, then I say it is time, when the estimates come down in another year, for the members of the Opposition to refuse the money and to hold the Government to account.

Sir WILFRID LAURIER: That was proved in Renfrew.

Mr. NICKLE: What was proved?

Sir WILFRID LAURIER: That the Bill might be used for corrupt purposes.

Mr. NICKLE: It may have been proved in Renfrew; I should not be surprised if it was, because than the ex-Minister of Railways and Canals there is no better exponent of such a policy.

Mr. PROULX: We should not expose the Minister of Railways to temptation.

Mr. NICKLE: I have always believed that it is easier to avoid temptation than to resist it, but I believe that men are sometimes big enough to resist temptation and not avoid it. For that reason I think the members of the Opposition should give the Government an opportunity of carrying out a policy that means so much to the farming communities of this country.

Mr. R. B. BENNETT (Calgary): I understand that some reference was made by the hon. member for Red Deer (Mr. Clark) to certain assertions I made in reference to the Highways Bill last year. I did observe that this Bill was of importance to the province in which I reside, and I desire to repeat that I consider this Bill to be of paramount importance to the people of Alberta. I ventured the other evening to point out that the question of good roads was more important to the people of Alberta in one respect than freight rates, and I have since learned that on account of the bad condition of the highways the residents of one of the most fertile portions of the province, namely the Milk River district, had to pay last year the exorbitant sum of thirty-five cents a bushel to have their crops carried, by tender, if you will, from the farms to the railway stations. This Government entered upon a comprehensive scheme in relation to the improvement of highways. The Prime Minister of this country promised that if he were elected to power he would endeavour to improve the highways of western Canada. Sitting upon the same platform with him in the city of Calgary, I heard him make that promise to the electors of that city, and last fall when I held my annual meeting with my constituents I directed their attention to the fact that this Government implemented more of its pre-election promises in one session than any government that had ever held power since Confederation. I pointed out that the will of the people and of this Government had been thwarted by the Senate, and that the right hon. gentleman who leads the Opposition had said from his place in this House that he desired to associate himself with the Senate in its action in thus thwarting the will of the people last session. I understand that the hon. member for Red Deer has taken exception to the remarks I made on that occasion. I desire here and now, as I did then and there, to repeat that this House has passed a certain Bill based upon a recognition of the necessity of having good highways, not from a narrow provincial standpoint, but upon the principle of encouraging good highways as a national asset in Canada, and that it ill becomes the Senate of Canada, representing no people, at variance with the very spirit of democracy, to thwart the will of the people. I did point out to the people of the constituency I have the honour to represent, and my remarks have been criticised by the hon. gentleman whose professions are radical and principles Conservative, whose free trade ideas find expression only in a desire to build up a protective-battleship industry in this country, and who is always ready and willing, at any excuse, although he is never able to manufacture a reasonable one, to follow the behests of his party, wherever it may lead him. That is his history since he has come to western Canada, and I suppose it will be his history until he goes down to immortal fame as the great prototype of that school of thought which has no followers in this Dominion. I say frankly that any gentleman who comes

into this Parliament with one eye on the press gallery and the other upon 'Hansard' cannot expect very great consideration at the hands of any member who desires to see the will of democracy expressed.

There is behind this Bill a great and abiding principle, and it is this: shall the will of democracy be thwarted and destroyed by an irresponsible body of men sitting in another chamber? This Government came into power with a mandate from the people to develop a system of national highways; this Parliament has passed a Bill on two occasions for the encouragement and development of national highways, not limited to one province, applicable equally to the provinces of the East and the provinces of the West, and the will of this Parliament is being thwarted to-day, as it was last year, by an irresponsible Senate. It is time that the Senate was reformed. For more than fifteen long years in western Canada we heard shrieks and cries about reforming the Senate. The Senate has been reformed by the right hon. gentleman opposite to such an extent that they now echo his opposition in this House of Commons to the will of democracy. That is his idea of reforming the Senate, and the people of western Canada are getting sick and tired and weary of it. In the province from which I come they desire to see the Highway Bill passed and an appreciation of national necessity given effect to. I say that the people of western Canada and of the province in which I live will hold the right hon. gentleman and his hollow echoers in another chamber, responsible for their conduct in rejecting this Bill which has been passed by the will of the people of this country. The right hon. gentleman may throw up his hands and say: Quite so; I am proud of them. When I point out these facts to an audience in the province from which I come, I am told that it was the House of Commons and not the Senate that killed the Bill. It is a reflection upon the intelligence of the people of this country to say that it was the Commons that killed the Bill. Is the will of democracy to be set aside for the will of the minority? Is this Government to bow to the will of the minority because they have a hollow echo in another Chamber where there is a Liberal majority? That is the position, and yet a man of the intelligence of the hon. member for Red Deer (Mr. Clark) stands up to the people of Calgary and tells them it was not the Senate that killed the Bill, that it was the Conservative party in the Commons that killed the Bill, and he expects the people to take any stock in such an argument. Is it any wonder that the people laughed and jeered at any such thought? They appreciate to the full just what it means.

In the province in which I live any arrrangement that might be made for the use of this money would have to be made with a Liberal Government and not a Conservative Government. It is true that during the last few months the money of the people has been squandered for election purposes in Alberta. It is true that one hundred men brought in from outside carried a seat for a minister in the very district in which the hon. member for Red Deer lives. It is true that an Alberta telephone gang made it possible for Duncan Marshall to be elected Minister of Agriculture. It is true that an employee of the Department of Public Works of Alberta, working upon the highways, has been committed for trial and must stand his trial before the Supreme Court of Alberta for intimidation of electors in connection with the roads and highways of the province of Alberta. His name is Lawler. He was committed at Clyde. The hon. member for Edmonton (Mr. Oliver) might tell the House something about that, because his journal made a fitting reference to it.

Mr. OLIVER: I presume that Lawler was from Manitoba.

Mr. BENNETT: No, he lives in Alberta, and in the recent election there was not a man from outside of Alberta who came into that province on the Conservative side, but the province was filled with heelers from Saskatchewan and Manitoba on the Liberal side. I could give the names if the hon. member for Edmonton would like to have them.

Mr. OLIVER: As my hon. friend is so far out of order in dealing with the subject of the elections in Alberta, he might just as well go on and give us the names. For my part, I would be very glad to have them. If this House has time to spend in that sort of entertainment let us have all the names my hon. friend has in regard to the elections in Alberta.

Mr. BENNETT: If my hon. friend wishes to raise the point of order, and at the same time insinuate that I wish to delay the business of the House, perhaps I should not deal with the election. I have the evidence and the papers—

Mr. OLIVER: Let the House have the benefit of them.

Mr. BENNETT: They are in my desk upstairs, and I can get them in a few moments.

Mr. OLIVER: The hon. gentleman has brought this matter to the attention of the House; let him give the information.

Mr. BENNETT: I will give the information briefly. There is a constituency in Alberta called Clearwater. It sends to the legislature, thanks to the gerrymander of a Liberal Government, one member. Its

total voting number is forty-seven. That is Liberalism rampant in Alberta, that is the Liberalism that has the sign manual of the approval of the hon. member for Edmonton placed upon it. It is true that there are little dissensions as to his giving it the imprimateur of his approval. The Attorney General has a little doubt as to the political morality of the hon. gentleman for Edmonton and I understand that the hon. member for Edmonton has some doubt as to the political morality of the Attorney General. But between them they devised a constituency at Clearwater with a voting population of forty-seven. At the recent election in that constituency there were three candidates, McKenny the Government candidate, Taylor the Conservative candidate, and Joseph Clark, who wrote a letter to the Liberal party, another candidate. These three gentlemen together polled forty-seven votes. When the votes were counted, unfortunately it was found that some of them were tied up in envelopes. But in this instance they were not able to steal them as in two other constituencies, about which perhaps hon. gentlemen would like to hear—

Mr. OLIVER: Thank you.

Mr. BENNETT:—by men who were brought before a judge at Medicine Hat.

Mr. SPEAKER: I think the hon. member is going very far from the subject of the motion before the Chair.

Mr. BENNETT: Thank you. I should not have trespassed on the time of the House, but I wished to point out that in the constituency of Clearwater a hireling of the local Government named Lawlor, sent there as an election agent of McKenny to improve the highways, is now standing trial before the Supreme Court for intimidating electors in connection with highways. It is with this Liberal Government that we would have to negotiate in connection with the expenditure of public money on highways. But we are told that the Senate has decided that this cannot be done—that even that brand of Liberals cannot be trusted.

I summarize the matter in this way. This Government promised the people of western Canada that it would pass legislation that would enable it to devote federal money to improve the national highway system of western Canada. That was said by all parties to be absolutely essential and necessary. This Government came into power on a mandate from the people to carry out their pre-election promises. They did so last session. They placed this Bill on the statute book. The Bill was killed by the Senate. The Liberal party desired to associate itself with the Senate's action. This session the Bill was reintroduced and repassed. The Senate has again destroyed it, and again the Liberal party in this House desires to associate itself with the Senate in destroying this Bill and preventing the people of western Canada from getting some measure of relief, because it would afford us some measure of relief; and the thirty-five cents a bushel that we have to pay to transport wheat from the farm to the railway must continue, because a discredited minority are able to get in another Chamber an echo of their voice, and thwart the will of these people. I protest on behalf of the few farmers in my constituency, because it is largely city, against the action of this minority, for we all know that one word from the right hon. gentleman opposite and his servile majority in the Senate would obey his behest and do what he asks them to do.

Mr. SPEAKER: I think the hon. member ought to take back the words 'servile majority.'

Mr. BENNETT: I shall withdraw the words 'servile' and say 'willing.'

Sir WILFRID LAURIER: The hon. member has no right to say that. The majority in the Senate is quite independent, and can act for itself.

Mr. BENNETT: They have not shown any sign of it.

Hon. FRANK OLIVER (Edmonton): I do not intend to traverse at any great length the remarks of my hon. friend (Mr. Bennett, Calgary) in regard to the elections in Alberta, but as you have been good enough to allow him to take the latitude he has taken I hope I may be permitted to take, let us say, measurable longitude. My hon. friend has drawn attention to a case in which a man who happened to be employed by the Government of Alberta in road work has been brought into court for improper practices in the elections. I am at a loss to understand in what way that fact and that result, so far as it has gone, is any reflection upon the Liberal Government of Alberta. I call my hon. friend's attention and the attention of the House to the fact that in the province of Manitoba elections do not go that way. Where a Conservative Government is in power the man who votes against that Government is lucky if he is able to keep out of jail without any question of law.

Mr. ROGERS: I cannot allow my hon. friend to to make such a statement. Time after time insinuations of this kind have been made in this House. I want to say here and now that there was no man arrested in Manitoba who was not known to the officers of the law of that province as being a political crook of long standing.

Mr. OLIVER: The House will observe that as soon as what by courtesy we may call the argument made by the hon. member for Calgary (Mr. Bennett) is turned back on his friends on that side of the House, it produces what would be vulgarly called a roar. We do not have to find fault with such talk as my hon. friend from Calgary puts up. It is absurd, and everybody knows it, but when we return the compliment, it produces a response from that side because it is true and everybody knows it. When my hon. friend says that the men who were arrested in Manitoba, put in jail without trial, and kept there unwarrantably were known to be crooks, may I be permitted to say, Mr. Speaker, that my hon. friend has made a statement that he knows is not true.

Some hon. MEMBERS: Order, order.

Mr. ROGERS: It is absolutely true.

Mr. SPEAKER: I must order the hon. gentleman to withdraw that expression. No hon. gentleman has a right to say of another hon. gentleman who makes a statement that he knows it to be untrue.

Mr. OLIVER: I will withdraw the statement, but I may be permitted to give the facts in regard to one of those cases. A young man of the name of Prince, born in St. Boniface, Manitoba, where his parents reside, employed in a law office, engaged in the study of law in Winnipeg, who, I do not think, is more than 21 years of age, and who cannot by any possibility have had any serious connection with any previous elections in Man—

Mr. BRADBURY: Why?

Mr. OLIVER: Because he was too young.

Mr. BRADBURY: I think my hon. friend knows that lots of his own friends who are not more than 18 or 20 years of age, have a great deal to do with elections.

Mr. OLIVER: My hon. friend can speak of his friends and of what they do, but he cannot speak of my friends and of what they do. I desire to say that when the hon. the Minister of Public Works asserts that young Prince was known to be a political crook, he is aside from the facts, if I may use that statement. Prince is a young man against whose character absolutely nothing can be brought forward, personally, politically, or in any other way, who, out of loyalty to Liberal principles, and only out of loyalty to Liberal principles, desired to influence his fellow citizens of the province of Manitoba in favour of those principles. He dared to exercise the right that we talk of as being the right of all the citizens of Canada, and went to a part of the constituency of Macdonald, where the people are largely of French origin and language, as Prince himself is, and he was shadowed immediately by the hirelings of the Government of Manitoba, by leeches—

An hon. MEMBER: Red line leeches.

Mr. OLIVER: —who are eating up the revenues of the province of Manitoba, who are part of the standing army of election thugs kept up out of the treasury of the province of Manitoba, under the able administration with which the Minister of Public Works was connected.

Mr. SPEAKER: I think it would be well for the hon. gentleman to direct his attention to the motion before the House.

Mr. OLIVER: I shall be very glad to do so; but since my hon. friend from Calgary introduced matter that was so absolutely foreign to the question under consideration, and used such intemperate and unwarranted language, I thought it would not be out of place to see if the rule would work the other way.

Mr. SPEAKER: I understood the interference or allegation to be that this money might be used improperly in connection with the expenditure on roads, and that the hon. member for Calgary gave an illustration from another source of how that was being done. Therefore his remarks had some kind of relevancy to the question under discussion. But the hon. gentleman is directing his attention to an election in Manitoba, which does not seem to me to have the same relevancy.

Mr. OLIVER: I thought the point my hon. friend from Calgary was trying to make was that because the Government of Alberta was Liberal, therefore it was crooked.

Mr. BENNETT (Calgary): Mr. Lawler was doing road work, and it was in connection with the intimidation of the voters of Clearwater that he was sent up for trial. The Liberal Government of Alberta now declines to prosecute him. I have the letter in which they were asked to do so, and they have not done so. Two other gentlemen were sent up for trial but the charges were discontinued because these men were innocent.

Mr. GRAHAM: It sounds like Manitoba.

Mr. BENNETT: Manitoba could not equal that.

Mr. OLIVER: My hon. friend brings out very clearly the point I thought he was trying to make, that because the Government of Alberta was a Liberal Government, therefore it was not to be trusted with the management of public affairs, and particularly with the control of road money. Nevertheless he was prepared to assert that this

was a proper Bill, and that the Government of Alberta should be brought under the control of this Government by the terms of this Bill in regard to road work. I do not wish to pursue this matter further; I merely wanted to let my hon. friend from Calgary understand that if he, or my hon. friend the Minister of Public Works, desires to introduce such controversial matter in the discussions in this House, they can certainly have all they want of it.

An hon. MEMBER: And more than they want.

Mr. OLIVER: Perhaps a little more than they want. In regard to the matter under consideration, I desire to say that the Government of Alberta builds the roads of that province directly as a Government work, and the people of Alberta believe that that Government is able to do, and as a matter of fact does, good work, and renders a satisfactory return for the money spent on the roads in that province. If my hon. friend from Calgary wants any evidence on that point, I refer him to the elections in which he took such a distinguished part, and as the result of which the Alberta Government have a majority of something like two to one.

Mr. BENNETT: Over fifty per cent of the electors voted against them.

Mr. GRAHAM: Like the election of 1911.

Mr. OLIVER: That may or may not be correct, but, to use an argument made use of repeatedly by our friends on the other side of the House, the Government of Alberta represents a majority in the legislature, and is therefore entitled to the control of the affairs of that province. Perhaps my hon. friend considers he has had sufficient on this subject of the Alberta elections, because if he does not, we can give him plenty more.

Mr. BENNETT: I would be delighted to have an hour or two with my hon. friend on the evidence I have.

Mr. OLIVER. My hon. friend chooses this time and place when he knows it is not convenient to take time, and when he knows he has the protection of the Chair in maintaining decorum in this House. But when he was in Calgary, he hired a bunch of thugs to put up the arguments which he himself was afraid to put up.

Mr. BENNETT: I must rise to a point of order. My hon. friend has surely had enough of that. I desire to say with reference to the men to whom he refers, that I did not know they were there. They were a few ex-soldiers and ex-sailors who resented the action of the hon. gentleman in sitting when the National Anthem was sung.

Mr. SPEAKER: Order.

Mr. OLIVER.

Mr. OLIVER: I would like to know how my hon. friend knew so well who were the men who tried to break up that meeting?

Mr. BENNETT: I took the trouble next day to find out.

Mr. OLIVER: He took the trouble the day before to arrange for it.

Mr. BENNETT: That is false; that is false.

Mr. SPEAKER: Order.

Mr. BENNETT: That is false.

Mr. SPEAKER: I think the hon. member (Mr. Oliver) should direct his attention to the question before the House.

Mr. OLIVER: I am desirous of doing so, but I am sure you will recognize, Mr. Speaker, that the hon. member for Calgary has interrupted me repeatedly and unjustifiably, and I am merely replying to his interruptions. I have no wish to diverge from the subject under discussion, but I ask not to be interrupted if I am not to be permitted to diverge. What I was trying to establish was that the province of Alberta, discharging its responsibility to the people in the matter of the construction of roads, is doing so in conformity with the constitution of Canada and in conformity with the will of the people, and that when this Parliament undertakes, by legislation that has been passed through Parliament by the will of the majority, to say that this Government knows better how to build roads in Alberta than the Government of Alberta, I disagree absolutely. I will suggest that if the Government of Canada as at present constituted, will attend properly and well to the business of the Dominion under its jurisdiction under the terms of the British North America Act it will find all it can manage satisfactorily, all that is within the compass of its ability to manage, and it will do well to leave to the provinces of Canada that which is specially their business, just as, might I suggest, it will do equally well to leave to the Government of the United Kingdom that which is particularly the business of that Government. This Government is spreading itself a little farther than its merits warrant when it undertakes to deal with matters which are properly the business of the Government and Parliament of the United Kingdom, and equally to interfere with that which is especially the business of the various provinces or Canada.

Mr. BRADBURY: Did you not do it when you were in office?

Mr. SPEAKER: Order.

Mr. BRADBURY: The hon. gentleman remembers that when he was in power, he

constructed in my own county twenty-one miles of road with money out of the Dominion treasury.

Mr. OLIVER: Sure.

Mr. BRADBURY: Did you interfere with the duties of the province?

Mr. OLIVER: No. At that time and up to the present time this Government would not be interfering with the activities of that province by building roads in Manitoba. I must admit that I was speaking of the province of Alberta. The interference contemplated by this Bill, if exercised in the province of Alberta, would be unwarranted, injurious and unacceptable to the people of Alberta. I know that the Manitoba people want roads, that they want them very much, that they could not get them from the provincial government, and that they would be glad to get them from anybody.

Mr. BRADBURY: It was because they did not have the money.

Mr. OLIVER: They did not have the money. When this Government has, under existing conditions, a revenue greater than the absolute needs of the country require, I consider that the provinces have a right to share in that money. Just as the revenues of the Dominion grow, so the needs of the provincial governments grow, and it is right and proper that the Dominion Government should make provision out of its increased revenues to meet the increased needs of the several provinces. In so far as this measure deals with that condition, I am prepared to support it, and the amendment of the Senate is exactly the provision that will compel it to meet the case. What we want, and all we want, is that when this Government has money that it can afford to devote to the building of roads, it shall give that money to the legislatures of the different provinces in proportion to their population, to be spent by their governments as the people of these provinces see fit. It seems to me that is a fair and reasonable proposition, and that it is the only fair and reasonable proposition. It is not fair or right that when this Government has a large surplus it should be allowed to devote that surplus, or a share of it, to purely provincial purposes, except according to the principles of the British North America Act applicable to the division of Dominion moneys among the provinces. That is the only way that it should be allowed to deal with the question. It is able to deal with it under the Senate amendment to this Bill, and I want to say that, in so far as the province of Alberta is concerned—and there is already before the Government a memorial from the province of Saskatchewan on the same point—they object absolutely to the Government of Canada interfering with that which is their special business and which they can discharge with greater advantage to their province than can this Government.

Mr. E. B. DEVLIN (Wright): I would like to add one word; and the hon. member for Calgary (Mr. Bennett) will pardon me if I do not enter into the merits or demerits of the provincial elections in the part of the country from which he comes. We in our province carry on our elections in an honest way, and we are always somewhat shocked and sorry to hear of such things as happened out in Macdonald in the province of the hon. Minister of Public Works (Mr. Rogers), or has happened in the province of Alberta. I hope that the people in certain portions of Manitoba and Alberta will be the better for the argument that has taken place on both sides of the House to-day in reference to provincial elections in those provinces.

But what I wanted to point out, Mr. Speaker, was that when the hon. member for Calgary (Mr. Bennett) made the statement that the Senate killed the Bill, which stands upon the Order Paper as an 'Act to Improve the Highways of Canada,' he said something which was altogether wrong. The Senate has simply amended it in line with the spirit of the British North America Act. Section 118 of the British North America Act, with respect to grants to the provinces, states that the sums therein stipulated shall be paid annually in aid of the provinces at a rate equal to eighty cents per head of the population as ascertained by the census of 1861, and in the case of Nova Scotia and New Brunswick, by each subsequent decennial census until the population of each of those two provinces amounts to 400,000 souls, at which rate such grant shall thereafter remain. Grants to the provinces are made, according to the British North America Act, in proportion to population. It seems to me that the amendment is altogether in keeping with the spirit of the British North America Act, and that when the Senate enacted that the constitution should be lived up to, it did not kill the Bill, but it amended it in such a way that the House of Commons ought to accept the amendment. If the Government assume the responsibility of refusing to concur in the amendments made by the Senate, they absolutely and emphatically kill the Highways Bill, because the amendment is a constitutional amendment; the money will be spent for the roads in the provinces and by the provinces. When the Senate amended the Bank Act, the Government accepted the amendments and passed the Bill in this House as

amended. It would be just as reasonable to say that the Senate killed the Bank Act by its amendment, as to say the Senate killed the Highways Bill by the amendment they made to it. I assume the full responsibility for the words I may have uttered in regard to the Highways Bill, and when we go before the people, as we must go sooner or later, and I hope it will be soon, the Ministry must assume full responsibility for having killed their own creature, if they refuse to accept the Senate amendments to the Highways Bill.

Mr. E. H. MACDONALD (Pictou): The position of affairs with regard to this Bill has been distorted by hon. gentlemen opposite in the House and outside the House. It is evident the Government does not want to pass a Bill through this Parliament, to provide for highway construction in this country. The course adopted by the Government in the last two sessions shows to any unprejudiced mind, that their desire is to masquerade before the people of this country as anxious to assist highway construction, when really they do not want to do anything of the kind.

Mr. SPEAKER: I think the hon. gentleman is going too far.

Mr. MACDONALD: In what way?

Mr. SPEAKER: It is not permissible to impute improper motives to any member of the House.

Mr. MACDONALD: I have said that the Government of this country do not want to have this measure passed, and the language I used was but an amplification of that idea. If hon. members are not permitted to make a statement with regard to the course of the Government upon a public question, which has been already so curtailed in this House, the freedom of debate will be once more further curtailed.

Mr. SPEAKER: Order. I do not think the hon. member has the right to criticise the ruling of the Chair. I referred to the well-known rule laid down by almost every Speaker of the British House of Commons, that it is not permissible to impute improper motives to any member of the House. If the statement of the hon. member, that there is no desire to pass the Bill except for masquerading purposes, is not imputing an improper motive, then I cannot understand what would be.

Mr. MACDONALD: The language you have just used, Mr. Speaker, is not the language which I used. What I stated to the House, and what I am prepared to reiterate, is, that the Government did not desire to have this Bill passed; that they are holding out to the country that they do desire to pass it when, as a matter of fact, they do not. I think that is parliamentary. It is not imputing improper motives; it is a description of the position of one political party, which I have a right to criticise as I have done. The fact is that the Government came to the House last year and said: We want to assist the provinces to construct highways; and they repudiated any idea of being anxious to proceed with the construction of highways themselves. The minister declared that the money to be devoted to this purpose would be divided among the provinces according to population. When the Bill came down, there were clauses that would indicate that that was the desire of the Government; but there was clause 6, which enabled the Government to arrogate to themselves the expenditure of this money, if they desired to do so. There is where the difficulty is.

Mr. COCHRANE: It could not be done without the consent of the province.

Mr. MACDONALD: Quite so. The minister recognizes the constitutionality of the right of the province to be the sole authority to control the highways, but clause 6 enables the Government, if they found a province that was willing to give in to them, to take the right to themselves to expend the money in that province.

The Prime Minister told us they were dividing this money according to population in the Supply Bill, and when he did so he admitted the constitutionality of the contention of the Opposition; he admitted the sole right of the provinces to deal with this matter. He wants to have clause 6 in the Bill for some particular reason. Last year when the Senate held that the Dominion should not retain that right to expend the money, and that the Bill was not in accordance with the avowed purpose of the Government, and undertook to reform the Bill in accordance with the avowed intention of the Government, the Government threw out the measure. Then the gentlemen opposite went up and down the country talking about the terrible Senate and the terrible Grits who would not allow them to do anything for the highways of this country.

An hon. MEMBER: Hear, hear.

Mr. MACDONALD: The gentleman who says: 'hear, hear,' thinks they were able to pull the legs of the unsuspecting voters by such guff as that. This year the Government comes along with the same Bill, asserting before high Heaven their desire to observe the constitution, and their leader asks Parliament to recognize his sincerity, because he has put in the estimates an amount to be voted to each province. But, again, there is in the Bill this unconstitutional clause 6 for the purpose of enabling

them to control the expenditure of the money in certain cases. Then, when the Senate does what it did last year, and reforms the Bill in accordance with the expressed views of the Prime Minister and the Minister of Railways, the farce is again gone through of declaiming against the Senate because they have inserted the very stipulation which the Government themselves say they want in the Bill. The Conservative party are pretending they want to assist the provincial governments of this country to have improved highways; but in the Senate and elsewhere the leaders of the Conservative party speak about a great highway for automobiles that is to run from the Atlantic to the Pacific. Their idea is that the expenditure under the direction of the Minister of Railways will be on some highway intended to provide for automobile people going from province to province. They did not desire to help the farmers of the West, those constituents of my hon. friend from Calgary (Mr. Bennett) for whose interest his heart bleeds every hour of the day—in imagination. The Government does not intend to do anything for these people, nor do they intend to do anything for the farmers of eastern Canada. No such notion actuates any hon. gentleman in regard to this question. In the back districts of South Renfrew, my hon. friend (Mr. Graham) has shown, and all over this country, there are a lot of political heelers watching this section 6. They want it to go into effect. They had visions of inducing the Minister of Railways, through the patronage dispensers in the several constituencies, to divert to their use quantities of road money which would be very useful in their business if the Government goes to the country. That is the view of the Government in regard to highway improvement. On the other hand, our position is this: For the last forty-six years the improvement of the highways of the country has been carried on by the provincial governments. Every provincial government has a department dealing with this question—organization perfected, information collected, laws adjusted, so that the highways can be best improved in the different provinces according to their varying traditions.

We say, therefore, give this money to the provinces and let them spend it in accordance with their several policies; let the thing be done in accordance with the principle that had been manitained for the last forty-six years of governmental life in this country. Let us have this work of highway improvement really carried on. The Senate said last year that they wanted to have highway improvement, and wanted to have this money go to the provinces. The Senate say this year the same thing—they want this done in work carried on in a constitutional way. But the Government, by this motion, negative that proposition; they say they do not want the highways improved or the money to go to the provinces. There is the difference between the two parties. Some hon. members on the other side have suggested that hon. gentlemen on this side are worrying about the question of responsibility. I desire to say that I assume full responsibility for my attitude on this question. I am prepared to go to my province and say to the people that if this Government want to make laws, they should make them in accordance with their declared intentions in Parliament. The laws of this country ought not to be left to be interpreted according to the vagaries of a Minister of Railways and Canals, or the theories of a Prime Minister; our laws should be written documents and should mean what they say. I am prepared to say to the people of my province that the Senate have done that which is in the interests of the people of the country. I am prepared to show that the only method by which the federal Government can assist the improvement of highways is that which we propose, and to point out the fact, indisputable before any audience in Parliament or out of it, that the Government does not want to assist highway construction and is only pretending to do so in order to mislead the people.

Mr. SPEAKER: I desire to call the attention of the hon. member to statements which he has made, which I believe are out of order. The decisions of Denison—and they are practically the same as the decisions of Peel—declare that it is out of order to impute unworthy motives to members of the House or to the Government collectively. If it is not imputing unworthy motives to say that the Government are not sincere and do not mean what they say, I do not understand the force of English words.

Mr. F. B. CARVELL (Carleton, N.B.): It would naturally occur to one that, if these statements of my hon. friend from Pictou are out of order, it would be quite proper for the Prime Minister to take objection to them. But it is most remarkable that every member of the Government can sit there and listen to these statements. There must be something in them, or we should hear some objection from these hon. gentlemen. I am not going to take up more than a moment or two, but I do not feel like giving a silent vote on a matter of such great importance. I am like the hon. member for Pictou—I take full responsibility for my conduct in regard to this matter. I hope there may be an opportunity to vote against the Government and the course they are pursuing. My hon. friend the Minister of Railways made the positive statement introducing this legislation last year, and again this year, that it was his

intention that this money should be distributed to the provinces in proportion to their population. But the Prime Minister this afternoon gave an entirely different version of it. True, he attempted to argue by saying that there might be a calamity in one portion of the country, and if so you must come to their assistance. But how are you going to come to the assistance of one portion of the country except at the expense of another? How are you going to give the province of Ontario $100,000 more than they are entitled to without taking that sum from the other provinces, or else increasing the grant? Why, you have there a confession from the Prime Minister himself. I do not know whether you will charge me with imputing motives, Mr. Speaker—I am simply stating facts And I think the merest neophyte in public affairs can draw the inference very readily.

Then, if that were not enough, you have the statement by another member of the Government in another Chamber that the intention of the Government was to build a highway, an automobile road, from ocean to ocean. If that is the intention, Why do not these hon. gentlemen come down and say so?

Mr. MURPHY: Who said that?

Mr. CARVELL: Hon. Mr. Lougheed in the Senate. And that statement is absolutely inconsistent with the statements made on behalf of the Government in this House, for it would take more to build the portion of such a road that would run through Ontario in proportion to the population of the province than to build the part running through Nova Scotia. If that member of the Government is right, then the members of the Government in this House are wrong. I would suggest that it would be better for them to get together and compare notes. I make this statement regardless of whether it is imputing motives or not—I do not believe the Government intend in future years to divide this money among the provinces according to population. Any citizen of Canada who will read this amendment and the report of this discussion must come to the conclusion, especially from the lame defence of the Prime Minister this afternoon, that they do not intend in the future to divide this money according to population, but merely to do so this year and next year to divide it as they please. If they intend to divide the money according to population and to hand it over to the provinces to handle, they would agree to the elimination of this section 6.

Mr. A. A. McLEAN (Queens, P.E.I.): A week ago this House voted $1,410,000 for dredging in the maritime provinces. That is a vote for the maritime provinces generally, and all that money is expended under the direction of the Minister of Public Works. For the whole of Canada over three and a half millions is voted this session by this House for dredging, all to be expended under the direction of the Minister of Public Works. There was no man in this House who imputed improper motives to the Government in that. The whole of it may be given to New Brunswick, to Nova Scotia, or to Prince Edward Island; it is altogether in the hands of the minister. It would be exactly the same in the expenditure of the money for roads if the matter were left in the hands of the Minister of Railways and Canals. What difference is there? The Governor in Council can direct how this money shall be spent. Are we to assume, we two hundred and twenty-one gentlemen who occupy seats in this House, that these moneys, as some hon. gentleman has suggested, will be used corruptly? The thing is ridiculous. It is no argument to say that this money will not be used for the benefit of the people. As to the talk about automobile roads, we in Prince Edward Island cannot use the money for automobile roads, because we have no automobiles. But we can use the money to improve our roads, and we require money for that purpose. We are a small province; our revenues are very small; and it is absolutely essential that these revenues should be increased in order to provide for the necessities of the public service. The people of Nova Scotia as well require that money. What in the world is the objection urged against this measure? There is no real objection; it is simply and purely opposition to the Government; the vote passed by the Senate is a re-echo of the vote registered by the Opposition in this House. There is no argument to support the objection made, and to justify opposition to every Act introduced in this House in the interests of the people of Canada. The Agricultural Aid Bill was opposed very strenuously in this House, but when it went to the Senate they did not vote against it because they felt that it would not be in their interests to oppose all Government measures brought before them for consideration. Last year they made the mistake of opposing this Act and passing an amendment which could not and would not be accepted by the Government, and this year, at the suggestion I suppose of the hon. gentleman who opposed the Bill in this House, the same amendment has been submitted, and cannot possibly be accepted by the Government. I think it is a crying shame that there should be withheld from the people of this country the appropriation provided for in this measure, of which they stand so greatly in need.

Hon. H. R. EMMERSON (Westmorland): Now that we have got away from the matter of the conduct of the elections in

western Canada, a subject that was neither interesting nor edifying, I would like to make some observations with respect to the principle involved in this Bill when it was first introduced into this House in contradistinction to the principles involved in the amendment passed by the Senate and now under discussion. I think that the animadversions upon the action of the Senate in respect of this legislation indulged in by hon. gentlemen opposite is neither according to the rules of the House nor a dignified procedure on their part. The Senate under the British North America Act has its functions to perform with respect to legislation. It has the right to exercise its judgment, and I am sure that it was never conceived that that body should be a donkey-engine so far as its consideration of the measures passed by the House of Commons is concerned. It was never in the minds of the fathers of Confederation that that body should be created merely for the purpose of registering its approval to legislation sent before it for consideration by this House. I think it manifestly unfair and unjust in every respect that hon. gentlemen of this House should take any position of antagonism or hostility to the Senate. We may not agree with their conclusions; yet their decisions are entitled to the respect of hon. members of this House. I have been amazed in listening to some of the arguments of hon. gentlemen opposite with respect to the action of the Senate. I think they came with very ill grace from hon. gentlemen opposite, because I think that the tendency of present-day legislation is towards abrogating the functions of Parliament.

The underlying principle in this Bill is similar to the underlying principle of every Bill that has been introduced by this Government since it came into power, and that underlying principle is this: Not parliamentary action and conclusion as to detail, but the delegation of the powers of Parliament to a body of men known as the Governor in Council. Every Bill—the Railway Act, the Agricultural Act, the Naval Bill—has had incorporated in it the principle of relinquishment on the part of this House of the powers that properly belong to the representatives of the people, and the delegation of those powers to the Governor in Council. Within the last week we have witnessed the extraordinary spectacle of fifteen or sixteen members of this House arrogating to themselves the rights and powers of arranging legislation and formulating an Act, bringing it before this House and having it go through without, in so far as their supporters are concerned, one word of discussion. If it were not that there were on that side those who are free to give utterance to their convictions, this legislation, which was created by fifteen men, would not have been subjected to any expression of opinion or any opposition.

I have watched the trend of parliamentary government in Canada for some time, and it seems to me that there is a tendency on the part of all cabinets to arrogate to themselves supreme power, not merely with respect to the administration of affairs, but with respect to legislation in Canada. When hon. gentlemen opposite realize that matters are cut-and-dried; that they are placed before this House not for consideration on the part of the supporters of the Government, but with a view to having them become law by reason of the machine-politics that is growing up in Canada to an extent that it is becoming a menace, they would have the Senate placed in the same position as that in which the Government have placed their own supporters. That was not the purpose, as I interpret the British North America Act, of the establishment of the Senate. They were to be a brake upon the representatives of the people as elected, but a brake instituted to protect the rights of the people and to protect the minority. There is no question of the fact that if you give too great powers to a body of men, they become inebriated and intoxicated as it were, with that power, and the tendency is to have the sense of power carry them away beyond the bounds of reason and of judgment. The Senate of Canada was created for the purpose of restraining that tendency and to be a protection to the people of Canada. I hold that the Senate of Canada in that regard represents the people of Canada just as fully and completely as do the representatives of the people in this House.

My hon. friend from Calgary (Mr. Bennett) and my hon. friend from Dundas (Mr. Broder) have stated that we alone are the representatives of democracy, and that the Senate of Canada could in no sense be deemed to be democratic. Mr. Speaker, if this is a democratic body controlled as it is by fifteen men, then I do not understand the meaning of the term democracy. If legislation is to be brought here that is marked out and mapped out and by reason of the machinery that is incident to a Cabinet is to go through, willy nilly, without discussion and without consideration on the part of the people, through their representatives, then it seems that is not democracy, and the men who sit on the other side of the House, I will not use any harsh terms and say are gagged by reason of the position in which they are as supporters of the Government, but I will say men who sit as supporters of the Government are restrained by reason of circumstances and

environments and conditions from voicing criticisms or making suggestions; they cannot be truly said to voice the democracy of Canada, and therefore we need not arrogate to ourselves as members of this House, any monopoly of the right to represent the people of Canada in this regard.

I protest against this form of legislation. I protest against the trend of legislation in that direction. I protest against approving, day after day and week after week, the idea that a Cabinet are not only the administrators of the affairs of the country but are practically the sole legislators in Canada. I call as witness many hon. gentlemen on the other side of the House. We had an instance here to a certain extent when a certain railway subsidy went through this House, I think no later than yesterday, and I venture to assert that that legislation was adopted by the Parliament of Canada against the well formed judgment of many hon. members of the House who sit to your right, and I venture more than that to say that the legislation is not in harmony with the views of the people of Canada. Whatever there may have been in the past, whatever our views of legislation may have been with regard to railway subsidies in the past, I submit that that view has changed among the people, and very materially changed. But it is not simply to that that I was taking exception. We hear a great deal about machine politics in the United States. We have heard a great deal in Canada of recent years of the same thing, and perhaps it is a tendency of governments to encourage the power of the political machine. Every enactment that has been offered in connection with the great public services of Canada during this session and during the last session has breathed the idea that a political machine shall soon be worked and that the representatives of the people shall be suppressed and repressed, the aspirations of the people, their views are not to be considered and alone are we to consider what the Cabinet thinks, regardless of whether it may meet with the approval of their supporters or of gentlemen who are opposed to them politically.

My hon. friend from Dundas made a remarkable statement. He said that the highways of the province of Ontario which had been cared for by the provincial governments of the past, which had had the supervision of the municipalities throughout that great province, were in a deplorable condition and that it was because of that, because of the improper management of those highways, that it was time for the Parliament of Canada to step in and take a hand in applying a remedy. Is that consistent with the proper idea of democratic government? Is it consistent with the spirit of the British North America Act? Is it in any way in accord with the ideas which the people of all Canada have? I think not. If the provincial legislatures and governments and municipalities have failed under their circumstances, with a full knowledge of all the local requirements surely we, the central government, removed from the particular locality, cannot claim that we will be able to improve the conditions throughout Canada. But this is a matter with which the people of Canada have to deal; it is a matter which the people of Canada in the exercise of their provincial rights and of their franchises in political matters have a right to determine and I say it is for them to apply the remedy.

I know that some will argue that an autocratic and despotic government is the best for the people. It was too long ago for me to have any memory—indeed, it was before I had an existence—that there was a great fight in Canada over the question of responsible government. My reading has taught me that the Tory party of that day, the Family Compact party of that day, urged the very same arguments against responsible government that are being urged today in respect of the methods of legislation with respect to highways, agriculture, navies and other things in Canada, that it is simply a repetition of history. And I venture this statement, which may perhaps be considered extravagant, that if we go much further in the direction which we are at present travelling under the leadership of this Government, there will have to be another fight for the rights of the people and a revolution with respect to the privileges which were accorded to us by the granting of responsible government. The centralization of power and of patronage, the usurping by the Parliament of Canada of the rights of the people—these were the conditions that existed prior to the time when responsible government was granted. In those days they had a Governor in Council, they had an assembly of legislators appointed by the people, but what power had that assembly? They had the power to vote supplies, it is true, but in so far as the expenditure of the money was concerned, they were in no sense considered. The money was spent by the Governor in Council; the Governor in Council was all powerful and supreme, and we are drifting back to those antediluvian days, to those days of barbarism, from the standpoint of government.

At six o'clock, House took recess.

After Recess.

House resumed at eight o'clock.

Mr. EMMERSON: When we rose for dinner I was commenting upon the trend of events which is leading us directly, not

only into Government, but into legislation, by Order in Council. The time was when Parliament was considered supreme, but if the principle which has been laid down in the Bills which have been introduced this session is to be followed, the time will come, if it has not already come, when we will be called upon to relinquish entirely our prerogative as members of Parliament, and when the will of Parliament will be stifled, the aspirations of the Canadian people frustrated and a simple committee of this House called the Cabinet, will not merely administer the affairs of the country, but will legislate for the country. Let us look at the Bills that have come before this House during the present session, following a principle laid down at the last session in some measures then introduced. I referred a few minutes ago to the Naval Aid Act, the Highway Act, and the Act relating to Agriculture. I might go on and refer to others. We have an illustration and a splendid one; it is that of the Bill relating to the acquisition of certain branch lines and the construction of other branch lines; we have the Parcel Post Bill, the Bill relating to the Post Office Department, the Bill relating to the Inspection of Fruit, and, last but not least, the resolution introduced into this House to govern its procedure in the matter of legislative action. That resolution was brought in by the Government. The usual custom and procedure of Parliament were not followed, the voices of members of Parliament were silenced and we did not have an opportunity of scrutinising and discussing in detail or suggesting any amendments to the proposed rules. In former years and in all parliaments it was the privilege of members through a committee of the House, to deal with such matters, but under this new policy which has been adopted the Government brings in a resolution, the House is not properly consulted in respect to it and we have the anomaly of the rules being formulated by the Governor in Council and the House being called upon to adopt them en bloc without being able to alter, amend or modify them. That was a peculiarity about that measure that I am sure will strike the country in a very unfavourable way.

It is not merely the iniquity of legislation by Order in Council to which I direct attention, but it goes farther: it is legislation by a minister of the Crown. Of course, there is a provision that the approval of his colleagues is required. Those who have had experience in matters of that kind know that the head of a department studies out a measure and it is brought to the notice of his colleagues. I will not charge against them a want of inquiry, but with the confidence that they have in the head of a department, with the reliance they place in him, they do not scrutinise and inquire into the matter, they take it for granted that the suggestion of the minister should be adopted, it is adopted, and it is followed. It may be that it is all right to do so, it may be that it is proper legislation, it may be that even criticism could not alter or modify it, but, Sir, the same argument might be made with respect to the government of a despot or of an autocratic government. Some people have said that the government of a despot is the best form of government on earth. So it is if you have the right kind of despot, but in our country, I care not who the aggregation of men may be who recommend legislation, the voice of the people should be heard through their representatives in scrutinizing, analysing and considering every feature of the legislation which is proposed. That is a principle that has not been followed with respect to many of these measures and it is not intended that it shall be followed. The best illustration that we have with respect to the matter is the Parcel Post Bill as introduced by my hon. friend the Postmaster General (Mr. Pelletier). I heard my hon. friend from Portage la Prairie (Mr. Meighen) deplore the influence of the lobbyist in the corridors and committee rooms of Parliament, and I heard him make the charge that the Bank Act was amended and moulded through the influence of the lobbyist. If that charge may be made against legislation that goes through Parliament to-day, how much easier will it be for the influence of the lobbyist to be felt in the corridors of the east block and in the ante-chambers of the Privy Council? Under this legislation the Minister of Railways has the right to purchase and construct railways without consulting Parliament.

Mr. SPEAKER: The hon. member is anticipating a question upon the Order Paper; he is certainly travelling wide of the question before the House.

Mr. EMMERSON: I was using this as an illustration of the giving of power to a minister to legislate with regard to detail, and with all due deference to your Honour, if it is to be deplored that legislation by the Parliament of Canada is subject to the influence of lobbyists, it is all the more deplorable that lobbying may be applied to one man who is a minister, or to fifteen men who compose the Cabinet. Under the Parcel Post Act all the details are to be decided by the Postmaster General; and does anyone doubt where will be the express companies and their emissaries, between now and the 1st of January, when the Parcel Post Act comes into effect? In like manner where will be the representatives of those interested in the branch

lines, between now and the next session of Parliament? I have no doubt they will be found in the ante-chambers of the Privy Council and in the departmental offices. In the days anterior to responsible government, legislation as to details of expenditure was conducted by the Governor in Council, and history is repeating itself in the passage of these measures which enable the Governor in Council and heads of departments to legislate as to even essential details.

