

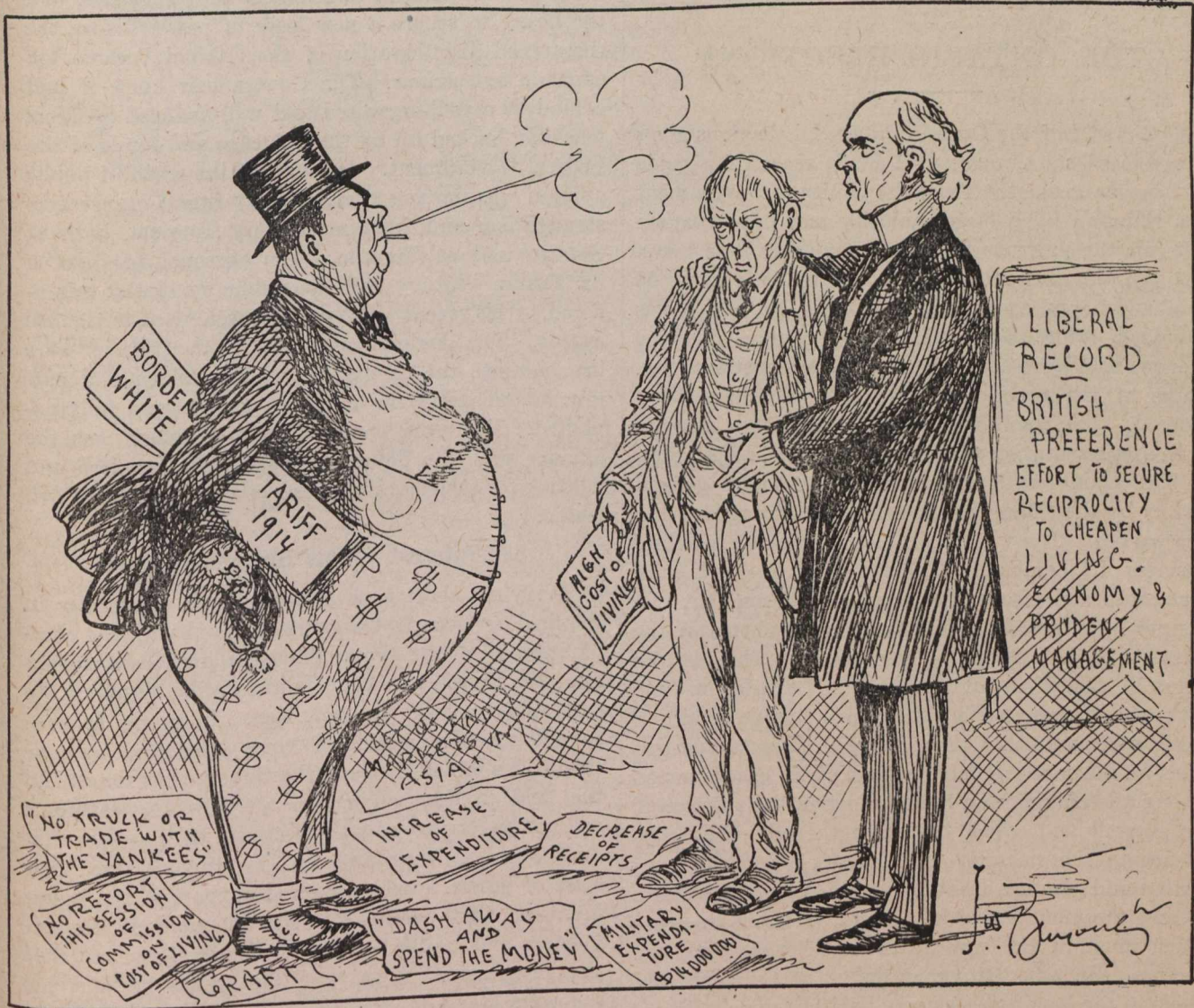
# THE CANADIAN LIBERAL MONTHLY

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Ten Cents

## CAUSE AND EFFECT.



The Laurier Government went out of power on a policy of wider markets and better prices for the great masses of the producers of Canada with the removal of unnecessary tariff burdens on consumers, tending to decrease the cost of living.

The Borden Government came into power as the champions of high protection, of the Big Interests and of tariff restriction for the basic industry of agriculture.

Three years of Borden rule have shown which policy is right. The tariff has been revised upwards, taxation and expenditure have been greatly increased, the Big Interests have been lavishly assisted, the demands of Agriculture for wider markets have been refused, and as a logical result the cost of living has steadily increased.

Liberalism during the last session of Parliament pointed the moral of tariff restriction, of business depression, of unemployment and of rising cost of living. Free wheat, free flour, free agricultural implements and tariff revision downwards instead of upwards are the first steps of permanent economic justice and permanent relief from factitious industrial expansion with recurring periods of depression. The Government refused a single measure of relief.

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## THE ONTARIO ELECTIONS

THE result of the Ontario Provincial elections gives Liberalism throughout Canada reason for pride and encouragement. True, the Whitney Government was returned by a large majority and Conservatism will rule the province for perhaps another four years. But the Government majority was reduced from 68 to 57 and the numerical strength of the Opposition was increased from 17 to 27. These figures may be changed later by re-counts in a half dozen constituencies, where at the time of writing re-counts have been ordered. The result will likely be a further increase in the representation of Liberalism in the Legislature.

The main result, however, is not to be gauged merely by the change in the numerical strength of the two parties. The winning of elections is not the chief business of Liberalism. It believes first in having the best cause and in arousing a public opinion that will compel from stand-pat Conservatism reforms in the interest of the masses of the people. Though the forces of Liberalism did not win in Ontario on June 29th, they conducted a fight which has developed a public sentiment that must tell with an accumulative effect on the next campaign, a fight which has enhanced among all thinking and honest electors the prestige of Mr. Rowell and which has strengthened public confidence in the sincerity of purpose, honesty of conviction and genuine desire for public service for which he and the men behind him stand. That is an asset which must in the end weigh much more with the electors than any temporary defeat at the polls and which in the long run is sure to beat out mere political opportunism in winning lasting public support.

### A Good Cause and a Good Fight.

Liberalism in Ontario had a good cause and put up a good fight. Liberals have nothing to be ashamed of either in the character of the campaign, in the nature of the appeal to the electors or in the result of that appeal.

On the other hand beyond the fact of mere party victory there was nothing either in the campaign or in the methods used by the Conservative forces to win, which should inspire any very sincere exultation in the Government ranks. The election was brought on suddenly to suit the political convenience and the political exigencies of the Government, without any real excuse for seeking a new appeal to the electors after only two and one-half years since the preceding election. The real reason for bringing on the election was the precarious health of the Premier, Sir James Whitney; the cabinet dissensions and jealousies, and the desire to secure a new lease of power before the threatened disintegration of the Cabinet became too open or too serious. The Government knew it had behind it a well-organized and well-financed political machine, backed up by the influence and funds of the Federal Government. It saw that the trend of public opinion was moving steadily away from Conservative standpatism and from reactionary Toryism, both at Ottawa and at Toronto. The personal prestige of Sir James Whitney and the public sympathy engendered by his recent serious illness were used to the full extent. The Federal ministers from Ontario were brought into the campaign and the influence of patronage and money in unlimited extent was fully exploited. But even more potent than these was the alliance with the liquor interests, well organized and fighting for their lives to preserve a profitable and evil traffic.

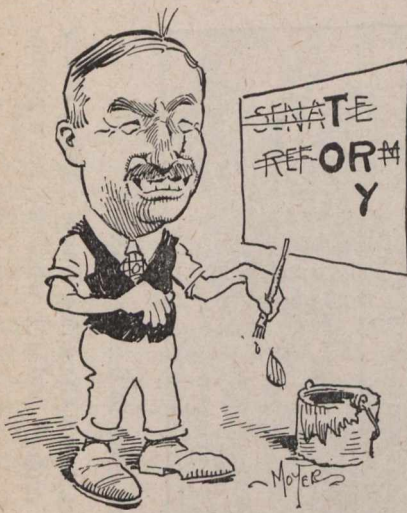
### Self-Interest versus Humanitarianism.

With the short time allowed to get candidates in the field or to perfect organization and with the combination of all the above influences and forces against him, Mr. Rowell was at an overwhelming disadvantage from the start of the campaign. In so far as concerned the mere getting of votes influenced by considerations of self-interest, the Government forces had the field to themselves. In the new Legislature it will not be forgotten by the people of the province that Sir James Whitney and his Government owe their lease of power to the organized support of the liquor interests, that behind Mr. Rowell stand all the influences making for social and moral reform and that the progressive programme for which he and his followers stand in matters of education, agriculture, justice, finance and labor, has been advocated with sincerity, with courage, with outstanding ability. With Mr. Rowell the main thing has been public service, and practical humanitarianism. With the Government the main thing has been an ignoble squabble for office and the winning of the election by means fair or foul.

The fruits of the campaign waged by Liberalism will be harvested at the next election.

## THE BORDEN CABINET.—X. THE GOVERNMENT LEADER IN THE SENATE

By H. F. Gadsby



Hon. James Lougheed.

ALTHOUGH Senator James Lougheed, the Government leader in the Upper Chamber, is sixty years old and ought to be chloroformed, if Sir William Osler says right, his vigor of mind and body is such that a long career of public service lies before him yet. Indeed, considering the peace of mind which the Senate brings, the well-known longevity of Government annuitants, the age limit achieved by Senator Wark, the soul's ease that comes of being a millionaire, and other lulling circumstances, this fair Canada of ours is warranted in expecting from Senator Lougheed forty more years of good work—for himself, and for his country.

The Senator is an upbuilder. He is upbuilding the West and, like many other upbuilders, he is in the happy position of upbuilding his own bank account whenever he does any upbuilding for his native land. As Finance Minister White would say, the two things synchronize, which being interpreted means that when you play both ends for the middle you're always sure of a dividend somewhere. Senator Lougheed combines the best qualities of the ant and the bee, but does not suffer from the disadvantages of either. He allows nobody to rob him of his store, in which respect he is several points ahead of the bee which works its head off to gather honey for other people. Senator Lougheed makes no mistakes like that.

Forty years more in the Senate! Long before that Senator Loug-

heed's mission in life—Senate Reform—will have been accomplished. Certain gloomy and meticulous guessers say it will take twenty years to reform the Senate. But my bet is that three years will do it and that somewhere about the fall of 1917 Senator Lougheed will be able to say to Premier Borden, if Senator Lougheed is so disposed and if Sir Robert Borden is still premier, "Now lettest thou thy servant depart in peace, for mine eyes have seen a comfortable Conservative majority in the Upper House". If the Tories are out in 1917 this bet is off.