The Prime Minister spoke of the action of the Senate as a personal reflection on the Cabinet and a want of confidence in the Government of the day. I do not look upon it in that light. These gentlemen will not always be in office; this enactment is for the future as well as for the present, and it will form a precedent for future action on the part of Parliaments and of Governments, and in that sense it is iniquitous. I do not look upon this question from the standpoint of the personnel of the Government; I look upon it from the basic principle of the character of the legislation itself. I would have no reason to question the integrity of the Prime Minister and his colleagues; my condemnation is of the principle which arrogates to the Government the rights and the duties of Parliament. I recognize this Bill as being in itself hypocritical, because the Prime Minister cannot deny that the amendment of the Senate is simply in accord with his own verbal assurances to Parliament. If these assurances are sincere, and I hope they are, I feel that my right hon. friend would be only doing himself justice if he incorporated the Senate amendment as a rule of conduct with respect to the expenditure of public money for this and future Governments. Under this measure, and measures of a similar character, we have the Government of the country, through its, I will not say servile supporters, but through men who are supporting them, and whom they can in many ways, which I need not describe, influence—the assailants of the rights of the people, and we have on the other hand the Senate of Canada standing as a bulwark to defend democracy and the people's rights.

Motion carried, on division.

Mr. COCHRANE moved:

That this House do not agree to the second amendment in Bill No. 32, for the following reasons:

1. Because substantially the same amendment has already been considered and rejected by this House.

2. Because section 6 of the Bill contains a desirable provision for aiding the construction and improvement of highways.

3. Because it is expedient to make provision for the case of any province which may desire to have the minister undertake the construction of a new highway or the improvement of an existing highway.

4. Because the section provides a convenient method of operation between the federal and provincial governments in the construction or improvement of highways.

5. Because it is desirable to provide every reasonable means of co-operation between the federal government and the provincial governments for the construction and improvement of highways consistently with the preservation of the rights of the provinces.

6. Because the rights of the provinces are thoroughly safe-guarded in the said section.

7. Because there can be no action by the federal government under this section except with the authority and approval of the provincial legislature and the provincial government.

8. Because the said Bill defines the ends, purposes, conditions, limitations and qualifications to be established in respect of aids and supplies to be granted by this House, and the same are not alterable by the Senate.

Motion carried, on division.

VACANCY IN SOUTH LANARK.

Mr. SPEAKER: I have the honour to inform the House that I have received notification of a vacancy having occurred in the representation of the electoral district of the south riding of the county of Lanark by the death of the Hon. John Graham Haggart, for the said electoral district, and I have isseud a warrant to the Clerk of the Crown in Chancery, to make out a new writ of election for the said electoral district.

GOVERNMENT RAILWAYS ACT AMENDMENT.

The House proceeded to consider amendments made by the Senate to Bill No. 185, to amend the Government Railways Act.—Mr. Cochrane.

Mr. COCHRANE: I move:

That the Senate amendments to Bill No. 185, an Act to amend the Government Railways Act, be not concurred in, for the following reasons:—

1. That the said amendments are contrary to one of the principal purposes of the said Bill.

2. That the said Bill appropriated public moneys for purposes, and it is the undoubted right of this House to direct and appoint in such a Bill the conditions, limitations and qualifications required for its object and purposes; and the said amendments are contrary to the privileges of this House.

That a message be sent to the Senate to acquaint Their Honours with the above reasons for not concurring in the said amendments.

Sir WILFRID LAURIER: If I may for one moment refer to a past debate, I would call attention to the very debate which we have just concluded, in which my hon. friend from Calgary (Mr. Bennett) spoke at

some length of the difference between the elective chamber and the upper chamber. The hon. gentleman posed as the champion of democracy. But I think it is evident that at the present time the democratic body is not the elected chamber, but the nominated chamber. To-day the Senate is the champion of popular rights. If ever there was an instance of this, it is the one to which it is my duty at once to call the attention of the House. I will read the Bill which is under discussion; but let me premise the reading by a word descriptive of the general purposes of the Bill. This measure provides for the leasing by the Government of existing roads in connection with the Intercolonial, for the building of new roads, and for the purchasing of new roads. All these things—leasing, building and purchasing of railroads—can be done by the minister with the authority of the Governor in Council, and without the authority of Parliament. In so far as building is concerned, the minister is not authorized to build a railway which exceeds twenty-five miles in length, but he can use his discretion subject to the Governor in Council, about building a road of less length; and he need not have the authority of Parliament. He can purchase a road of 200 miles in length without the authority of Parliament. Is that popular rights? Is that parliamentary government as we have understood it? Is that what we are to expect from the Government now in office? Now, let me read the Bill:

The Minister of Railways and Canals is authorized and empowered, subject to the authority of—

Whom? The Parliament of Canada? No.

—the authority of the Governor in Council, to construct, purchase, lease or otherwise acquire in whole or in part, any line or lines of railway, branch line, railway bridge, railway station, railway terminal, railway ferry or other railway work in the provinces of Quebec, New Brunswick, Nova Scotia and Prince Edward Island, or in any of the said provinces, which in his opinion can more conveniently and usefully be operated as part of the Government railways system, or which may be deemed necessary or desirable for the more efficient operation of the said system: provided however, that a copy of every such lease or contract of purchase shall be laid before Parliament within one month after the execution thereof, if Parliament is then sitting, or, if Parliament is not then sitting, within ten days after the opening of the next session thereafter.

In other words, the Minister of Railways can build, lease, or purchase, and the only power this Parliament has over those operations is that within one month after the opening of the session a copy of the contract shall be laid on the table of the House. Parliament cannot act; the transaction is complete. This is more serious than it appears on the surface to be.

I said a moment ago that the hon. minister can build a road twenty-five miles in length without the authority of Parliament, but if he undertakes to build more than twenty-five miles he must have the consent of Parliament. So far as the purchase of railways is concerned, Parliament has no authority whatever. I may be told by the promoter of the Bill that Parliament can refuse to vote the money. What then? I know that Parliament can refuse to vote the money, but the moment the contract is signed the 200 miles of railway becomes the property of the Government. I do not know what would be the consequence if Parliament were to refuse to vote the appropriation. The transaction may be right or it may be wrong; Parliament may be disposed to approve of it, or it may not, but at the same time, even though Parliament may refuse the vote, we are bound by the contract signed by the minister and approved by the Governor in Council. If this is parliamentary government, I do not know what parliamentary government means. I would have expected that the Government would have provided that the contract could not be completed until it was ratified and confirmed by the House.

I am well aware that there is a disposition in this House to help those parts of the province of New Brunswick which have local railroads, and that it has been the policy of this Government and of the late Government to make these roads a part of the Intercolonial system. Of that I am well aware, and of that I entirely approve; but if the Government undertakes to purchase property and afterwards refers the contract to Parliament, that is irregular. I hope the Government will hesitate before it caries this matter further. That is the amendment which has been offered by the Senate? I appeal to gentlemen on the other side of the House to apply their intelligence to it and say whether or not it is a reasonable one:

That every such lease or contract of purchase shall be laid before Parliament for ratification.

Is there any hon. gentlemen on the other side of the House who will criticise that amendment? Are we to be told that this amendment should not be accepted? Are we to be asked to denounce this action on the part of the Senate? Again I ask, who are the defenders of parliamentary government and democratic principles? Not the majority in the House of Commons, surely; but the members of the Senate of Canada. If there ever was an occasion upon which the truth should be affirmed, it is the present occasion, and I submit that we should approve of the action of the Senate, and not reject the amendment which they have offered.

Mr. BORDEN: My very distinct recollection with regard to this Bill is that when it was originally introduced by my hon. friend the Minister of Railways and Canals by way of resolution, criticism was directed against it by hon. gentlemen on the other side of the House. When the debate was resumed, I sent an amendment over to my hon. friend the member for the city of St. John (Mr. Pugsley) and the hon. member for South Renfrew (Mr. Graham). I discussed it with them; it was unanimously accepted by them, and the Bill with that amendment went through without a single word of objection and with the absolute assent of hon. gentlemen on the other side, after I had privately discussed it with the hon. gentlemen who I have mentioned; and others, and when some question was raised about reducing the twenty-five miles to twenty, the hon. member for North Cape Breton (Mr. McKenzie), insisted that it should remain exactly as it was, because he hoped to have a branch constructed in his own county. Therefore, when my right hon. friend denounces this Bill as perfectly outrageous, he is castigating most severely the gentlemen who are sitting beside him, because this amendment was agreed upon distinctly after a formal and informal discussion across the floor of the House.

Sir WILFRID LAURIER: I did not take any part in that discussion. Whatever may have been the attitude of my friends around me or of hon. gentlemen on the other side of the House, when I came to look at the Bill there was one feature of it which greatly surprised me, and that was that the Minister of Railways, with the authority of the Governor in Council, has the power to purchase a line of 200 miles and complete the contract without any reference to Parliament.

Mr. BORDEN: It is quite obvious that the right hon. gentleman did not know what had been agreed to; otherwise he would not have made the speech he delivered this evening, because in so far as he found fault with the Bill his speech was a direct criticism of the hon. gentlemen who sit around him, and to whom I submitted this amendment before it was unanimously adopted by the House. Apparently the Bill passed the House with the assent of every hon. gentleman, with the exception of the right hon. gentleman who leads the Opposition.

Sir WILFRID LAURIER: No.

Mr. BORDEN: Except with the consent of the right hon. gentleman who leads the Opposition. So far as this House is concerned, my right hon. friend is a minority of one against 220 hon. gentlemen, who were perfectly willing to pass this Bill in the form in which it was passed. I repeat again that, after a discussion both formal and informal, and after the amendment which I sent over for criticism to hon. gentlemen on the other side of the House had been accepted with the addition, I think, of one or two minor amendments, the Bill went through this House without one single word of dissent from any hon. gentleman. After all that has taken place my hon. friend indulges in most absurd statements about the Senate being a democratic institution in this country and sees very great evils as likely to arise from that which his own friends, without one word of dissent, unanimously accepted when we discussed the Bill in committee. I do not think that much more need to be said except to point out that the Bill as the Senate has amended it is of absolutely no use. The amendment takes away the whole substance of the Bill. The idea was that the Minister of Railways and Canals, having already made a certain study, as his predecessors did, of the railway lines in the provinces of Quebec, New Brunswick and Nova Scotia which might advantageously be acquired as feeders to the Intercolonial, could be trusted, with the aid of his practical officers, his experts, to purchase a line not exceeding two hundred miles in length. I would have been willing to cut it down to a smaller length. But no hon. member opposite suggested any modification. What does the Bill amount to at the present time? The Minister of Railways can to-morrow, without this Parliament, do anything he can do with this Bill, he can go and make a contract, and submit that contract to Parliament and have it ratified and the Bill permits him to do that. He could do that without the Bill which he could do with it. Therefore the Bill means nothing in its present form. It did mean something in its previous form. I desired no powers that might be regarded as excessive, nor did the Minister of Railways desire excessive powers. When the question was raised in committee I thought that the Bill as first submitted went too far. I discussed it with the Minister of Railways and he concurred in that opinion and we submitted an amendment to cut down the powers that were being conferred upon the minister, as at first suggested, but still to give him the power of doing something effective in the way of acquiring these lines, knowing that whatever steps he took must be taken not only on his responsibility as Minister of Railways and Canals but also upon the responsibility of the whole Government, who would possibly not be considered as likely to run into any bargains that would shock the conscience of Parliament or involve an unwise and

unjustifiable expenditure of public money. The acquisition of these lines has been agitated for a long time. My hon. friends opposite passed a measure which I think in the end was not found very workable. The hon. member for South Renfrew (Mr. Graham) introduced a further measure in the summer of 1911 which was not reached on the Order Paper. Since that time the Minister of Railways and Canals has been endeavouring to make some progress, but he has found himself with no power even to negotiate. Therefore he disclosed his general intention to Parliament and sought from Parliament a mandate to take up the matter with the various lines. I fail to see that under the circumstances there was any need of such action by the Senate, and I can only say that if the Senate persists in its stand the result will be to postpone for another year any action with regard to the acquisition of these lines. I should be sorry if that result was brought about, but it seems to me that no other is possible if the Senate does persist.

Mr. PUGSLEY: As my right hon. friend has referred to me in connection with this Bill, I think perhaps it is right that I should make some remarks, and I may say that my recollection of what took place is exactly in accordance with that of the Prime Minister. I think, in justice to the right hon. the leader of the Opposition, that I should say that he was engaged in other matters at the time this Bill was under discussion, and I do not think that he saw the amendment which my right friend the Prime Minister proposed.

Mr. BORDEN: I think that is so.

Mr. PUGSLEY: The hon. member for South Renfrew (Mr. Graham), the hon. member for Rouville (Mr. Lemieux), and the hon. member for Westmorland (Mr. Emmerson), who has always taken a very warm interest in the acquisition of branch lines, all read over the amendment, and so far as we are concerned, I think we are committed to it. I certainly was very glad to see that my right hon. friend the Prime Minister went as far as he did. We in the lower provinces, especially in the province of New Brunswick, have been looking for years towards the acquisition of branch lines on the part of the Intercolonial. When this House passed the Bill in 1910, the Senate thought proper to amend it in such a way as seemed to make it quite unworkable. At all events, the then Minister of Railways felt himself unable to make any progress. The people of New Brunswick are getting weary of waiting, and as I have said, those of us who represent the lower provinces were, I think, all very glad that good progress was made. After the Bill passed I had a consultation with the right hon. the leader of the Opposition, and he made to me the same objection to the Bill that he has made to-night, therefore he has been entirely consistent in his position with regard to it. Now, the question is what should be done. The Senate is an independent branch of the legislature. It has a right to take whatever view it pleases upon public questions, and ought we not, in view of the great importance of the matter, to do as was done in 1910, have a conference between the committee of this House and a committee of the Senate, with a view to agreeing upon an amendment which would be acceptable to both parties. It seems to me that there is not very much in issue. The amendment, as I understand, is simply that such lease or contract of purchase shall be laid before Parliament for ratification. The Senate has omitted one of the most important features of the Bill, that is the entering into a contract to build twenty-five miles of new road. The Senate does not object to that. Surely it is just as objectionable to allow the Minister of Railways and Canals to enter into a contract to build twenty-five miles of new road, and to commit the country to paying the contractors for that road, as to authorize the minister to acquire a branch which is already built, which is connected with the Intercolonial, which is a feeder to the Intercolonial, and which it might be advisable to purchase in the public interest. It seems to me that if the contract for the lease or purchase should be laid before Parliament for ratification, so also should the contract to build twenty-five miles of new road. So I think that there is ground for a conference. It seems to me that the matter might be gotten over in this way. The right hon. leader of the Opposition says that there might not be the same objection to leasing branch lines of the Intercolonial. Possibly there might be a compromise. The minister might be authorized to lease a feeder of the Intercolonial without the authority of Parliament. That is, if in any particular case, the minister might think it would be in the public interest to acquire the absolute right to the railway, he might put in the lease a provision that the minister, with the approval of Parliament, might purchase the road at a price which should be named in the lease, within a certain period of time which would be specified. It does seem to me that in view of the great importance of this matter, in view of the fact that this has been going on year after year, that resolutions have passed this House unanimously in favour of the acquisition of branch lines, and that if the Bill is lost by reason of the refusal of this House to concur in the amendments of the Senate, we will be just where we were four years ago, not one

step further advanced, nothing accomplished, and as I have said, the whole work will have to be done over again. Do not my right hon. friend the leader of the Government and my right hon. friend the leader of the Opposition think it worth while that an effort should be made to arrive at an understanding with the Senate, to approach the matter in a conciliatory spirit from the standpoint of the vast importance to the maritime provinces of the early acquisition of branch lines upon equitable terms, so that an amendment could be put through which would be satisfactory to the Senate, to the Government, and to the members of this House? I throw out this suggestion because I am one of those who believe that it is of vital interest to many sections of the maritime provinces that these branch lines should be taken over and made a part of the Intercolonial system. I believe that that result would be of enormous benefit not only to the sections of the country which are served by the branch lines but to the Intercolonial system itself.

Mr. GRAHAM: My right hon. friend the Prime Minister also referred to me in his remarks, and perhaps I may be permitted to say a word or two. My recollection of what took place coincides with his, and I can reiterate practically what the hon. member for St. John (Mr. Pugsley) has said. In response to the expressed wish of the people of the maritime provinces and of the province of Quebec I did undertake to introduce legislation affirming the principle of taking over branch lines on terms, and I made an endeavour to outline those terms in a statute. No person except one who has undertaken that task can quite fully appreciate the difficulties encountered the moment he proceeds to put any such act into practical effect. Each road has a distinct condition of its own, and any general principle laid down as to how a road should be approached or dealt with might be applicable to one, but not to an adjoining road. One road may pay a revenue over running expenses; another may not. A third may have prospects of future revenue, another may not. But still I think it is the wish of Parliament that these roads, which the people need, should be taken over, even if they will not pay, in order that they may have a continuance of the transportation facilities which they have enjoyed or have transportation facilities where they have not previously existed. On an adjoining road a strictly business basis might be adopted, and business principles applied. These are the difficulties which arise. One line can be leased, another must be purchased. The better way is to buy it outright. So that the different

conditions make it impossible to frame a statute that can be applied to all. I am very much interested in this question of taking over branch lines, and I would urge upon the Government that as there is not much between the Senate and this House—

Mr. COCHRANE: We do not need a Bill to do that.

Mr. GRAHAM: I understand that, but it is thought necessary to have a Bill to lay down the principle and to commit Parliament, in both its branches, to the taking over of branch lines. I would urge strongly upon the Government the advisability of arranging a conference by the appointment of a committee to consult with a committee from the Senate, or of seeing if something could not be arrived at that would be reasonable from both points of view, and that would enable this great undertaking to be proceeded with. I may say that I acted on such a committee in connection with legislation unanimously passed by this House when I was Minister of Railways. It was a Bill which was passed twice or three times, and amended very seriously by the Senate. On the last occasion that amendments were made, we had a conference and arrived at a solution by which amendments were accepted that did not injure the Bill very materially, and the Bill became law, and stands on the statute-book as an amendment to the Railway Act. I would urge the Government to take that course, and I think a solution would be arrived at which would enable us to proceed with this work.

Mr. BORDEN: I think it would be necessary to send an answer to the Senate, and I doubt very much whether a formal conference could be held at this stage of the session, which would accomplish any good result. I think the Minister of Railways would be perfectly willing to hold an informal conference, which would answer the purpose, and some hon. gentlemen of the Senate might be appointed.

Mr. GRAHAM: That could be done informally to-night.

Sir WILFRID LAURIER: The matter can stand.

Mr. COCHRANE: If you want a conference, should not the motion pass so that the Bill may go back to the Senate, and if they want a conference, I would be very glad to met them.

Sir WILFRID LAURIER: I would call the attention of my right hon. friend to this, that under this contract, power is given to lease and to purchase. I do not think the Government should have the power to lease without coming to Parliament; but I am willing to give way on that

point in view of the great desire we have to assist in the taking over of those roads. But the one thing to which I object—and I think my right hon. friend on reflection will agree with me—is this: the ownership of the railway passes to the country the moment this contract is signed by the Government without any reference to Parliament. I do not think that in any circumstances that can be justified.

Mr. BORDEN: Curiously enough, the Senate left the Bill in a very singular position in that regard; because they have declared that the contract must be ratified by Parliament, and yet in the concluding part of the Bill, they say that as soon as the contract is made, the railway becomes the property of the Crown and part of the Intercolonial railway. It is perfectly evident that they must have overlooked the concluding portion of the Bill when they made their amendment to the earlier portion.

Sir WILFRID LAURIER: Ratification by Parliament covers that.

Mr. BORDEN: I doubt whether the language is very apt.

Mr. EMMERSON: Perhaps I may be pardoned if I make a few observations. I recollect very distinctly what took place. This Bill was introduced on the 30th of April. There was a discussion on the resolution on that occasion, and my right hon. friend the Prime Minister is not quite accurate in saying that no exception was taken.

Mr. BORDEN: I said that exception was taken; I said that the Bill was criticised and that is the reason why I proposed the amendment.

Mr. EMMERSON: On the 30th April, as 'Hansard' will show, I took exception to the character of the legislation.

Mr. BORDEN: There is no question at all that strong exception was taken to the Bill.

Mr. EMMERSON: I said that I was so anxious to see the branch lines of the Intercolonial acquired by the Government of Canada and operated as part of the Intercolonial that I would waive my objection to the character of the Bill, giving as it did such full powers to the minister, and I asked my hon. friend the Minister of Railways on that occasion to reduce the mileage for construction from I think twenty-five miles to ten miles. I pointed out that he already had power to commence construction on a six-mile branch and to build it, and that if during a recess he wanted to start the construction of a twenty-five-mile road, he had the right to build six miles and to come to Parliament and get authority for continuing the construction up to twenty-five miles, or to any mileage I asked him to make an amendment limiting the power of construction to ten or fifteen miles, but he was not disposed to do so, and so anxious was I that the measure should go through, and that this long talked of absorption and construction of branch lines should be actively undertaken that I waived the objections on principle that I had to the character of the legislation. I know that the hon. gentleman was also anxious to see the matter go through. I was equally anxious because I have to acknowledge that I have taken a very deep and sincere interest in this policy. I would like to see it carried out and I would even give great powers to the Minister of Railways in respect to the matter. I do not know but what I would go so far as to permit him to legislate on the matter, although I do not think his sympathies are quite as strong on behalf of the policy as I would like them to be. I think he has doubts and I do not think that he recognizes the branch lines as feeders, because he said on the floor of this House that they are milkers and not feeders. I certainly think it would be very desirable that an understanding should be had with the Senate. We must all be desirous of seeing this policy put into execution and of seeing these lines acquired. I do not think there is such a case of urgency with respect to the construction of branch lines because parliaments are sitting long enough to enable any legislation to be put through to construct the railways. I would strongly urge that there be a conference and that some united action be taken in regard to the matter.

Motion agreed to, on division.

SUPPLY.

House in Committee of Supply.

Civil Government—Department of Justice—to increase the salary of the deputy minister to $10,000, $3,000.

Sir WILFRID LAURIER: That requires an explanation.

Mr. HAZEN: My hon. friend the Minister of Justice (Mr. Doherty) is unable to be here this evening, and I have undertaken to look after his estimates. This item is to increase the salary of the Deputy Minister of Justice from $7,000 to $10,000 a year. It is felt that the present Deputy Minister of Justice is a lawyer of very great eminence, and that a lawyer of eminence is required to fill the position of Deputy Minister of Justice and that, having regard to the professional incomes that are commanded to-day at the Bar by men of standing in the legal profession, $10,000 is only a fair and reasonable amount to pay the deputy minister. There is another element in connection with

it. Mr. Newcombe, the Deputy Minister of Justice, frequently appears on behalf of the Government before the Supreme Court and the Judicial Committee of the Privy Council. Up to a few years ago he was paid counsel fees in addition to his salary for services rendered in these courts, but I am told that a few years ago the regulation was changed so that to-day he can only be paid the amount of his salary and he receives nothing additional by way of counsel fees for conducting business of that sort. The result of that has been that where previously his salary was $7,000, a considerable amount was earned by him in addition.

Sir WILFRID LAURIER: Who made that rule?

Mr. HAZEN: I understand that it is under the Civil Service Act.

Mr. BORDEN: I think it was a decision given by one of the judges of the Supreme Court. In cases where the Crown was successful costs were taxed against the unsuccessful party and in that way the Deputy Minister of Justice received counsel fees. But it was held that inasmuch as he was an official of the Crown receiving a salary, counsel fees could not be collected. That is my recollection of it.

Mr. HAZEN: The official of the Department of Justice who is present tells me that under the Civil Service Act of 1908 it is impossible for the deputy minister to receive fees for the services rendered in addition to his regular salary.

Mr. PROULX: Does he not receive something for acting for clients?

Mr. HAZEN: I think there have been a few cases where that has occurred. I know that in the case of Lovett vs. the King, which was really a contest between Nova Scotia and New Brunswick as to which province was entitled to the succession duties on a portion of the estate of the late Mr. Lovett, Mr. Newcombe was retained by the Government of Nova Scotia, but in all the cases in which he has taken retainers I understand that he has done so with the permission and approval of the Minister of Justice.

Mr. PROULX: I noticed in the newspapers that he held a brief for the province of Nova Scotia in the criminal appeal on behalf of two persons who had been condemned to be hanged.

Mr. HAZEN: My hon. friend may be quite right in regard to that. I think there have been certain occasions upon which the province of Nova Scotia has availed itself of Mr. Newcombe's services. He is a member of the Bar of Nova Scotia and it has always been with the full permission and approval of the Department of Justice that he has done this. He has never neglected his duty as deputy minister in acting for the province of Nova Scotia.

Sir WILFRID LAURIER: Mr. Newcombe is undoubtedly a very able lawyer and a very efficient member of the service, but I doubt very seriously the wisdom of paying the deputy minister more than the minister himself is paid. The minister is an able lawyer, and he only gets a salary of $7,000 a year. I do not believe it is conducive to better appreciation of our Government that the deputy minister should be paid a higher salary than the minister. This session we have undertaken to pay Mr. Gutelius, manager of the Intercolonial railway, $20,000 per annum, which is a very high salary. But, as railway managers are paid to-day it may be necessary to pay it, and at all events it is in the nature of an experiment. But, when it comes to a department, either the salary of Mr. Newcombe is too high, or the salary of the minister is not high enough, and it seems to me that the minister should be paid a higher salary than the deputy. I believe, however, that there has been a great deal of loose practice in the Department of Justice. I cannot be very severe with my hon. friends on the other side, because the same thing prevailed under the late Administration; when Mr. Newcombe was allowed to take retainers and appear as counsel in courts of law. Without breaking any secret, I always found fault with the practice, and I think it should not have been allowed. I am very glad to hear this has been put an end to and that it will not be permitted in future; did not I understand the Minister of Marine to say that the Deputy Minister of Justice would not be allowed to take retainers in future?

Mr. HAZEN: I have no authority from the Minister of Justice to say so, and I did not intend to convey that idea, because I do not know.

Sir WILFRID LAURIER: I understood that Mr. Newcombe was given this additional increase of salary on the understanding that he would not be permitted to take retainers, and that he would not be allowed to appear as counsel for the Dominion either.

Mr. HAZEN: That is not what I intended to convey. I said that at one time Mr. Newcombe was paid by the Government for services he rendered as counsel in the courts, and that under the existing law he could not receive anything of that kind now, in addition to his $10,000 salary. The effect of that was to reduce the salary which he formerly received by several thousand dollars per annum. I have no instructions

from the Minister of Justice, who asked me to take charge of his estimates, to convey the idea that Mr. Newcombe will not be allowed under any circumstances in the future, to accept any retainer of any kind.

Sir WILFRID LAURIER: I am sorry to say that I do not think we are justified in voting this increase to Mr. Newcombe if he is to be allowed to take retainers. There is no excuse for that at all; he should not be allowed under any circumstances to do so, and unless the minister is prepared to say he will not be so permitted in future, I shall not for my part consent to this increase of his salary.

Mr. PROULX: How much was paid last year to the Deputy Minister of Justice by the Government? I remember we voted something extra for his services.

Mr. HAZEN: I do not recollect the amount.

Mr MURPHY: My recollection is that the committee was informed last session that it was in settlement of the account of Mr. Newcombe against the Government up to that date. If that is correct, then the rule, to which the minister referred, must have been made, if made at all. But judging from his answer to the leader of the Opposition, I am afraid no such rule has yet been made, and the impression left on me is, that this gentleman will go on drawing fees in addition to this increase of salary. It is in my opinion a most anomalous state of affairs that this deputy minister should be in receipt of a salary very much larger than his minister. That is one aspect of it and the other is that it produces a very bad effect in the other departments. A few days ago I told the committee, and I repeat it now, that the argument advanced in support of this increase; that if it is not given Mr. Newcombe will leave the department, is an argument that has not prevailed in the past. A few years ago, the then Deputy Minister of Railways was offered a much larger salary than he was receiving as deputy minister. He would have remained in the service had his salary been increased, and this not being done he left the service. I do not think there is any sound logic in the position the minister has taken in this case.

Mr. HAZEN: When Mr. Butler was Deputy Minister of Railways, I think his salary was $8,000 a year, while the salary of the minister was only $7,000. My recollection of the amount voted to Mr. Newcombe last year is that it was in settlement of all services rendered by Mr. Newcombe up to 1908 when that new rule came into effect.

Mr. GRAHAM: Mr. Butler was deputy minister and chief engineer and he received a salary of $5,000 as deputy minister and $3,000 as chief engineer. When Mr Butler left the department, two men succeeded him in these offices and the same salary sufficed to pay the two. The amount paid Mr. Newcombe last year was an account that had been accumulating for several years, as fees for appearing for the Dominion in several cases, and it had been previously recognized in a way but never paid until last year.

Mr. PUGSLEY: In considering the increase in salary to the Deputy Minister of Justice, we should consider the other recommendations which the Minister of Justice is making. I think it will tend to demoralize the Civil Service if these votes pass. It is proposed to give the deputy minister $10,000, to increase the salary of the assistant deputy to $5,000 a year, which is the same as that paid to the deputies of other departments; to increase the salary of the secretary up to $5,000 a year, and to provide for two additional legal officers at $5,000 each. We therefore have in this department the deputy minister getting $10,000 a year, and four other officials receiving a salary of $5,000 a year each which is the salary of deputy ministers in other departments. It is contrary to the Civil Service Act, and it seems to me it is going to create very grave dissatisfaction in the different departments of the Government; it is a gross injustice to the other departments. Take the Deputy Minister of Public Works, and I speak of him because I am familiar with his enormous responsibilities and arduous labour, and he receives $5,000 as do the deputy ministers in the other departments. In the Department of Justice it is proposed to make an exception of an extraordinary character, and I do not think it is right. For instance, the chief accountant in the Department of Finance does not receive $5,000 a year, and yet he has charge of the entire finances of the country. I am not disposed to dispute that it is desirable to raise the salaries of the deputy heads of the departments; I think that question is worthy of careful consideration, but it ought to be done as part of a well-considered plan, and made applicable to the departmental heads. It is not advisable to pick out one department and give to its officials far higher salaries than are paid to the officials of other departments.

Mr. BORDEN: My observation of the Department of Justice during the past eighteen months convinces me that, in the first place, it is urgently desirable that a man of Mr. Newcombe's experience and ability should be retained. The present Chief Justice of the Supreme Court of Canada, when Minister of Justice, spoke to me more than once about the very great loss that would be sustained by the department and the coun-

try if a man of Mr. Newcombe's ability and nearly twenty years experience at that time should be led to remove from the department by the inducements which can be found for such a man in any large city in Canada. There is absolutely no doubt about it that a man of Mr. Newcombe's very great ability as a lawyer could command an income of $20,000 or $30,000 in Toronto, Montreal or Winnipeg. I think I am underestimating the amount of his probable income when I name these figures. Altogether apart from his very great ability, the mere fact that he has been in the Department of Justice for about twenty-two years means that he has an experience that is of simply infinite advantage to the country. Now, we are face to face with this situation—we cannot expect to have a deputy Minister of Justice of this country, a man of the requisite ability and experience and pay him only $7,000 a year. The incongruity which my right hon. friend has pointed out, that there is a larger salary for the deputy than that which is received by the responsible minister, is perfectly apparent; I do not deny it for a moment. But, we have no proposal at the present time to increase the salary of the Minister of Justice or any other minister. Those salaries remain the same as they were over forty years ago. Perhaps that will have to be taken up and considered by the House at some later date. But in the meantime we are confronted with the possibility of losing a man of that ability and experience; and I venture to say that if we undertook to replace Mr. Newcombe with a man of equal ability, though even without the experience that he has, we should find it very difficult indeed to do it for $10,000 or even $15,000.

As to the other positions which are alluded to by my hon. friend from the city of St. John, I think it is necessary in the Department of Justice to have a larger staff of thoroughly trained lawyers than we have at the present time. The matters which require consideration by the Department of Justice are continually increasing in volume, in complexity and in importance. I know that in connection with matters of very grave importance to this country, matters touching international relations, matters touching the interests of this country under conditions made by hon. friends opposite, we have found a great deal of difficulty in getting the persistent, continuous attention from the Department of Justice we should have if there were a stronger and larger staff than there is there at the present time. It is necessary in these instances to go outside for counsel from time to time. I am thoroughly convinced that a great deal of work which must necessarily be performed by counsel retained for particular occasions could be done more thoroughly and effectively, and perhaps more satisfactorily, if we had a stronger staff of lawyers in the Department of Justice. Under conditions as they are in Canada, we cannot get men of the necessary ability and training, men with legal experience, unless we pay them a reasonable salary. For that reason, I do not think the proposals which have been made by the Minister of Justice in the estimate submitted to the House are undesirable; on the contrary, I think it is absolutely in the interests of the country that there should be a stronger and larger staff in the Department of Justice than we have had in recent years.

Sir WILFRID LAURIER: So far as I am personally concerned, it is certainly invidious to have to criticise an item of this kind, when the gentleman concerned is Mr. Newcombe. I am glad to bear the highest possible testimony to the ability of Mr. Newcombe. But at the same time, I must say to my right hon. friend, what he knows very well himself, that there is no such thing as a man indispensable; there is always somebody to take the place of another. In my own experience, we have had a succession of able men as Deputy Ministers of Justice. When Mr. Bernard retired many years ago, he was succeeded by Mr. Lash, a man of immense ability, as we all know, and he by Mr. Burbidge, also a very able man; and he by Mr. Sedgewick—four eminent men. No doubt, it would be very much to be regretted if Mr. Newcombe were to withdraw from the service; but I do not doubt that somebody could be found to fill the office with credit. As to increase of the staff, I have nothing to urge against what the right hon. gentleman has said. I am satisfied that we did not leave the staff, when we left office two years ago, as strong as it should have been. Mr. Fraser had died two or three years before, and also Mr. Power—two men of eminent ability, experts in their respective ways. Mr. Power, for a certain class of work, could not be surpassed, and Mr. Fraser as a draftsman, was equally able. So, I have nothing but commendation for what my right hon. friend says in favour of the strengthening of the staff. But, looking at these estimates, there is in them a source of demoralization of the whole service. If you are to do this for the Department of Justice, you ought to do it under a rule which will apply to every department. The Department of Justice is very important, but no more important than others; Railways, Public Works, Interior, Inland Revenue, Customs, and all the rest are very important departments, and each must be manned as well as possible. If you do what is here proposed in relation to the Department of Justice, you lay up for yourselves any amount of trouble —although I do not know that that would break my heart—but what is far worse,

the public must suffer, for by this action you are placing the Department of Justice beyond the rules of the Civil Service. There will be constant dissatisfaction in the other departments if the officials are not all treated in the same way. My hon. friend said that the Department of Justice should be strengthened, but I must say that he has not been very ardent in the task of strengthening the service of the Department of Justice. What about the Solicitor General? My hon. friend has now been in office nearly two years, and he has not yet attempted to consider the matter, or, if he has considered it, he has not yet appointed anyone to that position. Does he mean to say that he cannot find a substitute? Is there no man to fill the position of Solicitor General? I can point to one without going very far from my seat at the present moment. My hon. friend has not done this, but he has made provision for the appointment of two additional legal officers. He has a disposition also to increase the salaries: we have the Deputy Minister at $10,000, Assistant Deputy Minister and Secretary at $5,000, and two additional legal officers at $5,000 each; that is a very large increase. The objection I have to all this is that it is contrary to the regulations of the Civil Service Act, and in my humble estimation is liable to be attended with very serious consequences.

Mr. MURPHY: What duties are to be assigned to the two officers who are to be appointed at $5,000 each in violation of the terms of the Civil Service Act?

Mr. HAZEN: They will be lawyers of good standing who will do counsel work in connection with the department, and such other work as may be necessary for them to do from time to time.

Sir WILFRID LAURIER: Have they been selected?

Mr. HAZEN: No. The Minister of Justice says that his experience in the department is that money could be saved and work done very much more efficiently if one or two men of standing and education were paid $5,000 a year. He believes it to be a step not only in the interests of efficiency, but in the interests of economy.

Sir WILFRID LAURIER: All this is for economy?

Mr. HAZEN: This is all for economy.

Mr. PROULX: Will these officers have authority to do work outside of Ottawa?

Mr. HAZEN: Yes. They will be men capable of doing such work, and no doubt they will be employed to some extent for that purpose.

Mr. GRAHAM: The minister will remember that when discussing the removal of Mr. Caron, I made some remarks in which I pointed out the necessity of having a lawyer located at Moncton to handle the claims against and on behalf of the Intercolonial railway? Last night we passed a Bill introduced by the hon. member for Pictou (Mr. Macdonald) increasing the amount of all claims which can be tried in the local courts from $200 to $500. That will necessitate even more work along that line that the legal representative had before. Up to a few weeks ago the board of management of the Intercolonial railway could be sued by any person having a claim against the Intercolonial up to a certain amount. That board having passed out of existenee, unless the Act is remedied the old state of affairs will exist and the Government of Canada will be sued direct, as there is no substitute named in the Act. This will complicate matters, and nullify to a great extent the Act passed last night as an amendment to the existing law. I would suggest to my hon. friends the Minister of Railways and the Minister of Justice that they take immediate steps to remedy the defect of the Bill we put through last night—this could be remedied by the Senate—and name some person who could be sued on behalf of the Government for these small claims. I would suggest also that the Minister of Justice take one of these officials he is appointing at $5,000 and send him to Moncton to be the legal representative of the Intercolonial at that point. This arrangement would keep the work under the supervision of the Justice Department, and comply with the principles of those who hold that the King should not be put in a subservient position in matters of this kind. I would make so bold as to suggest that Mr. Caron is the man for that position.

Mr. HAZEN: I presume my hon. friend the member for Pictou considered that matter in introducing his Bill, because the fact of the abolition of the board of management of the Intercolonial railway must have been well known to him at the time the Bill was put through the committee. I have not carefully read the Bill, but if the hon. member for Pictou is about the House I will see him this evening and suggest that if necessary, steps be taken to have such amendment made in the Senate as will make his Bill effective.

Mr. CHISHOLM (Antigonish): The hon. member for Pictou called the attention of the Minister of Railways to that alleged defect last night.

To increase the salary of the assistant deputy minister and secretary to $5,000, $1,700.

Sir WILFRID LAURIER: Who is that deputy minister?

Mr. HAZEN: Mr. Gisborne, who is the assistant deputy minister and also secretary of the department. This amount covers both positions.

To provide for the appointment of two additional legal officers, $10,000.

Mr. MURPHY: I understood the minister to say that this is to provide for the salaries of two gentlemen who are to be appointed from the outside Bar.

Mr. HAZEN: Yes.

Mr. MURPHY: Will they be English-speaking or French-speaking?

Mr. HAZEN: Nothing has been said on that subject. I suppose the Minister of Justice will get the best men he can, irrespective of whether they speak French or English. Probably it would be desirable that they should speak both languages.

Administration of justice—additional allowances to judges in connection with circuit court, Montreal, $1,500.

Mr. LEMIEUX: Will the minister give an explanation of that item?

Mr. HAZEN: There was a congested state of affairs in connection with the business of the circuit court in the city of Montreal, and in order to relieve that congestion, three judges from the rural districts were called into Montreal. It was agreed that they should be paid fifteen dollars a day for their services, and this is to provide for the payment of the amount as agreed upon.

Mr. LEMIEUX: Is it the intention of the Government to appoint an additional judge for the circuit court of Montreal?

Mr. HAZEN: The Minister of Justice is not here to-night, and I am sorry to say I cannot give the information; I shall have to wait until his return.

Mr. LEMIEUX: I wish to express the opinion of the Bar and of the judiciary that an addition is necessary. The Secretary of State is a member of the Bar and he will, I am sure, say with me that such an addition is much needed because there will always be congestion under present conditions. The present congested state of affairs may be relieved by calling in the country judges but they do this work in Montreal at the expense of their own work in their respective districts. I believe the Minister of Justice is aware of the state of affairs in Montreal. At the same time, I want to put in a good word for the present three judges, Chief Justice LeBoeuf, Mr. Justice Purcell, and Mr. Justice Dorion. They receive only paltry salaries and, for the amount of work they have to perform, I think their salaries are entirely inadequate.

Mr. HAZEN: Hear, hear. It was only regarded as a temporary expedient. I think that something will have to be done of a more permanent character in order to have the business at Montreal expedited.

Dominion police—further amount required, $18,472.50.

Mr. HAZEN: This amount is required to meet an increase in pay of 25 cents a day to each member of the force, 106 in all. It also provides for 8 additional constables required for duty as follows: 2, Royal Victoria Museum; 3, Robinson Building, Queen Street; 1 the Corry Building, Rideau Street; and 2 to enable each constable to have three weeks' holiday instead of two weeks as heretofore.

Monument to the heroes of the Long Sault, $5,000.

Mr. PROULX: Where will this monument be erected?

Mr. HAZEN: I presume that my hon. friend, being a native of the province of Quebec, will have more knowledge of the great historical event to be commemorated than I would have. The idea is to erect a monument that would commemorate the heroism of the men who, years ago, went forth to certain death for the purpose of preventing the Iroquois from over-runninig the settlement of Montreal, then a very small place. It is an event well-known in Canadian history and I believe that this proposal meets with the approval of all the people of Canada.

Mr. PROULX: I do not think it is well established where the event took place. Quite a few claim that it took place in my constituency at Little Rideau, on the Ottawa river.

Expenses of the marriage reference, $20,106.44.

Mr. HAZEN: This is to meet the expenses in connection with the marriage references. Hon. gentlemen will remember that there was a reference to the court.

Mr. LEMIEUX: It is much to be regretted that the Government did not accept the free gratis advice given by Sir Allen Aylesworth, former Minister of Justice, and the advice given by the then Prime Minister of Canada. If they had done so there would have been no marriage reference. The opinion given at the time by Sir Allen Aylesworth and Sir Wilfrid Laurier has been sustained by every court.

Mr. HAZEN: Still it is well to have it determined by a judicial decision.

Mr. GRAHAM: Might I suggest that this item should stand as I see that neither the hon. member for Lincoln (Mr. Lancaster) nor the hon. member for West Peterborough (Mr. Burnham) is in his place?

Mr. MURPHY: Will the minister give the persons to whom this amount is to be paid?

Mr. HAZEN: The department paid the following accounts from the votes for litigated matters of 1912-1913 to T. P. Owens, stenographer, $1,220.62, printers, $990.50; Russell and Company, department solicitors in London, $1,195.62; Mr. Mignault, K.C., on account of fees $1,000; to Mr. Lafleur, K.C., on account of fees, $1,000; to share of expenses of the Minister of Justice in England, $1,000; total $6,406.74. That is what has been paid up to the present time. The following accounts have been received but not yet paid: Mr. Mignault, K.C., $7,800.60, paid on account $1,000, balance, $6,896.60; Mr. Wallace Nesbitt, K.C., $8,-101.44; less account of Mr. C. C. Robinson separately rendered against the department, $420.70, balance, $7,680.74; Mr. J. F. Hellmuth, K.C., $7,500; Mr. E. Lafleur, K.C., $7,500, paid on account, $1,000, balance, $6,500; Mr. C. C. Robinson, $440.70. Total, $29,107.44. The total amount of the accounts, paid and unpaid, is $35,514.18, which the Minister of Justice estimates will be reduced on taxation by an amount of about $9,000, making the net amount about $26,000.

Mr. LEMIEUX: If I were in order, I would move that $10,000 be paid to Sir Allen Aylesworth.

Mr. GRAHAM: Is it the intention of the Government to introduce any legislation along this line?

Mr. HAZEN: I think the Prime Minister has said that it is not the intention to introduce any more legislation this session.

Expenses under the Pecuniary Claims Convention with the United States, $22,500.

Mr. HAZEN: This is simply to correct a clerical error that occurred in the main estimates. In the main estimates, instead of the amount which should have been voted being $25,000, it was $2,500, and this is to make up the amount which it was intended should be voted.