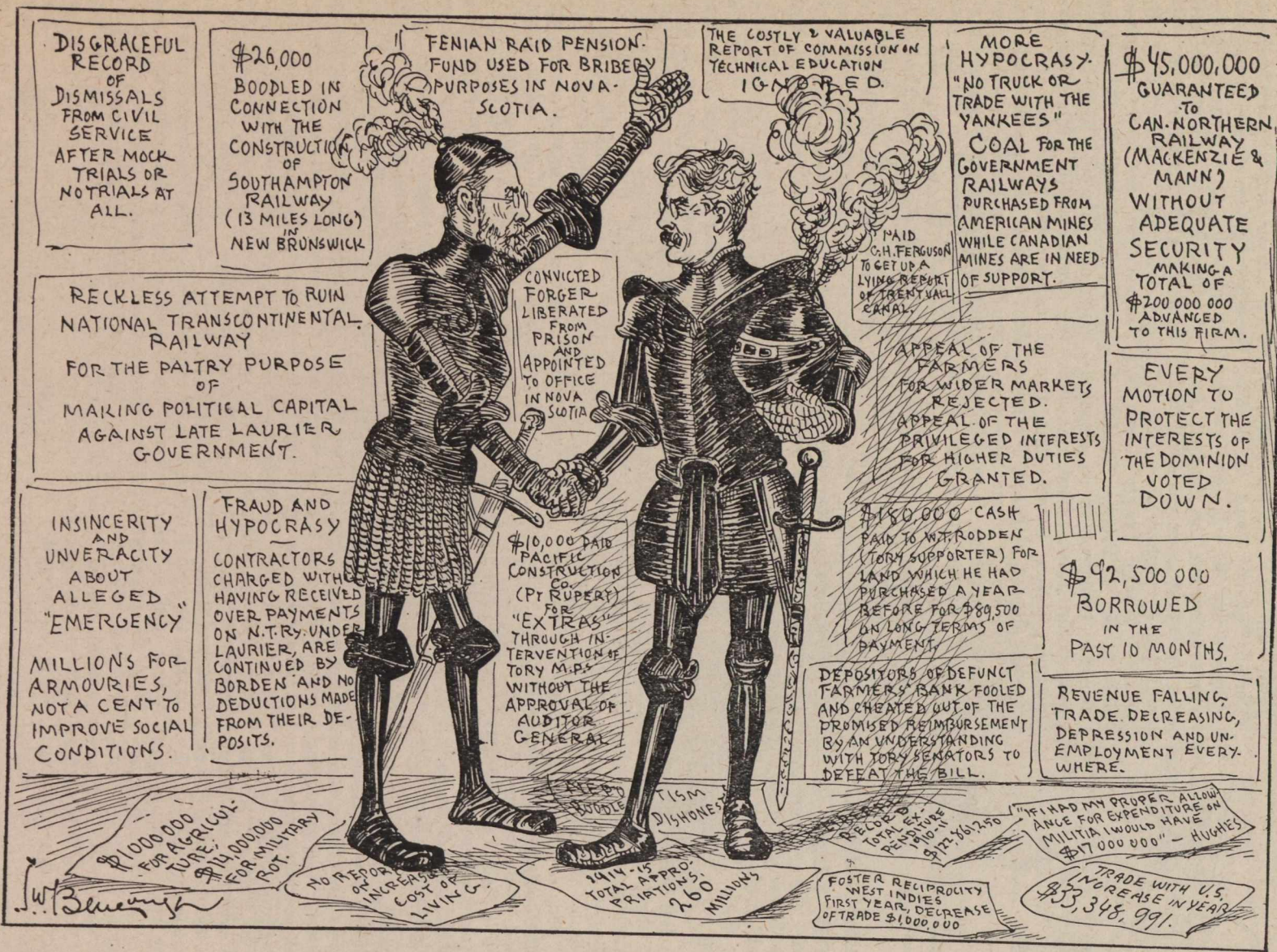
The chances are that Senator Lougheed, who is now the leader of the Government minority in the Senate, will remain there long enough to head a Government majority and, after that, not so very long after, an Opposition minority. Senator Lougheed has spoken brave words about Senate Reform but when it comes to a show-down it's an increase of Tory senators that he wants—simply that and nothing more. If he can't get the increase now, he'll wait until after the next general election when nine senators will be added from the prairie provinces. It goes without saying that they will be of the same party as the Government in power.

Such is Senator Lougheed's idea of Senate Reform. You thought he would make it elective? Bless your heart, no! It's not a change of constitution reformers like Senator Lougheed have in mind but a change of politics. Their plan is to have a subservient Upper House when their party is in office and an obstructionist one when their party is not. Senator Lougheed's solitary original contribution to a theory of Senate Reform which has been practised since Confederation is that the new Senators should be young men so that they will live long to embarrass Liberal Governments. Senator Lougheed has yearned for a Conservative majority in the Senate ever since 1906 when he succeeded Sir Mackenzie Bowell who had strained his neck looking back to see that the Grim Reaper reaped only in the right places. Since becoming leader Senator Lougheed has also developed a habit of watching the clock.

Besides being a keen business man, Senator Lougheed is a lawyer

of repute and a K. C. Being a good lawyer and a good business man go together oftener than people suspect. As a lawyer Senator Lougheed is good enough to have been the C. P. R. solicitor at Calgary for many years until R. B. Bennett got the job. Senator Lougheed loves R. B. Bennett as much as one would expect under the circumstances. When Senator Lougheed was taken into the Borden Cabinet he represented the Strathcona interests, the All Red Route and other little matters that might be forwarded in the All Red Chamber. Senator Lougheed did his duty by that distinguished philanthropist who loved Canada so much that he lived in England in order to be able to stand off and admire us. I take that back. I should have said—admire us and stand us off.

One of Senator Lougheed's chief qualifications as Senate leader, a qualification that brings the Senate into close and intimate touch with its great exemplar, the British House of Lords, is his rich, crusted, old English Stilton accent. No peer of the realm has anything on Senator Lougheed of Calgary when it comes to the broad "a" and the slighted "r". If any other citizen of Calgary than the one who collects rent from half the town said "ahftahnoon" instead of afternoon he would be dumped in the Bow River. But Senator Lougheed gets away with it and hands out clotted cream English as a regular thing. He calls a "cab" a "cob", thus putting the cart before the horse, so to speak, but all in the interest of beautiful pronunciation. You don't look for an English accent with a Scotch name like Lougheed but the Lougheeds probably accepted it along with the Act of Union between the two countries in 1907. That's the only way I can account for it. From the ease with which the Senator handles it, I should judge it had been in the family a long time and he certainly didn't catch it in Brampton where he was born, or in Toronto where he lived until 1883. It probably grew up with the Senator when he went to Calgary to grow up with the country. There were many remittance men in Alberta at the time, and accent was about the only thing they had to give away.



SIR ROBERT LAIRD BORDEN:—Why these Knighthoods, Sir George? What have we done to deserve them?

SIR GEORGE EULAS FOSTER:—Done? Think of my speech of March, 1909, advocating a Canadian Navy! Think of our alliance with the Nationalists! Think of our doubling of expenditures! Look around and see what we have accomplished during the past session of Parliament!

## THE SESSION OF PARLIAMENT IN REVIEW.

### Third Year of Borden Government Emphasizes Fundamental Party Issues.

THE third session of the twelfth Parliament of Canada ended on June 12th, after 103 days of actual sitting and after practically three years of Conservative rule under Messrs. Borden, Rogers, Pelletier, Hughes, White and the Interests they stand for.

The developments of the session, the public issues discussed, the positive as well as the negative legislative results, the economic and political conditions of the country at the close of the session are all significant of the difference between Liberalism and Conservatism, between Laurier and Borden, between courageous and wide-visioned statesmanship and mere political expediency in the scramble to gain and keep administrative power.

#### A Perspective of Three Sessions.

The session itself was perhaps not so spectacular as the preceding session with its long continued and strenuous fight over the naval issue and the closure, but to a close observer of fundamental political issues the past session was even more important and significant. Broadly speaking it may be said that the first session of the present Parliament exposed the innate weaknesses of the Nationalist-Conservative cabinet and the paralyzing effect of the conflicting interests and conflicting pre-election promises which combined to bring the Unholy Alliance into power. It also cleared the slate of the sectional and creedal misrepresentation which had been worked for years against Sir Wilfrid Laurier and his Government, in connection with such issues as the Ne Temere Decree, the school question in Manitoba, Oriental immigration in British Columbia, flag waving in Ontario and Bourassaism in Quebec.

The second session developed and defined the big issue of responsible Government on which Liberalism is founded. It emphasized reactionary Toryism under the present regime. The naval issue was at bottom the issue of responsible Government and of the autonomous development of Canada as a self-governing nation within the Empire. The centralizing tendencies of the Borden Government were evidenced in the contribution proposals and in the desire to obtain arbitrary control by the executive of the funds voted by Parliament, as instanced in the case of the Highways Aid Bill and other measures. The forcing through of closure by unconstitutional and brute force methods was a culminating effort of reactionary Toryism during the second session.

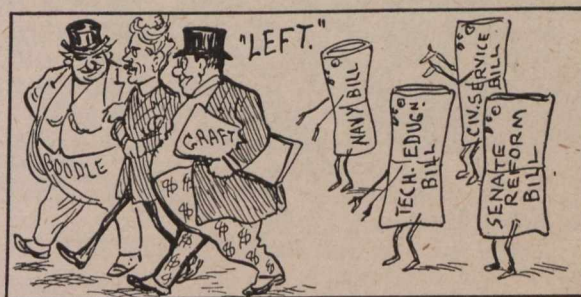
The third session which ended last month, while still further developing the moral of the first two sessions and the party tendencies, developed also in clearer outline the dominant issue of democracy versus autocracy—the issue of the masses of the people as opposed to the classes; the issue of Government of the people, by the people and for the people, as opposed to the issue of Government of the Interests, by the Interests and for the Interests. Underlying the long debates on the tariff, on the Canadian Northern Aid legislation, the National Transcontinental and the

administration of the Labor department, that was the issue in one form or another which was always at stake.

In broad outline that gives the outstanding developments of the three sessions. It demonstrates the bad politics of sacrificing fundamental principles of honest and courageous government to mere political expediency. It gives the right perspective for a detailed review of the events of the past session.

#### Promise and Performance.

The session opened with the confession in the Speech from the Throne that business was in a depressed condition; but there was no promise of any legislation to meet conditions arising from the restriction of trade or from the continued increase in the cost of living—no promise of any legislation designed to remedy urban congestion and unemployment or to meet the needs of the agricultural industry as voiced by the deputation which waited upon the Government shortly before Parliament opened, representing the organized farmers of the Dominion who sought a freer and more profitable exchange of their products for what they had to buy from the protected manufacturers. The only legislation promised in the Speech from the Throne was redistribution in the Commons, an increase of western representation in the Senate, Railway Act consolidation, a Civil Service bill, a bill amending legislation in regard to Trust and Loan Companies, a bill to give effect to the recommendation of the International Conference on Safety of Life at Sea, and finally the appropriations for carrying on the administration for another year.



Of the promised legislation, redistribution, the bills respecting trust and loan companies and safety at sea and the money appropriations were passed. All these were matters connected with the routine administration of Government rather than with constructive statesmanship. The consolidation of the Railway Act, which developed at once some opposition from the transportation interests, was left over for next session. The bill to re-adjust salaries and institute other reforms in the Civil Service was introduced only on the last day of the session, obviously merely with the intention of giving some appearance of keeping faith with the civil servants. For political reasons the Government thinks it better to leave until

the eve of an election any legislation designed to improve salary and working conditions of civil servants, thus counting on belated gratitude to have political effect at the right time. The bill in regard to the increase in the Senatorial representation of the West was not brought forward until the last week of the session although promised at the very beginning. It failed to become law because the Government would not adhere to precedent and constitutional usage and refused the legitimate request of the Liberal majority in the Senate that the increase should take effect at the same time as the increase in the elective chamber, under the Redistribution Bill. The design, of course, which the Government had in mind was to give it immediate party control of the Senate by the prompt appointment of Conservative politicians from the West. It may be noted that although the Government has not a majority in the Commons from the Western provinces, it seeks a dominating majority of Conservatives from the West in the Senate. The argument that it is unfair to the West to refuse the increased representation in the Senate is hardly justified in view of the fact that such increased representation would be purely of a party bias and would in no way represent the real feelings of the West in political matters.

### The Tariff Issue.

The opening Liberal attack led by Sir Wilfrid Laurier at once placed the tariff issue in the forefront. In the Liberal leader's amendment to the Address in reply to the Speech from the Throne, regret was expressed that despite the admission of depressed business conditions no steps were promised to relieve the situation. Liberalism pointed the way of relief and drew the moral of the defeat of the wider markets proposals of 1911 and the refusal of the tariff reductions therein involved. The need of wider markets for the



producers and for lessening the burden of tariff taxation on consumers was emphasized by the existing commercial and industrial conditions. The Government's reply was, in essence, simply a supine reliance on time and on the resources of the country to remedy the situation. Sir Wilfrid's amendment was defeated by a vote of 108 to 64, a Government majority of 44.