To provide for costs of proceedings before the International Joint Commission, $10,000.

Mr. MURPHY: What is that?

Mr. HAZEN: My hon. friend knows that in 1910 a treaty was entered into between Great Britain, Japan, the United States and Russia under which all pelagic sealing on the part of these countries was abolished, and under which it was agreed that Canada should be paid fifteen per cent of the catch of the United States at the Pribiloff islands, fifteen per cent of the catch at the Japanese islands, and ten per cent of the catch at the Russian islands, and that an advance payment of $200,000 should be made to Canada on account. That $200,000 has been paid, and claims have been made on the part of those who, in consequence of this treaty, and of the regulations in the Treaty of Paris have had to cease making a living by pelagic sealing. It has been determined to appoint a commission to inquire into the validity of those claims, and an Order in Council has been passed appointing Judge Audette, Assistant Judge of the Exchequer Court, as commissioner. Judge Audette will give notice to all interested, and will hold his first court in Victoria on the 15th of July. It may also be necessary to hold a court in Nova Scotia, as several claims have been put in by people at Halifax who contend that they were engaged in the sealing business and that they are entitled to compensation. This vote is to cover the expenses of that commission.

Mr. MURPHY: Will counsel be appointed to represent the Government?

Mr. HAZEN: That has not been absolutely decided, but my opinion is that it may be necessary to do so, and talking over the matter with Judge Audette, I found that that was his view. The different claimants such as the Victoria Sealing Company and other corporations, will no doubt be represented by counsel, and I think it will be in the public interest—and this is the view of the commissioner—that there should be counsel to represent the Government when the evidence is taken and the facts are inquired into.

Department of Marine and Fisheries—contingencies, $1,000.

Mr. FOSTER (Kings, N.S.): Does this item refer to the fisheries protection service?

Mr. HAZEN: It refers generally to the contingencies of the Department of Marine and Fisheries.

Mr. FOSTER: Then I suppose it may be used for the fisheries protection service as well as for any other service. I wish to offer a few remarks on the item of fishery protection, since it affects the rights of the common people of Kings county along the Gaspereaux river. It has been generally understood for some time that hydro electric power would be developed on this river. I wish to say that I am in accord with the development of this power, as I am of all other developments which might be for the benefit of Kings county. I hope it will induce industrial activity, and give employ-

ment to the people, as well as furnish cheap electric power throughout the district. Furthermore, it is anticipated that a large expenditure will be entailed in making the development, thus furnishing employment to many men. I may say with becoming modesty that I have been of very considerable service in removing some of the barriers to its development. But there is one thing that I wish to draw to your attention. I have noticed with some dismay that a ruthless effort is being made by corporations and capitalists to trench on the inalienable rights of the common people. In the Gaspereaux district the fisheries have always contributed a very important and necessary part of the living of the people of that valley. For centuries a large number of people have derived not a little profit, and in many cases a considerable part of their living, from the fish that frequent these waters. In fact, I do not believe that the people themselves realize to what a very great extent this right has been profitable to them, and I doubt if any just or adequate compensation could be arrived at in exchange for that right. Large quantities of fish go up the river to the Gaspereaux lakes to spawn and during the season the whole inhabitants lay in a winter supply or prepare quantities of these fish for market.

It is understood that the plans of this hydro electric company include the diversion of the whole water flow of this river. It is stated that the lake will be dammed and the entire flow of water will be carried in a trench some nine miles to White Rock, and then dropped in the valley below—a vertical fall of over three hundred feet. If the river is thus robbed of all its water, it will be impossible for the fish to ascend the river to the lake to spawn; in other words, the fish will not propagate, and the fishermen will thus be deprived of a very important asset of much greater value to them than even the ministry can realize. It may be claimed by the promoters of this undertaking that inasmuch as all properties required must be purchased either by private agreement or under expropriation proceedings, all owners will be paid any consequential damages suffered. But I wish to point out that at present there exists on this river an abundance of free fishing stands where gaspereaux can be and are dipped, and salmon taken. Therefore, it is on the people of moderate circumstances who have been in the habit of availing themselves of these stands that a severe and unjustifiable loss will fall if the present plans of the promoters are carried out. It is the rights of these people that I wish particularly to see safeguarded. I therefore draw the matter to the attention of the minister, asking him to enforce existing regulations, and, if necessary, to promulgate additional regulations so that the existing rights and privileges of the citizens to which I refer may not be ruthlessly interfered with.

Mr. FOSTER (Kings, N.S.).

Mr. HAZEN: The matter to which my hon. friend from Kings county refers is a matter of importance. I presume that the work, to which he alludes, is being carried on on the Gaspereaux river, for the development of electric power, and under the authority of an Act of the Legislature of the province of Nova Scotia. I do not wish to express any opinion as to the validity of that Act, but I presume that, until the contrary is shown, we must take it for granted that the Legislature was acting within its rights in granting such a charter. I understand the complaint of my hon friend to be that the development of this power will so divert the waters of the Gaspereaux river that there will not be sufficient water left for the fish which go up the river in large numbers, and which constitute a not inconsiderable item in the living of a number of the residents along that stream. At the hon. gentleman's request I shall take it up with the department, carefully look into the matter, and have them take such steps as they can for the purpose of preserving the fisheries.

Mr. EMMERSON: I think it would be very praiseworthy on the part of the minister to do that. I remember that years ago it was the custom of the students of Acadia college to visit each spring the waters of the Gaspereaux and regale themselves with the splendid fish to be caught there. I know as the result of conversations with residents of Wolfville that they have very high hopes as a result of the development of this power on the Gaspereaux. The citizens in that locality are very much interested in the results of that development and they are optimistic as to the benefits that will result to them. I would be sorry to see the fisheries endangered, but I am sure that the people in that section of Kings county would not like to see the development of this power retarded. The minister has a very difficult task before him in seeking to adjust the conflicting interests that are apparent.

Mr. SINCLAIR: I have been waiting most of the session to mention a matter to the hon. Minister of Marine and Fisheries in relation to my own constituency. I refer to the regulations regarding fishing for salmon in St. Mary's river. The St. Mary's river is one of the largest rivers in Nova Scotia, about fifty miles in length, and a great salmon fishing river. About ten miles is tidal water, the salmon go up through the tidal water and the people residing along that part of the river where

the tide flows are allowed to set nets for salmon while those residing above the tide are not allowed under the existing regulations to catch the salmon with nets. This is looked upon as a hardship by the farmers residing along the river and it really has a bad effect because the tendency is to make them all poachers. They cannot understand why they should not be allowed to catch a few salmon for their tables. There is no good reason. If they were allowed two days in the week, say, to fish, in those waters above the tide, and if the law were strictly enforced, I feel certain that it would be much better for the fishery and better for everybody than at present. The same situation existed on one or two rivers in New Brunswick and I understand that the regulations were relaxed in those cases. I want to ask the minister to look into the matter and endeavour to frame some regulation which will enable these people residing above tidal water to catch some salmon in the St. Mary's river. This matter was brought to the attention of the Department of Marine and Fisheries prior to the time that my hon. friend took charge of it, but the influence of the officers of the department seems to be against the proposal. I feel certain that the proposal would work well, that it would tend to the preservation of the fishery and I would ask the minister to give it some attention during the recess.

Mr. HAZEN: I shall certainly comply with the request of the hon. member for Guysborough to give this matter consideration and get reports on the subject from the fishery officers of the department. But the regulation to which he refers is one which applies to all the rivers. Under certain regulations people are allowed to catch salmon in the tidal waters while in non-tidal waters they are not allowed to catch salmon. They are allowed to catch fish in tidal waters by angling and not with nets as my hon. friend states. The salmon go up the rivers for the purpose of spawning. In the fall they go down the rivers and go out to sea and in the spring they come to the rivers and go up for the purpose of spawning. The theory is that the very minute they get into non-tidal water they get into water in which the conditions are favourable for depositing spawn, and it is not desirable to allow the fish to be caught in such numbers as will be the case when nets and weapons of that sort are used. My hon. friend is quite correct in saying that some exception has been made to the regulation to which he refers. Some years ago, before I came into the department, an exception was made in regard to the river St. John in New Brunswick. Large numbers of salmon, and they are increasing from year to year I am glad to say, are going up that river. The head of the tide is a point just above the city of Fredericton, and from that point on to Grand Falls, which is the barrier that prevents the salmon from going farther up the river, no fishing was allowed. Some years ago a change was made by which, in certain portions of the non-tidal part of the river, fishermen were allowed to use nets on alternate weeks.

Mr. SINCLAIR: Has that regulation worked out well?

Mr. HAZEN: It has not, as far as I can make out, satisfied anybody. The officials of the department were absolutely opposed to it; still it was done. The people who live on the tidal waters think that they have not privilege enough and that they ought to keep their nets down for a longer time than the regulations permit. But that is not unusual with the regulations about fishing. The only satisfaction they give is to the officials of the department who find that after the regulations have been in force a number of years the fish have increased. I will have the matter very carefully looked into. There is not an occasion upon which a petition comes to the department asking for an extension of the season that some very good reasons are not given in favour of it. The policy I have adopted now is not to extend the season in any single case.

Mr. LEMIEUX: Except before an election.

Mr. HAZEN: No, I will not do it then. It is a great pity that the close seasons are not made statutory, instead of being a matter of regulation. If they were statutory a minister could not make a report to Council and get them changed on a day's notice. It would be far better in the interest of the fisheries and the enforcement of the law if they were regulated by statute.

Some hon. MEMBERS: Hear, hear.

Mr. HAZEN: I will look into the matter referred to by my hon. friend (Mr. Sinclair), and we will endeavour to consider it on its merits, notwithstanding his statement that the officials have been hostile in the past.

Mr. SINCLAIR: At present the people living on the tidal waters are allowed to fish the entire six days of the week. Would it not be fairer to restrict them to three or four days in the week, and allow the people living above the tidal waters to have a chance. That would be fairer all around and would be better for the fisheries.

Mr. HAZEN: Would my hon. friend write me a letter making his proposition, and I will submit it to the officials?

Mr. CARVELL: I assure the minister that this regulation is satisfying the people who live along the river St. John. I have either the blame or the credit of being the father of this regulation, and I want to stand by it. Before the regulation was put in force people persistently poached and caught all the fish they could, and the officials did not have very much heart to prosecute them. After the regulation was put into force they got notice that they must respect the law and prosecutions were laid against some, and fines inflicted and collected. With one or two exceptions, the law is being respected to-day. However, I will give in confidence to the minister, the name of one fishery warden in the county of Carleton, who is a determined out-and-out poacher, and that one fish warden and his brothers are in the business every night during the season, not to speak of every day.

Mr. HAZEN: I suppose he was appointed on the principe that an old smuggler is the best to prevent smuggling.

Mr. CARVELL: With that exception, the officers are trying to do their duty, and to-day there are more fish in the St. John and Tobique rivers than ever before. The regulation is working out splendidly and the people are satisfied. If the conditions in other rivers are the same as on the river St. John, the regulation can be applied with great advantage. Why should not the people along the river have the right to fish? Why should they be prevented because there is an antiquated law which says that men can fish in tide water and not in fresh water. I hope the minister will not repeat the experiment he tried during the progress of the local election in New Brunswick last year, and allow them to fish one month straight ahead instead of the alternate fortnights. If they are allowed to fish one month right ahead Sunday and Monday as they did then, and never take their nets out of the water, there is sure to be trouble. However, that was during an election, and I suppose the Government of the day had to get the votes whatever way they could.

Mr. LEMIEUX: Is it true that the department intends to establish a wireless station on the top of Mount Royal in Montreal?

Mr. HAZEN: Application has been made to the city of Montreal for a site, and if it is granted a wireless station will be put there. It is in connection with the general aids to navigation we have all along the coast.

Mr. HUGHES (Kings, P.E.I.): Will the minister give me some information with respect to the lobster hatchery at Georgetown in my province? The hatchery was built some four or five years ago and from its beginning it gave good results. This year a change was made in the management and the results are altogether unsatisfactory now. John McDonald was manager and he has been removed, and I understand that the men who distributed the spawn have been changed. The Paquet Brothers, in Souris, boat-builders, supplied a suitable boat for several years, and gave satisfaction in collecting and distributing the spawn, but I understand other people are doing the work now.

Mr. HAZEN: The collection of spawn is advertised for by public tender and the lowest tenderer gets the contract, and he must have a boat in accordance with the requirements named in the advertisement. I cannot say who has the contract this year. The manager at the hatchery is Mr. Murdock McLean. The report I got from the officers of my department is that the work is progressing satisfactorily.

Mr. HUGHES (Kings, P.E.I.): At what date was that report made?

Mr. HAZEN: I asked about it a few days ago and was told that the work was getting along satisfactorily.

Mr. HUGHES: My information is that the boat supplied now is entirely too large and draws too much water to come close enough to the canneries to get the spawn. My information is that on the 15th of last month, although the season commenced on the 26th of the previous month, there was not an ounce of spawn in the hatchery.

Mr. HAZEN: I will take the hon. gentleman's statement in 'Hansard' and make investigation, because it is contrary to the information I have received.

Mr. HUGHES (Kings, P.E.I.): I desire to ask with reference to a matter I mentioned the other afternoon—whether Captain Norman McIntosh of the life-saving station at Souris has been dismissed, and if so, for what reason.

Mr. HAZEN: Norman McIntosh was dismissed on the recommendation of Commander Thompson, officer in charge of these life-saving stations. I do not wish to put on 'Hansard' the reasons for the dismissal. I do not think it is desirable from Mr. McIntosh's own standpoint, but I would be happy to tell my hon. friend personally, the reason. It is on the report of Commander Thompson that the dismissal is made and it is to promote the efficiency of the service. There was no charge of political partisanship, the action was taken on the recommendation of the responsible officers of the department.

Mr. HUGHES: In justice to Captain McIntosh, I wish to make a statement. In

the department there appears to be a report against his character or conduct. Captain McIntosh wears the Carnegie medal for distinguished courage displayed under very difficult and trying circumstances and for saving life in shipwreck. This medal, with a purse of money, was given him after the strictest investigation. It would appear to be the most singular thing in the world if there should be a report against that man. A coal-laden schooner was seen trying to make the harbour late in the afternoon of a stormy day. She succeeded in getting inside the breakwater when she sprang a leak and foundered. There were two men on board, and they had to take to the rigging. The men on shore knew what had occurred, for they could hear the cries of the men in the occasional lulls of the storm. The men on shore did not know what to do; it seemed impossible to save the lives of the men on the wreck. Captain McIntosh came forward and said: If there is another man to go with me, I will make an attempt to save the lives of these men. A young man, Mark Chevrier, volunteered also. Their comrades state that their venture was almost certain death. These two men took a small dory and rowed out into the tempest during a dark night. They were guided to the wreck by the cries of the men in the rigging. Anyone who knows anything of seafaring matters will know what courage, heroism and good judgment these life-savers must have displayed. It is a wonder they ever reached the wreck. But even on reaching it, their efforts and their danger had but begun. One man had to hold the boat steady in the rough sea, while the other took the half dead men from the rigging and put them aboard. Nevertheless, they brought the men ashore. And the department itself recognized Captain McIntosh's good work by giving him a present of a watch, a binocular glass or something of that kind. There, at all events is his record. I was surprised when I heard of his removal. I know as a matter of fact that the crew working under him considered him a capable, suitable man, and he had no difficulty in getting a good crew.

Mr. SINCLAIR: It is most unfortunate that the minister introduced the spoils system into the life-saving service on the coast. The facts came out in answer to a question asked in the House that out of nineteen life-saving crews on the coast of the maritime provinces the coxswains of twelve had been dismissed, and that of these, seven were dismissed without investigation. I feel certain that prior to the change of Government the life-saving service was looked upon as one that should be altogether outside the changes of politics.. I know that the only life-saving station in my constituency was in charge of the same man in 1896, and from that time on until the change of Government in 1911. But he apparently showed some tendencies towards the Liberal party, and he had to walk out, another man being appointed in his place. Surely, there is some part of the marine service that might be left out of politics, and one would think that above everything else it should be the life-saving service. The men who man the lifeboats should be the best oarsmen in the harbour, and they should be men ready to take risks. The coxswains of these crews were brave fellows. Search the records and you will find that on more than one occasion some of the coxswains who were dismissed without investigation won medals and other decorations for bravery shown in efforts to save life. It appears that heroism does not count with the present Administration, and even the life-boat service is to be made a part of the spoils system like any other branch.

Mr. HUGHES: Where can I see the report to which the minister refers?

Mr. HAZEN: If the hon. gentleman will come to my office to-morrow.

Mr. HUGHES: The minister will be busy. He knows that there have been many dismissals from his department in my county and I have not said anything about them. I had reasons for mentioning this one.

Mr. HAZEN: If the hon. gentleman will see the deputy minister, he will be afforded an opportunity to read the report.

Mr. RICHARDS: I desire to ask with regard to the dismissal of Captain John Champion, in charge of the life-saving boat, at Alberton, Prince county, P.E.I.

Mr. HAZEN: I have no record of the matter before me, but I will get the information to-morrow morning.

Mr. RICHARDS: I would call the attention of my hon. friend to the fact that Captain John Champion was a man of great experience and had saved many vessels. He was removed from office without investigation. He was not a man who took an active part in politics. He was appointed to the charge of the lifeboat by the late Administration because of his qualifications for the position. After he was dismissed he took charge of a boat to go out and save the crew of a schooner. He did this not in connection with the life-saving station, but with a boat of his own. It seems hard that a man so well qualified for the position should be removed.

Mr. CARROLL: In March last I put a question on the Order Paper with reference to the issuing of new licenses for lobster packing in South Cape Breton. I did this

because some men were talking of establishing a co-operation lobster packing house, I got the information of the minister that it was not the intention of the department to issue more licenses until the Shell Fish Commission had reported. Now I find that at the very place where they intended to start their co-operative lobster packing plan a new license is issued.

Mr. HAZEN: Is that Mr. Neville?

Mr. CARROLL: I think so. I am glad Mr. Neville has got his license, as he is a friend of mine and a very fine man. I think if we had got the information at that time there would have been others, especially a number of fishermen, who would have gone into this business, and they rather blame me for it; they think I was in a position to give them the proper information.

Mr. HAZEN: In granting a license to Mr. Neville, the department was not influenced at all by political considerations, because he is an active member of the party to which my hon. friend belongs. We wanted to treat Mr. Neville as fairly as we could, and when we made answer to my hon. friend we were perfectly sincere in doing so. It transpired that previous to that date Mr. Neville had been informed by the inspector of the district that a license would be granted to him, and some other officials had told him the same thing, with the result that Mr. Neville incurred certain expenses in connection with getting material and building a factory. Under all the circumstances, when the matter was submitted to me, I thought it would not be fair to refuse a license to Mr. Neville.

Mr. CARROLL: The hon. minister's explanation is quite satisfactory.

To provide for the pension of Inspector J. B. Allan, Royal North West Mounted Police, at the rate of $450 per annum, from January 1, 1900, to March 31, 1914, less superannuation allowance, for the above period at $280 per annum; and thereafter the pension of $450 per annum be continued and paid at the said rate, $2,702.50.

Mr. BORDEN: I can explain this item by reading the following memorandum:

Inspector Allan was rendered unfit for further service in the police owing to a gunshot wound in the right shoulder, received while endeavouring to effect the arrest of an escaped Indian prisoner, Almighty Voice. He was retired on the 1st January, 1900, under the Superannuation Act, with an allowance of $280, per annum, instead of being granted a pension for wounds, which would have amounted to $450, per annum, and it is now proposed to rectify this and grant him the larger pension from the 1st April last, with arrears from 1st January 1900, less the amount he has already received under the Superannuation Act.

The Comptroller of the Royal North West Mounted Police made a report in regard to this matter, which is in part as follows:

Captain John Beresford Allan, of the active Militia of Canada was appointed an inspector in the Royal Northest Mounted Police on the 1st Ausgust, 1885, and was superannuated on the 31st December, 1899, with an annual allowance of $280 per annum, being unfit for further service in the force, owing to a gunshot wound in the right shoulder, received while endeavouring to effect the capture of an escaped Indian prisoner, Almighty Voice.

Had Inspector Allan received the wound on active service, which necessitated his retirement, he would have been dealt with under the pension clause for officers of the militia of Canada, and would have received a pension for life of $300 per annum.

An inspector in the Royal Northwest Mounted Police, while serving with the active militia has by statute the relative rank of a lieutenant, but in the present case, as Inspector Allan was a captain in the militia when he was appointed to the police, nearly fifteen years before his retirement, it seems only fair that his pension should be based upon that rank, which in the second degree, namely: An officer rendered materially incapable as a result of wounds received in action, would amount to $450 per annum.

Sir WILFRID LAURIER: This case was dealt with during the regime of the late Administration, and I understand that the action taken was based on the regulations then prevailing in the mounted police force. If it had been possible to give Mr. Allan a greater gratuity than he received, I am sure we would have been glad to do so. He was treated as a member of the police force, and he is now treated as a member of the militia, which he was not. I have no doubt that Mr. Allan was a most efficient officer, and deserved as much from the country as he received, but the trouble is that we have rules, and if we make exceptions to those rules in any particular instance we invite violation of them in the future. I must say that while I sympathize deeply with inspector Allan, I think the precedent is a bad one.

To defray the expenses of Mr. Thomas Adams, of the Local Government Board of Great Britain, on his proposed visit to Canada in the interests of national housing and town planning, $2,500.

Mr. BORDEN: The Conservation Commission requested us to obtain the services of a gentleman, whose name I do not recall, and who was in the same service in Great Britain, to come here for the purpose set out in this item. The gentleman whose services were first requested was not able to come, but this gentleman, Mr. Thomas Adams, who has had a great experience, is to come for the purpose of giving addresses of that kind in Canada.

Allowance to William J. Stewart, chief hydrographer, for services performed under Order in Council of 19th October, 1912, in relation to questions under consideration by International Joint Commission, $1,000.

Mr. BORDEN: When we came into office I found that there was no special provision in the public service for safeguarding the public interest in respect of very important questions that were continually coming up for consideration by the International Joint Commission; some of the questions that arose related to one department, some to another. They were all more or less of an engineering character. Some related to more than one department and the difficulty was that between two stools one could come to the ground. It was thought desirable to have some person whose undivided attention could be given to such questions. I looked around the departments and came to this conclusion that Mr. Stewart, both by his experience and ability as an engineer, and by the experience which he had derived as a member of a commission which had to do with these international matters, would be the person best suited for the purpose. I detached him by Order in Council from the Hydrographic Survey, and since that time he has been giving his undivided attention to this work, with very good results to the country. Under the circumstances, I think it no more than right that Mr. Stewart should have the remuneration now proposed.

Mr. CARVELL: Is this the same gentleman who has been appointed on a commission to investigate the levels of the St. Lawrence?

Mr. BORDEN: He had experience on a commission of that character.

Mr. HAZEN: He received no extra remuneration for that.

Mr. CARVELL: He will come in next year for that position.

Mr. HAZEN: I do not think so.

Mr. CARVELL: Would the minister like to say he would not?

Mr. HAZEN: I would not like to make any rash promises.

Mr. BORDEN: If my hon. friend is disposed to think that this is an undesirable allowance, he is not seized of the circumstances. I venture to say that Mr. Stewart has been of service to the country of a value of one hundred times the amount put in the estimates as compensation for him.

Mr. CARVELL: While that may be all very true, nevertheless I feel that I have a right at least to voice my views. To my mind it amounts almost to a scandal the manner in which the civil servants of this Government are being boosted by $1,000, $2,000 and $5,000. Here we vote $10,000 this afternoon for the salary of an ordinary deputy minister. Where will it land us? This gentleman may be everything my right hon. friend says, I presume a good officer and one who has done good service to Canada, and he has no doubt got good pay. Why he gets another thousand dollars I do not know. Almost every day we are called upon to boost up some man's salary in a manner not provided for in the Civil Service Act.

Patrol of the northern waters of Canada, $40,000.

Mr. OLIVER: Before that item is passed I would ask the minister for some information about an item which appeared in the Ottawa Journal a few days ago stating that the vessel purchased for that expedition was not up to requirements.

Mr. HAZEN: I read the paragraph referred to, and as I thought it might be brought up in the House, I immediately asked for information on this point. I have received the following memorandum from Mr. Desbarats:

I understand that Captain Bartlett informed Mr. Stefansson that he did not consider the Karluk was the type of vessel to winter in the northern seas. Mr. Stefansson told him that as the Karluk had already wintered there several times, and as she was the usual type of whaling vessel of which a number wintered every year in the Arctic sea, there was no reason why she should not be able to do for the Stefansson expedition what she did for the whalers.

The vessel is the usual whaling vessel built for Arctic work and numbers of these vessels winter every year near Herschel island and in other parts of the Arctic.

The vessel has been thoroughly overhauled in the Esquimalt dockyard and is considered by those who inspected her to be in a first-class condition and equal to any of the vessels of the whaling fleet.

The vessel was built with the entire approval of Mr. Stefansson.

Steamboat inspection—further amount required, $10,000.

Mr. HAZEN: Owing to the expansion of the steamboat inspection it has been found necessary to appoint an officer with technical knowledge and experience to assist in carrying out the increased work. While this looks like an increase, it is practically no increase. A gentleman in the outside service is simply being appointed to the inside service. The gentleman has been acting as superintendent of naval construction for the department. He used to be paid at the rate of $4,000 a year. The arrangement under which he came out from England was that he should receive $2,500 as salary and that he should also have household expenses, but these came to between $2,500 and $2,700, so that in paying him $4,000 we are not paying as

much as before. The remaining $6,000 is for travelling expenses of the new chairman and this other gentleman, also for incidentals.

Fisheries—to provide for the expenses of investigating claims for compensation under the Pelagic Sealing Treaty, $10,000.

Mr. MURPHY: It seems to me that the explanation given by the minister in regard to a former item would rather apply to this one.

Mr. HAZEN: My explanation was intended to apply to this item. There must have been a mistake.

Mr. MURPHY: The other item must have had reference to the costs of proceedings before the International Joint Commission.

Mr. HAZEN: That is not in my department.

Mr. BORDEN: That item is to cover the expenses in connection with the commission which deals with boundary waters.

To provide for the cost of building fishery patrol boats for British Columbia, $75,000.

Mr. GRAHAM: How many boats are to be purchased, and are they to be built in Canada?

Mr. HAZEN: This is a revote. The item was voted last year, but the amount was not expended. It was voted for the purpose of providing one fishery patrol steamer, but after further consideration it was decided to build a number of small boats which would be stationed at different parts of the coast. Five new boats are being built under contract, tenders having been called for. They are for British Columbia waters.

Mr. GRAHAM: Will they be built in Canada?

Mr. HAZEN: The contractors are British Columbia contractors.

To provide for payment to the Department of Public Works, of the ice-breaking tug Sir Hector, which was lost when going to the assistance of the fisheries patrol steamer, Lady of the Lake, $16,238.

Mr. GRAHAM: I suppose this is a payment by one department to the other?

Mr. HAZEN: Yes.

Mr. GRAHAM: That would rather uphold the contention that when other departments owe the Department of Railways they should pay what they owe.

Mr. COCHRANE: Hear, hear.

To provide for amount required to assist in the establishment, maintenance and inspection of cold storage for bait, the conservation and development of deep sea fisheries, and to provide for better transportation facilities for fresh fish, $30,000.

Mr. CHISHOLM (Antigonish): Is it the intention to assist bait freezers?

Mr. HAZEN: My hon. friend knows that there is legislation under which bait freezers get assistance, and there is some arrangement under which the Department of Agriculture grant assistance to cold storage plants which have provision for bait. There is a provision—I cannot give the exact details—under which bait freezers, as I recollect, on being constructed up to a certain standard, and having a certain capacity, are paid a proportion of the cost of construction.

Mr. CHISHOLM: My understanding is that the subvention has been withdrawn from the smaller bait freezers along the coast, and that they are not now assisted.

Mr. HAZEN: My hon. friend may be right; I cannot answer offhand.

Mr. OLIVER: What proportion of this vote, if any, is for the Pacific coast, and for what purpose?

Mr. HAZEN: Practically none of this vote is for the Pacific coast. Under an arrangement that was made, before I came into the department, for the purpose of developing trade in fresh fish to the West, the Government undertook to pay a proportion of the express charges upon that fresh fish. The policy has been eminently successful, and has resulted in a very much increased transhipment of fresh fish, principally from the province of Nova Scotia, and from other parts of the Atlantic coast to Toronto, Montreal and other cities. The increase in the trade has been so great that we have more money to pay as our proportion of the express charges, and this item is largely for that purpose.

Miscellaneous—grant towards the building fund of the Royal Geographical Society, England, $4,866.66.

Mr. MURPHY: What is that for?

Mr. BORDEN: It is a grant towards the erection of a building by the Royal Geographical Society in England. Australia gave a grant, and so did New Zealand, I think. This society is doing very important work all over the world, a work that is, and has been of service.

Mr. MURPHY: Are there to be exhibits in the building?

Mr. BORDEN: No, the building is to house the society.

To provide for the expenses of the Conservation Commission, $8,000.

Mr. MURPHY: What is to be done with this amount?

Mr. BORDEN: I am afraid I cannot give the details as to the exact purpose for which it is required. It is reported to us

by the commission that they require this further amount. They are conducting a variety of work of investigation in different parts of the country, work of an educational character, and I have no doubt that the money is required.

Mr. OLIVER: When the estimates of the Minister of Agriculture were under consideration we were informed that while the Department of Agriculture was carrying on demonstration work, the Conservation Commission was doing the same. When the commission was first established, I understood that its duties were to be educative and advisory and not demonstrative. Apparently they are entering upon the work of demonstration in agriculture, paralleling the work of the Department of Agriculture. It seems to me to be rather undesirable that the Government of Canada should be carrying on work that might be regarded as overlapping that of another branch of the service.

Mr. BORDEN: My hon. friend will recollect that some questions were raised about this before, and I gave an explanation to the House in the form of a memorandum from the commission which I think was very satisfactory. My hon. friend, from Beauce (Mr. Beland) who is a member of that commission, also gave very full and, I think, very satisfactory information with regard to it. I do not think there has been any interference with the work of the Department of Agriculture; at all events, if there has been interference or duplication, undoubtedly it should be checked. The observations that my hon. friend has made in that regard will be taken into account.

Civil Government—Department of Railways and Canals—to provide for one valuator on first division, subdivision 'A,' $3,000.

Sir WILFRID LAURIER: The other day when we concurred in an item of $25,000,000 for the Transcontinental railway, my hon. friend the Minister of Railways and Canals (Mr. Cochrane) was not in the House, but I asked my hon. friend the Postmaster General (Mr. Pelletier) to remind my hon. friend that we wanted to have more information as to the Quebec terminals of the Transcontinetal railway, and my hon. friend the Postmaster General told me he would remind the minister that we would expect some information about that.

Mr. COCHRANE: I am sorry that I did not get the message.

Sir WILFRID LAURIER: Then I will tell the Minister of Railways what I want. I may say that the arrangements which were made with the Grand Trunk Pacific, some four, five or six years ago, have been cancelled. It was understood practically between the commissioners of the Transcontinental railway and the Grand Trunk Pacific that the station would be at the Champlain market. The commissioners bought the Champlain market from the city of Quebec as a site for that purpose. They paid $100,000, and it was cheap at the price. My hon. friend told me the other day that it was not the intention of the present commission to have the station of the Transcontinental railway at the Champlain market, that that would simply be the site of a small station, but that they would have a union station for the Grand Trunk Pacific, the Canadian Pacific railway, and I do not know if he mentioned another railway at the Palais, that is where the station of the Canadian Pacific railway now is. I do not know if the Canadian Pacific has agreed to that arrangement.

Mr. COCHRANE: Yes. Provision is also being made for any other railways that wish to come in.

Sir WILFRID LAURIER: But has any concrete arrangement been made with anybody about it?

Mr. COCHRANE: The agreement is not signed yet, but the plan is agreed upon.

Sir WILFRID LAURIER: My hon. friend will admit that at this stage it is not very satisfactory. This arrangement should have been signed. Last year, in the last days of the session, I drew the attention of my hon. friend to this very question. I reminded him that when we left office tenders had been received and accepted for a station at the Champlain market. This has been cancelled, and my hon. friend told me that he was going to Quebec to arrange everything.

Mr. COCHRANE: We have.

Sir WILFRID LAURIER: My hon. friend has not; he has simply made a tentative arrangement. These things have been decided, but it is not sufficient to decide a thing. You must put it in writing and have it carried out. My hon. friend told me the other day that the station was to be at the Palais, where the station of the Canadian Pacific railway is to-day. The Grand Trunk Pacific, in order to reach that station, must, after leaving Cap Rouge, go back to the St. Charles river and then run over the Canadian Northern for some distance. Then it will have to make a connection with the Canadian Pacific railway, and from the Champlain market, where there is to be a small station, the Grand Trunk Pacific would have to go round by the wharf of the harbor commissioners to the station of the Canadian Pacific Railway. It cannot do that unless there is a loop some 600 feet in length, which my hon. friend told me was

to be done by the harbour commissioners. All this is simply in contemplation, and nothing has been done. There is no arrangement, as far as I know, with the harbour commissioners to build that link, there is no arrangement to have running powers over the Canadian Pacific line, there is no arrangement to have running powers over the line of the Canadian Northern Railway. Am I right in this?

Mr. COCHRANE: The agreement is not signed, but it is all agreed to, and the draft agreement is being prepared as fast as possible.

Sir WILFRID LAURIER: Why has it not been signed?

Mr. COCHRANE: Because the agreement has only been arrived at within the last few weeks.

Sir WILFRID LAURIER: It is simply in contemplation, it is in the mind of my hon. friend and others, and it has not been reduced to writing. If the agreement was reached three weeks ago, surely there are clerks enough in the office of the commission and in the Department of Railways and Canals to have this agreement put in writing and signed. I do not doubt my hon. friend's intentions, but I do doubt his zeal. I do not think he is perfectly zealous in the desire to have this railway built at all in Quebec. I do not think I do him any injustice in saying that. The line has been blemished from Cochrane to Quebec.

Mr. COCHRANE: No.

Sir WILFRID LAURIER: Yes; these momentum grades, in my humble estimation, are a blemish on the road. That section of the road is not of the same character as the rest of the road.

Mr. COCHRANE: West of Cochrane it is the same.

Sir WILFRID LAURIER: I am all the more sorry for it then. Has the agreement been signed with the Canadian Pacific railway for running powers?

Mr. COCHRANE: No, but this will all be put into the one agreement. It is not an easy matter to get so many different corporations to enter into an agreement. The city of Quebec only said a week ago what it would do.

Sir WILFRID LAURIER: I know it is not an easy matter to get an agreement of this kind. When anything which was settled, has been unsettled, it is not an easy matter to settle it again. If my hon. friend had carried out the bargain which we made, and had placed the station at the Champlain market, there would be no difficulty at all, but my hon. friend had the commission prevail upon the City Council of Quebec to change the location. Has any agreement been made with the harbour commissioners to build that line of railway?

Mr. COCHRANE: No.

Sir WILFRID LAURIER: Until that agreement has been made, until you have that railway constructed, what is the use of your agreement with the Canadian Pacific railway? Even if you have an agreement with the Canadian Pacific railway to use their rails, that agreement is not worth the paper it is written upon unless you have the link necessary to connect the two lines.

Mr. COCHRANE: It will not be necessary to have that link at all to get down to the harbour, because the Canadian Pacific railway goes down to the harbour now.

Sir WILFRID LAURIER: But the Canadian Pacific railway does not go to the Champlain market station.

Mr. COCHRANE: No.

Sir WILFRID LAURIER: Therefore, there is a link to be built, and my hon. friend told me that it was to be built by the harbour commissioners.

Mr. COCHRANE: Yes.

Sir WILFRID LAURIER: There is no agreement with the harbour commissioners. Has the plan been prepared for the station at Champlain market?

Mr. COCHRANE: No.

Sir WILFRID LAURIER: Is that pardonable?

Mr. COCHRANE: Yes.

Sir WILFRID LAURIER: No, it is not pardonable. This line is to be completed next year, and yet not a thing has been done to provide terminals at Quebec. For this gross negligence there is no possible excuse.

Mr. COCHRANE: I am sorry that the right hon. the leader of the Opposition takes it so much to heart. I can state most emphatically that the commission has worked upon this matter zealously for a year. It is not an easy matter to get several corporations to make an agreement. In fact, the agreement is not completed yet at Winnipeg, although the negotiations were undertaken a long time before we came into office. The matter as regards the Quebec terminals is definitely settled now; it is a mere question of drawing up the agreement and getting it signed, and I have no hesitation in saying that we will be ready to receive the Grand Trunk Pacific when it is ready to operate.

Sir WILFRID LAURIER: All we can do is to take my hon. friend's word for it. It is not easy, as he says, to get so many companies to enter into an agreement and it is because of the circumstances under which the difficulty has been created that I feel strongly upon the point. This agreement should have been signed long ago. I am told now that an agreement had been made with the Canadian Northern but not signed. No agreement has been made with the Harbour Commissioners. If that line is to be built by the Harbour Commissioners they have no money for it, and it will not be built when the road is completed.

Mr. COCHRANE: Does the hon. gentleman think there is room enough at the Champlain market to handle the traffic that I hope will come on that Transcontinental road?

Sir WILFRID LAURIER: It would be sufficient for the passenger traffic, but I admit it would not be sufficient for the freight, which would have to be accommodated higher up. The passenger traffic of the Canadian Pacific railway, landing from their steamers, is provided for under similar conditions on the wharf there.

Railway Department—to provide for a valuator, $3,000.

Mr. COCHRANE: It is absolutely necessary to have a land valuator in the department. The Transcontinental Railway Commission have a splendid man who has given good service and we propose to take him right over at his present salary of $3,000.

Mr. MACDONALD: Have the new freight tariffs on the Intercolonial railway been prepared, and what percentage generally of increase in freight rates has been made by them?

Mr. COCHRANE: There has been an increase in the tariff and the justification for it is the great increase in the wages of the men and in the cost of coal. The average increase would not be over five per cent, but in some instances it is of course more. The new general manager has instructions that if any industry is hard hit by the increase, he should arrange to let them out. I do not think there is enough of an increase to affect any industry, but if there is, he has authority to arrange it.

Mr. MACDONALD: There was a surplus of nearly $1,000,000 last year on the Intercolonial, which would be sufficient to provide for the increase in the salary of the employees and the additional cost of the coal. This being a public utility, owned and operated by the Government for the advantage of the people, the minister is imposing an unfair burden upon the business enterprises of the maritime provinces by these increased rates. The idea of a public utility is that it should be operated in the interests of the people, and not with a view of making money. By increasing freight charges, the minister continues a very onerous discrimination against the business interests of the maritime provinces. Nova Scotia is the great manufacturing province in the East, and the Minister of Railways controls the only line of transportation that can take the products of that province to other portions of the Dominion. The Intercolonial railway was built as a term of Confederation, in order to bring the extreme East of this Dominion in touch with the central portion. When the manufacturer in Nova Scotia ships over the Grand Trunk railway, he meets the additional difficulty at Montreal, if his goods are destined west of the city, of having his products handed over to another line of railway. There is, therefore, this double handicap against our manufacturers. We are great purchasers of the staple articles produced in central Canada, and it has always been the policy of all governments to recognize that in westbound traffic there should be special consideration for the products of Nova Scotia, in order that they might be able to find a market in central Canada. The minister, by imposing these extra rates, is handicapping the business of Nova Scotia. In view of the large subventions which have been given, without any condition, to enterprises in central Canada, the minister is not treating us fairly if he is going to put this additional drag upon the possibility of our sharing in the progress of the country. I protest on behalf of the business interests in my province against this increase in the rates.

Mr. CHISHOLM (Antigonish): On behalf of the farmers and smaller shippers over the Intercolonial railway, I enter my protest against the increased rates on the Intercolonial railway. It will mean an increase of about forty per cent on the smaller shippers and farmers and it is going to hurt us in this part of the country. I represent an agricultural community and we ship a great deal of agricultural products to Cape Breton, and the increased rates will seriously hamper the farmers and shippers of cattle and farm products generally. On local traffic, there is I am told an increase in the rates of about forty per cent. A farmer taking goods from the shire town of Antigonish to his home in the country, formerly paid at the rate of twenty-five cents where he will now have to pay thirty-five cents. I protest against this. It will not bring any great increase of revenue to the Intercolonial, and it seriously injures the farmers and smaller shippers.

Mr. HUGHES (P.E.I.): The increase in freight rates will in my opinion reduce the revenue of the road in our province. As a matter of fact on a short haul of ten miles it is cheaper to carry light freight by teams than to ship it by the railway, as I know from personal knowledge. It will reduce the value of the road to the people, and I believe it will reduce the revenue also. The fact should be taken into consideration.

Mr. TURGEON: I also protest against the increase in rates, on behalf of the lumber interests in the county of Gloucester. That system supplies a large part of the lumber originating in New Brunswick. There are more railway ties taken from that district than from all the rest of the province of New Brunswick. This affects just as much the small operators as the large interests. The farmer with his sons will go into camp along the road and take out quantities of timber and ties. They carry their provisions for the camps and the men, and this will mean that they will have to pay higher rates on these goods. It will certainly handicap these people very much, and I should be surprised if it did not raise the price of ties along the Intercolonial. I hope the hon. gentleman will take this into consideration when he deals with the matter.

Mr. COCHRANE: I am trying to run the Intercolonial on a business basis. I can understand that there may be some occasions when it will be a hardship to raise the rates. I think the hon. member for Antigonish must have been quoting on lots of one hundred pounds or less. That increase has taken place. There may be instances where the increase is a little too much. In reference to what the hon. member for Pictou says, I suppose he has reference to the steel industry. That is certainly a big industry. But I think my hon. friend from South Renfrew (Mr. Graham) will bear me out that it is questionable if we ever made a dollar in hauling that material to Montreal at the rates which are in existence. I believe that we should give the lowest rates at which we can live. But with the increase in wages, rolling stock upkeep, I am satisfied that increases in rates are necessary. More than that, the larger of the two industries referred to would have the advantage of water rates, and we cannot carry what they can get it done for by boat. I have no desire to make money on the Intercolonial, but I do desire, if possible, to have rates that will keep up the rolling stock and give a good service. I am satisfied that the business men will appreciate a good quick service, even if the rates have been raised somewhat in order to give it. It will be my endeavour to give them more in advantage than will offset the increase in the rates.

Mr. CHISHOLM (Antigonish).

Mr. MACDONALD: I will point out one industry that will be handicapped. That will be the coal industry. As the hon. minister knows our province is the only place in Canada east of Alberta in which there is a coal supply. The navigation of the St. Lawrence being closed in the winter time, and some of our more important coal mines being so situated that they are not able to ship by sea even in the summer—

Mr. COCHRANE: Our coal tariff has not gone up yet.

Mr. MACDONALD: Then, perhaps I may be able to say a word to the minister that will induce him not to send it up. Under the conditions I have mentioned, the people in northern New Brunswick and in the province of Quebec who desire to obtain coal in the winter time are compelled to obtain it over the Intercolonial. If the minister puts in force a higher tariff it will prevent the coal miners of Nova Scotia from sending their coal over the same to points at as great distances from the mines as are now reached, and will also do an injury to the people who need that coal in the winter. No doubt, he will say he is serving the public by increasing the tariff as it will make the consumers of coal contribute more to the revenues of the road. I asked the minister not to increase the tariff on the carrying of coal from the East to the West, because it will mean that American coal will be placed in Montreal where, with cheap transportation on the Intercolonial, Nova Scotia coal is now sold.

Mr. COCHRANE: There is not much brought by train from Nova Scotia to Montreal now, even in the winter season. I will take the recommendation of the hon. member for Pictou into consideration.

Mr. EMMERSON: The other day I called the attention of the minister to increases in local rates on the Intercolonial. I presume he is familiar with the details, and I should be glad if he would give a statement of the character of these increases, and what they mean.

Mr. COCHRANE: I have given one explanation, but I am quite willing to give another. These increases are due to the increased cost of coal, rolling stock, maintenance and other things. We do not think that the rates bear with hardship upon any interest, as I said before; but where there is hardship, where there is interference with the carrying on of a business in a legitimate way, we will meet it with a special tariff or otherwise.