The opposing stands of the two parties from the first day of the session were defined in concrete form and the cleavage was emphasized by the subsequent debates and divisions dealing with the tariff question. Mr. D. B. Neeley, of Humboldt, on January 28th, moved an amendment declaring for Government action to take advantage of the standing offer of the United States to secure free access to the neighboring markets for Canadian wheat and wheat products.

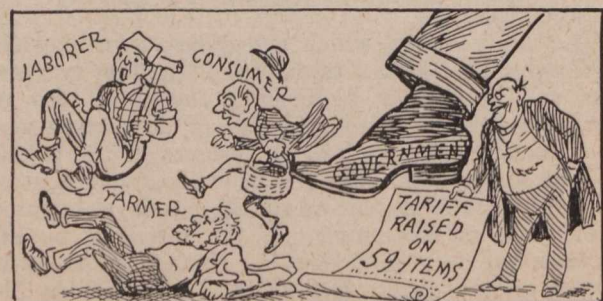
This amendment was in line with what was practically the unanimous demand of the farmers of Western Canada and in accordance with resolutions passed by the Legislatures of the three prairie provinces, including the Conservative legislature of Manitoba. It was turned down by a vote of 102 to 57, a Government majority of 45.

On February 10th, Hon. H. R. Emmerson brought up a specific increase of tariff burdens on the farmers through the decision of the Customs Board of the present Government, making basic slag dutiable. Under the Laurier Government it was on the free list. Basic slag is used as a fertilizer to a large extent in the Maritime provinces. The duty was placed at 10 per cent under the general tariff, at the instance of one manufacturing concern. The result was a prompt increase in the cost of fertilizers, amounting to some tens of thousands of dollars, as Mr. Carvell said, in his constituency alone. The Government heard the situation explained by Mr. Emmerson, but preferred to favor one manufacturer at the expense of thousands of farmers.

On March 11th, Mr. W. E. Knowles, of Moose Jaw, moved a resolution calling for the removal of all duties on agricultural implements. The resolution was supported by Liberal members representing every province. It was shown that Canadian implement manufacturers were at the present time competing successfully with the implement trusts of the United States in the free trade markets of Great Britain and in other countries. It was shown that tariff protection to the manufacturers of the instruments of production was not necessary to the maintenance of the industry in Canada and was unfair to the farmers who asked only for a fair field and no favors in the marketing of their products. The amendment was defeated a vote of 82 to 44, a Government majority of 38.

### The Budget Debate.

These were the preliminary votes leading up to the introduction of the budget by Hon. W. T. White on April 6th. The finance minister announced a tariff revision upwards on 59 items in the tariff schedules, designed to benefit specially favored manufacturing interests. It was the first upward revision of the tariff in twenty years and it was opposed to the present fiscal trend in every other country in the world. There were tariff increases on the basic items of iron and steel, brass, and building stone, all tending to increase the profits of privilege and monopoly, to intensify the evils of factitious industrial expansion and to accentuate the increase in the cost of living and the inequalities of opportunity of the masses of people in buying and selling in the best markets. One tariff change



out of the sixty gave nominal relief to the basic industry of agriculture by reducing the duty from 17½ to 12½ per cent on mowers and reapers—one class out of seventeen agricultural implements mentioned in the tariff schedules. It still left the implement makers in a position to continue reaping the profits of enhanced prices behind the tariff walls. Wider markets for the farmers and reduced tariff taxation for producers and consumers alike were refused. The Government plainly and unequivocally came out for protection all around as a permanent tariff policy. Government speakers clearly showed that the tendency of the administration was to raise rather than lower the tariff.

Sir Wilfrid Laurier's amendment epitomized the cleavage between Liberalism and Conservatism on the tariff issue. It summed up the preceding demands for free wheat, free flour and free agricultural implements and laid down the general principle of downward revision with a gradually enlarging measure of fiscal freedom, while having at the same time due regard to factitious conditions built up under the protective system. The long debate which followed made it clear that the Liberal party stands for a gradual lessening of tariff taxation until it is reduced to meet only revenue requirements; for a fiscal policy that will meet at once the basic requirements of the agricultural industry, that will check the growth of combines and monopolies and that will give relief to the consumers from the high cost of living. Sir Wilfrid's amendment was defeated by a vote of 88 to 46, a Government majority of 42.

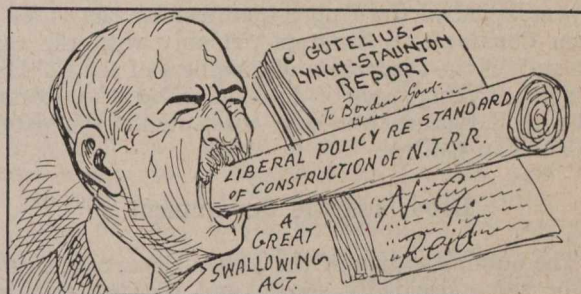
The tariff issue took up in all its various phases almost half the time of Parliament. The result leaves the issue more clearly defined than ever before as the most important issue of national politics. The Liberals stand for the common people; the Conservatives stand for tariff privilege and monopoly. Meanwhile industrial depression and unemployment continue and the cost of living is still steadily rising. The Government offers no solution, but waits on time and the "education" of the farmers to remedy conditions. The Liberals offer a permanent solution to recurring periods of industrial depression and point to the first steps in that solution.

**The Lobby, the Railways and Politics.**



Apart from the tariff the most important and the most dangerous legislation of the session was the commitment of the country to a junior partnership with Mackenzie and Mann, the immediate pledging of \$45,000,000 of the country's credit for an insolvent enterprise under conditions which left the two railway promoters still in control of the undertaking, and the assumption of obligations already amounting to

more than the present National Debt, to say nothing of any future liabilities which Mackenzie and Mann are free to incur. The revolt of Messrs. R. B. Bennett and W. F. Nickle, two of the Government's strongest supporters, and their severe arraignment of the evil effects upon the whole political life of the country of the boldest and most open lobby in the history of Parliament, first drew public attention to the portent and iniquity of the partnership. The succeeding debate, lasting for four weeks, with the rejection by an obedient Government majority of every one of the dozen Liberal amendments offered both in the Commons and in the Senate emphasized the refusal of the Government to make the interests of Mackenzie and Mann subservient to the interests of the people.



Although perhaps not so serious in its result yet almost equally serious in its intention was the effort of the Government to make political capital for itself at the expense of the National Transcontinental Railway, at the expense of Canadian credit abroad and at the sacrifice of what Parliament planned and the people endorsed in the construction of a transcontinental line from Moncton to Prince Rupert. The debate on the "scandal" report of Messrs. Gutelius and Lynch-Staunton took up nearly two weeks of the session. The result was to show the unfounded character of the charges, the sinister political motive behind them and to call public attention to the fact that no dishonesty had been shown in the expenditure of nearly \$150,000,000 in the construction of the road under Liberal administration. At the close of the session the Government admitted that the degrading of the road was to cease and that the momentum grades and sags which had been permitted during the past two years, and commended in the Gutelius-Staunton report, were to be eliminated.

**The Farmers' Bank Bill and Its Moral.**

Particularly illuminative of the political morality of the men now temporarily at the head of the Conservative party in Canada was the introduction by the Government in the Commons of a bill to vote \$1,200,000 from the public treasury to reimburse the Farmers' Bank depositors. The measure was the result of ill-considered pre-election pledges by a score of Conservative candidates in Ontario and was forced upon the Government by considerations of mere political expediency. In the words of one of their own supporters (Mr. W. F. Nickle) it was vicious in principle and established a dangerous precedent unwarranted either by the report of Sir William Meredith, the Royal Commissioner appointed to investigate all the circumstances, or by any consideration of sound statesmanship. The six months' hoist to the bill moved by Mr.

A. K. Maclean was voted down by the Government majority. Then came the striking and expected de-



nouement in the Senate. The Government's own bill was killed in the Upper Chamber by the votes of eleven Conservative Senators palpably with the consent and on the suggestion of members of the Cabinet. No more striking piece of double-dealing with electors and with Parliament was ever attempted in the history of Canadian politics.

### Labor and the Government.

The administration of the Labor Department came in for some decidedly severe and merited criticism during the session. On February 10th, Mr. Alphonse Verville, the Labor member for Maisonneuve, moved a vote of censure on the Minister of Labor for his persistent negligence and absolute indifference in regard to the claims and the rights of the coal miners concerned in the labor disputes on Vancouver Island. These disputes have been in progress for more than two years, causing an industrial loss of at least half a million dollars. The mines in question, as shown by the correspondence produced in the House, are largely Mackenzie and Mann interests. It was charged that the refusal to appoint a Board of Investigation and Conciliation as required under the Industrial Disputes' Act, which it was the duty of the Minister of Labor to enforce, was due to the request made by Mackenzie and Mann officials that no such action be taken. The defence made by Hon. Mr. Crothers in the House was practically that he had done all that should be expected of him in making a personal investigation and in endeavoring, though without success, to bring the parties together. There the matter still rests and the Minister after running away from the trouble last year and holidaying in England is now again holidaying and has apparently washed his hands of the whole matter. In this connection it may also be noted that the Government turned down a motion made by Mr. Verville that the granting of aid to the Canadian Northern be made conditional upon their agreeing to the appointment of a board of investigation as now desired by the men and as provided for by law.

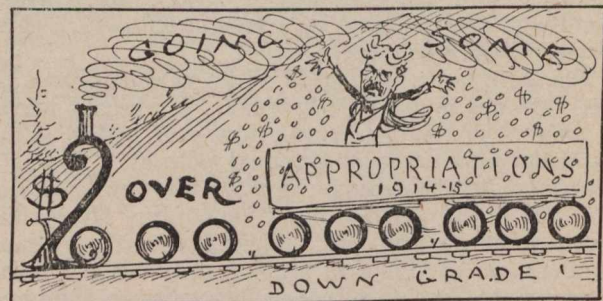
### Electoral Reform Shelved.

Early in the session a resolution was proposed by Mr. A. K. Maclean, and strongly supported by Sir Wilfrid Laurier and other Liberals, declaring that steps should be taken to make more effective and more stringent the laws against electoral corruption. This was in line with one of the Premier's most emphatic pre-election pledges. The question was referred to a

special committee and at the close of the session that committee had not reported. As yet the only evidence of any desire on the part of the Government to redeem the pledge have been the Chateauguay and Macdonald by-election scandals.

### The Financial Record.

The Government's financial record for the session leaves nothing to boast of but much to defend. The Budget statement of the Minister of Finance, presented on April 6th, showed a falling-off in revenue for the past year of some \$25,000,000 with an increase in total expenditure of some \$40,000,000 and an addition of about \$20,000,000 to the National Debt. The appropriations voted for the present year, exclusive of special statutory expenditures of millions more for Fenian Raid bounties and exclusive of the \$45,000,000 for Mackenzie and Mann and \$16,000,000 for the Grand Trunk Pacific, totalled over \$208,000,000. For militia purposes there was a total vote of nearly \$15,000,000 or double the expenditure for militia and defence during the last year of the Laurier Government. And while these votes were being put through the revenues of the country were decreasing at the rate of about \$3,000,000 per month. Instead of retrenchment there was practical effect given to the policy bluntly advocated by Mr. Donald Nicholson, the Conservative



member for Queens, Prince Edward Island—"Dash away and spend the money". The result will be seen next session in a probable addition of about \$40,000,000 to the National Debt.

### The Naval Issue and the Unholy Alliance.

Finally, as an illuminative commentary on the bogus "emergency" of last session and the continued existence of the Unholy Alliance, there remained untouched on the order paper at the close of the session the bill of Mr. D. O. Lesperance, a Quebec Nationalist supporter of the Government, to repeal the Laurier Naval Service Act. That bill was introduced early in the session. For obvious reasons the Government allowed no discussion thereon. The contribution proposals of last session and the "emergency" were barely referred to by Premier Borden throughout the session. Appropriations for the naval service were still voted under the Naval Service Act, but there was one sign of gradual repentance and of a desire to get back to safe ground. An innocuous and comparatively ineffectual scheme for a volunteer naval militia without any warships was launched and the \$200,000 required as a beginning was voted under the much-abused and "to-be-repealed" legislation of the Laurier Government.