Mr. EMMERSON: The explanation is not very comprehensive. I do not offer criti-

cism for the sake of criticising, but I do believe this increase of rates is a great disadvantage to the people of eastern Canada. We have listened recently to discussions with respect to discrimination on the part of railways against western Canada in freight charges, and answers given in this House show that the matter has been under consideration by the Railway Commission. In answer to the complaints which have been made to the commission, the railways have said that there has been no discrimination as against the western patrons of railways; that the freight rates in the West were not too high, and that the freight rates over the railways in eastern Canada were too low. That has been the issue between the railways and the patrons of railways in the West. My hon. friend in the action he has taken has given a pretext for the answer made by the railways to these complaints. He has said to the people of western Canada: your rates are all right; the rates of the railways in eastern Canada are too low. He has demonstrated that fact by increasing freight rates on the Government railway in eastern Canada. Private railway corporations will not be slow to take advantage of that provision; they will not be slow in advancing that argument before the Railway Commission, and it would be a complete and ample justification to the Railway Commission for any resistance the railways may make to the application which has been made by the western people who have occasion to use the railways in the matter of freight. The people of eastern Canada who have occasion to utilize the Intercolonial have done so under conditions which have prevailed since Confederation. The freight rates which have been charged upon that railway have been reasonable, certainly none too low; and to make the increase that has been made is simply dealing with the people unfairly. We all recognize the fact that the building of the Intercolonial was an offset against the expenditure incurred in the construction of canals. There was expended upon the canals of Canada about $90,000,000, and the Intercolonial railway was constructed in the interests of the maritime provinces and in the interests of Ontario and Quebec. One expenditure offset the other; one was an investment in canals for the benefit of Canada; the other was an investment in the Intercolonial for the benefit of Canada. My hon. friend has made an unprecedented increase in the local freight rates, in many instances an increase of forty per cent. As an illustration of that, take the minimum freight charged, which bears very heavily on the people who live a short distance from the centres. The minimum charge on the Intercolonial for a package of freight was twenty-five cents, and that is increased to thirty-five cents, an increase of over forty per cent.

Mr. COCHRANE: That is only on one hundred pounds or less.

Mr. EMMERSON: It is the minimum charge and it has been recognized that twenty-five cents is a reasonable minimum charge to make. The increase of this amount to thirty-five cents bears heavily on the people generally. I grant you that it has a tendency to interfere with business in the centres. If a man lives fifteen miles outside of the city of St. John and goes to that centre to do his shopping, sending out a package weighing less than one hundred pounds, he is obliged to pay thirty-five cents, whereas heretofore he was called upon to pay only twenty-five. In the matter of many other charges an increase has been made in many instances of four cents a hundred pounds, and that interferes with the local traffic over the Intercolonial between St. John and Moncton and intermediate points, St. John and Halifax and intermediate points, and so with reference to the other sections of the road. I think that it is an unjust increase and will not only bear heavily upon the small purchaser and the people generally, but will be a direct interference with the business of the towns and villages along the line of the Intercolonial. What justification is there for it? We have considered estimates to-day with respect to the renewal of the Welland canal, which has been already once rebuilt, and upon which it is now proposed to expend $50,000,000. We have abolished the freight tolls over these canals, in the interests of whom? Certainly not in the interests of the people of the maritime provinces. I make the assertion, knowing that it cannot be successfully contradicted, that the freight that goes over the Welland and St. Lawrence canal systems never touches the maritime provinces.

Mr. COCHRANE: Steel rails are shipped from Sydney to Port Arthur.

Mr. EMMERSON: That is through traffic, and it comprises only a very small portion of the traffic that goes through those canals; the main bulk of it is for export trade. So far as the maritime provinces are concerned, they do not participate in the benefits that accrue to the business interests by reason of the abolition of tolls on the canals. I am not complaining of the abolition of those tolls, but I do protest vehemently against the increase of the burdens of the people of the maritime provinces. We have on many occasions had illustrations with respect to the feeling that there is against the Intercolonial. My hon. friends opposite have taken ex-

ception to an amendment made by the Senate to a certain Bill, using it as an excuse or a pretext for not proceeding with the expansion of the Intercolonial and the absorption of branch lines as feeders of that road. It is true the Senate amended this Bill, and it is equally true that a few years ago when the Senate amended a Bill sent to them by a former Government, the Bill was treated in such a way as to make the exercise of its powers impossible. They made it an impossibility to absorb these lines or make them part of the Intercolonial. By their amendment they provide an excuse to my hon. friend, who is opposed to the policy of the absorption of branch lines, who has stated in this House, practically, that he is opposed to that policy.

Mr. COCHRANE: I never did.

Mr. EMMERSON: I would not wish to misrepresent my hon. friend but he has spoken very slightingly with respect to the character of the roads which would serve as feeders of the Intercolonial railway. He does not represent them as feeders.

Mr. COCHRANE: Under the Bill that you have produced yourself you could not take over a road.

Mr. EMMERSON: My hon. friend is not strictly accurate with respect to that statement. I remember that, when I had anything to do with the management of the Intercolonial, one road, the Canadian Eastern railway, was taken over and I remember how I had to fight that through this Parliament against the most violent opposition on the part of the railway critics then sitting on this side of the House and every minutiæ in connection with the road had to be explained. My hon. friend says that they could not put into execution legislation which I had brought in. My hon. friend knows that the very legislation to which he refers was brought into this House, it is true, by political friends of mine, but I took exception to the character of the legislation as I have taken exception to the character of the legislation proposed by my hon. friend. It was not a matter of party politics with me, it was a matter of the advantage that would accrue to the Intercolonial and to the people of the maritime provinces and, indeed, to the people of all eastern Canada if that policy had been put into effect. My hon. friend has made changes in the management. I am not criticising him in respect to that, I have told him that I believed it was in the interest of the Intercolonial that there should be one manager instead of a divided management, that the responsibility should be put upon one man instead of having a divided responsibility. My criticism was impersonal. I commend my hon. friend for his action in reversing that policy and adopting the policy of appointing one general manager upon whom is placed the responsibility of operating and managing the railway. I think now, as I thought a few years ago, that it would be very much better for the Government to be responsible for the management of the railways, to select one of the many bright young men who are to-day in the employ of the railway and give him an opportunity, instead of importing someone from another railway. I make this statement, that the education and training which a man receives on a private corporation railway does not fit him for the position of manager of a government railway, the conditions are different, the sentiments are different, and he never can adjust himself to those new conditions. My predecessor in office, the late Hon. Mr. Blair, tried it and it failed. He tried it more than once. Others have tried it and every experiment has signally failed. In the management of the Intercolonial under my regime responsibility was placed upon Mr. Pottinger, who was, it is true, a member of the managing board. I have nothing but good words to say of Mr. Pottinger but I felt that if, when Mr. Pottinger's term of office expired, I had had the responsibility, I would have taken one of the young men who had been trained on the Intercolonial and given him a chance and tested him. A few years ago I had an opportunity of travelling over practically all the great railway systems of the United States. I found on different western railways superintendents and managers who had received their training on the Intercolonial and this led me to the conclusion that if the Intercolonial could be the nursery of managers and general managers and superintendents for foreign railways it certainly could be the nursery for the training of young men who could manage our own railways. You bring a man from a foreign country and place him upon the Intercolonial. It is true he goes there with every prejudice against it in the first place; he goes there with the idea, and the press and people of the country outside of the maritime provinces have heralded it abroad, that there is incompetence and lack of ability and every man who is selected from another railway and sent there to manage the Intercolonial goes there under the impression that there is no man connected with the road qualified to fill the position. They make this known to the employees of the Intercolonial and so arouse the resentment and the antagonism of the employees of the railway and practically make certain that they themselves will prove failures. I think my hon. friend would have been better advised if he had given a chance to some of the many young men whom I could personally

name, and give them an opportunity of proving the stuff of which they are made. The Intercolonial last year had a surplus of $1,000,000. It is estimated that this year, even under the conditions which prevailed last year, the surplus will be much larger. That certainly does not show that there was any emergency with respect to the increased freight rates, and there certainly should be no necessity for placing additional burdens upon the people in the maritime provinces and the Canadian public in order to operate that road free from loss. If with the so-called low freight rates on the Intercolonial the revenue and earning power of that road has grown steadily from year to year, I venture to say that with the natural increase of the traffic on the road, without adding any additional burden, the Intercolonial would lay aside year by year an increasingly large surplus. Therefore from that standpoint alone there is no justification in my hon. friend placing this additional burden upon the patrons of the road in the maritime provinces and in Quebec there is no increase with respect to through traffic. Who gets the advantage of that? The Intercolonial reaps an advantage, but the business interests of Ontario reap the fruits, and yet the business interests of the maritime provinces are to be discriminated against in the matter of their freight rates. During the past year there has been an increasing number of accidents and destruction of rolling stock on the Intercolonial. I do not know from what cause, and yet despite that destruction of property my hon. friend is in a position, by reason of the increased traffic on the road, to add very materially to the motive power of the railway. I think that new management was necessary for the Intercolonial railway. I make the statement that during the past winter, and indeed during the past twelve months, not a train on the Intercolonial reached its destination on time. The railway has become a byword and a reproach in that respect, and the travelling public are reduced in numbers because of the want of regularity in the operation of the trains. I venture to say that the Canadian Pacific railway, the competitor of the Intercolonial, reaped an abundant harvest as the result of the lack of care, to say the least, in seeing that the trains on the Intercolonial were operated on time. Every hon. member of this House who has any knowledge whatever of the management of the Intercolonial railway will agree with the statement I am making. Perhaps my hon. friend feels called upon to increase the local freight rates in order to pay the comparatively large salary which is being given to the present general manager of the Intercolonial. I am not going to criticise the amount of that salary; I believe if Mr. Gutelius is the right man he will earn his salary, I have always felt that we did not pay large enough salaries to the men holding responsible positions on the Intercolonial railway. I know it will be said, it is already being said, that in order to have a man brought from the United States, as Mr. Gutelius was brought, and to pay him a large salary it is necessary to increase the freight charges on the Intercolonial, and yet members of the managing board are retained at a very meagre salary, one entirely inadequate to the services which they perform and to the responsibilities which they are obliged to assume. I think this increase in the freight rates is an outrage, I think it is unfair, I think that it has been done without proper consideration. If I had an opportunity to go over the different schedules and classifications I could demonstrate to this House that the increases that have been made range from twenty-five per cent to fifty per cent. They are unjustifiable under the conditions which prevail today with regard to that railway, and when we contrast the treatment of the Intercolonial with the way in which we are treating the canal system, it seems to me that the increase in the rates merits the severest condemnation on the part of members of this House, as I believe it will receive the most severe condemnation on the part of the people of eastern Canada.

Mr. H. BOULAY: Mr. Chairman, I entirely agree with the views expressed by the hon. member for Westmorland (Mr. Emmerson) with regard to the importation of foreigners to manage the Intercolonial. But I must give every one his share of credit. In justice I must say that when our opponents were in power they inaugurated that system by the importation of Messrs. McGovern, Handfield, Joggins, Lozo, Burpee, and finally the notorious Brady.

It was introducing a bad practice, for we certainly had, as the hon. member for Westmorland has just stated, men who were qualified in the eastern provinces, without having to get them from abroad. To-day, the same system is unfortunately continued and all the leading officials of the Intercolonial are strangers. Messrs. Gutelius, Brady and Tiffin came to us from the Canadian Pacific. We ought to have in the province of Quebec and in the maritime provinces men who are capable of holding those positions.

I shall not discuss the merit of Mr. Gutelius. He is said to be a prominent railway man, but time will tell. I must, however, differ with the hon. member for Westmorland on one point. I believe his salary is a little too high. Until now we have managed the Intercolonial with men who were paid from four to six thousand dollars a year, and with one leap we jump to twenty thousand dollars per annum.

This is rather extraordinary and I think there should have been a halting place between those two amounts.

But there is another thing which exists and which I desire the House to take note of, because it is a crying injustice towards the province of Quebec. I think the House will agree with me that for the last forty years the appointment of leading officials has been made with utter disregard of the province of Quebec. It is an injustice that should have been noticed and remedied before this day. This remark holds good not only with regard to leading officials, but also to all the officials holding positions which are fairly lucrative. With the exception of Superintendent Macdonald, we have not one man in the province of Quebec who is drawing a high salary. The chief inspectors of masonry, the superintendents of buildings, cars and locomotives are all men from New Brunswick and Nova Scotia. So much the better for those men, of course, but I do not recognize that these gentlemen from the maritime provinces are endowed with superior qualifications.

We have in the province of Quebec men who are just as able to earn big salaries and to do honour to their positions. I see no reason why, for the last forty years, the railway management has constantly ignored the province of Quebec. The superintendent of track-menders has always been a man from the province of New Brunswick, and still there are between St. Flavie and Campbellton 105 miles of track in the province of Quebec and only 11 miles in New Brunswick. It has always been so for the last forty years.

Why should we, in the province of Quebec, be treated as inferior men? It is time that we should have justice. I made that remark quite recently to the Minister of Railways. The foreman of the labourers was retiring and he recommended to take his place a Mr. Macdonald, of the county of Bonaventure. He was recommending a man who for 25 years had been chief foreman of labourers on the Intercolonial; a man who had managed working trains for 25 years and who therefore knows the whole line between Campbellton and St. Flavie better than any one else. He is known by everybody and speaks the two languages fluently. Therefore, there was no reason why he should not have been appointed. Still, in spite of the foreman's recommendation, the appointment was given to a young man, aged 30, who also hails from New Brunswick. I object to such proceeding. I protest against such a state of things. Why not choose people from the province of Quebec?

These leading officials do not even speak French, and yet the least that should be fairly allowed to us would be to require that those men taken from New Brunswick or the other provinces should know the French language. These men are every day called upon to settle questions in which the parties concerned are French-speaking people, for we must bear in mind that the Intercolonial runs through 500 miles in the province of Quebec. On that account, this is a great hardship, and it is an inconvenience which is at the same time detrimental to the Intercolonial railway.

Mr. Chairman, I was anxious to make these few remarks, and although I am sure the Minister of Railways did not understand them, I hope he will take time to read them in 'Hansard' and he will find they are justified. If his intention is to deal fairly with us he will see that appointments are made in accordance with the suggestions I have just made.

Mr. A. LACHANCE (Quebec Centre): Mr. Chairman, as a representative of the city of Quebec, I feel it my duty to make a few remarks on the administration of the Railway Department with regard to the terminals of the Transcontinental in Quebec. Those who are familiar with that question know that it is of the utmost importance for the city, district and province of Quebec in general. What the explanations and statements of the hon. Minister of Railways on this point amount to is simply this: that a double track shall be laid from Cap Rouge to the site of the Champlain Market, along the river. That is the only announcement clearly set before us by the Government. But they do not seem yet to know exactly what they will do with the Champlain Market. The minister said they intended to build a small station there, but he cannot tell us what it will cost nor when the work of building shall be commenced. He has no plans prepared as yet, and he does not seem to know what he ought to do nor what he will do. Nevertheless it seems to me that the Liberal Government had cleared the way. That Government, after having conferred with the Transcontinental Board of Construction and after having obtained the opinion of prominent engineers and of all the railways intending to come into Quebec, had decided to use the site of the Champlain Market for the building of a station and the establishment of all direct communications between the Transcontinental and ocean shipping generally. In 1906 the citizens of Quebec appointed a committee to deal with these questions. That committtee appointed three engineers, Messrs. Hoare, Doucet and Boswell, to make the necessary examinations and to submit a plan and a report. The first two named pronounced themselves in favour of a maritime station at the Champlain Market; Mr. Boswell, who was then and is still engineer of the Quebec Harbour Commission, pronounced himself in favour of a tunnel and a station at the Palais. Mr. Doucet's report was confirmed on all points

by Mr. Hoare's report. That report is dated the 21st of October, 1906, and is addressed to Mr. R. Audette, chairman of that committee. It reads as follows:

Quebec, October 21, 1906.

Mr. R. Audette,
Chairman of the Committee on Terminals,
Quebec.

Sir,—In connection with the resolution adopted on October 12, 1906, by the Quebec Terminal Committee instructing Messrs. E. A. Hoare, St. George Boswell and myself 'to prepare a blue print copy of plans with statement of estimate with regard to the Quebec terminal, which plans and estimates are to be addressed to the members of the committee, after which the chairman is to call a meeting of the committee,' I beg to report that the above named engineers and myself have met on the 19th instant to deliberate upon the choice of a proper terminus, from the most advantageous and economical standpoint for the railways and navigation traffic. Our decision was unanimous with regard to the site of deep water wharfs and of large freight yards between Lampson Cove and Pointe Puiseaux, as indicated on the plans and profiles already submitted to the several members of the committee, but afterwards a great diversity of opinion arose as to the extension of the terminal tracks to the terminal station, one of the engineers claiming that a union station should be established on St. Roch street, to be accessible from the vicinity of Lampson Cove by means of a double track tunnel about 5,000 feet in length, with a curb of 5 degrees radius in the south end (Lampson Cove) and curb of 10 degrees in the north end (St. Roch street), the two engineers being decidedly of opinion that the terminal tracks should be extended along the river from Lampson Cove to the point where the Champlain market is now situated, and where a terminal station would be erected, it being taken for granted that the city, as it is bound to do so, would widen its street or would provide other avenues to give free access between the Louise basin and the site of the terminal station, and that the railways interested would lay tracks along the water front, running parallel to Dalhousie street for the circulation of their trains between their present terminus and the terminal station in question.

Being thus unable to unanimously agree on a decision, it became impossible for the engineers to make a joint report. We have, therefore, agreed between us to submit separate reports to the committee for further examination.

There being a unanimous agreement as to the site of the deep water wharfs and of the large freight yards, as shown in the plan, between Lampson Cove and Pointe à Puiseaux, the only thing left to discuss was the question whether it would be preferable to place the terminal station at the point now occupied by the Champlain market, or whether it would be more to the advantage of all interested parties to build that station on St. Roch street to be used as a common station by all the railways coming into Quebec. The quantities on which the calculations were based for the cost of construction were established on the figures furnished by Mr. E. A. Hoare, the chief engineer of the Quebec Bridge Company, who had caused soundings to be taken in order to ascertain the depth of water along the river shore.

In my opinion, a union station on St. Roch street would be disadvantageous if not impracticable for the following reasons:—

1. The Canadian Pacific, the Quebec and Lake St. John and the Quebec Railway, Light and Power Company, already have their own terminals, and although I am unable to speak officially as to the Canadian Pacific railway and the Quebec Railway, Light and Power, I know that the Quebec and Lake St. John is utterly opposed to any change in their present arrangements, and to any active participation to the charges that would be saddled upon them for the use of the union station.

2. It would be impossible to build the union station in the vicinity of St. Roch street without appropriating a large portion of the Canadian Pacific railway's present terminus, since these grounds would have to be put at the disposal of all the railways having access to the union station on the north shore of river St. Charles.

3. So many railways coming into the city through river St. Charles would practically block the access to the Louise docks, the direction of the lines virtually being at right angles from one another. The Canadian Northern, the Quebec and Lake St. John and the Quebec Railway, Light and Power all come into the city from Limoilou, so that all the railways from St. Roch street to Louise basin would necessarily cross the main lines of these railways, which would virtually destroy the usefulness of their terminal stations.

4. A tunnel whose length would not be over one mile and whose curbs would be 6 and 10 degrees is utterly inacceptable, and I am sure it would be unanimously condemned by all railway managers. Apart from the enormous cost of a tunnel wide enough for two tracks, the expense involved would not add a dollar's worth to the value of the water front, between Lampson Cove and the Louise docks.

5. Nothing justifies the expense of such a large sum, for a tunnel of that kind would only be used almost exclusively for the carrying of passengers; in fact it is well known that the large traffic coming from the north and going to points south of the St. Lawrence has its route already traced to the Quebec bridge by a line going from Limoilou through Cap Rouge, as far as the Canadian Northern railway, the Quebec and Lake St. John and the Quebec Railway, Light and Power are concerned, while the Canadian Pacific railway would have its own connection with the Quebec bridge at Bélair.

The extension of the docks from Lampson Cove to the site of the Champlain market is, in my opinion, much preferable to a union station, even if the latter was practicable, for the following reasons:—

1. Whatever is paid for the development of the river front will be money well spent, since it will add so much to the value of the harbour, by the enlargement of the land reclaimed from the water.

2. Sufficient space can be found along the river to build a terminal station suitable for all the new roads which shall come into Quebec when the bridge is built, from the fact

that the large passenger and freight traffic brought into Quebec by the different lines of steamers, having the west for their destination, and also the traffic going from west to east will not have to use that terminal station, inasmuch that their trains will be brought along the wharfs where the steamers of the various transatlantic lines will be moored.

3. Along and running parallel to Dalhousie street, it is easy to lay tracks and build roads of communication for the accommodation of the lines having already their terminals in Quebec, so as to give them access to the terminal stations. These additional thoroughfares for both railways and teams may be built at a very low price, and the cost should be borne partly by the city and partly by the railways using these roads.

4. Such an enlargement would in no way interfere with the local ferry and steamboat service, because the present wharfs are in a very dilapidated condition, and, when renewed, will have to be extended and improved. Moreover, there would not be enough traffic on these shore roads to seriously interfere with the circulation between the city and the steamers or ferry landings.

I hereby annex an approximative estimate of the cost of three deep water docks, and tracks connecting them with the Champlain market where the terminal station would be built, and also of the alternative plan of a union station on St. Roch street. The figures are based on the estimates made by Mr. E. A. Hoare.

For the various reasons above mentioned, I am of opinion that it would be a serious mistake to establish our terminal station at a greater distance from the shore, and that the most advantageous and economical means, and the only plan really practicable is to establish the terminal and station such as indicated on the plans which have been submitted to you.

I have the honour to be, sir,
Your obedient servant,
A. E. Doucet.

Here are now the decisions taken by the companies interested, including that of the Canadian Pacific, after mature deliberation upon the engineers' reports:

The report of Mr. Hoare was absolutely in the same sense as that of Mr. Doucet. To their report were attached the following comparative estimates:

Estimated cost of three deep water docks at Lampson Cove with terminal station at the Champlain market:

1. Three deep water docks at Lampson Cove..	$ 3,489,000
2. Wharfs from the docks to the extreme western point of Allan wharf..	1,485,240
3. Railways and equipment of sidings between the docks and the Allan wharf..	963,100
4. Wharfs from Allan wharf to Champlain market, with passenger and freight stations and railways..	3,676,500
5. Extension of Champlain market to St. Andrew wharf between Dalhousie street and the river.	611,800
	$10,225,640

Estimated cost of three deep water docks at Lampson Cove with terminal station at St. Roch street via tunnel:

1. Three deep water docks at Lampson Cove..	$ 3,489,000
2. Wharfs to the extreme end of Allan wharf..	1,499,000
3. Railways and equipment of sidings from Allan wharf to the Lampson Cove docks..	963,100
4. Double track tunnel, terminal site, railways, buildings, &c....	4,671,000
	$10,602,100

On November 20, 1906, the companies interested, to which the above reports had been sent, had another meeting in Quebec, and, after due deliberation, the following resolutions were passed in committee:—

Railway Terminal.

Resolved, that the Champlain market be chosen for the present as a freight and passenger station, all the whole providing for the building at a later date of a passenger station in the upper town.

That a company be organized, comprising the different railways using the terminals, to take charge of the bridge and its approaches and of the terminal facilities.

That part of the cost be assumed by the Government, and another part by the railways at a later convention, and that a law be enacted at the present session of Parliament to sanction the present arrangement.

Gaspard Lemoine,
President.

It is proposed by W. Dobell, seconded by Gaspard Lemoine, and resolved:

'That the report of the sub-committee of the treasurer of railways received by the Railway Commissioners, be transmitted to the Commissioners of the Transcontinental.'

Ocean Terminal.

Although a depth of 40 feet is sufficient for the maritime service, considering the perspective of a considerable increase of traffic, and the works actually under way and in contemplation, the sub-committee is of opinion that a line drawn at 55 feet from Lampson Cove to the extreme north end of Champlain market is desirable, and that provisions should be made for the accommodation of the local market and the coasting trade between this last point and the wharf of Carcy Point.

The committee is of opinion that the widening contemplated by the 55 feet line is necessary to facilitate communications by railways and teamsters between the Champlain market terminal and the Louise docks.

Wm. M. Macpherson,
President.

It is proposed by W. M. Macpherson, seconded by Thomas Harling, and resolved:

'That the report of the sub-committee of the ocean terminal be received and transmitted to the Commissioners of the Transcontinental.'

It is proposed by W. M. Dobell, seconded by Thomas Harling, and resolved:

'That due instructions be given to the engineers to prepare plans and estimates as to the question, if the Champlain market should not be exclusively used as a passenger station, the freight stations being built, one

at the west of Champlain market, and the other on a convenient site along St. Charles river, proper communications being provided between the breakwater and the Carey Point wharf; also plans and estimates for the widening of Dalhousie street, with several tide-docks between Champlain market and Carey Point wharf for the river navigation, the whole being transmitted to the Commissioners of the Transcontinental.'

Such is the record which has been submitted and committed to the Archives in Ottawa. The collapse of the bridge in 1907 has delayed but has not put an end to that scheme. The sale of the Champlain market in 1910 is sufficient proof that nothing has been changed.

So, in order to establish direct communication between the Transcontinental terminal and the navigation, the following works were suggested in the report:

1. Three deep water docks at Lampson Cove; 2. wharfs from the docks to the extreme western point of Allan wharf; 3. railways and equipment of sidings between the docks and the Allan wharf; 4. wharfs from Allan wharf to Champlain market, with passenger and freight stations and railways; 5. extension of Champlain market to St. Andrew wharf, between Dalhousie street and the river.

The Government has completely abandoned its projects, as it has also practically given up using the general traffic from the Transcontinental line facing the river, from Cap Rouge to Champlain market. In fact, here is what the Postmaster General was saying on this subject on May 29, 1913:

> We will have the Transcontinental at Quebec in a most beautiful manner. The Transcontinental will come over the viaduct, as I understand it at Cap Rouge, and then will come into Quebec by the valley of the river St. Charles, coming down by the Canadian Northern railway connection. Then we will have the union station at the Palais and at the same time the Transcontinental commission and the Minister of Railways are extending the lines of the river front from Sillery to the Champlain market. From the Champlain market there is a gap over which a railway is going to be built. So that the Transcontinental now will go encircling the whole city of Quebec. These are the arrangements and it is no wonder that the people are so well satisfied with them.

However, the vagueness of the declarations of the Government on the use of the Champlain market site confirms that conclusion. Secondly, he is proposing to rent the right of way on the Canadian Northern and on the Canadian Pacific, so as to bring up the traffic of the Transcontinental from Cap Rouge, through the St. Charles valley, to the wharfs where are moored the ocean steamers.

Therefore, the Government is giving up the advantage to have its own track and puts itself at the mercy of the Canadian Northern and the Canadian Pacific. More than that, the Quebec Harbour Commissioners are even going to build the required line from the Champlain market site to the central station which it is proposed to erect at the Palais, and thence to the wharfs where the steamers come alongside. I have the greatest confidence in the Quebec Harbour Commission, which is composed undoubtedly of men who have at heart the interest of our city and our harbour; but I cannot see why the Government should not itself build that line, which, after all, is the continuation of the terminal tracks.

According to that policy, the Government will have to make arrangements with that company and that commission, and to pay those rentals for the circulation of the Transcontinental. Would it not have been more advantageous to have used the thousands of dollars which are going to be paid annually to go on with the works at the Champlain market and farther up, which works would have been the property of the Government and of which it would have had the absolute control? Such is the principle which has been affirmed in the report which I have just read.

Then, what justification has the Government given for having stopped those works since it has assumed power in September, 1911? None whatever. At that date, work had been started on the terminal tracks, and they were just about beginning the foundations of the shops and of the station. I am not naturally, at this moment, criticising the decisions which had been arrived at, as to the site where those shops and that station were to be erected. That is a settled question, and I accept that decision. And the result of all those delays, of all those interviews, of all those delegations, has been the policy which I have just exposed, that is to say the negligence of the Government to use its own terminal tracks and so putting itself at the mercy of the companies, which I have just mentioned.

I will frankly tell the Government what a great many people are thinking of all those changes which do not seem to be justified. It is that what the Government and the parties interested have in mind is to prevent practically the city of Quebec from becoming the terminus of the Transcontinental during the season of navigation. It must be admitted that those who have all that in mind are to a certain extent justified to think so by the alterations which have been authorized by the Government on the grades of the Transcontinental, from Cochrane to Quebec.

From the discussion which has taken place in this House, and also from the correspondence exchanged between Mr. Leonard, president of the Transcontinental Commission, and Mr. Chamberlain, president of the Grand Trunk. there comes out the implicit admittance that such altera-

tions of those grades will result in affecting considerably the hauling capacity of the trains. And the fact is so evident that Mr. Leonard declares that it would be then an easy thing to come back to the maximums and minimums of grades as established at first. Then, if there is an uncertainty as to the result of those changes, why has not the Government stood by the first decisions of the engineers on that question, and which were that the Transcontinental has been built from Cochrane to the Pacific ocean, and from Quebec to Moncton? Why have those alterations been authorized only from the section between Cochrane and Quebec?

The only justification given by the Government is that there will be a saving of money on the construction. But, surely, it cannot hope that serious people will believe that, under pretext of saving a few thousand dollars on an enterprise of 160 millions, it could be justifiable to compromise on that section the efficacity of the railway.

The Government has put $3,500,000 at the disposition of the Quebec Harbour Commissioners. That sum of money is destined to the works required, so that the city and the harbour of Quebec may be put in a position to handle the considerable traffic which will come by way of the Transcontinental.

But of what use can be those works if, through the alterations of the grades, that traffic in which Quebec is interested is now reduced to a minimum?

We have there the actual situation. In short, nothing is determined and nothing is decided. The Government says they want to erect a small station at Champlain market, and a central station at the Palais, but nobody knows when those works will be started, what will be those stations and what they will cost. They do not even know if the seven or eight railway companies, which would have interest in using the central station, are concurring in those views. The Government wants to use the line which will be built by the Harbour Commission, as I have already said, and also the line of the Canadian Northern and that of the Canadian Pacific, but there has been no arrangement made to that end with those companies; and if the Government cannot come to any arrangement with those companies, in what position will it be, and consequently in what situation will then be the city of Quebec, as terminus of the Transcontinental?

The hon. Postmaster General has stated, the other day, that the citizens of Quebec were delighted with those arrangements. It may be that some people who are interested in the scheme have so declared their satisfaction. But I have reason to believe that the majority of the citizens are not so well satisfied, and that what they desire is to see the Transcontinental entering Quebec on its own line, and to have communication established with the ocean navigation and the maritime trade by means of works which would be its own property, and of which it would have the absolute control, independently of all other companies.

Railways and Canals, chargeable to capital—Intercolonial railway, Bathurst—new station, $8,000.

Mr. TURGEON: Is the contract let for the construction of that new station?

Mr. COCHRANE: Not yet.

Diversion of line between North Sydney and Leitche's Creek, $100,000.

Mr. GRAHAM: Which line is that?

Mr. COCHRANE: I do not think there has been any decision made as to which one it will be. The front line will cost $750,000, and the back one about half that. This will not complete it, but it will make a start.

Mr. GRAHAM: As I understand, there are two lines, one going along the water front and the other farther back. The question as between these two lines is one that I suppose my hon. friend will decide?

Mr. COCHRANE: Yes, I will go down there and look over the ground.

Halifax—electrical equipment for charging electric lighted cars, $3,500.

Mr. BOIVIN: Is it the intention of the minister to put electric light in all the cars?

Mr. COCHRANE: No, we will start with a few of the sleeping and dining cars.

Installation of block system in connection with operation, $140,000.

Mr. GRAHAM: Will that install the whole system?

Mr. COCHRANE: No, that will only cover forty-one miles, between Moncton and St. John.

Mr. GRAHAM: You are going to install it first on the line used by the Canadian Pacific railway as well as the Intercolonial railway?

Mr. COCHRANE: Yes, where there are the most trains.

Mr. GRAHAM: You are going to establish it first where extra traffic is?

Mr. CARVELL: The Canadian Pacific railway are extending the block system from McAdam Junction to St. John, and this will simply be a continuation of it.

Mr. MACDONALD: How is the minister getting along with giving the Canadian Pacific railway running rights to Halifax?

Mr. COCHRANE: I hope that we will get down to an agreement before navigation closes.

Mr. BOULAY: Will the minister explain what the block system is?

Mr. COCHRANE: My hon. friend is a railway man and he will probably understand it. No two trains will be allowed on the same block at the same time.

Moncton—elimination of level crossings and grades, $100,000.

Mr. GRAHAM: How many are there?

Mr. COCHRANE: This is to do away with that grade at Moncton.

Moncton—installation of cork roofing, $26,000.

Mr. COCHRANE: We found that the cement packed roof with the heat and consequent condensation in the wintertime got very bad, and this is to provide a cork lining.

Pugwash—spur line—Pugwash, $58,000.

Mr. MACDONALD: Will that be put under contract this summer?

Mr. COCHRANE: Yes, the grading and all that is to be done by contract.

St. John—spur line to Courtenay Bay, $135,000.

Mr. CARVELL: Will that be contract work?

Mr. COCHRANE: Yes.

To increase accommodation and facilities along the line—further amount required, $83,500.

Mr. COCHRANE: The details of this item are as follows:

Station at Graham	$ 1,200
Loading platform at Bic	320
Turntable and covering at Sayabec	10,500
Sidings at St. Jean Chrysostome	10,000
Water supply at Dorchester	1,800
Motive power for Fredericton and Grand Narrows bridges	6,000
Road at St. Charles de Bellechasse	5,000
Additional telegraph wire, Ste. Rosalie Junction to Moncton	21,500
Settlement of McConnell claim for damage to land at Boiestown	1,600
Settlement of Ross claim for damage to property by construction of the Y at Stellarton	500
Unforeseen	25,000

Mr. MACDONALD: Has the minister any information as to any system of running trains between Truro and Port Mulgrave which would interfere with the present location of the men at Stellarton?

Mr. COCHRANE: There has been nothing done.

Mr. MACDONALD: Is anything contemplated?

Mr. COCHRANE: I have not heard of anything.

Prince Edward Island railway—branch line—Harmony to Elmira—revote, $1,500.

Mr. HUGHES (Kings, P.E.I.): Can the minister tell me how much it cost the Government to complete this road after taking it off the contractor's hands?

Mr. COCHRANE: The statement is being prepared and I can send a copy to my hon. friend.

Mr. HUGHES: The Government did a good deal of work that the contractors were obliged to do, I understand. The contractors had not finished their contract when the Government took it off their hands.

Mr. COCHRANE: They gave up the contract, and it was finished by day labour and charged to them.

Mr. HUGHES: That work cost two or three times more than it should have cost; it was scandalously managed.

Mr. COCHRANE: I will send you a statement.

Mr. HUGHES: I asked the minister to do more; I asked him to make an inquiry.

Mr. COCHRANE: If I give you a statement it will be an inquiry, I tell you.

Mr. HUGHES: Then I think the minister will be surprised.

Mr. COCHRANE: Perhaps I will.

Mr. HUGHES: The minister told me the other day he would pay a visit to Prince Edward Island this summer, and look over that part of the road. I would be pleased if he would give me an opportunity of meeting him, and I might point out some things to him. I believe the minister to be an honest man; I have faith in him that he does not want the department to be robbed.

Mr. GRAHAM: I think my hon. friend (Mr. Hughes) will want something when he gets you down on the Island.

Mr. COCHRANE: All right.

Mr. HUGHES: I asked the minister the other day why did not the steamer that called at Charlottetown call at the railway wharf?

Mr. COCHRANE: I will look into that when I go down there.

Mr. HUGHES: Why, it is a small matter. The department could get that information by telegram. I am afraid I will have to take back my commendation of the minister. It is a matter of considerable importance to the people of the Magdalen

Islands to get their freight at the railway wharf, because the freight now has to be carted from a private wharf, and the people have to bear the expense.

Mr. COCHRANE: How long have they been doing that?

Mr. HUGHES: This season.

Mr. CARVELL: I want to assure my hon. friend from Prince Edward Island (Mr. Hughes) that the department charged up every dollar to the contractors they possibly could charge up. It is not the minister's fault. There may have been stealing, and I do not know anything about that, but things were charged up to these contractors that the department had no right to charge against them. If ever contractors were driven to the wall and made come up to the scratch, it was the contractors on the Elmire branch. They charged to these contractors goods which were sold by a merchant to a sub-contractor, and which goods never went on the work at all; items such as clothing and underclothing, and ladies' dresses and hats, and things of that kind; which were sold by a merchant to a man who happened to be a sub-contractor, and the department made the contractors pay these bills. If ever men were used harshly by a department, it was the contractors of the Elmire branch, and my hon. friend from Prince Edward Island (Mr. Hughes) need not think the contractors got anything out of that. If there was crooked work done it was done by the people of Prince Edward Island themselves.

Hon. MEMBERS: Carried.

Mr. HUGHES: No, I will not allow that statement to go. I know there was crooked work done, but I have pretty fair proof that the departmental officers were cognizant of it.

Mr. COCHRANE: I will be glad to get that information from you.

Mr. HUGHES: I know that two men supplied the same material and it was knocking about the work. Paint was supplied by Matthews and McLean, of Souris, and Simon Crabb, of Charlottetown. I do not blame these gentlemen, because it was ordered from them, but whoever was responsible for it should be called to account. That paint was knocking around and finally disappeared. The management was absolutely incapable.

Private car, $18,000.

Mr. GRAHAM: Who is this private car for?

Mr. COCHRANE: For all.

Mr. GRAHAM: This is called a 'private' car; they used to be called 'official' cars.

Mr. COCHRANE: Official car is the proper name for it.

Mr. GRAHAM: The Minister of Militia has a private car of his own, and I presume this is for some other minister. I have known a government to be criticised for having private cars when they had less than the present Government are able to own. Is this car for any particular person?

Mr. COCHRANE: It is not.

Mr. GRAHAM: Does anybody use the private car of the Minister of Militia outside of himself—and his friends of course?

Mr. REID (Minister of Customs): Yes.

Mr. GRAHAM: Is the car of the Minister of Militia under the control of the Railway Department?

Mr. COCHRANE: I do not think it is.

Mr. GRAHAM: Well, I think it ought to be. It is a very bad principle to establish. Every minister now will want a private car and I can see difficulties ahead.

Mr. COCHRANE: We will call this an 'official' car instead of a 'private' car.

Mr. GRAHAM: It would be better because the Minister of Militia may want a private car to go down to the St. Jerome Club and to carry on it that special brand of cigars which he is said to take down there. I am not objecting to ministers using cars in reason, because it facilitates their transaction of business, but I warn the minister to be careful about private cars, because the Minister of Militia having got one, the Minister of Railways may be ordered to buy one for each member of the Government. Will this car be bought in Canada?

Mr. COCHRANE: No, it has not.

Mr GRAHAM: It has been already purchased?

Mr. COCHRANE: Yes.

Mr. GRAHAM: Seeing there are so many manufacturers of high class cars in Canada; cars that are fit for any minister of the present Government to travel in, some of the manufacturers think the Government should buy these cars in Canada.

Mr. EMMERSON: Now that the managing board of the Intercolonial railway has been abolished, could you not distribute their private cars amongst the members of the Government and thus save expense?

Mr. COCHRANE: I move that the word 'private' in this item be changed to official.

Mr. MACDONALD: When was this car purchased?

Mr. COCHRANE: A month ago.

Mr. MACDONALD: Where?

Mr. COCHRANE: At Bangor, Maine.

Mr. MACDONALD: Was it purchased for the particular use of any official of the Intercolonial?

Mr. COCHRANE: No, it is one of the official cars.

Mr. GRAHAM: Is it a new car?

Mr. COCHRANE: It was built a little over a year ago.

Mr. MACDONALD: Is this the purchase price?

Mr. COCHRANE: Yes—$18,000.

Mr. GRAHAM: Does not my hon. friend think it is a wrong principle to make a purchase before the money has been voted by Parliament?

Mr. COCHRANE: It was a good opportunity.

Mr. GRAHAM: Purchases are not supposed to be made by the Government until there is a vote. Otherwise, the Government could buy anything they liked and come to Parliament afterwards for the money. The true parliamentary principle is to get the vote first and make the purchase afterwards. Suppose this House should refuse to vote the money for this car—I do not suppose it will be so cruel, seeing the need for the car was so great—see what a predicament the Government would be in.

Mr. EMMERSON: And what about the law with respect to tender and contract except in cases of great urgency? That does not seem to have been observed. I assume that the urgency of the case was not such—

Mr. COCHRANE: It was the opportunity.

Mr. GRAHAM: No, it was a great need—an emergency.

Mr. MACDONALD: From whom was the car bought?

Mr. COCHRANE: From the Bangor and Aroostook line.

Mr. MACDONALD: What would be the cost of a new car such as this?

Mr. COCHRANE: I think they stated that it cost over $27,000. It had been used only a little over a year.

Mr. MACDONALD: The abolition of the board has thrown two or three other cars—

Mr. COCHRANE: Only two.

Mr. MACDONALD: The Minister of Militia has a car. So, though we have no more ministers, we have four more official cars than we had eighteen months ago.

Mr. COCHRANE: Not four.

Mr. MACDONALD: You have two that are taken from the officials of the Intercolonial, members of the board?

Mr. COCHRANE: No, Mr. Burpee still has his car.

Mr. MACDONALD: Mr. Pottinger's car is taken and Mr. Tiffin's.

Mr. COCHRANE: Mr. Gutelius takes one.

Mr. STANFIELD: Mr. Pottinger's car is hardly safe to ride in. I was in it for an hour and was glad to get out.

Mr. MACDONALD: Surely the chief whip is entitled to a special car, too. All this means that we have three more cars for the use of the minister than we had eighteen months ago. I would point out to the minister that he really has no right to have this vote passed at all. He had no business to buy the car without a vote of Parliament; and it is only by grace of the Opposition at this stage of the session that this vote is allowed. Why should the minister purchase cars in the United States? The hon. member for Queens and Shelburne (Mr. McCurdy) is interested in a car company, and they are in a position to manufacture private cars quite as good as those manufactured for the Bangor & Aroostook road. If private cars are to be obtained, I would prefer for one, to vote the money to the minister to pay for a new car purchased in Canada than to go to a Yankee road for a second-hand car. When we come into power, we do not want second-hand cars. The minister should understand that he cannot depend on another occasion, to put over on the House the buying of second-hand cars in the United States.

Mr. EMMERSON: It was necessary, not very long ago, to furnish a new car for the Governor General, Earl Grey. That car was built at Amherst by Rhodes Curry & Company. Certainly, it did not cost $27,000. It was built, I think at an expense of $20,000.

Mr. COCHRANE: Furnished?

Mr. EMMERSON: Ready for use, if I remember well. It may not have had the beds and that sort of thing, but these certainly would not cost $7,000. And that car was purchased by tender and contract. Was this car bought from the Bangor & Aroostook road directly, or was there some individual intermediary?

Mr. COCHRANE: Direct from the railway company—there was a change of president.

Mr. MACDONALD: Before we leave these items; I would like to call the minister's attention to the petition I sent in some time ago for the more frequent running of the train between Trenton and Pictou Landing. There has been a great increase in population along that line of railway.

The train is run as a local. The workmen in the various industries use it, but it is not run early enough in the morning to carry them to their work. If the minister will look into this matter, I shall be obliged.

Mr. COCHRANE: I think I already have a note of that.

Canada Highways Act.

To provide for the payment, under the Canada Highways Act, of the following subsidies to the several provinces of Canada for the construction or improvement of highways, or for both such purposes as in the said Act mentioned, that is to say, on $1,500,000 basis:

Alberta	$ 78,282 00
British Columbia	82,005 00
Manitoba	95,196 00
New Brunswick	73,524 00
Nova Scotia	102,870 00
Ontario	527,201 00
Prince Edward Island	19,584 00
Quebec	418,449 00
Saskatchewan	102,889 00
	1,500,000 00

Mr. CARVELL: I do not wish to take up much time, but I want to make a proposition to the Minister of Railways with regard to this item. We know from discussion in this House earlier in the present sitting that the Canada Highways Act will not become law this year. So, it looks as if the provinces would be deprived of this $1,500,000. I assure the minister that it will be a great harship to practically all the provinces. I am not going into a discussion of who is right and who is wrong in the matter—we have threshed that out already. But as I view it, the provinces want to get this money. Speaking for my own province we need it, the worst way. If the minister can find worse roads in Canada, those roads will be found to be pretty bad. This $73,000 for New Brunswick would not be very much, but it would be something. It would be a great benefit to the people if we could use it for ordinary temporary work, not even for permanent work. Would not the minister be willing to change this vote to such an extent, that for this year at least this amount of money would go to the provinces just in the form of a subsidy? Such a course would not bind the minister to anything in the future, nor would it create any dangerous precedent. The hon. minister may have time next year to repent of his rash act in refusing to bring down and put through proper legislation, and the people would have the benefit of this amount of money. This could easily be effected by striking out a few words which would make this appropriation a subsidy to the provinces.

Mr. COCHRANE: I am afraid I cannot comply with the suggestion of the hon. member for Carleton. I am sorry that there is a disagreement with regard to this matter, but I have seen a good deal of road money expended and in many cases I do not think it was spent in the interest of the provinces or the country it was supposed to serve. I think the Dominion can take a stronger stand on this than the different provinces can. We have officials who are capable of laying down the specifications for permanent roads equal to anything in this country, and I think if we did nothing more than lay down a specification of that kind and carry it out we would do a great deal and show the people the benefit of making permanent roads. The first essential of good road building is drainage, and the people do not seem to realize that; they turn up the sod and let the water soak through it during the wet season. I hope that before the House prorogues the Senate will see the error of their ways.

Mr. CARVELL: I am sorry indeed that the minister takes such a pessimistic view of the matter. There will be greater disappointment all over Canada, especially in my province The Premier of Nova Scotia will be disappointed, because, when he has not been attending the Presbyterian congress at Toronto, he has been travelling through the country interviewing newspapers and saying what he will do with the $73,000 if the wicked Senate does not defeat the Bill. He wants that $73,000; he has ample opportunity for spending it, and if it were $730,000 he could squander it all in a few months. Possibly some little benefit might come from it as well. He is providing for provincial engineers and county engineers who will, perhaps, be able to carry on the work as efficiently as the minister could. I hope the minister will consider his rather hastily formed decision, and decide to amend this resolution as I have suggested. He would not change the vote or its destination; he would simply change the condition under which it is granted.

Mr. COCHRANE: I intended to make a definite arrangement with the provinces as to the roads upon which this money should be expended.

Mr. CARVELL: That can be done under the arrangement I suggest. I was somewhat surprised upon looking at the public accounts this afternoon to find that in 1867 the total taxes collected from the people of Canada were $11,700,000, and that subsidies were paid to the provinces to the amount of $2,753,000, or 24 per cent. In 1911 and 1912 we collected $105,847,000, and only paid $10,281,000 in subsidies, or only 10 per cent. Having regard to the increased revenue of last year, this percentage would probably be decreased by 2 per cent. This

is a wonderful shrinkage, yet, in proportion to the revenue of Canada, the provinces have not the money to-day that they had forty years ago. My hon. friend could very well afford to increase the subsidy, and make this a grant to the provinces. He will at least have washed his hands of the matter and any blame will have to fall upon the wicked Senate. I move that this resolution be amended by striking out of lines 1 and 2 thereof the words 'under the Canada Highways Act,' and by striking out of lines 4 and 5 thereof the words 'as in the said Act mentioned.' The amended resolution will be as follows:

To provide for the payment of the following subsidies to the several provinces of Canada for the construction or improvement of highways or for both such purposes, that is to say on $1,500,000 basis.

Including the amounts as apportioned to the different provinces in the resolution.

The CHAIRMAN (Mr. Nickle): I think I shall have to rule this out of order. The Governor General sent this resolution down with his message, stating a definite method of expenditure, and any resolution altering that method of expenditure is, in my judgment, out of order.

Mr. CARVELL: I appeal from your decision.

Mr. SPEAKER having taken the Chair, Mr Nickle for the Chairman of the Committee, reported as follows:

On item No. 542, Mr. Carvell moved to strike out the words in section 542 'under the Canada Highways Bill' and the words 'as in the said Act mentioned.' The Chairman ruled the motion out of order for the reason that it changed the method of expenditure as defined in the recommendation of the Governor in Council. From this ruling Mr. Carvell appealed to the House.

House divided on the question 'Shall the ruling of the Chairman be confirmed?'

YEAS:

Messieurs

Ames,	Morphy,
Barrette,	Morrison,
Blain,	Nantel,
Blondin,	Nicholson,
Borden,	Reid (Grenville),
Boulay,	Rhodes,
Brabazon,	Rogers,
Broder,	Sexsmith,
Cochrane,	Sharpe (Lisgar),
Coderre,	Shepherd,
Crothers,	Smith,
Fisher,	Smyth,
Foster (Kings, N.S.),	Stewart (Hamilton),
Fripp,	Stewart (Lunenburg),
Girard,	Taylor,
Henderson,	Thompson (Yukon),
Lamarche,	Thornton,
Lancaster,	Walker,
McKay,	Weichel,
McLean (Queens, P.E.I.),	White (Leeds),
Mondou,	White (Renfrew).—42.

NAYS:

Messieurs

Boivin,	Lanctôt.
Cardin,	Macdonald,
Carvell,	McCrea,
Delisle,	Pacaud,
Emmerson,	Papineau,
Fortier,	Proulx,
Graham,	Sinclair,
Hughes (King's, P.E.I.),	Tobin,
	Turgeon,
Lachance,	Verville,
Lafortune,	Warnock.—21.

Ruling confirmed.

House again in Committee of Supply. (Mr. Deputy Speaker in the Chair.)

Trent Canal—construction, $250,000.

Mr. GRAHAM: Is this for the Severn river end?

Mr. COCHRANE: Yes.

Canadian Highways Improvement Act—amount required for operation of Act, including organization and payment of staff to carry out provisions thereof, $25,000.

Mr. GRAHAM: Would the minister tell us in a word or two what his organization will be for the operation of the Highways Act?

Mr. COCHRANE: I have not given it any consideration. I suppose we would require to have somebody to act in the capacity of deputy minister to take charge, and there would have to be some office staff and some inspectors, but there has been no organization as yet.

Branch lines—working expenses, $500,000.

Mr. GRAHAM: Has anything evolved from the suggestions made earlier in the night with regard to a conference with the Senate?

Mr. COCHRANE: A member of the House asked me if I would meet a senator, and I said I would, but I have had no word since.

Mr. GRAHAM: I would again urge the advisability of an informal conference, so that we might arrive at some basis of agreement by which this Bill could go through.

Transcontinental railway—operation of the line from Moncton to Edmundston, $100,000.

Mr. CARVELL: What is the intention as to the operation of the Transcontinental during the present year?

Mr. COCHRANE: The intention is to operate that line in New Brunswick. Mr. Gutelius told me the other day that he was going to operate it from the boundary of Quebec.

Mr. CARVELL: Will it be operated as a separate system, or as part of the Intercolonial?

Mr. COCHRANE: As a part of the Intercolonial, but on a separate account.

Mr. GRAHAM: Before we pass from the Railways and Canals estimates, I desire to call attention of the Minister of Railways to the fact that I received correspondence lately about what will be known as the Morton locks if constructed. The people in that vicinity say that the Finance Minister promised them that this work would be done.

Mr. COCHRANE: We have surveyors and inspectors investigating the matter, and we will give a decision later.

Mr. GRAHAM: The lock will not be built this year.

Mr. COCHRANE: No, but we can investigate.

Mr. WHITE: They told me that you had promised it for years.

Mr. GRAHAM: I hope the promise will be kept.

Post Office—outside service—further amount required for provisional allowance, $11,160.

Mr. BOIVIN: The other night I asked the Postmaster General if he would give me some information concerning the dismissal of Mr. Massé, postmaster of Roxton Falls, and if he would give me specific instances of political partisanship of which Mr. Massé was accused. He said he would have the information when the supplementary estimates were reached.

Mr. PELLETIER: Note was taken by the officers of the department of all the requests made, but they tell me that no note was taken of my hon. friend's request. I will undertake to write to him, however, and give him the information.

Mr. CHISHOLM (Antigonish): Will the minister tell me who has succeeded F. R. Irish as postmaster at Afton, and who has succeeded Alexander Fraser, postmaster at Fraser's Grant.

Mr. PELLETIER: Were the papers in these cases not laid before the House today?

Mr. CHISHOLM: Not that I am aware of. There have been so many dismissals that perhaps the minister has become confused.

Mr. PELLETIER: If my hon. friend will write to me, I will try and give him the information.

Mr. CHISHOLM: I think I am justified in making a protest in the way I have received information from the Post Office Department.

Mr. COCHRANE

Mr. PELLETIER: I have the Fraser papers here.

Mr. CHISHOLM: What was the charge?

Mr. PELLETIER: The charge was political partisanship and he refused to sign the declaration which was sent to him. My hon. friend wrote me a letter telling me he was doing so on his advice.

Mr. CHISHOLM: Perhaps you had better read the letter. Who laid the charge?

Mr. PELLETIER: Senator Girroir.

Mr. CHISHOLM: Will you read the charge?

Mr. PELLETIER: It was transmitted by Senator Girroir and laid by the president and secretary of the Liberal-Conservative Club.

Mr. CHISHOLM: Who are they?

Mr. PELLETIER: W. R. Sterns, president; and William J. Rogers, secretary.

Mr. CHISHOLM: Who is the postmaster appointed?

Mr. PELLETIER: W. J. Rogers.

Mr. CHISHOLM: The secretary of the association?

Mr. PELLETIER: A pretty good man.

Mr. CHISHOLM: You must take cognizance of the fact that he is a partisan. What about F. R. Irish?

Mr. PELLETIER: That is a clear case, he resigned.

Mr. CHISHOLM: Who preferred the charge against him??

Mr. PELLETIER: It is a case of resignation.

Mr. CHISHOLM: The minister cannot get away from it in that way. There was a charge of partisanship made against him and he resigned.

Mr. PELLETIER: I have no charge, simply a resignation.

Mr. CHISHOLM: Why? It was compulsory.

Mr. CHISHOLM: Who were the parties who laid the charge?

Mr. PELLETIER: Sterns and Rogers.

Mr. CHISHOLM: Will the hon. gentleman be good enough to read what the charge is?

Mr. PELLETIER (reading):

To the Hon. Postmaster General,
Ottawa,

We the undersigned, president and secretary of the Liberal-Conservative Club, for polling district No. 10 in the county of Antigonish and the province of Nova Scotia,

hereby recommend the dismissal of Frederick R. Irish, postmaster of Afton in the county of Antigonish as postmaster because the said Frederick R. Irish has been an active partisan. The following are the specific charges against the said Frederick R. Irish:

Charges—attended Liberal caucuses, chairman at Liberal meetings and spoke in favour of Liberal party at meetings; acted as agent of Liberal candidates in polling booth and canvassed for the Liberal party generally.

We sent him the papers, and as a result he resigned.

Mr. CHISHOLM: Will you read his letter of resignation?

Mr. PELLETIER:

Afton, April 19, 1913.

Post Office Inspector,
Halifax.

Dear Sir,—On the 4th instant I mailed my resignation as postmaster to the department at Ottawa to take effect on the 18th instant. Have not heard from them about it. I want to be relieved as soon as possible as my assistant is away at present and my business compels me to be absent a good part of the time. Please let me know when the transfer will be made as I do not wish to have an assistant appointed for such a short time.

Yours truly,
(Sgd.) Fred. R. Irish,
Postmaster.

Mr. CHISHOLM: Who was appointed as his successor?

Mr. PELLETIER: William R. Sterns.

Mr. CHISHOLM: At this late hour I do not propose to take up the time of the House, but I wished to get this information. I found there was no other way in which I could get it except by bringing it up in the House this evening. It is true that Mr. Irish did resign. He resigned because there was a charge of partisanship preferred against him by W. C. Chisholm, the secretary of the club. W. C. Chisholm is now the Indian agent and I observe that he has ceased to sign his name to these charges. He was an active partisan all his life, and when these charges were made he signed the documents. It is rather refreshing to find W. J. Rogers making charges of this kind while at the same time seeking office. As far as Mr. Irish is concerned he has been a Liberal all his life. The office has been in that family for upwards of fifty years. His is the most centrally located place there, and the people of the district protested emphatically against the removal of the office. But the office was removed a month ago from a location that suited the convenience of the people. When Mr. Irish found that Partisanship had run mad down there and that charges had been made against him he resigned. As far as Fraser is concerned, I am not going into his case but I will say to the minister that he has in his department information that is absolutely at variance with the facts, but information that he seizes upon in order to find an excuse for the dismissals that he makes. Mr. Fraser is not and never has been a partisan. I wrote a letter to the Department of Marine and Fisheries in compliance with his request stating that Fraser had received notice that he would be dismissed unless he made this declaration, a declaration that no conscientions man would make, a declaration that must have been drafted either by a knave or an ignorant person. If the intention was to draw up the declaration so that a man to whom it was submitted could not make it then the author of it was a knave. If, on the other hand, we are to look at the affidavit in the form in which it is drafted we must come to the conclusion that the author of it did not know very much about drawing up affidavits because the declaration covers all times. It states: I never paid any money, I have not given any liquor, I have not carried any voters to the polls at any time whatever. He is asked to declare that he has never done so. If a man is a tax-payer and he pays his taxes to the tax-collector and the tax-collector happens to be a voter he cannot make that declaration because he has paid money to a voter. If he had treated his neighbour at Christmas time he could not make that declaration because he would be swearing to what was untrue. The declaration was drawn in a form so that no conscientious man could make it.

Mr. PELLETIER: A good many Grits signed it.

Mr. CHISHOLM (Antigonish): Perhaps so, because it was represented to them it only referred to elections. Grits signed that declaration and the moment it was received in the department the Postmaster General wrote them expressing surprise that they should sign such a declaration and virtually charged them with perjury. I refer to the case of McDonald, postmaster at McArras Brook, who signed one of those declarations and the department wrote: We are surprised you would make a declaration of that kind; do you understand it amounts to an oath; we must ask for an investigation. The investigation was held, and Duchemin was there, and there was no evidence against the man, and he still holds his job. When Mr. Fraser received that declaration from the Postmaster General he at once said: What is the use of signing it, because if I sign it I will be dismissed as my neighbours were, and probably charged with perjury. A more shameful, dastardly method of dealing with respectable men than that in which the Postmaster General has been dealing with

honest citizens, was never known before. Such treatment as that deserves the condemnation of everybody. Senator Girroir asked that James Stewart, of Middleton, be dismissed because the office was taken away from John McDonald and given to James Stewart, some time after 1896. The facts are that James Stewart refused again and again to take the office until he was pressed by the people of the district to do so because his place was centrally located and better adapted for the purpose than John McDonald's, which was at the extreme end of the section. If the minister looked at his records in the department, he would have found that to be the case. In the case of Lachlin McNeil, postmaster, Senator Girroir asked that he be removed and the office given to Peter Perrault, because the office was taken away from Perrault and given to McNeil some years ago on account of partisanship. The minister looked at the files in his department and he found that Girriornis stated the facts that Peter Perrault had resigned and removed from the section some time before McNeil had got the office, and Perrault's son got tired of keeping the office and asked that the office be taken away. The next thing was a charge of partisanship against Lachlin McNeil, and he was asked to make a declaration, but he declined to make it in that form, but he was ready to swear that he never was guilty of any kind of active partisanship in municipal, local or Dominion elections. And what do you think, but the minister dismissed McNeil for not signing the declaration? The minister drew up a declaration that no conscientious man could make, and when he found a man would not sign it he dismissed him.

Mr. SINCLAIR: I wish to get an explanation from the Postmaster General in connection with the following returns which have been ordered by the House. I do not expect the returns to be brought down before the close of the session, but I wish to state to the minister what they are, on the understanding that he will have his officers forward these letters as ordered by the House, to my address. I refer to the dismissal of J. J. McNeil, postmaster at Giant's Lake; the papers relating to mail contract between Sherbrooke and Sheet Harbour; dismissal of George Taylor, postmaster at Beckerton; dismissal of Captain F. Myres, postmaster at Coal Harbour; dismissal of J. F. Reeves, postmaster at Mulgrave; dismissal of Rufus Carrigan, postmaster at Sand Point; dismissal of William McKinnon, postmaster at Erinville; dismissal of Parker S. Hart, postmaster at South Manchester, all in Nova Scotia.

Mr. CHISHOLM (Antigonish).

Mr. PELLETIER: I will have copies made of these returns, and one copy will be sent to my hon. friend, and the other placed in the House.

Mr. PROULX: How many postmasters have been dismissed since the hon. gentleman (Mr. Pelletier) became Postmaster General?

Mr. PELLETIER: I cannot say offhand.

Mr. PROULX: Approximately?

Mr. PELLETIER: I do not know.

Mr. TOBIN: I want to know for what reason the contract of Mr. E. Bougie, for carrying the mail between the post office and the railway station at Brompton Mills was cancelled? I have made enquiry as to this some time ago, and have received a copy of the records in the case; but it does not say for what reason the contract was cancelled.

Mr. TOBIN: On March 10 last, I put certain questions on the paper with regard to this matter, and received an answer from the Postmaster General. They are as follows:

1. Has notice been given to Mr. E. Bougie that his contract to carry the mails between the post office and the railway station at Bromptonville, will be cancelled on March 31, 1913?

2. If so, what are reasons for cancelling the contract, and upon whose recommendation or at whose suggestion did the department take this action?

3. Has any application been made by anyone to have this contract? If so, what are the names of the applicants and by whom are they recommended?

4. Has any petition been received asking that this contract be not cancelled?

Mr. Pelletier: Three months' notice was given, according to a clause in the contract. No arrangement has yet been made.

Now, this is a case which the Postmaster General cannot justify, nor can any officer in his department. Mr. Bougie is a man 84 years old, a cripple, with no other means of support.

Mr. CARVELL: What is the amount?

Mr. TOBIN: Ten dollars a month—$120 a year. I talked this matter over with the Postmaster General personally and asked him to investigate the case, which he promised to do. Among the letters on the file brought down to the House is the following:

Ottawa, February 20, 1913.

Dear Sir,—I am directed by the Postmaster General to enclose herewith a copy of a letter received at the department from Mr. Louis Lavoie, of Bromptonville, together with a copy of the petition from the residents of Bromptonville, asking for the retention of Mr. Evariste Bougie as contractor for the mail

service between Bromptonville and railway station.

Will you kindly favour the department with an expression of your views on this matter.

Yours truly,

(Sgd.) H. B. Verret,

Assistant Deputy Postmaster General.

John Hayes, Esq., M.D.,

Richmond, P.Q.

And there is a petition to the Postmaster General signed by over a hundred of the residents of Bromptonville in favour of Mr. Bougie being kept in his position. But I do not see any letter in answer to this petition, even acknowledging its receipt. There was no complaint by anybody against Mr. Bougie. There were parties who wanted to have him dismissed, not for political reasons, but because they said: We have got to keep our friends together, and to do that we must cut the head off this old man. The contract was given to a retired gentleman who has a revenue of $30 or $40 a month and who is alone. I think the Postmaster General should tell me and tell this House, that when he investigates this matter, if he finds an injustice has been done, he will see that it is rectified. If he will make me that promise—which he ought to make, because no justification can be shown for this dismissal, and there is no partisanship in the case—I shall be satisfied. Mr. Bougie is too old a man to take part in politics. He certainly has not taken part in politics for a number of years, if he ever did.

Mr. CHISHOLM: Perhaps he has a brother-in-law who is a Grit.

Mr. TOBIN: I think he is a Grit, but no charge of offensive partisanship is made against him. I hope the Postmaster General will see that justice is done.

Mr. PELLETIER: I have told the hon. gentleman I will look into the matter. I have told him that personally, and I repeat it.

Mr. TOBIN: But if the hon. gentleman finds no case of partisanship against Mr. Bougie will he see that he is reinstated?

Mr. PELLETIER: When I say I will investigate the matter, it seems to me that I go as far as I can go.

Mr. TOBIN: But if there is no reason for his dismissal—

Mr. BOIVIN: If there are no reasons, the Postmaster General will try to find some.

Mr. TOBIN: I would call the attention of the Postmaster General also to the fact that some time ago I asked with regard to the carriage of the mails between François Xavier de Brompton and Windsor Mills. Tenders were called for, and two tenders were put in for the same amount. Both tenderers happened to be Grits. Neither of them was given the contract. The matter was delayed so that a Tory could get in a tender for a few dollars less, and the contract was awarded to him. I do not know whether that is the new policy in the department since the present Postmaster General took office, but I know that under the late regime, when I came here to discuss tenders for my friends and went to the Deputy Postmaster General of that time or to Mr. Anderson, I was told: This is a business department; if your friend is the lowest tenderer he will get the contract, otherwise he will not. That is the way we were treated for fifteen years or more in the Post Office Department. But with the advent to power of the present Government we have the introduction of the spoils system. I hope the Postmaster General will take note of this matter, and if in future he wants to run his department on business principles that when tenders are called the lowest tenderer will be given the contract. Now, I desire to ask, is it the intention of the Postmaster General to increase the salaries of postmasters in the rural districts?

Mr. PELLETIER: I am sure my hon. friend wishes to be fair. This question has been put to me at least twenty times during this session. I have answered it, and am prepared to do so again; but why always the same question?

Mr. TOBIN: This is the first time I have put it. I would urge upon the minister that $35 a year for keeping a post office open from six in morning until nine at night is too little pay for so much work. The salary does not even pay to keep the room clean. And for a number of years past there has been a great deal more for these postmasters to do. Post offices are apt to be located where there is a cheese or butter factory, and people come in for their mail at all hours.

I believe that these postmasters deserve an increase of salary. I hope the Postmaster General will look into the matter and pay his officers a sufficient salary for the work they are doing, and for which they are now so poorly paid. Some time ago I moved for two or three returns, one of which was for a copy of all correspondence regarding the tenders for the carrying of mails between St. Francis Xavier de Brompton and Windsor Mills. I would like to know if the Postmaster General would be good enough to get that information for me and mail it to my address.

Mr. PELLETIER: I will.

Mr. TOBIN: If the Postmaster General will investigate Mr. Bougie's case and send me this return, besides increasing the salaries of the postmasters in the rural districts, I will be satisfied.

Mr. CHISHOLM (Antigonish): Will the Postmaster General make inquiry into the location of the post offices at Doctor's Brook and at Middleton in Antigonish county? The office at Doctor's Brook was moved from Dougald Macdonald's, and is now at the extreme west end of the district. The present postmaster has been receiving his mail in the adjoining post office, yet the Doctor's Brook post office has been sent to his place. The same may be said of the office at Middleton. I want the Postmaster General to get his officials to make a report on this, and I would ask them in all justice to find some Tory in the centre of the districts who will keep an office that will be convenient for the people.

Mr. HUGHES (Kings, P. E. I.): Who is carrying the mail between Lorne Valley and the Forty-eight Road on the Prince Edward Island railway? I have asked this question several times, and the minister said he would get the information for me later. I want to know the number of tenders that were received, the amount of each tender, and the person to whom the tender was awarded.

Mr. PELLETIER: I will take up 'Hansard' to-morrow morning and have my staff write to my hon. friends the most friendly and amiable letters, giving them all the information they want.

Mr. HUGHES: I think the minister might answer my question; I have asked it of him several times.

Mr. PELLETIER: I am telling my hon. friend that I will take 'Hansard' to-morrow, refer to the questions asked by my hon. friends opposite, and write to them, giving them all the information they want.

Mr. CHISHOLM (Antigonish): At the same time, will the hon. minister state why the office was removed from McMillan's at North Grant to Delaneys?

Mr. BOIVIN: In addition to giving the information concerning Mr. J. Massé, which I asked for on May 29, I would like the Postmaster General to let me know who has the contract for the rural mail delivery recently established from the post office at North Hatley, in the county of Stanstead, what is the contract price, who was the lowest tenderer, and what was the amount of the lowest tender.

Mr. PELLETIER: I will. I may say that I promised the hon. member for Rouville that I would put some information on 'Hansard' for him as to the answer given with regard to the rural mail boxes. I will hand it to 'Hansard' so that he will find it there:

Mr. TOBIN.

Memorandum for the Honourable,
L. P. Pelletier, K.C., M.P.,
Postmaster General,
Ottawa.

With regard to the statement of the Hon. R. Lemieux, M.P., that the information contained in the Postmaster General's reply to the inquiry of Mr. Rainville, M.P., regarding the payment for the rural mail boxes did not agree with the information contained in the departmental file in connection with the purchase of rural mail boxes, a copy of which was furnished Mr. Lemieux, the superintendent begs to say that the data contained in the reply furnished to the Postmaster General to the inquiry of Mr. Rainville on the 17th ultimo, is absolutely correct. The memorandum contained in departmental file, to which Mr. Lemieux referred and of which a copy is herewith attached, refers to the second lot of 50,000 boxes. This second lot, while they were received during the period from September, 1911, to January, 1912, were not paid for until the 17th June, 1912, whereas the first 50,000 were, under the terms of the contract, to be paid for as they were received by the department from the contractors. Payments were made as indicated in the reply to Mr. Rainville, during the months of July, August and September of 1911.

The following questions and answers appear on 'Hansard' of April 17, 1913:

Mr. Rainville:

1. When and how were the hundred and ten thousand boxes for the rural mail paid for, which were purchased by the preceding Government without tender?

2. Was there in 1911 a greater number of boxes purchased than were required?

3. Did the present Government succeed in obtaining a reduction on the price of these boxes, and has it consequently paid a lower price than that agreed to by the preceding Government?

4. Was a certain number of these boxes paid for during the election period of 1911? If so, how many boxes, and what amount?

Mr. Pelletier:

1:

Date of payment.	No. of boxes.	Amount paid
January, 28, 1909	6,000	$ 18,000
February 1, 1910.. ..	4,000	12,000
July 4, 1911..	20,000	60,000
August 2, 1911..	10,000	30,000
September 1, 1911.. ..	10,000	30,000
September 20, 1911 ..	10,000	30,000
June 17, 1912..	50,000	135,000

2. Up to 31st December, 1911, only 18,846 of these boxes had been used. The rest of this question is answered by number 1.

3. Yes. A reduction of 10 per cent on the price of the last 50,000 boxes was obtained; the manufacturers receiving $135,000 instead of $150,000 as agreed upon by the preceding Government.

4:

Date of payment.	No. of boxes.	Amount paid
July 4, 1911..	20,000	$ 60,000
August 2, 1911..	10,000	30,000
September 1, 1911.. ..	10,000	30,000
September 20, 1911 ..	10,000	30,000

Deliveries at Toronto of the second lot of 50,000 boxes and fittings in lots of 10,000.

10,000 delivered between September 9 and November 4, 1911.
10,000 delivered between November 5 and December 6, 1911.
10,000 delivered between December 7 and December 22, 1911.
10,000 delivered between December 23, 1911, and January 2, 1912.
10,000 delivered between January 3 to January 12.

50,000 with the exception of 5,332 cranes and 2,952 hoods and locks, completion of delivery of which was promised during week ending January 20.

Customs, salaries and contingent expenses of the several ports in the Dominion, including overtime of officers, notwithstanding anything in the Civil Service Act, $165,000.

Mr. CARVELL: Would the minister kindly give us the general principles upon which these salaries are to be increased?

Mr. REID (Minister of Customs): The Commissioner and Assistant Commissioner of Customs suggested that increase should be given to certain officers throughout the Dominion, and I followed out their recommendation. They know the officers who are deserving; in fact we have tried to give an increase to almost the whole staff.

Mr. CARVELL: That is satisfactory. I must say that I think the customs officials in the outside service are probably the poorest paid officials in the service of the Government. When you compare the salaries which you are paying to your officials for doing splendid work all over the country with the salaries you are paying in the inside service in Ottawa, it must make some of my friends feel almost like thirty cents. I am very glad indeed that the Minister of Customs has taken this matter up and endeavoured to treat these officials fairly.

Mr. REID: I agree with the hon. member that the salaries are low. We have been trying to get good men and to pay as good salaries as we possibly can.

Mr. HUGHES (Prince Edward Island): I find a very great discrepancy and discrimination in Prince Edward Island with regard to the salaries paid the customs officers. At the port of Georgetown the salary paid to the regular officer is $700. The officer who was there for several years has been superannuated and given an allowance of $490. Although this gentleman was somewhat advanced in years, he was quite capable of doing the work, but he was superannuated for the purpose of making a position for another man. These two men are getting a salary of nearly $1,200, and the amount of work is very small; only about $284 are collected. At the port of Montague $973 were collected last year, and one man is doing the work at a salary of $400. That is not fair to the official in the office at Montague. At the port of Souris, $700 is paid, and $2,000 collected. I want to make a plea for these men and the other officials at Murray River, Murray Harbour, Cardigan, Vernon River Bridge, Pinette, Crapaud, Tignish, Alberton and Mount Stewart. It is not fair that these men should get a much smaller salary in proportion to the amount collected than the men at Georgetown have been receiving. Of course the superannuation of the official at Georgetown was not in the interests of the service, but I want to see all the other men get fair play and a square deal.

Mr. REID: I think the salaries paid to the other officers are the same salaries that have been paid there for some time. In respect of some of these officials, they are not supposed to do this work alone; they are there for the purpose of clearing vessels coming in and going out.

At many of the places mentioned by the hon. member there is no revenue and yet they may clear quite a number of vessels.

Mr. HUGHES: I am sure that there would be as much work at Murray River as at Georgetown, and there is a great deal more work at Montague. These men are good supporters of the Administration and they are not fairly used compared with the officer at Georgetown.

Mr. REID: I am acting on the recommendation of the Island.

Mr. HUGHES: I am sure those gentlemen did not recommend that Mr. Owens be superannuated and another man placed in his position.

Mr. REID: Oh, yes, the commissioner of customs recommended it, otherwise I would not have acted.

Mr. HUGHES: All I want is to see that the men at the other points get a fair show, that there is fair play between the ports and that the man at Georgetown shall not be so far ahead of everybody else while he does no more work.

Mr. REID: I shall look into the matter.

Steamship subsidies—between Prince Edward Island, Cape Breton and Newfoundland.

Mr. HUGHES: What company is performing that contract?

Mr. PERLEY: That is performed by the Dominion Coal Company. The service has been under contract for several years. It goes from Montreal to Charlottetown and thence to Sydney and on to Newfoundland. We give them an additional amount this year because, according to statements I have under my hand, the service did not pay last year and there is an arrangement by which, in the fall of the year, they

provide additional steamers when required to take produce to Newfoundland.

Mr. HUGHES: Some years ago they performed a larger service for $12,000. They then called at Souris but a year or two ago that port was cut out.

Mr. PERLEY: They are getting a larger subsidy because they provide additional steamers in the fall.

Mr. HUGHES: When a great quantity of freight is offered.

Mr. PERLEY: Last fall they had to pay almost $7,000 for these special steamers.

Mr. HUGHES: Would not the steamers pay their way when filled with freight?

Mr. PERLEY: The freight they take to Newfoundland is not high class and does not pay a very large rate.

M. HUGHES: It is farm produce and cattle.

Mr. PERLEY: My hon. friend would not call hay and oats high class products.

Mr. HUGHES: Yes, produce and cattle. I think the department should take that into consideration. I will certainly insist upon it next year if I am here.

Mr. PERLEY: Any representation that my hon. friend may make will be considered by the department.

Mr. CHISHOLM (Antigonish): The hon. member for South Cape Breton asked me to inquire why there is an increase in the vote for the steamship service between Sydney and Bay St. Lawrence.

Mr. PERLEY: This provides for an increase of $2,000. According to the statement which the contractors put in, this service was not paying them at the amount of the subsidy, and they refused to go on with the service unless they obtained an additional amount. There have been a good many cases of that kind this year. It would appear that the expense of running these services are increasing all the time. After looking into the matter carefully we thought it better to give the extra amount rather than have the service stopped.

Schooner service between Pictou and New Glasgow and Antigonish county ports, $500.

Mr. CHISHOLM (Antigonish): What are the ports of call and what is the frequency of the service?

Mr. PERLEY: This is a new subsidy for a schooner service twice a week during the season of navigation between Pictou and New Glasgow and Antigonish County ports. The service is to be from New Glasgow to Morristown wharf calling at Pictou, Lismore, McAra's Brook, Arisaig, Malignant Cove, Georgeville, Livingstone Cove and Ballantyne Cove.

Trade and Commerce—to provide for the construction, acquisition, leasing or expropriation of terminal elevators, $4,000,000.

Mr. GRAHAM: What does the minister propose to do with this amount?

Mr. PERLEY: Part of this estimate is for completing the elevator at Port Arthur. The rest is for the transfer elevators which matter was explained to the House a few days ago when the chief grain commissioner, Mr. Magill, was here. The Grain Commission has recommended that one of these elevators should be built at Saskatoon and one at Moosejaw. They have also recommended that one should be built in Alberta, but they have not specified the location as yet. They also recommend that a transfer elevator should be built at the Pacific coast, and a transfer elevator on Hudson bay, and the department proposes to prepare plans immediately in order that they may call for tenders for the elevators at Saskatoon and Moosejaw with as little delay as possible. The consideration of the Alberta elevator and the transfer elevators, will be delayed for a few months until they get some more information.

Mr. GRAHAM: The department is going to undertake the elevator at Nelson, Hudson Bay, instead of the Railways and Canals Department.

Mr. PERLEY: That matter has not yet been finally settled, but the provision is here for that purpose, though it may not be started this year. My own impression is that it would be better to have it built by the Department of Railways and Canals in order that they might control it in connection with the railway.

Civil Government—Department of Inland Revenue, to provide for the appointment of a cooper in the methylated spirits warehouse, $550.

Mr. VERVILLE: Does the minister intend to pay a cooper $550 a year?

Mr. NANTEL: He is employed in the department and he is to be paid that salary.

Mr VERVILLE: I do not think it is right, because a cooper is supposed to be a skilled mechanic. You are paying him at the rate of $10.35 a week, or at $1.75 per day. I do not think it is fair for the Government to ask any skilled mechanic to work for that wage. He should get $15 a week or more. This is lower than that paid to our messengers. This man should be paid a living wage. I do not see how he can keep a familly on such wage, and I protest not only against this department, but against other departments

paying such a low wage to skilled mechanics, who have served three or four years apprenticeship.

Mr. BOIVIN: Where is this methylated spirits warehouse?

Mr. NANTEL: It is on Victoria Island.

Mr. BOIVIN: It is in the city of Ottawa and you expect this man to live on $550 a year?

Mr. NANTEL: He is willing to work for that price, he has been in the department for two years. He was paid so much a day, and he has been appointed permanently.

Mr. BOIVIN: I suppose that a poor man in his position has to work for the price that is offered to him or get out?

Mr. NANTEL: He is satisfied.

Mr. BOIVIN: When the main estimates were up, I asked the minister fifteen or twenty questions, and he undertook to get the information. I understand that it has been prepared.

Mr. NANTEL: Yes, I have it here.

Mr. BOIVIN: I would ask the minister if he would place his information on 'Hansard.'

Mr. NANTEL: Certainly.

Excise—travelling expenses, rent, fuel, stationary, &c.,—further amount required, $5,000.

Mr. BOIVIN: I would like to know something about the travelling expenses.

Mr. NANTEL: These are the travelling expenses of the inspectors and other officers of the department.

Mr. BOIVIN: Is that fuel supply for some special building?

Mr. NANTEL: It is for the different offices of the department all over the country.

Salaries of gas and electricity inspectors—further amount required, $5,000.

Mr. BOIVIN: Where are these gas and electricity inspectors?

Mr. NANTEL: All over the country.

Mr. BOIVIN: Have they any in Quebec?

Mr. NANTEL: Certainly.

Mr. BOIVIN: Will the minister hand to 'Hansard' a list of the food inspectors residing in Montreal and operating throughout the province of Quebec? Would he be good enough to send me by letter a list of the electricity and gas inspectors for Quebec?

Mr. NANTEL: Certainly.

Mr. CHISHOLM: Will the minister put on 'Hansard' a list of the food inspectors in the province of Nova Scotia, the salaries paid to each, the date of their appointment, and also a statement of what the duty of a food inspector is?

Mr. NANTEL: Yes.

Mr. BOIVIN: What is the particular work that these gas and electricity inspectors do in the different cities?

Mr. NANTEL: They inspect meters principally. They also make voltage tests.

Mr. BOIVIN: How often are these inspectors supposed to visit different buildings in the towns and cities where there is gas or electricity?

Mr. NANTEL: Whenever they are requested. They inspect electricity and gas meters.

Mr. BOIVIN: How often do they go if they are not requested to do so by some particular individual?

Mr. NANTEL: They are very busily occupied, but arrange to visit towns within their districts once or twice each month.

Mr. BOIVIN: Is there any particular time?

Mr. NANTEL: No, they go when they are asked to inspect gas or electric meters.

Mr. BOIVIN: Are they supposed to inspect towns or villages once or twice a year?

Mr. NANTEL: Whenever they are requested, there is no specified time.

Mr. BOIVIN: The minister says they go when they are requested. Do I understand that if these people were not requested they would never do anything?

Mr. NANTEL: They go when they are requested.

Mr. BOIVIN: By whom?

Mr. NANTEL: Persons who have meters in their houses, if they dispute the correctness of their meters. The electric lighting companies are primarily responsible for the testing of meters.

Mr. BOIVIN: They may be requested either by people having meters in their houses or by electrical companies or underwriters?

Mr. NANTEL: Yes, they may be requested by the owners or users of meters. Our inspectors do not supervise underwriters' work. This is a provincial matter.

Mr. BOIVIN: They are called upon to visit different places?

Mr. NANTEL: Yes.

Mr. BOIVIN: And if they were not requested they would not make any inspection?

Mr. NANTEL: The inspectors are constantly going over their districts. Each town where meters are used is visited several times each year. We have a demand for new inspectors in Hamilton now. They are technical men and they have to pass an examination.

Mr. BOIVIN: Do their duties consist simply in testing meters for gas and electricity or have they anything to do with the wiring of buildings or the quality of the current supplied?

Mr. NANTEL: I do not know for certain, but I am under the impression that the inspection of wiring in buildings is looked after by the underwriters. The electric current is tested as to pressure or voltage by our inspectors.

The following statements were handed in by the Minister of Inland Revenue:

Food Inspection for Bedford.

Mr. Boivin: Before adopting this item, can the hon. minister tell me who is the food inspector in the district of Bedford?

Mr. Nantel: I must say that all the employees of the revenue are inspectors under the law, but the inspector in chief of this district resides in Montreal. The revenue officers are obliged, as I have just said, to see to the administration of this law.

There is no district of Bedford, but Bedford is included in the Sherbrooke division for the inspection of food stuffs.

Mr. J. C. Rouleau, of St. Hyacinthe, is the district inspector.

Mr. Van Antwerp.

Mr. Boivin: Will the hon. minister tell me what is the salary of Mr. Van-Antwerp, who is both officer of weights and measures and of excise, and also if he is a permanent officer or merely a temporary employee?

Mr. Nantel: Charles V. Van Antwerp was temporarily employed as assistant inspector of weights and measures from 4th December, 1911, at $600 per annum for the weights and measures district of Sherbrooke which comprises the counties of Sherbrooke, Brome, Compton, Missisquoi, Richmond Shefford, Stanstead and Wolfe.

He is not employed in the Excise.

He signs for his pay list West Frelighsburg in the county of Missisquoi.

Inland Revenue Officer at Farnham.

Mr. Boivin: Can the hon. minister tell us the name of the employee of his department, in the town of Farnham, which is situated in the division of Bedford?

Mr. Nantel: Have you got his name?

Mr. Boivin: I have not his name. I believe he has been replaced by a Mr. Portelance.

Mr. Nantel: Mr. P. A. Galipeau, deputy collector vice P. A. Portelance dismissed for partisanship at request of F. H. Pickel and upon sworn statements from reliable parties, one a Mr. Gleeson, of Sweetsburg. Affidavits sent to the treasury board and not returned.

Food Inspection in the Dominion.

Mr. Boivin: How many divisions and how many inspectors? The hon. minister may be able to give me this information in supplementary estimates.

Mr. Nantel: Yes. There are 20 divisions and 21 inspectors.

Last year the laboratory has made the analysis of 3,961 samples; it gives an idea of the importance of the work done. The inspectors are under the supervision of the analyst of the department, Dr. A. McGill.

Department of Inland Revenue.

Ottawa, September 10, 1912.

Sir,—I beg to inform you that by an Order in Council dated the 30th August, 1912, the undermentioned districts have been established in connection with the administration of the 'Adulteration of Food Act,' viz..—

Nova Scotia.

The whole province.

Prince Edward Island.

The whole province.

New Brunswick.

The whole province.

Quebec.

Which comprises the city of Quebec, Montmorency, Charlevoix, Chicoutimi, Saguenay, Levis, Dorchester, Bellechasse, Montmagny, L'Islet, Kamouraska, Temiscouata, Rimouski, Bonaventure and Gaspé.

Three Rivers.

Which comprises the city of Three Rivers and the counties of Terrebonne, L'Assomption, Montcalm, Joliette, Berthier, Maskinonge, Three Rivers and St. Maurice, Champlain, Portneuf, Vercheres, Richelieu, Yamaska, Nicolet, Lotbiniere.

Montreal.

The city of Montreal and the Island.

Eastern Townships.

Which comprises the city of Sherbrooke and the counties of St. Hyacinthe, Bagot, Sherbrooke, Stanstead, Drummond and Arthabaska, Megantic, Rouville, Richmond and Wolfe, Shefford, Compton, Brome, Beauce.

Valleyfield.

Which comprises the counties of Argenteuil, Two Mountains, Vaudreuil, Soulanges, Beauharnois, Laprairie, Napierville, St. Jean and Iberville, Missisquoi, Chateauguay, Huntingdon, Labelle, Chambly, Glengarry, Prescott.

Ottawa.

Which comprises the city of Ottawa and the counties of Russell, Carleton, Stormont, Dundas, Grenville, Brockville, Leeds, Lanark South and North; Renfrew South and North; Wright and Pontiac.

Kingston.

Which comprises the city of Kingston and the counties of Frontenac, Lennox and Addington, Hastings East and West; Northumber-

lans East and West; Peterborough East and West; Durham, Victoria and Haliburton and Prince Edward.

Northern Ontario.

Which comprises the counties of Nipissing, Algoma East and West; Parry Sound, Muskoka.

Toronto.

Which comprises the city of Toronto and the counties of Simcoe, East, North and South; York, Centre, North and South; Ontario, North and South.

Hamilton.

Which comprises the city of Hamilton, and the counties of Halton, Peel, Wentworth, Lincoln, Welland, Haldimand, Dufferin, Grey, North, South and East; Bruce, North and South; Brant, Brantford, Wellington, North and South; Waterloo, North and South.

Windsor.

Which comprises the city of Windsor and the counties of Norfolk, Oxford, North and South; Middlesex, East, North and West; Lambton, East and West; Elgin, East and West; Essex, North and South; Kent, East and West; Perth, North and South; Huron, East, South and West; London.

Manitoba.

The whole province.

Saskatchewan.

The whole province.

Alberta.

The whole province.

Rocky Mountains.

Which comprises Nelson, Fernie, Revelstoke, Rossland, Trail, Grand Forks and extends as far as Kamloops to the West.

Vancouver.

Which comprises the territory west of Kamloops to the coast.

Victoria.

The Island of Vancouver.

I remain, Sir,
Your obedient servant,
Wm. Himsworth,
Acting Deputy Minister.

Food inspection districts, in the order of their importance, on a bases of population, as in the census of 1910, with list of ins pectors, stating salary of each.

District.	Population.	Inspector.	Salary.
1. Montreal	600,000	J. J. Costigan	$500
		D. J. Kearney—12/3/13	400
2. Toronto	500,000	J. H. Dager	200
3. Hamilton	490,471	D. M. Cameron—21/3/13	400
4. Windsor	465,750	J. Talbot	200
5. Nova Scotia	459,574	W. J. Waugh	350
		Moses Delorey—27/11/12	100
6. Quebec	409,614	F. Z. W. E. Béland	300
		F. X. Roy--17/10/12	100
		A. Pelletier—1/10/12	300
		N. Bélanger—17/5/13	100
		Onésime Brochu—19/5/13	100
7. Ottawa	404,959	J. R. Rickey. inside service	1,200
8. New Brunswick	331,120	J. C. Ferguson	200
9. Eastern Townships	300,104	J. C. Rouleau	200
10. Manitoba	300,000	A. C. Larivière	200
11. Three Rivers	293.216	Dr. Lavallée -27/3/12	400
12. Kingston	253,021	J. Hogan	200
13. Saskatchewan	250,000	No inspector.	
14. Alberta	250,000	No inspector.	
15. Valleyfield	249,980	No inspector.	
16. Vancouver	175,000	J. F. Power	200
17. Prince Edward Island	103,259	Wm. A. Weeks	200
18. Northern Ontario	135,330	No inspector.	
19. Rocky Mountains	61,889	Thos. Parker	200
20. Victoria	40,000	D. O'Sullivan	200

Public works—chargeable to capital—public buildings—Ottawa Royal Mint—refinery—additional storage building, $35,000.