## USURPING THE RIGHTS OF PARLIAMENT.

THE tendency of Toryism has always been to grasp and hold arbitrary, executive power. The fight of Liberalism has ever been for responsible Government, for the control of taxation and expenditure by Parliament, and for the widening rather than the restricting of the rights of free citizenship. In Canada there is ample evidence of a dangerous tendency under the present Government in the other direction. It is evidenced in the insidious and deliberate way in which the Borden Cabinet has attempted to centralize power in the Executive, to wrest from Parliament the rights and privileges which safe-guard the people's liberties and to substitute for rule by Parliament in the full light of publicity, rule by a political machine, centered in the Cabinet Council.

### Control of Expenditure.

In the Highways' Aid Bill which the Government attempted to put through during the first two sessions, the evil principle was stubbornly adhered to that money should be voted by Parliament for a term of years and that the expenditure of that money should be left, in large measure, to the discretion of the Executive, rather than be voted annually for specific purposes. The amount involved in the Highways Bill was \$10,000,000. It did not go through because the Government preferred to sacrifice the measure entirely rather than give up its attempt to secure for political purposes the control of the expenditure of so large an amount extending over a period of ten years.

In the Aid to Agriculture Act a similar vicious principle was incorporated. The sum of \$10,000,000 was voted, to be expended during another period of ten years. The Government is thus relieved of going to Parliament for annual appropriations under the Act, and is at liberty to declare the specific purpose for which the money may be spent in the different provinces, without first having to obtain the approval either of the Dominion Parliament or of the Legislatures in the provinces concerned.

In the Naval Aid Bill the Government sought an appropriation of \$35,000,000 which was to be

spent, not under the direction of Parliament, but under the direction of the Governor-in-Council. The Government rejected the amendments of the Liberal Opposition designed to keep within the control of Parliament the expenditure of this vast amount, instead of leaving to the Executive practically a free hand.

The introduction of closure and the attempted reversion to Downing Street rule during the second session are further illustrations of the general tendency.

### Control of Taxation.

During the session which closed last month there were, at least, three instances of a similar insidious and determined design to centralize power over taxation and expenditure in the hands of the Executive. In the amendment to the Customs Act, brought down by the Minister of Finance, it was provided that the surtax should be made elastic instead of arbitrary as under the old Act, and that the Governor-in-Council should be given power to apply the surtax at discretion. In the Fielding tariff the surtax was fixed at 33½ per cent over the general tariff. It was a definite tax imposed by Parliament against all nations which discriminated against Canada. In the new Act this tax, instead of being fixed by Parliament at a definite amount, is left to the Governor-in-Council to determine. It may be 5, 10, 15 or 20 per cent as the Cabinet sees fit to impose. Such a provision opens the door to individual importers or to individual nations to make their own bargains with the Government instead of making them with Parliament. It is the first time in years that a Government has sought to take away from Parliament the specific and dearly-won right of absolute control over taxation. The amendment proposed by Sir Wilfrid Laurier to strike out the clause transferring to the Governor-in-Council the right to say what the surtax shall be was voted down by the Conservative majority at the request of Premier Borden.

Along similar lines of fixing taxation by the Executive instead of by Parliament are the provisions of the Customs Act amendments giving authority to the Governor-

in-Council to say when the proposed increase in the duties on certain classes of heavier steel-mill products shall go into effect and also empowering the Cabinet to make regulations governing the conditions of the Customs drawback. Both these provisions increase the latitude of the Cabinet and restrict the right of Parliament in regard to determining tariff taxation.

### Control of Citizenship.

In the Naturalization Act, brought down by the Minister of Justice, there was another almost equally dangerous power transferred to the Executive, effecting the fundamental right of Parliament to say who shall be granted citizenship in Canada and who shall exercise the franchise. One of the provisions of the Act gives discretion to the Secretary of State to decide whether or not certificates of naturalization shall be granted to applicants, even after their claims have been passed upon by the courts of naturalization. One section of the Act declares that the Secretary of State may, without reason given and without the possibility of appeal, deny the right of naturalization granted by the courts. In other words the Government transferred to one of its Ministers the right once held in the old days of absolute monarchy by the King. Not only may the Secretary of State withhold the right of naturalization and citizenship from anyone without giving reasons to Parliament or to anyone else, but he may also, at will, exempt anyone from the provisions of the Act specifying the requirements of naturalization.

The amendment proposed by Sir Wilfrid Laurier to strike out the section of the Act referred to was summarily voted down.

A third instance during the past session of the general tendency of centralizing power of the Executive may be noted. In the Canadian Northern Aid Bill it was provided that the subsidiary companies could increase their capital stock merely by securing the approval of the Governor-in-Council. The Liberal amendment declaring that such increase of capital stock could only be obtained by the consent of Parliament and in the light of full publicity was voted down.

## CANADA'S MILITARY-MAD WAR LORD.

IN a period of falling revenues, at a time when Canada is preparing to celebrate a hundred years of peace, and when the danger of an armed invasion of Canadian soil was never more remote, Canada's military-mad War Lord, Col. the Hon. Sam Hughes, with the aid and consent of the Borden Government, is increasing the militia expenditures by another two or three millions. Despite all the pleas and protests of the Liberals in Parliament, he has put through estimates for Militia expenditures this year totaling \$14,528,582, including nearly \$3,000,000 for armouries and drill halls. Some of these drill halls at a cost of from \$10,000 to \$15,000 apiece are being scattered in villages of less than 1,000 population. Even the cross-roads have not escaped. As Col. Hughes himself intimates, he wants to put a drill hall beside every church and school-house in Canada.