Mr. CHISHOLM (Antigonish): Has the minister in contemplation the adjustment of the salaries of the men employed at the Royal Mint? I understand that some years ago when the Mint was established, a certain rate of wages was paid and that the rate has not gone up since then, although it has gone up in all the other departments. The character of the work around there is pretty arduous, particularly for those in the higher grades, and the matter is one which deserves consideration.

Mr. ROGERS: The salaries of the officers in connection with the Royal Mint do not come under my department, but under the Finance Department.

Public Works—chargeable to income—public buildings—Nova Scotia—Amherst—drill hall, $30.000.

Mr. SINCLAIR: Is it the intention of the department to put an armoury in the town of New Glasgow?

Mr. ROGERS: I cannot say what the intention of the Department of Militia is.

Mr. CHISHOLM (Antigonish): Is it the intention to build an armoury in Antigon-

ish. Lately the Government bought a property there for $1,200 which independent valuators valued a few years ago at from $700 to $800. Captain Binghey of the Department of Militia visited the town last fall and reported that the present Government shed was utterly unsuitable. Captain Binghey also reports that from $700 to $800 is the outside value for that property, that it was not suitable, and that suitable property could be purchased on the main street for $1,000.

Mr. ROGERS: That matter would be entirely in the Militia Department, and we have had no application to the Public Works Department yet.

Mr. CHISHOLM: Even if the Department of Public Works were asked to do so by the Department of Militia, would they erect an armoury on a property that was condemned by an officer of the Militia Department?

Mr. ROGERS: Our duty would be simply to erect the building when the plans were prepared.

Mr. TOBIN: Have tenders been called for a public building at Weedon Station in the county of Wolfe, and if so, who got the contract and what is the price of the contract?

Mr. ROGERS: The recollection of the deputy minister is that tenders have not yet been called for Weedon.

Mr. TOBIN: Would the minister tell his deputy to write to me giving me the information?

Mr. ROGERS: Certainly.

Mr. TOBIN: Has the Government purchased the site for a public building at Disraeli and from whom?

Mr. ROGERS: No purchase has yet been made.

Mr. TOBIN: Have the department received a petition from the people of Disraeli asking that a site be bought from Champoux Brothers. The minister told me some time ago that they had an option for $5,500 under consideration. I understand the department has received a petition from persons in Disraeli asking them to buy the whole piece of land belonging to Champoux Brothers. Is it the intention to buy this land and the buildings belonging to Champoux Brothers, to repair the buildings and turn same into a public building? If so, it will not satisfy the people of Disraeli. The people of Disraeli would like to have a public building but they want a new one and one suitable to the town. Disraeli is a nice town with a population of between 1,600 and 1,800 and the building should be centrally situated. If the minister wants to get information about Disraeli my friend from Peel will be able to give him some pointers as he visited Disraeli some years ago.

Mr. ROGERS: This question is under consideration and nothing as yet has been decided as to the purchase of the location. We are desirous of having all the information we can before we erect the public building there, at all events my hon. friend (Mr. Tobin) could give us his opinion about it.

Mr. TOBIN: If the Minister of Public Works takes my recommendation I will go to Disraeli within the next few days and I will feel the pulse of the people and I guarantee that I will recommend a site satisfactory to the citizens of Disraeli. At Weedon, the municipal council chose a site for the public building, but after the change of Government influence was brought to bear and another site was purchased. The people of Disraeli do not want the Government to buy old buildings and repair them; they deserve better than that.

Mr. ROGERS: If the hon. gentleman will send in his recommendation, it will have great weight.

Mr. BOIVIN: In the absence of the hon. member for Missisquoi (Mr. Kay) I would draw the attention of the minister to the absence of an item for a building in the town of Farnham. Rumour has it that several requests have been made to the Government for a building there. The Government already own a building in Farnham, which is used as a post office, but it was built several years ago and is too small. The minister knows that the town was practically wiped out by fire in 1911. The town authorities, aided by the provincial government, have built a magnificent town hall and court house, and the residents are doing all they can to rebuild and beautify their town. There is a splendid site for a new public building. I understand that Farnham is to be made a port of customs entry. I would ask the minister to give serious consideration to any request which may be received from the electors of that county for a public building.

I would also draw the minister's attention to the fact that the public building in Granby in the county of Shefford is altogether too small for that thriving and growing village. The place offers such insufficient accommodation that it is now impossible for a business man to get a post office box, and when the mail arrives in the evening, there is not room enough for the people though each person remains only for the length of time it takes the postmaster to hand out the mail. If the Minister of Public Works would order alterations to be made which would afford better accommodation, it would be very much appreciated.

Mr. VERVILLE: There is an item here for $45,000 for postal station M at Maisonneuve. Tenders were called for at one time for a building, but there was a change of site and an alteration of plans, and I am not informed as to the present position of affairs.

Mr. ROGERS: We appreciate the growing condition of Maisonneuve. A site was secured for a public building there, but the people suggested a change in the plans as the hon. gentleman knows, and have made a recommendation of a change of site to conform with the growth of the market part of the town. The matter has been taken up by the department and plans are being prepared. I understand that this is one of the works that will go on immediately.

Mr. LAFORTUNE: In 1909 money was voted to erect a public post office and public building in St. Jacques L'achigan in the county of Montcalm, my own riding. The site was chosen and bought, and plans were made. I greatly regret not to find an item in the estimates to carry on the work proposed. It is too bad for my people; the change of Administration has destroyed their hopes. This Administration promised to continue in regard to this matter the policy of the late Administration, which was a very good one in my humble opinion. The hon. gentleman's department is so well conducted that I think surely there must be some mistake in the dropping of this item. Will not he put it back again, and render justice to my electors who are very strong Conservatives? This is a very flourishing village, with a large college, convent, factories, and two banks have been erected in the village. One of them was robbed lately, but I hope that will not be repeated. If we are granted a post office, the minister cannot imagine what service it would render to that population. I am sure that knowing now the facts, he will do us justice.

Mr. ROGERS: I would say, as I explained the other evening, that this matter had not been brought to my attention since I was made Minister of Public Works. But as I told the hon. gentleman I will give the matter consideration, and will do so especially since he has won my sympathy by assuring me that his constituents are so strongly Conservative.

Rents, repairs, furniture, heating, etc.—Ottawa public buildings—Rideau Hall—Additions and improvements, $135,000.

Mr. GRAHAM: What is to be done at Rideau Hall?

Mr. ROGERS: We propose to put an addition on the front. The entrance is very poor, and it is proposed to erect a proper front with offices for the military secretary and bed rooms upstairs. We hope to make a respectable front of it.

Mr. CARVELL: I am sorry to hear the hon. minister make the statement that he is making to-night. I think this country can well afford to have a fine residence for its Governor General; the minister can patch this building up as much as he likes and he will not have anything in the end but the old building we have at the present time. During the last forty years a great deal of money has been spent on this building, and we have not very much to show for it. I hope the minister will abandon his idea with a view to having as a residence for the Governor General a building that will be a credit to the country.

Mr. ROGERS: This matter has been gone into very carefully, and in view of the fact that the present residence, Rideau Hall, is such an historic location, the individual responsible for recommending any change would have to proceed very slowly and carefully. I am satisfied from the information I can obtain from those who are most directly interested that they are entirely satisfied with the House, particularly with the new addition which my hon. friend knows was completed last year. The proposed addition will improve the dining room as well as provide for the front of the building, and with these additions I think the building will be very acceptable and will comply with the recommendations of those who are directly interested.

Mr. CHISHOLM (Antigonish): What work does the minister propose to do at Antigonish Landing?

Mr. ROGERS: This is for improvement, small repairs.

Mr. CHISHOLM: Repairs to the old wharf that was there years ago?

Mr. ROGERS: Repairs to wharf and landing.

Mr. CHISHOLM: Has the minister a report on the dredging of the harbour and the building of another landing place in that vicinity?

Mr. ROGERS: Yes.

Mr. CHISHOLM: Would the hon. minister place it upon 'Hansard'?

Mr. ROGERS: Yes. In a report dated March 13, 1913, District Engineer Millidge states as follows:

Improvements above Red Point, including the construction of a wharf and road at the landing and the dredging of a basin and a comparatively straight 10 foot low water channel, were asked for in the interest of the owners of 30 motor boats; 8 at Antigonish, used for excursions during the summer season, and 22 at Dunn's Cove, on the east side of the harbour, within the entrance and on the west side of St. George's bay, between the

entrance and Cape George, used as fishing boats.

It was represented to my assistants, during the progress of the survey in 1911 and 1912, that the use of the channel by the owners of motor power fishing boats, who occasionally come to the 'landing' with fresh fish for the Antigonish market, or for supplies, would be very much increased if the improvements asked for are effected.

I am of opinion that it will not be advisable to undertake more at present than the construction of a wharf and road at the 'landing.'

Below are given the probable costs of constructing a wharf and road at the 'landing,' as shown on plan No. 2, herewith, and of four proposals for improvement by dredging:

Wharf and road at 'landing'..	$1,000
No. 1. Dredging a basin 550 feet by 300 feet and a 10 foot low water channel 80 feet in width at bottom, A to F on plan (a distance of 12,200 feet)..	20,160
No. 2. Dredging a basin 550 feet by 300 feet and an 8 foot low water channel 80 feet in width at bottom, A to F, on plan (12,000 feet)....	14,940
No. 3. Dredging a basin 550 feet by 300 feet, A to B, and 8 feet low water channels, 80 feet in width at bottom, C to D (1,350 feet), and E to F, 2,650 feet (instead of a basin and through channel,) A to F..	7,476
No. 4. Dredging an 8 foot low water basin 450 feet in length by 150 feet, between A and B..	8,000

A small basin at the landing between A and B on plan would be useful in affording more room for anchorage and turning, but as (if undertaken independently), the work will have to be performed by a dipper dredge, the cost ($8,000 as per estimate No. 4) would be excessive in comparison with the cost of carrying out any one of the proposals, Nos. 1 to 3, by means of an hydraulic (sand pump) dredge of, and when, one is available.

Mr. CHISHOLM: The next item to which I wish to direct the hon. minister's attention is Breen's Pond. When was the report made on that?

Mr. ROGERS: The date of the contract was August 8, 1911; amount $13,490; date completed November 22, 1912; contractor T. D. Morrison.

Mr. CHISHOLM: Is this for a further extension?

Mr. ROGERS: This is to complete the payments on the work.

Mr. CHISHOLM: Delorey's Beach; what is proposed there?

Mr. ROGERS: That is for repairs and extension to the present wharf.

Mr. CHISHOLM: How will this work be done, by day labour or by contract?

Mr. ROGERS: The repairs will be done by day labour, and the extension by contract.

Mr. CHISHOLM: What is the amount estimated for repairs?

Mr. ROGERS: $1,900.

Mr. CHISHOLM: Malignant Cove, extension of piers and dredging; is that a new work?

Mr. ROGERS: It is an extension to the old one.

Mr. CHISHOLM: Is that the same work that was proceeding two years ago?

Mr. ROGERS: I have no knowledge of that.

Mr. CHISHOLM: Has the minister any idea as to the nature of that work?

Mr. ROGERS: This work is necessary to allow the fishermen of that locality to bring their catch to the lobster factory, and to provide shelter for their boats in bad weather by opening the channel between the piers, which was filled in during the heavy storms last fall. The extension of the piers will prevent the sand and gravel from entering the channel.

Mr. CHISHOLM: Is not this the same work as was proposed to be constructed in 1911-12 for $2,300?

Mr. ROGERS: There is nothing in the report that I have before me to show that. During 1910 and 1911, $1,057 were expended at the inner end of the western pier and the removal of sand from the channel. The total expenditure up to March, 1912, was $24,293.

Mr. CHISHOLM: In 1911-12 what was proposed?

Mr. ROGERS: Nothing was done.

Mr. CHISHOLM: Is the minister not aware that in the estimates of that year there was an item of $2,300?

Mr. ROGERS: I am not aware of that, I have nothing to show it.

Mr. CHISHOLM. Is not his deputy aware of it?

Mr. ROGERS: No knowledge of it. It may be in the files of the department, but they do not remember it at the moment.

Mr. CHISHOLM: I would ask what it is proposed to do at McAra's Brook where $1,200 is to be expended?

Mr. ROGERS: Extending the present boat landing.

Mr. CHISHOLM: Was anything done last year?

Mr. ROGERS: There is no information that anything was done last year.

Mr. CHISHOLM: Was anything done the year before?

Mr. ROGERS: No information.

Mr. CHISHOLM: At South Lake, extension of the present pier, $3,000, in the estimates of 1911-12 there is a vote for $12,000. Is this an estimate for practically the same work?

Mr. ROGERS: The proposed expenditure is based on the report of the district engineer that this work is necessary.

Mr. CHISHOLM: What is the item of $27,000 for harbour improvement at Tracadie for?

Mr. ROGERS: Those improvements include a block and span wharf, 222 feet in length, with a creosoted superstructure 15 feet wide and having a block 20 by 20 at the outer end, estimated cost $4,000. There are also protection works on the northern side 860 feet in length and 400 feet of brush and stone 7 feet wide and some other work.

Mr. CHISHOLM: Is that work to be done at Bowerman Head or Barry's Beach?

Mr. ROGERS: There does not seem to be any mention of the name.

Mr. CHISHOLM: When was the report made on which the estimate is founded?

Mr. ROGERS: In August, 1912.

Mr. CHISHOLM: Have you before you the report made in the summer of 1911?

Mr. ROGERS: No.

Mr. CHISHOLM: Will the minister give me a copy of the report made in 1911 when it was proposed to build a wharf at the west pier at an estimated cost of $12,700 and will the minister inform me why it is that the original grant was dropped and the new proposition undertaken?

Mr. ROGERS: I will supply all that information.

Mr. SINCLAIR: How does it happen that the item in the estimates of last year to extend the breakwater at New Harbour has been dropped from the estimates of this year? It is a very important item and a very necessary work at this place. It is one of the exposed places on the coast and prior to the building of the breakwater the fishermen of that district endured great hardships. In fact they had to keep a watch on stormy nights so that if a sudden storm came on, their boats would not be lost. The late Government built a breakwater, spending $27,000, which made a very good little harbour for fishing boats. Immediately the place became prosperous and a thriving village grew up beside the breakwater. A large number of comfortable cottages were built and it is now one of the most thriving villages on the coast in that vicinity. So many young men got boats of their own and the place grew so rapidly that there was not room behind the breakwater and there was a good deal of quarrelling as to who should get in on the approach of a storm. The Liberals used to complain that it was their breakwater and that they would get in and the Conservatives would try to drive them out. The late Government decided to extend the breakwater one hundred feet and an item for $20,000 was included in the first estimates brought down by this Government. I have been informed that tenders were asked for and a survey made and everything done preparatory to building an extension of the breakwater. I was very much surprised that the work did not go on. Under the late Government, during ten years out of the fourteen they were in power, the county of Guysborough does not appear in the estimates prior to 1896 simply because the county was represented by a Liberal. It looks as though the Government intended to starve out the county again because nearly every item for improvements of that kind was struck out by his predecessor or himself. This item of New Harbour is most important, and I feel it is my duty to draw the attention of the minister to it. It ought to be restored to the estimates. That breakwater ought to be extended. I want to press upon him the importance of carrying out the plan of the late Government and of constructing an extension of that breakwater.

Mr. CHISHOLM (Antigonish): I wish to refer to the promises of the Minister of Public Works made to the electors of the county of Antigonish on the eve of the recent election, but as the hour is late I shall do so very briefly. There are a few facts which I wish to have placed on 'Hansard' for the benefit of the minister and for his future consideration. According to the letter which the minister wrote to Senator Girroir, and which appeared in the Casket of January 9, 1913, the main and supplementary estimates neither of which had then been prepared would amount to $211,300, but according to the estimates, main and supplementary, that have been brought down I find that the total is only $100,100 or not quite half of what was promised. Some people might be uncharitable enough to say that that is as near as Tory promises come to realization, but let that pass. I desire to point out that there is not a single new item for Antigonish county. The items that are in these estimates are practically revotes, or items that were in the estimates for 1911-1912. I also wish to point out that in the letter which the Minister of Public Works sent to Senator Girroir, and which the latter circulated throughout the county there was an item of $90,000 for Georgeville and another item for Auld's Cove,

amounting to $15,000, and yet neither of these items is to be found in this year's estimates. Perhaps the minister would be able to explain why they are not included, and why he has not implemented the promises which he made to Senator Girroir and which the senator made to the electors of Antigonish. It is very humiliating to some Conservatives in the district that these items have been omitted. To such an extent were the people misled that the Sunday before the election public announcement was made that the material was required and that men were required to go to work in the course of a very short time. I had occasion to discuss the matter of the minister's promise to Senator Girroir with one of the leading citizens there—I will not mention his name—and I told him that the letter which had been published in a newspaper and which purported to show that the items had been placed in the estimates for Antigonish county for 1913-1914 was a fake. The gentleman with whom I discussed the matter said, nonsense. It is true that the list of items was headed 'list of items noted for Antigonish county' but you will observe that the letter states distinctly that these amounts had been placed in the estimates for Antigonish county; the word 'noted' merely means that the estimates have not yet been passed, and the minister could not use any other word. He said it was a sort of technical word but it meant that the minister and Senator Girroir had pledged themselves that these items would be in the estimates. This gentleman to whom I refer is an honest conscientious Conservative, a good loyal Scotchman, who will resent this if he has the blood in his veins that I think he has. He will not allow himself to be imposed upon in this manner by the Minister of Public Works or by Senator Girroir. As to the items, the first is that of Tracadie. We initiated this work. A survey was made in the summer of 1911 for a wharf at West Arm, estimated to cost $12,700. I am glad to see that the minister is going one better and that he proposes to spend $27,000 there. Then there is Blue Rock. A report dated January 31, 1911, was for an extension, to cost $8,300, and $600 for repairs. Neglect to attend to the repairs makes $1,200 necessary instead of $600. The extension provided for in the estimates for 1911-12, under the late Administration, is not found in the main or supplementary estimates of this year. Then there is Delorey's Beach, that is not a new item. There was a report dated February 13, 1908, in regard to this work which was estimated to cost $20,000. The first block was built at a cost of about $5,000, and the intention was to spend $6,500 in 1911-12. The $6,500 was not spent, and the $14,700 is therefore now available. In regard to Malignant Cove, that is an old work. A sum of $2,300 was in the estimates for 1911-12, but was not spent. The result is that it will now cost $4,000 to do the work. If the department had not neglected to attend to the work, it could have been completed for $2,300. Then McNair's Cove is an old work, the present estimate being virtually a revote of the amount which was in the estimates of 1911-12, when there was an item of $5,400. That item was dropped and there was only an expenditure of $1,100 for repairs, and now the present estimate is $5,500. South lake, Lakeville, is an old work which was estimated at $4,000 in the estimates of 1911-12; the present appropriation is $3,000. Ogden's Pond is an old work, and is merely for the purpose of repairing damage done in the summer of 1911-12. McAra's brook is an old work, as there was an item of $1,700 in the estimates of 1911-12. That sum was not spent, and it is in the estimates now. With the exception of the additional $14,300, the difference between $27,000 and $12,700 for Tracadie harbour improvements, which we had in the estimates for 1911-12, not a single dollar has been provided for Antigonish county, but what we had in the estimates as I have stated or arises out of neglect on the part of the Government to spend the money that was available at the proper time. All the remaining items are revotes. What is the matter with Georgeville and Auld's Cove? Why is it that these districts have been cut off? Why is it that nothing outside of some wharf repairs to the wharf is provided for at Bayfield? In a report dated April 1, 1911, the estimated cost of improvements at the place was $35,000. Bayfield is an important place. According to that report the exports for 1910 amounted to $25,950, and the imports to $4,000. There were twenty-five boats belonging to the place engaged in fishing, and thirty boats from the outside frequented the harbour during the fishing season. This is the point to which the farmers of Antigonish county and of Guysborough county shipped their products to Newfoundland. That harbour should have been provided for. In the estimates of 1911-12, we had the sum of $35,000, but the present Government has dropped that altogether. Then there is the Blue Rock extension. When the Minister of Public Works wrote the letter to Senator Girroir, and talked of the generosity and munificence of the Government he was merely drawing on his imagination. The fact is the present Government found estimates for Antigonish county in 1911-12 which they dropped. They revised these and now claim great credit for them. But as I have said there is virtually nothing new in the present estimates so far as Antigonish county is interested. Now they are reviving them and they are seeking

to get credit for it. They are doing nothing but what they should have done last year.

Mr. ROGERS: I know from the hon. gentleman's remarks that he is apparently pleased that the $90,000 for Georgetown has been dropped.

Mr. CHISHOLM: I am sorry.

Mr. ROGERS: If I felt that I could still further please the hon. member for Antigonish, I would have no hesitation, at his request, in removing the different items to which he has referred, entirely from the list of estimates.

Mr. CHISHOLM: Surely the minister would not be as petty as that?

Mr. ROGERS: I would like to please my hon. friend.

New Brunswick—Bathurst harbour improvements, $50,000.

Mr. TURGEON: I presume this is to do the inside dredging at Bathurst harbour. Has the contract been signed yet?

Mr. ROGERS: Not yet.

Mr. TURGEON: I would ask the minister to have the contract signed as quickly as possible and to push these works on with all the vigour possible, because there are immense interests depending on the completion of these improvements, which were commenced a few years ago by the late Government. The Bathurst Lumber Company have 40,000,000 feet of lumber to be shipped out of that harbour, and they are very greatly handicapped by reason of the fact that it has to be taken out on launches. This amount will not be sufficient to complete the whole work. Meanwhile, I hope the contractors will be able to give a sufficient depth of water to allow large ships to take out part cargoes before the close of the season. I congratulate the minister about having placed this amount in the estimates. I expected that he would have done so last year. Still, I am not attaching any blame to him, as he was not responsible for the action of the department last year. Have the scows arrived at Bathurst to assist the Restigouche which is engaged in dredging the outside bar?

Mr. ROGERS: The tug has arrived and the scows are expected very shortly. Tenders have been called for the dredging and the work will be let in a short time.

Stonehaven—wharf, $1,200.

Mr. TURGEON: Is that for repairs?

Mr. ROGERS: Repairs to the wharf.

Prince Edward Island—Cardigan—extension and reconstruction of ferry wharf, $10,000.

Mr. HUGHES (Kings, P.E.I.): Does that mean a wharf on each side of the river?

Mr. ROGERS: This is for the reconstruction of the existing wharf.

Mr. HUGHES: It will be no good without a wharf on each side of the river, because this is intended to be a ferry.

Mr. ROGERS: You must not expect everything in one year.

Mr. HUGHES: I suppose it will be done by tender and contract?

Mr. ROGERS: By contract.

Little Sands—breakwater, $13,500.

Mr. HUGHES (Kings, P.E.I.): Is it intended to make a boat harbour?

Mr. ROGERS: A boat harbour for the fishermen.

Mr. HUGHES: Will the amount be sufficient to build a breakwater?

Mr. ROGERS: The estimate is $22,500; $11,500 for the wharf and $13,500 for the breakwater.

Mr. HUGHES: This is a very desirable piece of work. What depth of water is it expected to have?

Mr. ROGERS: Eight to ten feet.

North Lake—boat harbour, $24,000.

Mr. ROGERS: This is for the construction of two breakwaters forming a fishing boat harbour.

Mr. HUGHES (Kings, P.E.I.): Has the department a report from the engineer on this?

Mr. ROGERS: Yes.

Mr. HUGHES: Does he recommend it?

Mr. ROGERS: Yes.

Mr. HUGHES: I had information from the engineer himself who made the survey some two years ago that he did not think a breakwater there would be practicable, and he recommended that it be constructed at Long Point, some distance from that place. The chief engineer was Mr. Hegan. Who made the survey upon which the report to the minister was founded?

Mr. ROGERS: Mr. Hyndman.

Mr. HUGHES: I think it was young Mr. Miller who made the survey. No doubt Mr. Hyndman may have signed it. A boat harbour will be very desirable on that shore, but it is important to select a suitable place for it. If there is a shifting sandbar, as Mr. Hegan says, and he has had a great deal of experience in work of this kind, it might be well to consider whether you can construct a harbour that will be permanent at that place. Another thing to be considered is whether the harbour might not interfere with the direction of the sand drifts. The farms in the neigh-

bourhood might be greatly injured. If that should happen in this case, and I know that the chief engineer has some doubts about it, the department would have to compensate the farmers whose lands would be injured. The department would be well advised to carefully consider whether this particular place, or Long Point, which the chief engineer recommended some few years ago, would be the better place.

Mr. ROGERS: We will have the matter carefully looked into.

Mr. HUGHES: Has any changes been made in the status of the chief engineer at Charlottetown?

Mr. ROGERS: He is consulting engineer.

Mr. HUGHES: What does that mean?

Mr. ROGERS: The acting engineer would have the benefit of his advise.

Mr. HUGHES: Will Mr. Hegan have to take the responsibility?

Mr. ROGERS: No, but he will give the acting engineer all the information possible.

Mr. HUGHES: After the change of Government many of the supporters of the Administration seemed to be under the impression they would have an opportunity of getting a considerable rake-off on most of the expenditure made in Prince Edward Island, and Mr. Hegan was waited upon many times, but he would not approve of anything of the kind. He set his face steadily against it and these men went so far as to threaten him with dismissal. Under these circumstances I would like to know whether Mr. Hegan would have the power to resist that kind of thing in the future as he has done in the past, or whether it is because of his resistance that his responsibility will be taken away from him.

Mr. McLEAN (Queens, P.E.I.): Would you please name the men you refer to?

Mr. ROGERS: Mr. Hegan applied for a change; did my hon. friend (Mr. Hughes) get that information from Mr. Hegan himself or is it second-hand?

Mr. HUGHES: That is hardly a fair question; it is well known it was done. And although I do not think anything of the kind was done by the members supporting the Government in this House, and perhaps they would not approve of it, yet I think they knew it. I am not surprised that Mr. Hegan has asked for a change, because it was a difficult position for him to occupy. He had to put up a fight for the protection of the department, that must have been very unpleasant for him. I tell the minister that it is my opinion that if Mr. Hegan's power is taken away from him the department will suffer. So far as his politics are concerned, I heard him express himself in words that would indicate that he had Conservative leanings, but I do not think he has any party beyond the fact that he was appointed by Sir John Macdonald. The department would be well advised to strengthen Mr. Hegan's hands rather than take power from him. Mr. Hyndman is a good man, I think, but he knows what is going on and if he knows that his chief was kicked upstairs for trying to protect the department it is only natural to expect that Mr. Hyndman will not seek to borrow trouble by doing the same thing. The chief engineer was supposed to have charge of the dredging of the province, but since the Government came into power a superintendent of dredging was appointed and I do not know whether Mr. Hegan was over the superintendent or the superintendent was over the engineer, but I do know that a new captain was appointed on dredge No. 9, and the captain was doing private dredging for Matthew and McLean at Souris, and against the wishes of Mr. Hegan, and Mr. McLean of the firm of Matthew and McLean told Mr. Hegan he would not allow him to interfere. He called the captain to account for doing work without the authority of the officers of the department, and the captain of the dredge went on and did the work. I put a question on the Order Paper this session asking what dredging had been done for private firms, or parties in Prince Edward Island, and the answer was none, except half a day's dredging done for McDonald Brothers, Georgetown, and the department did not think it worth while to charge for that. I say that the department did private dredging for McLean at Souris and the captain knows it.

Mr. McLEAN (Queens, P.E.I.): Does Mr. Hegan know it?

Mr. HUGHES: Yes, he had a dispute about it, for Mr. Hegan objected to the captain doing it without authority from him or from the department. I understand that Mr. Poole of Lower Montague wanted dredging done, but the department would not do it unless it was paid for. I think everybody should be treated in the same way. These are the facts and I would ask the minister to have an enquiry made.

Mr. ROGERS: We will look into it and if the statement the hon. member makes is in accordance with the facts, we will fire everybody connected with it.

Some hon. MEMBERS: Hear, hear.

Mr. McLEAN (Queens, P.E.I.): The hon. member (Mr. Hughes) made the statement that Mr. Hegan was approached by leading Conservatives and asked about a rake-off on public works. I do not believe a word of that statement

and I do not believe Mr. Hughes could get Mr. Hegan to say so because it is not a fact, and the hon. member is drawing on his imagination. There is not a leading man of the Conservative party that would be guilty of such a thing. I challenge the hon. member to produce any statement from Mr. Hegan, to the effect that he was approached. I do not think the hon. gentleman can come here himself with clean skirts, because if report be true he built a warehouse on the public property of the Dominion of Canada and that warehouse is there still. While the Liberal party was in power, dredging was done near his own warehouse. The dredging that was stopped by the department was in a place in which there was a deposit of about eighteen inches of mud suitable for holding anchors. This was being removed by the order of some officials. The consequence was that the vessels could not anchor there. The captain of the dredge reported this to the department, and the department ordered that the dredging be stopped. The hon. member for Kings makes a statement to the contrary which he must know to be untrue.

Mr. HUGHES (Kings, P.E.I.): I did nothing of the kind, but the hon. member for Queens is making a statement which he knows to be untrue, or else he does not know anything about it. He says the dredging was done at my wharf in Souris. I have no wharf in Souris. There are only two wharfs there, the Government wharf and that of Matthew McLean.

Some hon. MEMBERS: Carried.

Mr. HUGHES: No it is not carried. The hon. gentleman is making a statement that is entirely untrue. If he wishes I will characterize it by a stronger term. If the department will bring Mr. Hegan to Ottawa and assure him that he will be protected. he will give the information. The superintendent of dredging will give the information, if it is wanted.

Public Works—chargeable to income—harbours and rivers—Quebec—Knowlton Landing—reconstruction of wharf, $8,000.

Mr. BOIVIN: Is this Knowlton landing in the county of Brome on Lake Memphramagog?

Mr. ROGERS: Yes.

Mr. BOIVIN: Has not the hon. gentleman made a mistake? $8,000 for a wharf there?

Mr. ROGERS: No. The notes before me show that this is for the reconstruction of a wharf, and the items, including round and square timber, stone filling, labour, &c., make a total of $8,000.

Mr. BOIVIN: Does the minister know the population of Knowlton landing?

Mr. ROGERS: I do not, but I do not see that that affects the case; it is the business to be done.

Mr. BOIVIN: Does the minister think it right to spend $8,000 on a wharf where there are only three or four families—$2,000 per family?

Mr. SMYTHE: That is nothing; the late Government built a wharf where there were no families at all.

Mr. BOIVIN: A timber wharf was built there by the late Government, but to spend $8,000 for a wharf at such a point—I could not let the item go through without calling attention to it. I do not want to move that it be struck out.

Mr. ROGERS: I have given the hon. gentleman the information, and I assure him I will look into what he says.

St. Croix—extension of wharf and removal of boulders, $5,000.

Mr. FORTIER: Is that to be done by contract or by day work?

Mr. ROGERS: By contract.

Mr. FORTIER: Both the extension of the wharf and removal of boulders?

Mr. ROGERS: Yes.

Mr. FORTIER: Have the plans been prepared for the extension of the wharf?

Mr. ROGERS: Not yet.

Mr. FORTIER: Will the minister call for tenders for that work?

Mr. ROGERS: Yes.

Mr. FORTIER: This spring?

Mr. ROGERS: Yes.

Mr. FORTIER: I am very glad, for the locality greatly needs that wharf. It was commenced five years ago. This is a very important place, and the farmers only have this wharf to carry their products by boat to market at Quebec and Montreal.

Public Works—chargeable to income—harbours and rivers—British Columbia—Fraser river—North America—improvements, $200,000.

Mr. ROGERS: I move that the item be amended by striking out the words 'North Arm.'

Mr. GRAHAM: Will not that be 'changing the destination of the vote?' It changes it from the North Arm to some other part of the river. I am not going to insist on it, but if I did, Mr. Chairman, you would have to rule it out of order.

To provide for making good the full sessional indemnity of members of the Senate —days lost through absence caused by illness during the present session—nothwithstanding anything in chapter 10 of the Revised Statutes, an Act respecting the Senate and House of Commons, $11,840.00.

Mr. SINCLAIR: Does this cover the case of Dr Robertson of Prince Edward Island?

Mr. STANFIELD: I cannot speak for the Senate, but in connection with the members of the House of Commons all those who have been sick are provided for. I presume the same rule applies to the Senate.

Mr. MACDONALD: My deskmate, Mr. Bickerdike, has been ill; will he be provided for?

Mr. STANFIELD. Yes.

Mr. CARVELL: Is provision made for those who have not been sick, but who have been away on business?

Mr. STANFIELD: No, only on public business.

Labour—grant to the international association for labour legislation, $500.

Mr. VERVILLE: What does this item mean?

Mr. CROTHERS: There is an association which has its headquarters in Switzerland, and which is engaged in collecting labour legislation throughout the world and making it public to the different nations. The United Kingdom, the United States, Australia, New Zealand and other countries contribute to the maintenance of this association. Many of them gave $1,000 this year, but we are giving only $500.

Mr. VERVILLE: Has the minister increased his staff during the past year, and if so, are there any practical men in his department, and from which counties do they come?

Mr. CROTHERS: I will be able to give my hon. friend the particulars in that regard; there have been very few appointments. I think there is one additional clerk in the inside service, and two or three in the outside service.

Mr. CARVELL: The Minister of Inland Revenue called my attention to a statement which I made in this House a week or two ago. I stated that a Mr. Brown had been appointed as a preventive officer in Woodstock, New Brunswick, at a salary of $400. The minister tells me that is not true. I am very much surprised. I know the gentleman intimately, he is a friend and neighbour of mine, and I certainly believed that he was enjoying this little salary. However, the minister tells me he is not and I accept his statement.

Mr. MACDONALD: Will the Minister of Public Works tell us whether we will have any supplementary estimates later on? I ask with particular reference to the question as to whether there will be any compensation to members of the House. The minister is aware of the interest that has been taken by hon. members on both sides of the House in this question and I think he should make some statement as to what the Government propose to do on the subject.

Mr. ROGERS: I have been very much interested in that myself. I am not able to give my hon. friend a definite answer, but I shall give him an answer at eleven o'clock, the first thing when we reassemble this morning.

Mr. BOIVIN: If the Government decides that the bonus will not be given, then are there any other supplementaries to be tabled at eleven o'clock?

Mr. ROGERS: Not unless this item of indemnity for the members is brought down. There will be no further supplementaries.

Mr. GRAHAM: We have endeavoured to do our best to expedite the passing of this large amount of supplementaries tonight in order that the House might be prorogued this afternoon as per arrangement. But I think the Government will agree that the passing of estimates in this way is not really just what it should be, and that another session they ought to endeavour to get the estimates down so that we may have a fairly reasonable time to discuss them. A good deal has been said about the rules of the House. I am going to give away a state secret. One of the suggestions that I made to my colleagues when in the Government as to rules, and I think it would perhaps do as much as anything else to expedite business, was to have a date set after which no legislation could be introduced by the Government except by the unanimous consent of the House, no railway subsidies could be introduced and no estimates could be brought down; so many weeks after the opening of the session this business must be on the table of the House unless there was some emergency which could be met by the unanimous consent of the House. Another suggestion I made was that there should be no supplementary estimates. The Minister of Public Works would be in terrible trouble for some time at least—

Mr. ROGERS: I would be very glad of it.

Mr. GRAHAM: I undertook to enforce the rule in my own department to show that it could be done and there were no supplementaries in the Railway Department the last year I was in that depart-

ment. It involves a good deal of difficulty but it can be done. If that rule were laid down, that everything should be in the main estimates except under exceptional circumstances where the unanimous consent of the House should be obtained, I think it would expedite business more than any other rule that could be devised and would prevent us being asked to put through such large amounts, practically without discussion.

Mr. ROGERS: There is some force in what my hon. friend has said. The matter will be brought to the attention of the Government and they will give it consideration. I quite agree that the passage of estimates in the form we have been doing is not really the best we might hope for in this House, and we will endeavour at the next session to so arrange the business that the estimates will be brought down at a little earlier date.

Resolutions reported, read the first and the second time and concurred in.

NOTICE OF PROROGATION.

Mr. Speaker read a communication from the Governor General's secretary, announcing that His Excellency the Administrator would proceed to the Senate Chamber to-morrow at 4 p.m. for the purpose of proroguing the present session of Parliament.

WAYS AND MEANS—THE SUPPLY BILL.

On motion of Mr. Rogers (Minister of Public Works), the House went into Committee of Ways and Means.

Mr. ROGERS moved:

Resolved that towards making good the supply granted to His Majesty on account of certain expenses of the public service for the financial year ending 31st March, 1914, the sum of $23,470,316.65 be granted out of the Consolidated Revenue Fund of Canada.

Motion agreed to.

Resolution reported, read the first and the second time, and concurred in.

Mr. ROGERS thereupon moved for leave to introduce Bill No. 249, to grant to His Majesty certain sums of money for the public service for the financial year ending 31st March, 1914.

Motion agreed to, and Bill read the first and the second time, considered in Committee, and reported.

CANADIAN NORTHERN BRANCH LINES RAILWAY COMPANY.

Mr. LANCASTER moved:

That Bill No. 97, respecting the Canadian Northern Branch Lines Railway Company be withdrawn and the fees paid thereon, less the cost of printing and translation, be refunded.

He said: This is a Bill on which the two Houses disagreed, and the promoters want the Bill withdrawn. The motion is made accordingly, in the usual way.

Motion agreed to.

On motion of Mr. Rogers, House adjourned at 4.22 a.m. Friday.

HOUSE OF COMMONS.

FRIDAY, June 6, 1913.

The SPEAKER took the Chair at eleven o'clock.

STRANDED COAL MINERS.

On the Orders of the Day being called:

Sir WILFRID LAURIER: I have a telegram this morning from Vancouver to this effect:

Fifty coal miners from county Durham, England, stranded here owing to being induced to come here to work in Canadian collieries at Cumberland, Vancouver Island. Please bring matter up in House of Commons, and ask for information by Minister of Labour. Situation of men is serious, having given up homes and left wives and families there.

Has the hon. Minister of Labour received any information in regard to this?

Mr. CROTHERS: My attention has not been directed to the matter. Of course, I understand that a strike has been going on in the island of Vancouver for some time. If the right hon. gentleman will send me a copy of the telegram, I shall be glad to look into the matter immediately.

THE GOVERNMENT ICE SUPPLY.

Mr. TURGEON: Can the hon. Minister of Public Works (Mr. Rogers) give me some information as to the supply of ice for the House of Commons and the departments? Does he get the ice under contract, and where does it come from? We have heard a good deal lately about polluted water, and we would be just as much in danger by using ice made from polluted water as by using polluted water itself. Does the hon. minister intend to ask for tenders for the supply of ice for next session, and will he designate the localities from which the ice is to come?

Mr. ROGERS: I understand there is a contract for ice, but the ice that is being used by members is not put into the water at all. It is put into a tank surrounding the water, so that there is no danger so far as using the water about the buildings is concerned.

Mr. TURGEON: Is the contract for an extended time?

Mr. ROGERS: I have no knowledge at the moment of what the contract is.

NAVAL ACT OF 1910.

Mr. PROULX: As the time has passed for putting questions on the Order Paper, I would like to ask my right hon. friend the Prime Minister a question which interests many of his supporters in the province of Quebec. As we may have an election before another session, it is very important to have an answer. Will he be good enough to tell the House whether the Naval Act of 1910 will be repealed, and, if so, when ?

Mr. BORDEN: I may say, in answer to the very proper inquiry of my hon. friend, that we will give him information with regard to that well in advance of any election.

UNITED STATES TARIFF ON PULP.

Hon. WILLIAM PUGSLEY: I would like to invite the attention of my hon. friend the acting Minister of Trade and Commerce (Mr. Perley) to a matter which is of great importance to the people of Canada, certainly to those engaged in the manufacture of pulp and paper in this country. I understand that in the tariff legislation now pending before Congress of the United States, it is proposed to insert a clause which will penalize the pulp manufacturers in most of the provinces of Canada to the extent of two dollars per ton, as against pulp manufacturers in any other country. The clause provides that, in the case of pulp manufactured in any province, in which there is any increased license fee or any restriction against export of either pulp, pulp wood or pulp paper, chemical pulp coming from such province shall be subject to a duty of two dollars a ton; whereas chemical pulp, which comes from other countries, and which enters so largely into competition with Canadian pulp, is allowed to come into the United States free of duty.

Mr. SPEAKER: The hon. member is taking a rather unfortunate time to bring up this subject, because there is nothing before the House. It could properly be brought up on the Supply Bill. I thought the hon. member was asking a question.

Mr. PUGSLEY: I thought the Orders of the Day were called. It was before proceeding to the Orders of the Day. This is a matter of public urgency, because, unless this Government takes some public action in a short time, it may be too late for effective action. Do not you think Mr. Speaker, that, as a matter of public urgency and with the consent of the House, I might bring it up at present?

Mr. TURGEON.

Mr. SPEAKER: I thought the hon. member was merely proposing to ask a question. It would be out of order to bring the matter up at this stage. It might be brought up as a matter of urgency at the proper time provided under the rules, or it would be in order to discuss the subject if necessary when the Supply Bill is before the House.

Mr. PUGSLEY: I might put it in the form of a question. I desire to ask the Prime Minister if he is aware that legislation is in progress at Washington—

Mr. BORDEN: On an important matter, I have no objection, and I think the House will have none, to the hon. member making any statement he desires.

Mr. PUGSLEY: I am much obliged to my right hon. friend. As I understand the ground upon which Congress is asked to act in the imposition of this duty, which is especially directed against Canadian pulp, as that certain provinces of Canada place restrictions upon the export of pulpwood. It seems to me that the matter is of such importance that the Government, if its attention were called to the matter, might feel it to be in the public interest to make representations at Washington which might lead to the abandonment of the proposed legislation. I think it might well be represented to the authorities at Washington that the export of pulpwood from private lands in Canada amount to at least 1,000,000 cords a year; and it seems to me it might fairly be urged that the mere fact that some of the provincial governments impose restrictions upon the export of pulpwood ought not to outweigh the advantage which the American pulp and paper manufacturers derive from obtaining this most important supply of raw material.

Mr. BORDEN: Is the hon. gentleman speaking of the total export or merely of the export from private lands?

Mr. PUGSLEY: The export from private lands.

Mr. BORDEN: How much is exported from public lands?

Mr. PUGSLEY: I do not know. But I think it might be fairly represented that, in view of the United States manufacturers getting from Canada such a large supply of raw material cut from private lands, in regard to which there is no prohibition of export, the Congress of the United States might very well abandon the idea of imposing what cannot be regarded as otherwise than a penalty against the pulp manufacturers of Canada. I bring the matter to the attention of the Government in the hope that, by reason of the importance of the subject, they might think it worth

while to bring the matter in some way to the attention of the United States authorities. Of course there are several methods open to Canada. One would be to induce the different provincial governments to abandon the restriction which they place upon the exportation of pulpwood from Crown lands; another—and this would strike a vital blow at the pulp and paper manufacturers in the United States who get their supply from private lands in Canada—would be to impose an export duty on such material.

Mr. BRODER: Is the hon. gentleman aware of the attitude of the United States Government toward the product of pulp mills as contrasted with their treatment of other countries in this respect.

Mr. PUGSLEY: Pulpwood from Sweden is the great competitor of Canada in the United States, and it will enter that country free of duty whereas pulp from Canada—

Mr. SPEAKER: I think the House ought to remember that there is a proper time and way to bring this matter forward. If permission is given to one hon. member to discuss this matter, there is no reason why similar permission should not be given to others, and so we should have a debate without anything before the Chair.

Mr. BORDEN: Has the hon. gentleman finished his statement?

Mr. PUGSLEY: Yes.

Mr. BORDEN: I realize that the observations of the hon. gentleman relate to a matter of considerable importance. Had he given me notice that he intended to ask the question, I should have been better prepared to answer. This matter has engaged the attention of the Government during the past three or four weeks, and communications have been held with the British Embassy at Washington with regard to it. It is not by any means clear that the interpretation which the hon. gentleman places upon the proposed enactment of the United States would be carried out; the contrary would be the case if the language is interpreted by the Treasury Board of the United States in the way in which precisely similar language has been interpreted in the past. In making that statement I speak from recollection and without the papers before me, but I feel sure I am right. We await advice as to what the probable outcome will be, either in respect of the enactment of the measure to which the hon. member alluded or as to its interpretation, if it should be enacted. Of course the larger question of the adoption of some measure by this Parliament which might tend to equalize matters in case there should prove to be descrimination against Canada, is a subject that I would not care to give an opinion upon. The hon. gentleman will realize, of course, that any proceedings by way of compensating legislation, such as he suggests, would have to be very carefully considered. And, further than that, the tariff of the United States, like the tariff of Canada, is a matter in the first place, of purely domestic consideration, and one upon which we will not presume to offer any suggestion or to make any representations unless there should be a distinct descrimination against this country without attendant circumstances which might seem to justify it. So, until we are absolutely sure that the suggested descrimination will ensue, it would be unwise to make any pronouncement on the subject in one direction or the other.

CRIMINAL CODE AMENDMENT.

Hon. J. D. HAZEN (Minister of Marine and Fisheries) moved that the amendments made by the Senate to Bill No. 211—Mr. Doherty—an Act to amend the Criminal Code, be read the second time and concurred in. He said: One rather important amendment was made to this Bill by the Senate. Hon. gentlemen will remember that in the Bill as it left the House there was a section with regard to seduction, and that clause 213 of the original Act was amended by providing that seduction by an employer of his female employees under twenty-one years of age and of a previously chaste character, was an offence, no matter what the employment was. That section was struck out by the Senate, and the present provision of the code that punishment for seduction shall be confined to employers in factories, mills, workshops, shops and stores, is allowed to stand. The proposed amendment to the Act as passed by this House extended the application of this provision of the code to all female employees, no matter in what class of employment they might be, thus making it applicable to domestic service. This amendment has been struck out by the Senate. Their Honours have also added a clause making it an offence for any person falsely to pretend to be a police constable. There was a minor amendment to sub-section 5 of section 4, and the word 'commissioner' was struck out of line 23 of section 22, this word having been left in the Bill through a clerical error. With regard to the person from whom a certificate may be obtained for the purchase of revolvers, firearms and other weapons, the Senate have added police magistrates to the officials named in the Bill as it stands in this House. These are practically the only amendments made by the Senate to this Bill, of which the first named is the most important.

Motion agreed to, and amendments read the second time and concurred in.

SUPPLY BILL.

NAVAL FORCES OF THE EMPIRE.

Hon. W. T. WHITE (Minister of Finance) moved the third reading of Bill No. 249, to grant to His Majesty certain sums of money for the public service of the financial year ending the 31st of March, 1914.

Sir WILFRID LAURIER: On the first day of this session the Government placed in the mouth of His Royal Highness the Governor General a statement to the effect that an emergency which existed which made it imperative that the naval forces of the Empire should be strengthened, and a measure was promised and accordingly introduced, with the stated purpose of strengthening the naval forces of the Empire. The Government did not succeed in convincing Parliament that there was such an emergency and as had been mentioned in the Speech from the Throne, nor did they convince the other branch of the legislature, where that measure did not pass. I think we are entitled to know what action the Government proposes to take as a consequence of the action of the Senate in this regard.

Rt. Hon. R. L. BORDEN (Prime Minister): The question which the right hon. gentleman has asked is one that deserves serious consideration and a plain answer. He declares that we have failed to obtain the consent of Parliament to the measure which was proposed by the Government and announced in the Speech from the Throne. We obtained the assent of this House of Commons, which represents the people; we did not obtain the assent of certain gentlemen in another Chamber who were merely an echo of the expressed intention of the right hon. leader of the Opposition. This was plainly demonstrated by the fact that hon. gentlemen on the other side, before the Bill left this House, asserted with emphasis, that it would be defeated in the Senate. Notwithstanding the protests of the right hon. gentleman, everyone knows, and his own followers in the Senate have frankly stated, that but for him that Bill would have been passed in the Senate. He has referred to the Senate as the upholder of democratic institutions and of the liberties of the people. I desire to say to him that according to his own express interpretation of the British North America Act he for years deliberately violated the constitution of this country. That is a strong statement to make, but I challenge the right hon. gentleman to deny it, and I will prove it out of his own mouth. Here is his language in 1896:

> I charge here against him and against his party—

Speaking of Sir Charles Tupper:

> —that, in so far as the Senate of Canada is concerned, they have all along for the last eighteen years disregarded the constitution of Canada in the nature of the appointments which they made to that branch of the legislature.
>
> It was one of the well understood principles at Confederation—and the hon. gentleman referred a moment ago to the debates of the Quebec convention—it was one of the well understood principles then, that if the Senate was not elective, and if it was to be appointed by the Crown, then both political parties should be equally represented on the floor of the Senate. The hon. gentleman has forgotten that rule in practice although it cannot have escaped his memory.

That was the right hon. gentleman's own interpretation of the constitution, that was his conception of his duty, and I ask him to point to me one single instance from the day on which he came into power in 1896 until he left office in October, 1911, where he fulfilled his duty to the constitution as interpreted by him in the words I have just quoted. He cannot name one single instance. He charged Sir Charles Tupper with having violated the constitution. The right hon. gentleman's own words which I have quoted convict him with having himself violated the constitution and he cannot deny it. And then, having filled the Senate with members of his own party, he adopts a somewhat complacent and exultant tone now that he is able to dictate to this House through those gentlemen in such wise that he is enabled to defeat the desire and intention of the people of Canada as expressed through their representatives in Parliament, elected less than two years ago. So much for that part of the case.

The announcement by the Government of the United Kingdom that the taxpayers of the British Islands are to be called upon to pay for three dreadnoughts which are to be laid down in the place of those that should have been furnished by Canada under the provisions of the Naval Aid Bill, is a matter for earnest and grave consideration. In the first place, that action of the British Government, according to my conception, shatters every argument and contention on the part of those who reiterated over and over again to this House that there was no condition of urgency. My right hon. friend was willing to give a guarantee of the peace of the world, he was willing to answer for it. There was no need of any further provision for the naval defence of the Empire; he was in the secrets of all the chancelleries of the world, he was thoroughly aware of their beneficent intentions and he could answer to Canada and to the Empire that we might disarm, that no further preparation was necessary. This was mere irresponsible vapouring, as the right hon. gentleman must have known

himself. The answer to-day, a most convincing answer, is the action which the British Government have found it necessary to take by reason of the defeat of that Bill in the Senate at his dictation. The position in which the matter has been left by the unfortunate and ill-advised action of the Senate, following his advice, is intensely humiliating to the people of this Dominion.

Sir WILFRID LAURIER: Hear, hear.

Mr. BORDEN: It prevents Canada, at the present time, from undertaking a duty which the vast majority of the people of this country are not only willing but eager to undertake in vindication of their self-respect. The right hon. gentleman's unworthy and unpatriotic action prevents the people of Canada, for the time being, from undertaking that duty. However, it appears from the press despatch—I have no official communication on the subject—that the British Government have undertaken the duty which I think ought to have been discharged by Canada at this juncture, under the provisions of the Naval Aid Act.

Mr. PUGSLEY: It is a telegram from 'Windermere.'

Mr. BORDEN: I do not know who the press corespondent is, and I am not answering for the accuracy of the despatch. It seems to have been accepted by the hon. gentleman's leader. For the time being, I am assuming that the terms of the despatch express with accuracy the announcement which has been made in the British House of Commons. The defeat of this measure by the Liberal majority in the Senate at the dictation of the right hon. gentleman who leads the Opposition, prevents us at present from arranging that the British Government shall proceed with the construction of these ships on behalf of Canada. Technically, the Parliament of Canada has refused this aid. In reality, this aid has been refused by a partisan majority in the Senate, at the dictation of the right hon. gentleman, a majority having no responsibility whatever to the people of Canada. But, in view of the fact that these proposals were made by the Government of Canada upon information which they had received from the British Government through the Admiralty, which they regarded as disclosing grave conditions, it may be possible in the future to make right that which has been made wrong at the present by the right hon. gentleman and his irresponsible friends in the other House. The construction of these ships is apparently to be proceeded with by the British Government. It is quite out of the question for us at the moment to make any advance or approach to the Imperial authorities under the condition which has been created by my right hon. friend because, technically, this measure has been rejected by the Parliament of Canada although, in reality, it has been defeated by a few partisans in the Senate who do not represent in any sense whatever the true desire and wish of the Canadian people. As the construction of these ships is to be proceeded with by the British Government, as they are apparently to be of the same character, the same strength and the same fighting value as those which we proposed, as they are to be employed for the same purpose, that of the common defence of this Empire, which we had in mind, it is the firm intention and determination of this Government, if it remains, as undoubtedly it will remain in power, to bring down, at a later date, a proposal for the acquisition or construction of three battleships, as was proposed in the Naval Aid Bill of 1912. In that way, before the completion of these ships, we hope and expect to be in a position to say to the British Government: Canada is prepared to do now what the unworthy action of a partisan majority in the Senate prevented her from doing before; Canada will take over and pay for and acquire these ships and will place them at the disposal of His Majesty the King for the common defence of the great Empire of which Canada forms a part.

Sir WILFRID LAURIER: Mr. Speaker, I thought my right hon. friend certainly did his very best to be severe towards the Canadian Senate, he must be the first to admit that his efforts in that direction have fallen far short of the performances of the press which supports him. The language he has used does not compare at all with the language of the ministerial press. To read the ministerial press, one would suppose that the Senate had committed some great error, almost akin to a crime. Sir, the truth is that the Senate has done nothing but defend the rights of the Canadian people. If I may follow my right hon. friend's line of argument, I may say that the Senate has done nothing but defend the rights of the people against a servile majority in the House of Commons. What have the Senate done? Have they done violence either to the law or to the constitution? Have they infringed upon the rights of this House? Have they infringed upon the rights of the people? Have they in any way sacrificed the rights of the people? What have they done? They have not rejected the Bill, as they might have done; they have simply said that they did not feel called upon to give it their assent, until it had been submitted to the judgment of the country. Sir, this contribution which was proposed by my right hon. friend, under the pretence of an emergency

which never existed, to meet the immediate need of the Empire, the Senate would have been well justified in throwing aside; but they would not take that course.

Mr. LANCASTER: How do you know?

Sir WILFRID LAURIER: How do I know? I know by the resolution placed upon the books. They did not say that they would not give their assent to this Bill. They simply said:

This House is not justified in giving its assent to this Bill until it is submitted to the judgment of the country.

This, Sir, is the resolution which my right hon. friend has the audacity to characterize as partisan. This is the resolution which my right hon. friend denounces to the Canadian people, when all it does is to say that the Canadian people shall pronounce upon the proposal of my right hon. friend.

My right hon. friend says that the Senate acted at my dictation. My right hon. friend mistakes my friends, and those whom I claim to be my followers in this Chamber or in the other Chamber. Canadian Liberals, whether they sit in the House of Commons or in the Senate, do not follow the dictation of anybody. I have seen in this House within the last three or four days instances of, after a caucus, hon. gentlemen supporting my right hon. friend being forced to give a vote that they did not want to give. Nothing of that kind has ever happened to any follower of mine.

My right hon. friend says that the Senate should be reformed. It is up to him to reform it; he is in office now; he has power to do so. I have myself stated over and over again that the constitution of the Senate, nominative as it is, is not altogether satisfactory. The difficulty has always been to find a remedy. My right hon. friend will perhaps be as good as his word, the brave word he has given to-day, and let us have a reform of the Senate. If he will, I shall be willing to give my assent. But, according to the views of my right hon. friend, the reform of the Senate is not to be based upon its constitution; it is to be according to the manner in which the members of the Senate exercise their power. If the Senators are good boys, if they consent to be simply recording machinery to register the vote and the will of the majority on that side of the House, then their existence will be continued and maintained. They are a noble institution, if they do that; but if they have the audacity to have a will of their own, to exercise their judgment, and to exercise that judgment against the will of the majority of this House, down with them, and anathema on them. That is the basis upon which, apparently, the reform of the Senate is to proceed. But let that pass; we shall come later on to that matter.

My right hon. friend has told us what will be his action: It is to be a repetition of the vote of the majority. My right hon. friend forgets that, according to all constitutional usage, the way to get out of a difficulty of this kind, when there is a divergence of opinion between one branch of the legislature and the other branch, is to appeal to the people. But my right hon. friend will not take that course. He says that he will repeat what he has done before: he will ask the House again to vote the $35,000,000 for the emergency. He may do that; I do not pretend to be a prophet; but I say to my right hon. friend that, according to all usages, he should do what the Senate invites him to do; appeal to the one body which is the master of us all, and the arbiters of our destinies. He will not do so.

Mr. LANCASTER: They are not masters of the Senate, and the Senate know it.

Sir WILFRID LAURIER: Not only according to constitutional usage, but according to his own words, this is what my right hon. friend was going to do. My right hon. friend has stated, not once, not twice, but a dozen times—in Montreal, in this House, and in Toronto—that if Parliament were against this policy, he would appeal from Parliament to the people. My right hon. friend will not, I am sure, deny that he has taken that position more than once. He will not deny that on the floor of this House, in Montreal, in Toronto, not three weeks ago, he stated that if Parliament were against him, did not approve of his policy, he would appeal to the people. But I understand that the new constitutional doctrine which is to prevail is this: Parliament is no longer Parliament as we have known it in former years; it is not composed of the House of Commons and the Senate; it is not composed of two branches of the legislature; Parliament is composed of the majority which sits in this House. Even we ourselves have only such power and such liberty as the majority is good enough to leave to us. That is Parliament according to the doctrine of my right hon. friend; but that is not the way I understand the constitution, nor is that the way in which the people understand the constitution. In confirmation of my view, I would quote what my right hon. friend said at Toronto. He spoke as follows:

In 1910 I moved in the House of Commons a resolution that Canada should place at the disposal of the Admiralty two battleships or armoured cruisers of the most powerful type. In November of the same year I declared that, if returned to power, we would seek directly from the British Government,

and especially from the Admiralty, definite information as to the needs of the Empire in naval defence and that, if satisfied of the need, we would appeal to Parliament, and if necessary to the people for immediate and effective aid. In the campaign of 1911, I made the same declaration in my opening speech in this province. No Government in Canada ever had a more specific and direct mandate for any purpose than that of the present Administration to perform this manifest duty.

This is the statement upon which my right hon. friend bases his case to-day. He says that he had a mandate from the electors in the election of 1911. This statement of my right hon. friend was made in the presence of the fact that he had by his side the hon. Postmaster General (Mr. Pelletier), which fact is an absolute negation of the proposition. The Conservative party in the election of 1911 were a unit upon one question—the question of reciprocity. It was the same in one province as in another province; whether in the East or in the West, they were all united against reciprocity; but on the navy, to tell us that my right hon. friend had a mandate from the electors is to put a severe strain upon our credulity. It is true that my right hon. friend stated in the elections of 1911 on the question of the navy, that we owed a debt to Great Britain. He was not satisfied with the manner in which we had performed our duty to the Empire by placing the Naval Act upon the statute-book, but he wanted to do something in favour of Great Britain. There, by his side, sits his hon. friend the Postmaster General, and his hon. friend stated that we owed no debt whatever to Great Britain. The hon. gentleman has the audacity—

Mr. PELLETIER: Never.

Sir WILFRID LAURIER: Well, I will call upon my hon. friend to go and repeat in the county of Quebec that he never said that.

Mr. PELLETIER: I never said that.

Sir WILFRID LAURIER: But we have more: we know that when the hon. Postmaster General went to Quebec county for his re-election he stated that he had obtained from the Prime Minister a pledge that upon any naval expenditure he would have a plebiscite. Where is the plebiscite, and where is the mandate of the people for this expenditure of $35,000,000? While my right hon. friend, in the election of 1911, was preaching that we owed a debt to Great Britain, his supporters in Quebec —and I see one sitting behind him in this House—were paying for the circulation of Le Devoir, and the apostles of Nationalism were preaching every day that we owed absolutely nothing to Great Britain, and that they were against naval expenditure in any kind of form. I see in my presence a gentleman who paid for the circulation of Le Devoir, and who will not deny it, I am sure.

But we have more than that. We have the Conservative party and the Conservative leader in the province of Quebec not only circulating Le Devoir, which, if it was not treason, was perilously near treason, but we have also pledges from Conservative members to the effect that they would not consent to any naval expenditure whatever. Time brings its revenge. We know the methods—not all of the methods, but some of them—by which the Conservative victory of 1911 was achieved. We have the edifying spectacle of the same men, who in Ontario were preaching loyalty, paying out of their own funds for the circulation of an organ which was preaching something very nearly akin to disloyalty. We have the declaration of Mr. Bourassa that he was cheek by jowl with the Conservative leaders in Quebec who were arrayed against the Government of that day. The charge was made in the province of Ontario against the former Government that they were disloyal, while in the province of Quebec it was charged that they were too loyal because they wanted to spend money for the defence of Great Britain. Mr. Bourassa further says that he has the pledges of men in this House who were elected to support no navy whatever. He says amongst other things that he received a letter enclosing the following telegram:

Mattawa, September 8, 1911.

Chas. McCrea, Sudbury,—I am certainly opposed to the reciprocity pact and the naval policy of the Government, and will support a request for repeal of naval policy and a referendum to the people, no matter who is Premier.

(Sgd.) Geo. Gordon.

Mr. Gordon was the gentleman who formerly represented the district of Nipissing in this House. There was another telegram to the following effect:

Chas. McCrea, Sudbury, Ont.—I am opposed to the reciprocity pact. I am opposed to the naval policy of the Liberal Government. I will support a request for repeal of same and a referendum to the people on the naval question, no matter who is Premier.

(Sgd.) W. R. Smyth.

This telegram is signed by the name of a gentleman who occupies a seat in this House, and with whom I have always had the best of relations—the hon. member for East Algoma (Mr. Smyth). He has stated that he did not write that telegram, and, of course, I accept his word. It is up to my hon. friend to say whether it was signed by him or somebody else in his name. That is the condition with which we are now faced; and, to tell us under such circumstances that the Government

had a mandate from the electors, is an insult to the intelligence of the people of Canada.

My right hon. friend went a little further at Toronto, taking occasion to add a word or two to what he had previously said; and this is significant in view of the statement he made to-day. He stated at Toronto that there was an emergency. An emergency! Does my right hon. friend pretend at this late date that there is an emergency? Will my right hon. friend tell this House that if there had been an emergency he would have been satisfied, and the Canadian people would have been satisfied, to send three empty ships to Great Britain? If there had been an emergency, it would not have been three empty ships that would have been sent, but thousands of our young men would have risen to offer their services to Great Britain. If there had been an emergency, from the shop, the farm, the lumber camp, the mining pit, our young men would have come forward by the thousands asking to be sent forward to take their places in the firing line. My right hon. friend in Toronto the other day, accused me of being a separatist. Let me tell him that I know the people of this country as well as, and perhaps better than, he does. Whenever there is an emergency the people will rise, as they did in 1899, to offer not only ships and money, but the service of their bodies, and to put themselves in the front ranks in order to take their share in the fray.

But there is no emergency whatever, and my right hon. friend has just given us the evidence that there is no emergency. He said, as we understood from the memorandum statement of Mr. Churchill, that the present effective forces of Great Britain were not sufficient, that Great Britain could no longer carry the load alone, that the three ships that we were to give were to be in excess of the number composing the British fleet, and that this $35,000,000 would not form part of the British naval expenditure. Now we know that this was not an emergency contribution, but a contribution for the regular naval programme of Great Britain. My right hon. friend has given the best proof possible that there was no emergency, and I thank him for his statement, because it shows that we were right from the first in believing that there was no emergency.

My right hon. friend did more at Toronto: he added to the fallacy of the emergency another fallacy just as fantastic and far more mischievous and dangerous. My right hon. friend stated at Toronto that a Canadian navy was a separatist navy.

Some hon. MEMBERS: Hear, hear.

Sir WILFRID LAURIER: Sir, I am not prepared—yes, I am prepared—for this statement. It is quite in keeping with the career of the Conservative party; it has been their stock argument for sixty, seventy, eighty years past. There never was a reform put upon the statute-book by the Liberal party—

Some hon. MEMBERS: Oh, oh.

Sir WILFRID LAURIER: —but it was charged with disloyalty by the Conservative party. It is admitted that the basis of the British Empire to-day is the self-governing power given to the colonies some seventy years ago. Yet it is a matter of history that the reformers of that day, Baldwin and Lafontaine and their compeers, were denounced as traitors, while the Tories of that day saw imminent separation in the very idea of self-government. I am quite sure, if my hon. friend had lived in those days, he would have been a Tory then, as he is now, and would have been against self-government as he is to-day against the autonomous organization of our naval expenses. In regard to that, it is sufficient to quote against my right hon. friend in Toronto, my right hon. friend on the floor of the House of Commons. I have his opinions here upon the navy. This is what he said on the 12th of January, 1910, when I introduced the Naval Bill:

Then, it has been argued that the creation of a so-called Canadian navy will have a tendency towards the separation of this great Dominion from the Empire. I do not see that it has such a tendency more than the organization of a militia force.

This is the answer which I have to give to hon. gentlemen on the other side of the House. I know quite well that their answer will be that the policy of a Canadian navy is a separatist policy. My right hon. friend will try to arouse the prejudices of the people in Ontario; his confreres will endeavour to arouse the prejudices of the people in Quebec. We are accustomed to that practice. We have fought it before; we shall fight it agin. No amount of argument will convince the people that it is a separatist policy—not even when it comes from the mouth of the hon. member for Calgary (Mr. Bennett), who has tried and failed, and will fail again. He says that a Canadian navy means disloyalty. That means that Sir John Macdonald and Sir George Cartier, the fathers of Confederation, who first were in favour of the principle of a Canadian navy, were disloyal. Our policy is a Canadian navy. We desire to help the British Empire by taking our share in building up a Canadian navy. We wish to have the navy manned and equipped in Canada. On that question we have taken our stand.

Upon it we stand to-day, and I invite my hon. friend to give us an opportunity of putting it before the people.

Hon. W. T. WHITE (Minister of Finance): My right hon. friend, referring to the action of the Senate, stated that the members of the Senate did not follow the dictation of anyone. I say that the Canadian Senate is a body not responsible to the Canadian people, or they would not have dared to reject this measure passed by this House, and approved by this country and the Empire at large. I say that the constitution of the Senate is not in keeping with the principles of British representative government; and the time will come, if we are to have action such as this on the part of that body, that their constitution must be changed and brought into accord with the principles of constitutional government in the Empire. My right hon. friend has stated that the members of the Senate were not dictated to. Will he deny that they have followed his lead in this matter? How shall we account for the action of Sir George Ross, leader of the Senate, on this question?

Sir WILFRID LAURIER: Because he is a great Imperialist.

Mr. WHITE: How shall we account for the action of Sir George Ross, at variance with his public utterances of a lifetime on this question?

Mr. BELAND: Never.

Mr. WHITE: Sir George Ross, for years past, by his public utterances has been in favour of a policy such as was submitted to this House by this Government.

Mr. MACDONALD: What kind of a policy is it?

Mr. WHITE: The only remark I desire to make in regard to his actions in this matter, the course he has chosen to pursue, is to call attention to the verses of the American poet Whittier—

Mr. OLIVER: Not an American poet.

Mr. WHITE: —with regard to Daniel Webster, the great apostate, in which he calls him Ichabod, and says: 'Walk backward with averted gaze and hide the shame.'

Mr. ROSS: Can the hon. gentleman give one instance in which Sir George Ross ever gave an opinion in favour of the naval policy of Mr. Borden or against a Canadian navy?

Mr. WHITE: I will not allow my hon. friend to interrupt my speech. I make the assertion, without fear of contradiction, that the whole course of the public life of Sir George Ross upon this question, his utterances before Canadian clubs and in other places, are absolutely at variance with the action he has taken.

Mr. PUGSLEY: I rise to a point of order. The rules of this House say that no hon. member shall use offensive words against either House or against a member. I submit to you, Mr. Speaker, that the language which my hon. friend has used with regard to Sir George Ross, a member of the Senate, is disrespectful and offensive language and not such as ought to be used towards a member of the other House. I am sure that, if a member of the Senate were to use such language regarding a member of this House, he would be promptly called to order. I think that you, Sir, will agree with me that the hon. the Minister of Finance ought to withdraw that expression.

Mr. WHITE: What expression?

Mr. PUGSLEY: My hon. friend knows perfectly well what it was. The expression was to the effect that the hon. gentleman ought to hide his shame. I think it was entirely disrespectful, contrary to the rules of the House, and contrary to those rules of courtesy which ought to govern the treatment of hon. members of this House towards the other Chamber, as well as hon. members of the other Chamber towards members of this House.

Mr. HAZEN: In regard to the point of order raised by my hon. friend, he has been unable to put his finger on a single word used by the hon. Minister of Finance that can be construed as improper language to be used in reference to a gentleman in the other Chamber. I submit, before my hon. friend asks that that statement shall be ruled out of order, or shall be withdrawn, that my hon. friend is bound, in fairness to this House and under the rules of this House, to state what the objectionable language is which he says should be withdrawn and ruled out of order.

Mr. PUGSLEY: The expression was that Sir George Ross ought to hide his face.

Mr. SPEAKER: Order. I think the hon. member has stated the point of order fully, but in my judgment it is not well taken.

Mr. WHITE: With further reference to the remarks of my right hon. friend (Sir Wilfrid Laurier) as to members of the Senate not being dictated to by others and by himself, it is a matter of common knowledge in this House; it is a matter on which I have absolute information that some members of the Senate, who were in favour of this Bill as it passed this House and went to the Senate, absented themselves, when the vote was taken, out of consideration for their party loyalty to my hon. friend. The people of this country

cannot be made for one moment to believe that the vote of the Senate upon this question represented the convictions of the majority of the Senate, constituted as it is. It was party loyalty to my right hon. friend that dictated the action of the Senate. He has spoken with regard to the naval question. What is the position of that question in Canada to-day? For thirty years, ever since the conference of the 'eighties, this matter of naval defence has been the subject of more or less discussion and has claimed more or less attention in the different parts of the Empire. For years we in Canada have been talking about our duty to the Empire and of what we should do to take our part in the national defence. And, up to the time when the Prime Minister brought in his Bill, no action had been taken that would have contributed in any measurable degree to the defence of the Empire, or even towards the defence of our own shores. Canadians have been known throughout the Empire as talkers on this question of naval defence. That has been the reproach of Canada—that we have talked and boasted of our loyalty, but have done nothing. My right hon. friend the leader of the Opposition will say that he introduced the Canadian Naval Act; but we all know that that navy was not intended to be a real navy.

Sir WILFRID LAURIER: Order.

Some hon. MEMBERS: Oh, oh.

Mr. WHITE: If my right hon. friend will disclaim any such intention, I will withdraw what I have said in deference to his express statement; but, so far as his intention can be gathered from what was done, I say it would appear there was no intention on the part of those responsible for that legislation that there should be a real Canadian navy. Even when the right hon. gentleman in this House, in opposition to the naval programme brought down by the leader of the House, brought forward his plan for two fleet units, it was perfectly apparent to us on this side that there was division among his followers as to what should be done, and that the right hon. gentleman's real intention was to do substantially nothing. What did we do? Let us look at this matter fairly: The Prime Minister of this country last year went to headquarters on this subject; he consulted the Admiralty and he brought back one of the most significant documents ever laid on the table of this House. If that document did not represent a situation emergent and fraught with danger to the Empire, then no language could be made to convey that idea. The leader of the Opposition takes a different view. But as between the opinion of that right hon. gentleman and the First Lord of the Admiralty and the British Government on such a question, I hope he will pardon me if I elect to take the opinion of the Admiralty instead of his own. The right hon. leader of the Opposition lost the political chance of his lifetime.

Some hon. MEMBERS: Oh, oh.

Mr. WHITE: I have so much appreciation of the political sagacity of the right hon. gentleman that it would not have surprised me in the least if he had stood up in this House, as I think it was his duty to have done, and supported this measure brought down by the Government. He had before him a state document of the utmost significance as to naval defence, disclosing a situation of grave danger. That being so, he owed it to his party, to the country, to the Empire, to rise in his place and give adherence to the policy brought down. But he chose to take a different course; and let us see the consequences that have flowed from his action. But before I deal with the consequences, let me tell the right hon. gentleman that, so far as one can gather the expressions of constituencies, of the press and of every utterance in this country that is entitled to consideration, it is manifest that the policy of the right hon. Prime Minister has met with the abundant and hearty support of the Canadian people.

Now, in what position is this country placed through the action of the Senate?—as my right hon. friend says, the partisan majority in the Senate. It is a position of humiliation for this country in the eyes of the Empire. That is the first consequence flowing from the policy of the leader of the Opposition and the resultant action of the Senate majority. Canada is humiliated in the eyes of the Empire by reason of the fact that after a condition was diclosed by the Admiralty such as I have indicated, an emergent condition calling for action, Canada failed to respond. After all our professions, after all our talk—

Some hon. MEMBERS: Oh, oh.

Mr. WHITE: —and I include hon. gentlemen opposite in that, because they also have taken part in it; as a people we have boasted for years of our loyalty and of what we were about to do—I say that when a measure is brought down to give practical, effectual aid in this crisis of the Empire, the leader of the Opposition and the majority in the Senate commit an act of political vandalism, destroy this Bill—

Some hon. MEMBERS: Oh, oh.

Mr. WHITE: I say it is political vandalism. There should be no exultation in bringing about a merely negative result in this matter. It is easy to destroy. Any

man whose hand can wield a hammer can break a statue, no matter how finely that statue may be wrought; and so, the partisan majority in the Senate can destroy a measure such as this, a measure of the utmost consequence and necessarily promoting the strength, unity and solidarity of the Empire. This is precisely what has been done—a body blow has been struck at the unity of the Empire. Who are comforted by this action of the Senate? The enemies of Great Britain are comforted by it. And who are discomfitted? The friends of Great Britain throughout the world; every part of the Empire is disappointed by this action. Let us not deceive ourselves as to what has been done—a body blow has been struck at the Imperial unity which professedly, we have all aimed to promote. There is no getting away from it. My own feeling with regard to the right hon. gentleman's action is one of sorrow. I feel that a measure designed for the benefit of the whole Empire has been thrown out and nullified for merely partisan consideration. My right hon. friend talks of an election—

Mr. CLARK (Red Deer): Which right hon. friend?

Sime hon. MEMBERS: Oh, oh.

Mr. SPEAKER: Order.

Mr. CLARK: I am sorry, Mr. Speaker, if I am out of order; I merely wished to ask to which of the right hon. gentlemen the Minister of Finance referred.

Mr. WHITE: To my right hon. friend the leader of the Opposition. I say he talks about an election. Does he quite realize the condition of Canada at the present time? Does he realize the conditions of financial stringency which are world-wide? What assurance have we from my right hon. friend or from the majority in the Senate, that if an election were held next week, their action would not be the same partisan action as within the last few days? He does not want an election; he knows it would be a crime against the people of Canada at a time such as this to bring on an election. He knows that right well. He does not want an election, but he does want the idea to be conveyed to the people—because he has a subtle mind—that he does want an election.

My right hon. friend missed the opportunity of a lifetime in not standing up—and I am sure he would have had no difficulty in obtaining the support of his followers in doing so—and approving this policy brought down in pursuance of what we must regard as at least an implied request on the part of the British Government that Canada should do her duty in the serious situation which has been disclosed. But he did not do it; he has cast the die, and my own opinion is that in the action he has taken he has placed himself beyond the pale of political favour in Canada for the future. Is the British Empire to suffer by reason of the calamity which has overtaken the legislation introduced by my right hon. friend? The United Kingdom and the people of the United Kingdom do not create a party issue with regard to the matter of naval defence. When a measure of naval defence is introduced into the British House of Commons, all political parties feel it incumbent upon themselves as patriots to give it their support. You do not hear Mr. Balfour assail Mr. Asquith when Mr. Asquith brings down a measure to increase the effective naval forces of the Empire. There is no partisanship there; it is all true patriotism, and if there is any unity and solidarity in the Empire, I say that when this Parliament received such a document as was laid on the table of the House, prepared by the Admiralty and the British Government, it was the plain duty of the Parliament of Canada and the representatives of the people there assembled to accede to the request therein made, and to do what this Government called for. The whole tone of the press abroad, who are capable of judging these matters, is that in this situation the course proposed is the only effectual action Canada can immediately take. Once you make the British Empire supreme at sea you can take your time for those other necessary things; time for the construction of your large dry-docks; time for the fortification of your harbours; time to consider what is the best course to adopt with a view to building up a navy, because the building up of a navy is a matter of years. In the meantime the one thing needful is to strengthen that Imperial fleet without which local navies would be as paper screens against foreign attack.

As I say, in Great Britain they do not quarrel over these matters. When Canada failed in her duty by reason of the action of the Senate, the question was instantly brought up in the British House of Commons. What about the statement of Mr. Churchill, which I have read in this House, that if Canada did not do her plain duty in accordance with the requirements of the situation as disclosed in the memorandum laid upon the table of this House, that duty would have to be discharged by the sacrifices of others? Those sacrifices are now about to be made, because Great Britain knows the situation; knows the importance of Imperial defence; knows the emergency that has been created and which still exists; knows the conditions connected with the European international

situation as we in Canada do not and cannot begin to know them. The British authorities say: If we are to maintain the supremacy of the British fleet in order to secure the safety of our shores, our commerce and our Empire, then we must at once do what Canada has failed to do; we must anticipate our naval programme and lay down the keels of three ships, and the people of the British Islands must make those sacrifices which the people of Canand have been debarred from making through the action of the Canadian Senate. My right hon. friend the Prime Minister comes before the House to-day and says that we are temporarily debarred from action; temporarily debarred from doing what this Government desires to do, and what the people of Canada are desirous that this Government should do, and he says that as soon as we can we will repair the error that has been made. Providence is on our side.

Mr. BELAND: We have the people.

Mr. WHITE: My hon. friend says he has the people; that I deny. Providence is on our side, I say, and there will come a time when a majority will not throw out a measure of this kind. My right hon. friend says we will repair what has been done; we will put ourselves in such a position that Canada's action at present will have been only deferred action, and that Canada will fully discharge her duty as soon as this Parliament is in a position to take such steps as will bring that end to pass.

Hon. L. P. PELLETIER (Postmaster General): I cannot allow the declaration made by the right hon. leader of the Opposition that I have said that we owe nothing to England pass unnoticed. The right hon. gentleman and his friends and back-benchers may go everywhere; they may refer to tne newspapers in which my speeches were correctly reported, and they will find that no such expression was ever reported as coming from my mouth. I have always believed that we in this country, especially the French-Canadians, owe a great deal to England, and I have never changed my opinion in this regard. I may tell him now that he has no right in the dying hours of the session to try to create all over Canada the impression that one of the members of this House uttered such a disloyal sentiment as that which he has attributed to me. Whilst I stand here for the principle of helping the British Empire, the right hon. gentleman tells this country that I am disloyal, whilst he, with all his professed loyalty, stands up and votes against the very thing that would help the Empire. He attributed to me words which I never uttered. I have no doubt that he did so in good faith; his newspapers have lied so much and he has read them so often that perhaps he actually believes them to-day. But I tell him once for all that the assertion is not true, and with all his years in political life and with all the prestige which he has as the leader of a great political party, he has no right to place in my mouth words which I never uttered.

I am told to-day that I have made this, that and the other promise. These utterances come with bad grace from the hon. gentleman who has thought fit to break all the solemn pledges he has made from the beginning of his political life to the present time. I am told that I have broken a pledge. Where is the party and who is the leader of the party which is known in this country as the party of broken pledges? It has been said that I have said certain things at certain times and that my opinions have changed. Perhaps some hon. gentlemen may have the right to discuss that matter with me, but I see before me an hon. gentleman who at a most solemn moment in the history of this country, said: We shall send no volunteers to South Africa, and the following morning he turned a wonderful somersault, changing his opinion in twenty-four hours. Such are the men who tell me that I have changed my opinion. They have become very sanctimonious; they have become very virtuous indeed; and they look all around and say: Where shall we find a man who has broken some pledges? who would join the procession of promise breakers that they have been for the last fourteen years. It appears that at a given moment I have promised a plebiscite or better than a plebiscite. This is another newspaper lie that I am going to nail down now. I contended that on the Laurier naval law, this law being for a permanent policy should not go into effect or should not be proceeded upon except after the people had pronounced upon it by way of consultation, plebiscite, referendum or election. I have been true to my word. I never said that we would have a plebiscite or a popular consultation about an emergency or temporary policy. I never said that and consequently I am not breaking any pledges or any promises in standing here to-day with my right hon. friend and leader and the members of this House in order to fulfil what I consider a most solemn and sacred duty to the Empire of which we form a part. I say that even if I had said before, in the province of Quebec or anywhere, that we should not have a navy without a referendum, that after I had seen and heard what I saw and heard in the Mother Country last summer, it was my most sacred, bounden duty as a Canadian to come back here and to take the stand which I have taken, irrespective of the consequences. This whole country has been told that we have been working

hand in hand with certain members of the Liberal party who have become Nationalists. That is a fact. But when I am called upon, as a member of the House of Commons and as a member of the Government, to take a stand on any public question, I shall not go and look back ten or fifteen years and ascertain what I said at that time, I will take the events of the day, the circumstances as they are disclosed to me, I shall exercice my judment and my liberty of action as I understand it.

Le Devoir! My right hon. friend says that he has found me in company with the gentlemen who write in Le Devoir. He was in their company before Le Devoir was started, they parted company with him at a certain moment but they have met now and they have joined company. But, Sir, those bad Nationalists, those men about whom my right hon. friend spoke a moment ago, they are at one with him, they agree with him now. They wanted the Senate to kill this Bill. So did my right hon. friend. They are hand in hand. If I was in the wrong in being with them at the moment when I thought they were right, my right hon. friend has taken my place with them now. If I committed a crime my right hon. friend, who has had much more experience than I, has thought fit to commit that crime and, forsooth, to stand up and say that I am a big criminal because I have done it and that he is a big man because he is doing it now. It is really amusing to hear our hon. friends on the other side of the House. They are anxious to go to the people. Anxious? Anxiety is no name for it. But do they want the people to be consulted on this subject? No. I am going to prove it to you right away. If you want to have the opinion of the people on this question and on this question alone, if you do not want the people of this country to be told that they should vote for a French-Canadian against an Orangeman like Borden——

Some hon. MEMBERS: Shame, shame.

Mr. PELLETIER: If you want the people of this country to meet the issue fairly and squarely, the way to attain this would be to leave this question out of politics and not to have an election over it. A motion for a referendum has been made in this House. The gentlemen have had a chance to discard politics on this question and to have the opinion of the people on it. When they were called upon to face this issue they said: Oh, no, no, no, we want an election. They have not yet realized that the people have voted against them, and they believe that if they could only get another chance they might get back to the treasury benches, that is all. The people of this country are no fools, the people—

Mr. MARTIN (St. Mary's, Montreal): They may be fooled, once, but not more than once.

Mr. PELLETIER: My right hon. friend is sitting in a fool's paradise himself.

Mr. MARTIN: Mr. Speaker, I rise to a point of order. I think the hon. gentleman had no right to answer me in the way he did. I have said that the people were fooled once by these gentlemen and now if they are in power it is because the people were fooled in that way.

Some hon. MEMBERS: Order, order.

Mr. SPEAKER: If the hon. gentleman wants to raise a point of order let him state it. I do not think that what he has proposed is a point of order.

Mr. PELLETIER: My hon. friend hardly understands the meaning of a fool's paradise or he would see that there is no injury to him in it. So far as I am concerned, when this question came up, I used my best judgment and when I hear people telling us here that, forsooth, we are not going to do our duty on account of the big thing which is in the salary of a Cabinet minister, which has not been increased for the last forty years and than which any man with ordinary brains can make more at his own profession, I say that this is all claptrap. It is all right for some hon. gentlemen to try and say that to the people, but there is nothing in it. Let me say before I resume my seat that our hon. friends on the other side of the House have a record and a record which is well worth looking into before they throw stones into their neighbours' gardens.

The right hon. leader of the Opposition told this House this morning that the Prime Minister had at his left the Postmaster General of Canada who is a disloyal man. Sir, for the last forty or fifty years in this country we have seen at every point the party now led by my right hon. friend take a stand before the public opposed to anything that looked like the militia or defence. The Militia Bill of Sir George Cartier and Sir John A. Macdonald was opposed by the leaders of the Liberal party, who went around from platform to platform in Quebec telling the people that it was a shame for the Canadians to arm or to have a militia to defend the country.

Mr. E. M. MACDONALD (Pictou): We have had a curious utterance from the hon. gentleman, who is a follower, not of the present Premier of this country, but of Mr. Armand Lavergne, in an attempt to justify himself before the people of Canada. I do not propose to follow him along the line which he adopted other than to quote a statement made with regard to himself by the chief of the Nationalist

party, who has told us some of the inside history of the pact between the Nationalists and the Tory party in 1911. This is what he says of my hon. friend (Mr. Pelletier).

Although the slimmest, Pelletier was the hardest to get through, not only because of his Nationalist tendencies, but because of his kindly dispositions to business—complicated business.

Mr. CLARK (Red Deer): Who says that?

Mr. MACDONALD: Mr. Bourassa, the chief of the Nationalist party, He goes on:

But because of his kindly dispositions to business—complicated business (witness the mail sacks and padlocks). Lavergne did his best to make him pass muster and he could do no less for the most ardent of his disciples.

My hon. friend who has execrated and abused the Liberal party for the last quarter of an hour, is known all over the province of Quebec as the man who declared that he was a supporter of my right hon. friend, the Prime Minister, who is trying to pose before the people of Ontario as the man who has always been loyal, a Tory who has never had anything to do with Nationalists. Where are we in regard to this matter? On December 5, the right hon. gentleman who leads this House, repeated the statement which he alleged he had made in 1910. If he had told us some of the other things which he said in 1910 we would never have had a naval debate or Bill in 1912. This is what he said in 1910, he was going to do: He proposed to find out certain things by going to the British Admiralty, and then he said he would appeal to Parliament for immediate and effective aid, and if Parliament did not give immediate and effective aid, he would appeal from Parliament to the people of the country. That was the pledged word of my right hon. friend, the troth that he pledged with the Canadian people on December 5, when he came to this House and asked it to pass the resolution which has been defeated. Is he going to keep his word? Is he going to stand before Canada and the Empire as the man who makes bold professions as to his intention to go before the people, or is he the man who will hereafter be remembered as having skulked and run away from the issue when Parliament put it up to him?

Mr. SPEAKER: The hon. member is using language that is scarcely in consonance with the dignity of the House. He has spoken of an hon. gentleman having skulked and run away. I do not think that is in order.

Mr. MACDONALD: I shall proceed with my argument. The issue before this Parliament and before the people of this country is whether the Prime Minister is going to make good his declaration of December 5, when he told us what he was going to do. What does he do? He proceeds to abuse the Senate, dodges the issue, and fails to frankly answer my right hon. friend the leader of the Opposition. He talks about Senate reform in a general way, and puts up the Minister of Finance to abuse Sir George Ross. In passing, let me say that the long career, the splendid record—

Some hon. MEMBERS: Oh, oh.

Mr. MACDONALD: —the devotion to everything which makes for the maintenance of the Empire expressed by the voice and pen of Sir George Ross, are a complete and absolute answer to these men who ally themselves with Nationalists one day, and shout loyalty from the housetops the next. You have never found Sir George Ross surrounded by questionable associates, or by men whose devotion to the Empire was the subject of criticism. Let me say, Sir, in regard to my hon. friend the Minister of Finance, who talks about our leader, and Sir George Ross having lost the chance of a lifetime that that is the way the Minister of Finance looks at every public question. The Minister of Finance did not hesitate in 1911, when he saw a chance to leave his party and to make some political advancement, to desert all the principles he had ever held. The Minister of Finance who lectured this House to-day is on record as having declared that up to the announcement of the reciprocity pact he stood for all the principles of the Liberal party. He therefore stood for the naval policy of 1909, so that, Sir, he knows how to take a political chance when it means political advancement for himself. He is astounded to find that there are men in public life who are animated by principle, animated by devotion to sound ideas in regard to Empire preservation, and who are prepared to stand for them, even, if for the moment, they may be in the shade, with the absolute consciousness that time will vindicate them and that results will bring to fruition a proper policy and the only proper policy under which this Empire can be assisted. Sir, when these men talk about Downing Street, and instruct Canadian public men what to do do they realize that they are saying to the Canadian people that they cannot exercise their judgment, that they cannot exercise their Canadian intellect in regard to what is best for Canada and for the Empire. They must at all times be subservient to the line of thought that comes from Downing Street. God save Canada if Toronto is the embodiment of the patriotic ideas of this country. The Liberal party and our leaders stand for the idea of an Empire which can only

live by the certainty of the attainment and security of the rights of each individual part of it. We believe that Canada, Australia, South Africa and New Zealand have as much right in the Empire as the Mother Country. We believe that the Empire can never stand otherwise. The truth of that is being acknowledged, and it is being recognized that a man who is born in Canada has as much right to say what he believes to be the best for the Empire quite as well as the man who is born under the shadow of Westminster. We believe in the idea that a Canadian is as good as any other man in the British Empire. There is not a man on this side of the Speaker who, on this question has any doubts about the future. We follow the lines that our leader laid down years ago, of Empire maintenance and preservation. We know that the country will vindicate our position and we know that time will show that only along the line upon which Sir Wilfrid Laurier has gone can this Empire stand.

At one o'clock, House took recess.

House resumed at three o'clock.

Motion agreed to, and Bill read the third time and passed.

INTER-IMPERIAL TELEGRAPH SERVICE.

House proceeded to consider amendments made by the Senate to Bill No. 188, to provide for more advantageous Telegraphic Communication between Canada, the United Kingdom and other parts of the British Empire.

Amendments read the first time.

Mr. PELLETIER moved that the amendments be read the second time and concurred in.

Mr. LEMIEUX: Will you explain?

Mr. PELLETIER: There was a great deal of opposition in the Senate to some sections in this Bill. The Senate decided to strike out these sections, and there is nothing for me to do but to accept those amendments for the moment, reserving future action and recourse.

Mr. PUGSLEY: There is a clause in the Bill providing that the company shall take over these rights and properties at a sum of $5,000,000. Does it still remain in the Bill?

Mr. PELLETIER: There is no such clause in the Bill. There is a clause in the schedule, but it does not read as my hon. friend suggests. It says:

It is understood that the syndicate may assign the benefits of this agreement to a company to be incorporated under the name of the Empire Radio Company or some other suitable name with an issued capital of not less than £1,000,000, and this agreement shall thereafter (where the context admits) be construed in all respects as though the name of the company were substituted for that of the syndicate and the obligations thereby undertaken by the syndicate shall thereafter be undertaken by and be obligations of the company.

It is a clause by which the syndicate can transfer its right to another company having a capital of one million pounds. That is all.

Motion agreed to, and amendments read the second time and concurred in.

IMPROVEMENT OF HIGHWAYS.

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

Resolved, that a message be sent to the House of Commons by one of the Masters in Chancery to inform that House that the Senate doth insist upon their amendments to Bill No. 32, intituled: 'An Act to Encourage and Assist the Improvements of Highways' herewith, for the following amongst other reasons:—

1. Because the right of the Senate to amend a Bill is not impaired by the proceedings which may have taken place during the progress of the Bill through the Commons.

2. Because the reason assigned for the rejection of similar amendments made in the House of Commons, that said House will yearly pass upon each item of expenditure does not apply to the Senate whose only recourse in case of disagreement would be to reject the Supply Bill.

3. Because the amendment made by the Senate to the third clause of the Bill by the addition of sub-clause 2 affirms the principle of equitable distribution of intended supplementary subsidies to the provinces, according to the agreement entered into by the provinces at the time of Confederation.

4. Because the method of distribution provided for by the said first amendment is based upon the principle fair and reasonable in itself and is that announced by members of the Administration in the Senate and in the House of Commons during the last and the present sessions of Parliament as their settled policy, and that which has been actually embodied in the Bill respecting aid to agriculture for the current year.

5. Because the said Bill is an enabling measure, and in order to make its provisions effective has to be supplemented by placing the monies proposed to be voted for its objects in the yearly Supply Bill; and, moreover, the said Bill was declared by His Honour the Speaker of the House of Commons not to be a money Bill.

That the Senate adheres to the seventh amendment for the following among other reasons:—

1. Because section 6 of the Bill empowers the minister to undertake the construction or improvement of highways in any province, which would be a contravention of the letter and spirit of the British North America Act, 1867, and of the uniform practice under that Act, for which contravention no sufficient cause has been shown.

2. Because the said amendment affirms in effect that it is undesirable that the minister or the Dominion Government should usurp the functions of the provincial administration in the building and maintenance of highways and bridges.

3. Because the said amendment will not hamper the Administration in carrying out its policy and in applying the funds placed in the estimates for that object under condition and regulations it may deem just and proper to make, sufficient provision being made in earlier clauses of the Bill for co-operation between the federal and provincial governments.

4. Because section 6 of the Bill is a violation of the principle of responsible government, inasmuch as the Dominion in expending provinical subsidy would not be responsible to either the provincial or Dominion legislature.

GOVERNMENT RAILWAYS ACT AMENDMENT.

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

Resolved, that a message be sent to the House of Commons by one of the Masters in Chancery to inform that House that the Senate doth insist upon their amendments made to Bill No. 135, intituled: 'An Act to amend the Government Railways Act' herewith, for the following reasons:—

1. Because the said Bill as passed by the House of Commons is a violation of the principle of responsible government inasmuch as it purports to give a permanent mandate to the Governor General in Council to commit the country to any amount of expenditure before any appropriation has been voted by Parliament.

2. Because the said Bill is but an enabling Bill, and that, moreover, without the said amendment made by the Senate this Chamber would deem it its duty to reject the said Bill in toto as passed by the House of Commons.

QUESTIONS.

DISMISSAL OF FISH ISLAND LIGHTKEEPER.

Mr. RICHARDS:

1. Has John A. L. McLellan, lightkeeper at Fish Island, Prince county, Prince Edward Island, been dismissed? If so, for what reason?

2. Was an investigation in his case held in the summer of 1912 or at any time? If so, who held the investigation and who were the witnesses?

3. Who made the charges, if any?

4. If a dismissal has taken place, who has been appointed to fill the position?

5. If an appointment has been made, on whose recommendation was the same made?

Mr. HAZEN:

1. Yes. Political partisanship.

2. Yes, by Mr. Heath Strong. Witnesses: J. A. L. McLellan, Joseph Driscoll, Frank Shea, Edmund Phillips, D. F. Campbell, J. A. McDonald, Austin J. McLellan, William S. Macdonald, and Joseph G. McLellan.

3. P. C. Murphy, James Driscoll, Frank Shea, J. G. McLellan, Wilfred Gillis, and one other (name not eligible).

4. Peter Hickey.

5. Hon. P. C. Murphy.

FARMERS BANK—REIMBURSEMENT OF DEPOSITORS.

M. ROCH LANCTOT: Monsieur le président, est-ce l'intention du premier ministre de donner une réponse à ma question du 5 courant, concernant la Farmers' Bank?

Mr. BORDEN: The question of the hon. member is as follows:

Is it the intention of the Government to reimburse the depositors of the Farmers' Bank? If so, does the Government propose to act in like manner with the depositors of the Bank of St. Jean and of the Bank Ville Marie?

The answer is as follows: It appears from the report of the commissioner appointed to investigate the matter of the failure of the Farmers' Bank (a) That the issue of the certificate of the Treasury Board authorizing the bank to commence business, was procured by false and fraudulent representations on the part of the promoter and subsequent general manager of the bank, W. R. Travers. (b) That in the commissioner's opinion it was incumbent upon the Treasury Board before issuing its certificate, to have investigated certain charges made to the Department of Finance that the amount required by the Bank Act to be paid in respect of subscriptions, had not in fact been so paid, and (c) That if the true facts had been disclosed, the certificate of the Treasury Board would not have been given, and thus the bank under the management of Travers would not have been authorized to commence business.

The case is of exceptional and indeed unique character, both with regard to the fraudulent means by which the certificate was procured and in respect of the results which followed, involving the ultimate loss of all moneys placed in the bank by the unfortunate depositors. The man who fraudulently procured the certificate in the name of the bank, was enabled to attract those deposits by the unwarranted assumption of powers in violation of plain statutory conditions. While the direct subsequent cause of the loss was the fraud and dishonesty of the bank's manager in the administration of its affairs, there is nevertheless a certain connection between that loss and the power and status with which he became invested upon the granting of the certificate. Having regard to these considerations, the Government consider that the depositors are entitled to a reasonable measure of relief, which will

be provided by legislation to be introduced at the next session of Parliament.

The case of the other banks mentioned, is in no wise similar, and the action which the Government propose to take in the case of the Farmers' Bank will afford no warrant or precedent for reimbursing their depositors.

PROTECTION OF FEMALE IMMIGRANTS.

Mr. ANDREW BRODER (Dundas): I ask to be allowed to take up a few moments of the time of the House to call attention to a matter of urgent importance. I would ask particularly that the acting Minister of the Interior should consider this subject. It goes without saying that the immigrants who come to this country under inducements that are held out by our agents are in a very important sense the wards of our Government. Especially are we in duty bound to see to it that in the case of young girls coming to this country no advantage is taken of them and no harm comes to them. I have information from people who are well informed on the subject which leads me to believe that more care should be taken to protect especially this class of immigrants. Some of the reports may be exaggerated, and for that reason I will not give the figures that have been given to me. But I am told that out of 1,400 young girls coming into this country, a large number are unaccounted for when their parties reach their destination. I would suggest to the Minister of the Interior that provision should be made on the train to look after these immigrants, for otherwise they may be led into difficulties by designing people. I had an instance brought to my attention by a gentleman who was personally aware of the facts. In one of our cities—I will not give the name—several of these women immigrants arrived at the station and were directed to go to a certain place where there was a refuge for them. The gentleman who gave me the facts, whose business it was to assist and look after these people under the direction of some society in the city, noticed at the station a young girl apparently loitering about. He spoke to her. He found that she was from Sweden and could not speak a word of English. She had a card directing her to a certain number of a certain street, and on the card was a written statement that her sister would meet her or call for her. The street had not a good name, and evidently the sister had not met the girl. So, this gentleman sent the girl in a cab to the address given, but told the driver not to leave her there until he found out the character of the place. And the place was found to be one not of desirable character by any means. This innocent girl did not know what was on the card, and the statement that she was to be met by her sister was evidently intended merely to deceive the authorities. There should be some provision on the trains throughout the country to see that these people come to no harm in their transit to their destinations in Canada. These people are wards of our Government, and we should feel our responsibility for their safety.

Mr. J. H. BURNHAM (West Peterborough): The hon. member for Dundas (Mr. Broder) spoke to me personally on this subject, asking me if I would support him in bringing it to the attention of the House, which I am glad to do. I happen to know something about this matter, having made inquiries, being indirectly interested in the work that is carried on for the protection of these girls. It is appalling to find the offenses that are committed every day which ought to command the attention of this House and action on the part of the minister, as I fancy they would if the minister felt that in any extraordinary efforts he put forth he would have the support and endorsation of the House. And I fancy there is not the slightest inclination on the part of any hon. member to be stingy in providing the means to superintend this immigration, especially in large cities. I am informed that it was only a short time ago discovered, that in the Union Station, Toronto, the young fellows employed as red caps actually engaged in assaulting the young girls coming from the Old Country. This sort of thing is going on to an alarming extent all over the country. Some people say these reports are exaggerated. The extent of the evil may be exaggerated, but there is no doubt that it is of an appalling character.

Mr. MICHAEL CLARK (Red Deer): While I hope the conditions are not as bad as my hon. friend from West Peterborough has indicated, yet I am sure that we all feel that any steps that can be taken for the protection of female immigrants should be taken. I think there will be no difference of opinion on that question throughout the House. I think it ought not to be a very difficult matter to attend to. It should only include bringing them into the country and getting them to the West, for when they reach the West it will be easy to provide each of them with the proper natural protector of a young girl.

Right Hon. R. L. BORDEN (Prime Minister): The subject brought to the attention of the House by the hon. member for Dundas and the other members is one worthy of most serious consideration. As a matter of fact, during the past year, I have been in communication on many occasions with Colonel Sherwood, head of the Dominion Police, who has performed important duties in this regard and has had opportunity for giving it special attention,

in addition to the work carried on, as I understand, by the Department of Immigration. It is possible that sometimes the reports we get of these matters are a little exaggerated. A case was brought to my attention five or six months ago. It was supposed that two highly respectable girls from the United Kingdom had been led astray on coming to Canada. They had come out to take service in the household of a former member of this House, Mr. Ganong. He came to see me with regard to the matter, and we had the Dominion Police and other authorities making search for these girls all over the country. Eventually, it was discovered that they were in Montreal, where they had found more remunerative employment than they could get in Mr. Ganong's household, and were doing very well indeed. So we must not believe that all girls who have been lost sight of have absolutely been led astray. But I do not doubt that there are evils in connection with this matter that ought to be redressed. I asked Colonel Sherwood to take it up and to make suggestions to myself and to the Minister of Justice. He has done so. His suggestions have been carried out, in the first place, by certain amendments to the Criminal Code, which have been assented to by the Senate without any limitation of these sections, as I understand. In addition to that, Colonel Sherwood thought that an additional appropriation of $10,000 would be necessary for him to carry on additional work which, in his judgment, would be necessary. In this matter I relied largely, indeed altogether, upon the report he made to me and to the Minister of Justice, as the result of his investigation. In the estimates which went through last night, there was one item in the supplementary estimates which, to the extent of $10,000 is to be at the disposal of Colonel Sherwood for this work. I can assure my hon. friend from Dundas, and other hon. members who have alluded to the subject, and all the members of the House, that so far as I am personally concerned, there is no effort that I will leave unmade to stop this evil. I regard it as the absolute duty of this Parliament, and especially of this Government, to put forth every effort to make offenses of this kind impossible so far as that can be done by legislation. The efforts we are making in that direction are, so far as we know, the best that can be made. I have spoken of prevention; I want to speak also of punishment. If any further amendment to the Criminal Code can be provided for the purpose of tracing and discovering those who make their livelihood by this means, and of punishing them as they ought to be punished for their efforts to lead innocent girls astray, I am willing to pledge myself to this Parliament and to the people of this country, so far as my ability goes, to put such a measure through the House and to endeavour to obtain for it the consent of Parliament.

Hon. T. W. CROTHERS (Minister of Labour): There can be no two opinions among the members of this House concerning the importance of the problem of immigration. Our uninterrupted prosperity will depend very largely upon the continuous inflow of desirable immigrants; I am glad to say that immigration into Canada has been largely on the increase, and that the quality also is better than ever before. It seems to me, and I have thought so for a long time, that it is very desirable that more attention should be given to immigrants when they reach the shores of this country. I think our policy should be to guide rather than send newcomers to this country to their destinations. My attention was called a few months ago, as the head of the Department of Labour, to several employment agencies which were suspected of swindling immigrants at ports of entry. I caused an inquiry to be made concerning the matter, and I found that the complaints were well founded. We found in Montreal that one employment agency had obtained from the immigrants in three months $10,000. They were in the habit of charging the men who applied to them for employment $15; they made arrangements with the railway companies whereby these immigrants were taken to certain portions of the country for a certain amount of money, and they were charging the immigrants a great deal more than they should. As a result of the report I received concerning these matters, I caused a set of regulations to be made under section 66 of the Immigration Act, whereby everyone who has any dealings with immigrants is obliged to take out a license and to record certain particulars concerning the man who seeks employment—where he comes from, who he leaves behind, where he is going to, and so on. Although these regulations have been in force only two weeks, several convictions have already been made against employment agents who have been treating the immigrants fraudulently, and they have been severely fined under the regulations. I think every possible step should be taken to provide that the immigrants when they reach this country should be well treated, cordially welcomed, and assisted and guided to their destinations, rather than that they should be allowed to leave the vessels at our great ocean ports by the hundreds of thousands, without anyone to look after them, and go to Montreal, Toronto and other cities in great numbers. We have in contemplation the erection of a large building in Toronto which will be a kind of temporary resting place for immi-

grants coming to that city before they are finally located. As I said at the beginning, I think we cannot give too much care to the immigrants who come to this country. It is desirable that we should get as many as possible, and that they should be worthy additions to our population. It is important that the newcomer should get a good impression of the country when he first gets here, and I think we have to a certain extent been neglectful in this regard. I am anxious to do anything I can to remedy what I consider to have been negligence in respect of our treatment of immigrants in the past.

Hon. FRANK OLIVER (Edmonton): I am sure everybody will believe that my hon. friend and the Government will do everything they can along the line mentioned. Certain benevolent associations, having become cognizant of the condition of affairs which my hon. friend the hon. member for Dundas (Mr. Broder) has mentioned, have provided officials at the railway stations to meet the incoming trains and to endeavour to prevent such occurrences as have been mentioned. I would suggest that in order to meet the case spoken of by my hon. friend it will be necessary to employ women, as these benevolent associations have been doing. I do not think it is right that the benevolent associations should carry that burden; I think it is a burden which should be carried by the state.

Hon. RODOLPHE LEMIEUX (Rouville): I see that a congress has been convened in Europe to which various religious organizations of Montreal have sent delegates. I do not know what the other churches in Montreal are doing; I know they are doing a great deal to meet the contingency, but I may say this on behalf of the Roman Catholic Church: The Archbishop of Montreal has organized a committee of priests and nuns to meet Catholic immigrants arriving at the port of Montreal, and I have heard great encomiums in respect of the work being done by the Archbishop of Montreal in that regard. I think the same thing is being done in Quebec on behalf of the Roman Catholic church there. The hon. Minister of the Interior has been kind enough to give Reverend Father Casgrain access to the public offices there in order to facilitate his work. I am bound to say that with regard to Catholic immigrants we do not receive complaints, because the clergy and nuns take charge of the young girls coming into this country at those cities. I think that if the various church organizations would adopt the same principle, we would hear less of the sad news which has been imparted to the House by the hon. member for Dundas to-day. On the whole I think the suggestion made by my hon. friend is an excellent one, that public opinion should be aroused, and that we should do our best to protect the young girls who come from other countries into Canada.

Mr. D. A. LAFORTUNE (Montcalm): I want to corroborate what the hon. gentleman has said in regard to this matter. It is very important, and should be given the most careful attention. The Minister of Labour has said that there is a large building at Toronto which is used to house the immigrants when they arrive at that city. Is there any such building in Montreal?

Mr. CROTHERS: My hon. friend misunderstood me; I said that the erection of such a building was in contemplation. I understand that a similar building is in course of erection in Montreal.

Mr. LAFORTUNE: I am glad to know that, because Montreal is the queen city of the Dominion. I am very glad to know that the hon. Minister of Labour is making provision to protect the immigrants who arrive in this country, but I would ask him not to forget Montreal.

Mr. H. B. MORPHY (North Perth): I would not have risen to say anything with regard to this matter except that the subject has touched upon the many complaints I have received during the last couple of months from the town of Stratford. Complaint has been made that the immigration service at Toronto, which largely contributes to supplying Ontario, is decidedly lacking in organization. The principle employed there is not crystallized so as to deal specifically with men having certain trades or occupations and it frequently results that men with good trades are sent to take up with farmers, and farmers who know nothing about a trade are sent to take up in the city as common labourers or some such occupation. I have taken the opportunity of placing the matter before the present Minister of the Interior in the hope that a little more money would be applied towards the specific directions of tradesmen to proper places. It has become quite a serious matter in western Ontario, the getting of skilled labour, and I know personally many bright young mechanics from England who are to-day on the farms of western Canada because they were not directed as they came in to a place where they could serve and earn their wages at the trade to which they happened to have been brought up. With regard to the other matter, I endorse the sentiments of other speakers in connection with the female portion of immigrants and hope that the Government will back up the statements of the Prime Min-

ister and give specific attention to what has become a very alarming abuse in the country at large.

Mr. SPEAKER: I might take the opportunity of announcing to the House that up to four o'clock the closure rules do not apply.

NAVAL FORCES OF THE EMPIRE.

Hon. WILLIAM PUGSLEY: I would ask the Minister of Finance a question, since you have intimated Mr. Speaker, that there is no closure. The Minister of Finance, in speaking about the naval question before recess and in reference to the expressed desire on the part of the leader of the Opposition and other gentlemen upon this side of the House, an expression, I think, of a feeling which is unanimous on this side of the House and among the Liberals of Canada from the Atlantic to the Pacific, that there should be an election—the Minister of Finance stated that the right hon. leader of the Opposition had no idea of the condition of affairs in this country when he talked of an election. I would ask him what he meant by that statement?

Mr. WHITE: I do not understand what portion of my remarks the hon. member is referring to.

Mr. PUGSLEY: I am endeavouring to explain to my hon. friend. He said: my right hon. friend the leader of the Opposition talks about an election. My hon. friend the Minister of Finance followed up that remark by saying that the leader of the Opposition had no idea of the extraordinary condition of affairs in this country, referring to the financial condition of the country.

Mr. WHITE: I did not use any such words. What I said, in substance at all events—I cannot recall the precise words—was that having regard to the financial conditions of this country to-day, to bring on an election would be a preposterous thing. I also said, and I repeat now, that the last thing my hon. friend, or my hon. friend from St. John, or my hon. friend from Halifax wants, is an election. They want the impression to go out that they desire an election.

Sir WILFRID LAURIER: My hon. friend has no right to impute motives to me. I want an election; I am sincere about it, and I would open the campaign in the city of Toronto.

Mr. WHITE: My right hon. friend will always get a courteous reception in the city of Toronto. He is a brilliant orator, and he has a very interesting personality, but he is short on votes in the city of Toronto, and always will be so long as he continues to pursue the policy which he has pursued on the naval question.

Mr. PUGSLEY: Referring to the financial condition of the country let me tell my hon. friend that the people of Canada are quite willing to risk any results so far as it will affect the finances of the country.

Mr. BURNHAM: You have nothing to lose.

Mr. PUGSLEY: My hon. friend from Peterborough is quite correct, as he so frequently is. The Liberal party would not propose to risk any great amount of money in the election, and therefore so far as an election is concerned, they would have nothing to lose. But so far as the Conservative party is concerned, I have no doubt that they would risk a great deal. I think my hon. friend (Mr. White) need have no fear as to an election disturbing the condition of financial affairs in the country. It is said by hon. gentlemen on the other side of the House that the safety of the British Empire is greatly endangered because the Senate has declared that this Bill shall not pass until the people of the country have had an opportunity of expressing their opinion upon it. Well, Mr. Speaker, if hon. gentlemen are sincere, if they believe that it would be in the interest of the country and in the interest of the Empire that those three proposed dreadnoughts should be ordered at once on behalf of Canada, if they believe that they have the confidence of the people of this country, the matter can be quickly disposed of. Before hon. gentlemen leave Ottawa they could ask His Excellency the Administrator to dissolve Parliament, and an election could be brought on within four weeks of the date of dissolution. If they believe that the sentiment of the people of Canada is in favour of this alleged emergency proposal, of this thing which is the outgrowth of that unholy alliance between Conservatives and Nationalists; if they believe that the people of Canada favour such a proposition as that, it would be a matter of only five or six weeks before Parliament could be called together again, and if they could show to the Senate that they had a mandate from the people of this country for the vote of $35,000,000, and for the abandonment of the idea of a Canadian navy, they have in black and white in the resolution, which the Senate has passed, the strongest possible assurance which they could have, or could wish to have, that the Senate would without hesitation pass the Bill and enable them to send the money over to England.

Mr. WRIGHT (Muskoka): What is there in the resolution of the Senate that conveys the slightest intimation that they would pass the Bill under such circumstances?

Mr. PUGSLEY: That is a very fair question, and I shall endeavour to answer it. The Senate has said that in their opinion it would not be desirable, and that they would not be justified in passing this Bill until the judgment of the country had been taken upon it.

Mr. BENNETT (Calgary): Will the hon. member for St. John be content to tender his resignation if I tender mine, and thus test the sentiment of eastern and western Canada?

An hon. MEMBER: Now is your chance.

Mr. PUGSLEY: I will do better than that. If my hon. friend and I were to appeal to our respective constituencies, I do not imagine for a moment that the Senate would regard the result as a mandate from the Canadian people. But let us do what the Senate has said we ought to do, and that with which they will be satisfied. Let us ask the Government to dissolve Parliament, to take as quickly as possible the judgment of the people of this country, and then to come back and ask the Senate to act upon the judgment of the people.

Mr. FOWLER: None of you will come back.

Mr. PUGSLEY: Then my hon. friend ought not to be afraid. If we would not come back, then, in the judgment of my hon. friend, that would be the very best thing that could happen to the country, and, according to the judgment of my hon. friend, the sooner that could happen the better it would be for the country. Then why hesitate? Why hesitate to do this splendid thing, as you say, for Canada and for the Empire. Why do you cheer the Minister of Finance when he says: Appeal to the country, not a bit of it; we will wait; we are playing a waiting game; Providence is upon our side; vacancies will occur in the Senate; in the course of time, age and illness will get in their work?

Mr. WHITE: Do I understand that it is my hon. friend's interpretation of my words that Providence is on our side?

Mr. PUGSLEY: Yes.

Mr. WHITE: I am glad to hear it.

Mr. PUGSLEY: My hon. friend said that Providence was on his side. What does that mean? It means that in the course of time Providence will bring illness and vacancies in the Senate, that the Government will have power to fill those vacancies, and that by and by they will have a majority in the Senate which will not be a partisan majority. It will be a majority imbued with the sentiments which actuate the four gentlemen who were appointed to the Senate the other day, a majority that will be able to do tardy justice to the Empire, and enable the Government to send over those ships to Great Britain. But that is a long time for the Empire to wait. It is asking the Mother Country to rest upon a very slender thread, because most of those gentlemen in the Senate are very strong and vigourous, and they may last longer than those of us in this House; so that for the passage of the Naval Bill we cannot rely on Providence. I am sorry to take up the time of the House when there are so many eloquent gentlemen here who might better have spoken than myself; but I felt that I would not be justified in keeping my seat after the remarks of my hon. friend the Minister of Finance (Mr. White) who said that we could not think of going to the country, even to save the Empire, even although the Empire should be in danger and even when the enemies of Great Britain in all quarters of the globe are rejoicing by reason of the body blow the Senate has given to the naval proposition. Notwithstanding all that we could not think, says my hon. friend, of going to the country because of the present financial condition. Under whose administration has this present financial condition been brought about? How is it that with hundreds of thousands of immigrants coming into this country, year after year, with magnificent crops, with granaries overflowing, that never in twenty years has the financial condition of the country been so bad as it is to-day? Why, Sir, the explanation is easy. It is because we are importing such a vast quantity of goods into this country as compared with what we are exporting, it is because our merchants, our retail traders, and generally the people of the country, are paying into the treasury of Canada millions upon millions of dollars which have been taken out of their hard earnings and because we are sending abroad only about one-half of the goods which we are importing. That is one reason.

Mr. MEIGHEN: How would you correct it?

Mr. PUGSLEY: Get larger markets, call back the hon. Minister of Trade and Commerce (Mr. Foster) from the mission upon which he is engaged in seeking to negotiate a treaty with the distant, overseas dominion of Australia, which will be of comparatively little importance, and send him down to Washington to negotiate a permanent treaty under which the people of Canada will know that they can produce as much as they please, and, as far as natural products are concerned, there will be in the United States a market for their products. If reciprocity had been passed we would

not have seen the depression in this country which we see to-day.

Mr. BURNHAM: Does the hon. gentleman realise that last year we imported more natural products from the United States than we exported to the United States?

Mr. PUGSLEY: What does that prove? That proves nothing at all. It proves that in certain sections of the country, where the circumstances suit our people best they can get certain products in from the United States, tropical fruits, among others, which our people are beginning to use in large quantities and many farm products cheaper than we can produce them at home while in other sections of the country, as my hon. friend ought to know from his observations of affairs in Canada, the United States will afford to our people a market which will be of enormous advantage. Look to the prairies of the West to-day, and this is one of the reasons why there is this depression in business which is affecting the East as well as the West; the price of wheat to-day in western Canada is ten cents per bushel less than it was when the Liberal party were turned out of office.

Mr. LANCASTER: Will the hon. gentleman allow me to ask him a question?

Mr. MEIGHEN: Is the hon. gentleman aware—

Mr. PUGSLEY: One at a time, please.

Some hon. MEMBERS: Order.

Mr. PUGLSEY: I think I saw my hon. friend from Lincoln (Mr. Lancaster) first.

Mr. LANCASTER: I just want to understand the hon. gentleman's argument? Will he express the same degree of satisfaction with the verdict of the people on the naval question as he expressed at the verdict of the people on reciprocity?

Mr. PUGSLEY: Yes, I am always satisfied with the verdict of the people.

Mr. LANCASTER: I do not think you are, from your argument.

Mr. PUGSLEY: The verdict of the people is the judgment to which we all must look and by which we should all be guided and therefore we should be satisfied with it. Whether we win or lose, we should regard the voice of the people as the voice of God. Therefore, I would like to see an appeal to the country to-morrow. I have a right, in view of what the Senate has determined by its resolution, and in view of the importance of having the people of the country come to an early decision upon the naval question, which all parties will accept and upon which they will act, I have a right as one representing a very important constituency in this country to demand of the Government—

Some hon. MEMBERS: Oh, oh.

Mr. PUGSLEY: And I do demand of the Government in the name of the people of my constituency—

Some hon. MEMBERS: Oh, oh.

Mr. PUGSLEY: —I demand of the Government that at the earliest possible moment they shall take steps necessary to ascertain what is the voice of the people upon this important question.

An hon. MEMBER: It is four o'clock.

Mr. PUGSLEY: No, it is not quite four o'clock yet. With regard to an election, I see my genial friend the hon. member for Kings and Albert (Mr. Fowler) in his place; he is not so often here as I would like. I see the hon. member for Calgary (Mr. Bennett) in his place. They both knew, in his lifetime, a very eloquent and much respected gentleman who once represented the city of St. John in this Parliament. I refer to the late Mr. C. N. Skinner, and they will remember that—

Mr. BOYCE: He was on both sides, like the hon. gentleman.

Mr. PUGSLEY: That is very small talk to interject into a discussion of this kind. It is not worthy of my hon. friend. It is his custom of indulging in small talk of that kind that has damaged the chances of my hon. friend's chances of becoming Solicitor General in the Government. I remember well that the gentleman to whom I refer said on one occasion that an election, accompanied with the proper number of arguments—arguments, I may say, such as the Conservative party, with so many wealthy sources to draw from, know so well how to use—were as good as two buckwheat crops to the people of the country. I have no doubt that the Conservative party, if they go to an election upon this naval question, even if they could have a fifth of the ammunition which they used during the reciprocity campaign in 1911, would be able to spread considerable financial prosperity throughout the country from the Atlantic to the Pacific.

Mr. BENNETT (Calgary): I gathered from the hon. gentleman's observations regarding the effect of an election upon the prosperity of the country that in response to the invitation, a dollar per head has been very general.

Mr. PUGSLEY: I am glad that my hon. friend has mentioned that, because it gives publicity to the appeal which the Liberals of New Brunswick, and it is confined to New Brunswick, are making to our friends to assist even in a small

way and, even where this mode will be acceptable, towards providing the necessary means for the distribution of literature and giving the people information upon this important question when the election does come on. We have no great, no wealthy corporation to which to look. We are not so fortunate as my hon. friend from Calgary, who has been so prosperous as that he can afford to throw $10,000 or $20,000 away in order to be a representative of the people in this House. We are not associated with any wealthy corporations or great trusts, and therefore we have to rely upon the common people of the country to assist us in fighting our battles. But sir, when the election does come, what a magnificent cause will it be for which we shall have to fight! It will be a contest as between those who want to turn backward the wheels of progress, between those who are saying to the world that the people of Canada are an inferior people, that they occupy in the Empire a status below that occupied by people in the Motherland and Australia,

Mr. BENNETT (Calgary): And New Zealand.

Mr. PUGSLEY: —and Australia, the great overseas dominion whose example I see the hon. Minister of Trade and Commerce, now out in Australia, said that Canada would soon be proud to follow—it will be a contest against those who claim that the people of Canada are inferior to the people of the rest of the Empire and the men who are proud of the name of Canadians and who believe that a man born in Canada is as good as any two people in any other portion of the Empire. It will be a condition, so far as we are concerned, in favour of building up in Canada a strong and self-reliant people, a people who feel not only that they can build a navy, but that they can find the men to man it and the money to pay for the ships and the men. We have got the money; we have got the men, and we can build the shipyards which will enable us to build a navy. After I became Minister of Public Works—and it is not so long ago —I went on a visit to the West. I stopped at Port Arthur. I turned the first sod for the dry-dock and ship-building plant which was established on the northwestern shores of lake Superior. Notwithstanding the short time which has elapsed since then, notwithstanding the fact that hitherto the Canadian Pacific Railway Company and other owners of steamship lines have thought necessary to have their steamers built in the Motherland, only the other day there was turned out in that shipyard in Port Arthur one of the finest and most complete passenger vessels on the great lakes, a vessel built of steel, fitted up in magnificent style and a tribute to the skill and energy of Canadian workmen.

I want to have one parting and friendly word with my hon. friend the Minister of Marine and Fisheries (Mr. Hazen) before we go to our homes. Let me say to him that it is a thousand pities that, when he came into his office and found on the files of his department that tender from Cammell, Laird and Company, that great ship-building firm whose works spread over a mile and a half on the Mersey river in England, that tender to build ten warships to form the commencement of a Canadian navy, when he found there an offer to create a ship-building plant, to bring over, if necessary, skilled workmen who would make their homes in Canada and who would teach our people to do the work which they do so well—it is a thousand pities that my hon. friend, having that opportunity to commence the building up a Canadian navy and to establish a great ship-building industry in Canada, yielded to the demands of the Nationalists, gave himself as a sacrifice to that unholy alliance between the Conservatives and the Nationalists, and that he sent back that tender and abandoned the idea of a Canadian navy. It was not because my hon. friend was not without influence; it was not because he was without ability; it was not because he was obliged to say to my right hon. friend the Prime Minister and my hon. friend the Minister of Public Works that he was without influence and that he would have to yield to their powerful voice. My hon. friend was strong enough, big enough and occupied a sufficiently great position in this country to have warranted him in saying to his colleagues: I cannot do this thing that you ask of me. The late Government has left this tender there; it is deposited as a legacy for me to deal with; I have got to deal with it in the interests of my country, and I am going to ask you, my colleagues, to award the contract to this firm. Had that beeen done, we would have had to-day several war vessels under construction in this country. We would have had a Canadian navy well under way. We would have had not merely hundreds of men; we might have had two or three thousand men recruited from the Mother Country and making their homes here.

PROROGATION.

A message from His Excellency the Administrator by the Gentleman Usher of the Black Rod:

Mr. Speaker,—His Excellency the Administrator desires the immediate attendance of this House in the Chamber of the hon. the Senate.

Accordingly Mr. Speaker, with the House, went up to the Senate Chamber.

In the Senate Chamber, His Excellency the Administrator was pleased to give in His Majesty's name, the Royal Assent to the following Bills:

An Act respecting the Imperial Traction Company.
An Act to amend the Dominion Police Act.
An Act for the granting of aid for the advancement of Agricultural Instruction in the province.
An Act to amend the Intercolonial and Prince Edward Island Railways Employees' Provident Fund Act.
An Act for the relief of George Sentis Deslandes.
An Act for the relief of Daisy Madeleine Peterson.
An Act for the relief of Sarah Lilian Attwood.
An Act respecting the Board of Management of the Church and Manse Building Fund of the Presbyterian Church in Canada, for Manitoba and the North West, and to change its name to 'The Church and Manse Board.'
An Act to amend the Volunteer Bounty Act, 1912.
An Act respecting Radiotelegraphy.
An Act to amend the Animal Contagious Diseases Act.
An Act to amend the Canada Grain Act.
An Act to amend the Government Annuities Act.
An Act to authorize the payment of a subsidy to the Western Dry Dock and Shipbuilding Company, Limited.
An Act respecting the Canadian Pacific Railway Company.
An Act to amend the Customs and Fisheries Protection Act.
An Act to amend the Supreme Court Act.
An Act to incorporate the National Gallery of Canada.
An Act respecting the Royal Canadian Academy of Arts.
An Act to incorporate the Metropolitan Mortgage and Loan Corporation.
An Act respecting the Port Nelson Company, Limited, and to change its name to 'The Port Nelson Trading Corporation, Limited.'
An Act respecting the Toronto Terminals Railway Company.
An Act for the relief of Archie Blaustein.
An Act for the relief of Mary Arabella Young.
An Act to enable the City of Winnipeg to get water outside the province of Manitoba.
An Act respecting the payment of bounties on lead contained in lead-bearing ores mined in Canada.
An Act to incorporate the General Accountants Association.
An Act to incorporate the Quebec Rapid Transit Railway Company.
An Act to incorporate The Glengarry and Stormont Railway Company.
An Act respecting Burrard, Westminister Boundary Railway and Navigation Company.
An Act respecting a patent of the Commercial Acetylene Company of New Jersey.
An Act respecting a patent of Maurice Delvigne.

Mr. PUGSLEY.

An Act respecting the Empire Life Insurance Company of Canada.
An Act respecting the Western Canada Accident and Guarantee Insurance Company.
An Act respecting the Western Trust Company.
An Act respecting the Great West Permanent Loan Company.
An Act respecting the Alberta-Saskatchewan Life Insurance Company.
An Act to incorporate the Point aux Trembles Terminal Railway Company.
An Act to incorporate the Canadian Central and Labrador Railway Company.
An Act respecting certain patents of Otto R. Barnett.
An Act respecting certain Savings Banks in the province of Quebec.
An Act for the relief of Albert Britnell.
An Act respecting the city of Ottawa.
An Act to amend the Conservation Act.
An Act to incorporate the Roman Catholic Episcopal Corporation of Mackenzie.
An Act to incorporate the Ruthenian Greek Catholic Episcopal Corporation of Canada.
An Act to incorporate the Canadian North Western Railway Company.
An Act to vest in the Van Buren Bridge Company the charter rights of the Restigouche and Western Railway Company to construct and maintain a railway bridge across the Saint John river.
An Act to amend the Railway Act.
An Act respecting Banks and Banking.
An Act to amend the Petroleum and Naphtha Inspection Act.
An Act to amend the Adulteration Act.
An Act to amend the Customs Tariff, 1907.
An Act to amend the Penitentiary Act.
An Act respecting Pelagic Sealing.
An Act to make further provision respecting grants of land to members of the militia force on active service in the Northwest.
An Act respecting the Canadian Pacific Railway Company, the Grand Trunk Railway Company of Canada and the Toronto Harbour Commissioners.
An Act respecting the Canadian Northern Quebec Railway Company.
An Act respecting the Hudson Bay Insurance Company.
An Act for the relief of Frank William Meek.
An Act to incorporate the Board of Management of the Canadian district of the Evangelical Lutheran Joint Synod of Ohio and other States.
An Act to amend the Prisons and Reformatories Act.
An Act respecting the Casualty Company of Canada.
An Act to amend the Dominion Forest Reserves and Parks Act.
An Act to amend the Railway Belt Water Act.
An Act relating to Parcel Post.
An Act to amend the Judges Act.
An Act to authorize the granting of subsidies in aid of the construction of the railways and bridge therein mentioned.
An Act to amend the Government Railways Small Claims Act.
An Act to authorize the granting of subsidies in aid of the construction of certain lines of railway of the Canadian Northern Ontario Railway Company and the Canadian

Northern Alberta Railway Company respectively.

An Act to authorize a loan to the Grand Trunk Pacific Railway Company.

An Act to authorize the granting of subsidies to the Government of the province of Ontario in aid of the construction of the Timiskaming and Northern Ontario Railway.

An Act to amend the Post Office Act.

An Act to amend the Inspection and Sale Act.

An Act to amend the Public Archives Act.

An Act to amend the Criminal Code.

An Act to provide for more advantageous Telegraphic Communications between Canada, the United Kingdom and other parts of the British Empire.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1914.

An Act for granting to His Majesty, certain sums of money for the public service of the financial year ending the 31st March, 1914.

To these Bills the Royal Assent was pronounced by the Clerk of the Senate in the following words:

'In His Majesty's name, His Excellency the Administrator doth assent to these Bills.'

Then the Honourable the Speaker of the House of Commons addressed His Excellency the Administrator, as follows:

'May it please Your Excellency:

'The Commons of Canada having voted the Supplies required to enable the Government to defray the expenses of the public service.

'In the name of the Commons, I present to Your Excellency the following Bill:

'An Act for granting to His Majesty certain sums of money for the public service of the financial years ending respectively the 31st March, 1913, and the 31st March, 1914, to which Bill I humbly request Your Excellency's assent.'

To this Bill the Clerk of the Senate, by His Excellency's command, did thereupon say:

'In His Majesty's name, His Excellency the Administrator thanks His Loyal Subjects, accepts their benevolence, and assents to these Bills.'

After which His Excellency the Administrator was pleased to close the Second Session of the Twelfth Parliament of the Dominion with the following

SPEECH:

Honourable Gentlemen of the Senate:
Gentlemen of the House of Commons:

In relieving you from further attendance in Parliament after a protracted session, I thank you for the assiduity with which you have devoted yourselves to the important subjects that have been submitted for your consideration. It is satisfactory to note that your labours have resulted in many beneficial measures.

The Act granting aid for the advancement of agricultural instruction should ensure the co-operation of the provinces with the Dominion in securing for the people a more thorough and comprehensive knowledge of improved methods by which this great industry may be carried on with greater advantage not only to the producer but to the community at large.

In renewing the charters of the Banks for another period of ten years the Bank Act has received careful and thorough consideration; and important amendments have been adopted providing more effcient safeguards for the protection of both depositors and shareholders.

The adhesion of Canada to the Treaty of of Commerce and Navigation between the United Kingdom and the Empire of Japan has been accomplished under conditions which should tend to promote friendly relations and increased commercial intercourse between the two countries.

Provision has been made for the establishment of a parcel post, the need for which has been long felt; and it cannot be doubted that the facilities thus afforded will be greatly appreciated throughout the Dominion.

The trade agreement between Canada and certain of the West Indian colonies has now been brought into force, and it is confidently expected that trade and intercourse between these portions of the Empire will be thereby stimulated and promoted.

The amendments made to the Criminal Code should materially aid the necessary efforts to stamp out evils against which legislation has been recently directed in many countries.

In wise recognition of the importance of transportation aid has been granted which should ensure the speedy completion of the transcontinental railways now under construction. The increasing volume of production and commerce is already taxing the capacity of existing transportation lines in all parts of Canada.

Among other important subjects which are receiving effective and well merited attention are the provision of further terminal elevators in the western provinces the equipment of national ports on both the Atlantic and Pacific and the construction of dry docks of sufficient size to accommodate the largest ocean-going steamships.

The arrangement which has been consummated for a more speedy and more frequent mail service from Canadian ports to those of the United Kingdom has doubtless commended itself to your approval and will be hailed with satisfaction by the people

You will be glad to know that the trade of Canada during the fiscal year just completed has largely surpassed that of any previous year. Immigration still flows to our shores in abundant measure, the revenues continue to expand and there is satisfactory evidence of development and progress in all parts of the Dominion.

Gentlemen of the House of Commons:

I thank you for the liberal provision which you have made for the increasing needs of the public service.

Honourable Gentlemen of the Senate:
Gentlemen of the House of Commons:

I trust that on your return to your homes you will find abundant evidence that the coming harvest will be bountiful, thus assuring for another year the prosperity which Canada happily enjoys.

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Abbreviations: 1r., 2r., 3r.=first, second, or third reading. Amdt.=Amendment. Com.=Committee. Con.=Consideration. Div.=Division. M.=Motion. Rep.=Report. Res.=Resolution. Sec.=Section.

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