In his three years of office he has practically doubled the expenditure on militia. During the discussion of his estimates in Parliament last session he frankly declared that he should have \$17,000,000 instead of only \$14,000,000 to spend this year. "If I had my proper allowance for expenditure on militia", he said, "I would have \$17,000,000. I propose extending these drill halls throughout the length and breadth of the country. Whether it is on military business or the Grand Lodge, I propose to travel in a private car. There is no gold lace going to be cut off—not a particle of it."

The total appropriations made by Parliament this session for defence, including the maintenance of a naval service without a navy, amounts to \$18,792,381. In twenty years the population of Canada has increased by less than half. In the same period the expenditures for militia and defence have increased fifteen fold. In the last year of Liberal rule the total expenditure for militia purposes, including drill halls and armouries was \$7,099,822. This year Col. Hughes proposes to spend more than double that amount. For agriculture, the total vote for all purposes is \$4,378,437, to encourage and develop an industry representing an output last year of \$1,212,079,722. For militarism, which yields no

revenue, which is contrary to the spirit of Canadian people, the Government is spending over three times as much as for agriculture.

There is money for the Minister's private cars, for European junketing trips, for salutes and guards of honor, and for a permanent force costing this year over \$2,000,000. But there is no money for industrial training and technical education. The real battles of Canada must be fought in the schools and work shops, and not in the camps of war. To the suggestion made by the Liberals in Parliament that the Militia estimates should be cut down by at least \$3,000,000 and the money thus saved devoted to carrying out the recommendations of the technical education commission appointed under the Laurier Government, Col. Hughes simply replied "From the viewpoint of technical education and of the up-building of manhood of this country, no technical education can possibly approach the benefit to the people through these drill halls".

Between doing as Col. Hughes threatens, and probably will do next year, namely increasing the militia expenditures to \$17,000,000, and doing as the Liberals would do, namely, cut down the Militia expenditures by \$3,000,000 and spend that amount on technical education, there is little room for doubt as to which course would be followed if the people of Canada were given an opportunity to choose.

## CONSERVATISM IN NEW BRUNSWICK.

THE investigation by a Royal Commission into charges against the Provincial Conservative Government in New Brunswick, against Premier Flemming, the head of that Government, and against H. F. McLeod, the Conservative M. P. for York, N. B., has already revealed facts of the most unfortunate import. Under Conservative rule in New Brunswick there has apparently existed corruption unparalleled in any other Province of Canada unless it be in Manitoba under the Roblin-Rogers' Ministry.

The charges were made in the Legislature by Mr. L. A. Dugal, a Liberal member. Briefly, Mr. Dugal charged that through the agency of W. H. Berry, a Government employee, Mr. Flemming had extorted about \$100,000 from

Crown Land licensees in the Province; that, in the construction of the St. John Valley Railway under the Flemming Government, money had been improperly diverted and that contractors had been compelled to pay large sums to Premier Flemming and to Mr. McLeod when the latter was a member of the Provincial Cabinet.

Strangely enough, Mr. Berry and Mr. J. H. Corbett—the latter a contractor who was alleged to have paid Mr. Flemming \$10,000—disappeared from New Brunswick just about the time the Royal Commission began its inquiry. Both men are in the United States and while Mr. Berry is still an employee of the Province and Mr. Corbett still holds a contract under the Government the Ministers have done nothing to bring about their attendance at the investigation.

But even without the testimony of Mr. Berry, Mr. Dugal has been able to prove already that some \$70,000 was extorted from Crown Land licensees through the agency of the missing official. He has been able to prove, through sworn evidence, that the money was paid to E. R. Teed, a close associate of Premier Flemming. Moreover, it has been established under oath that, in the presence of Mr. Berry, this same Mr. Teed was introduced by Premier Flemming himself to one of the lumbermen who paid into the extortion fund and that with the introduction there went the Premier's assurance to the lumberman that "anything this man (Teed) tells you will be all right". It has been shown, too, that lumbermen paid under protest but made their payments because of their realization that as Crown Land licensees they were at the mercy of the Government.

So far the investigation into the charges in connection with the railway has been chiefly concerned with matters of intricate detail. Neither these charges nor the charges in connection with the extortion from timber licensees will have been fully investigated for some weeks yet. Already, however, enough evidence has been given in connection with the railway charges to lead the chairman of the commission, Mr. Justice McKeown, to express the opinion that a prima facie case of diversion of funds has been established by counsel for Mr. Dugal.

**SOME SAMPLE SCANDALS**

**H**ALF a dozen "deals" uncovered during the last session of Parliament reveal the methods of the Borden Government in handling the affairs and the funds of Canada. The purchase of building sites at Fort Frances, Ontario, at Levis, Quebec, and at Canning, Nova Scotia; the Bonnie Bel-air transaction; the Southampton Railway "deal"—all show the Government's sacrifice of the public funds for the advancement of the private fortunes of its friends.

On July 29th, 1913, a site for a quarantine station at Levis was purchased from W. R. Dohan for \$32,750. Four days before Mr. Dohan had purchased the property from Dr. Dussault for \$25,400 so that he netted a profit of almost \$2,000 a day on his transaction with a friendly Government. But he was not the only one to profit through the "deal". Dr. Dussault had bought the property for \$12,000 only a month before he turned it over for \$25,400 so that he doubled his money and had \$1,400 to boot. Property values increased very rapidly at Levis after the Government decided to build the new station—and when the "right men" could deal in the land that had been picked out.

When a post office site was to be acquired at Fort Frances the Government picked out a faithful Tory, Mr. A. D. George, Crown Attorney, for the job. Mr. George obtained options on two pieces of ground for a total of \$9,500. Then, according to evidence given before the Public Accounts Committee he purchased the land himself, represented a clerk in his own office as being the agent of the Government, and turned over the two properties to the Dominion for \$16,500. In the meantime, he had sold a house which stood on the land for \$1,150 so the net cost of the property to him was \$8,350 and his profit—and the country's loss through the Borden way of handling public business—was \$8,150.

The Bonnie Bel-Air deal whereby Major W. T. Roddin purchased property near Dorval, Quebec, for \$89,996, and very soon after sold it to the Militia Department for \$180,000 has already been referred to in a previous issue.

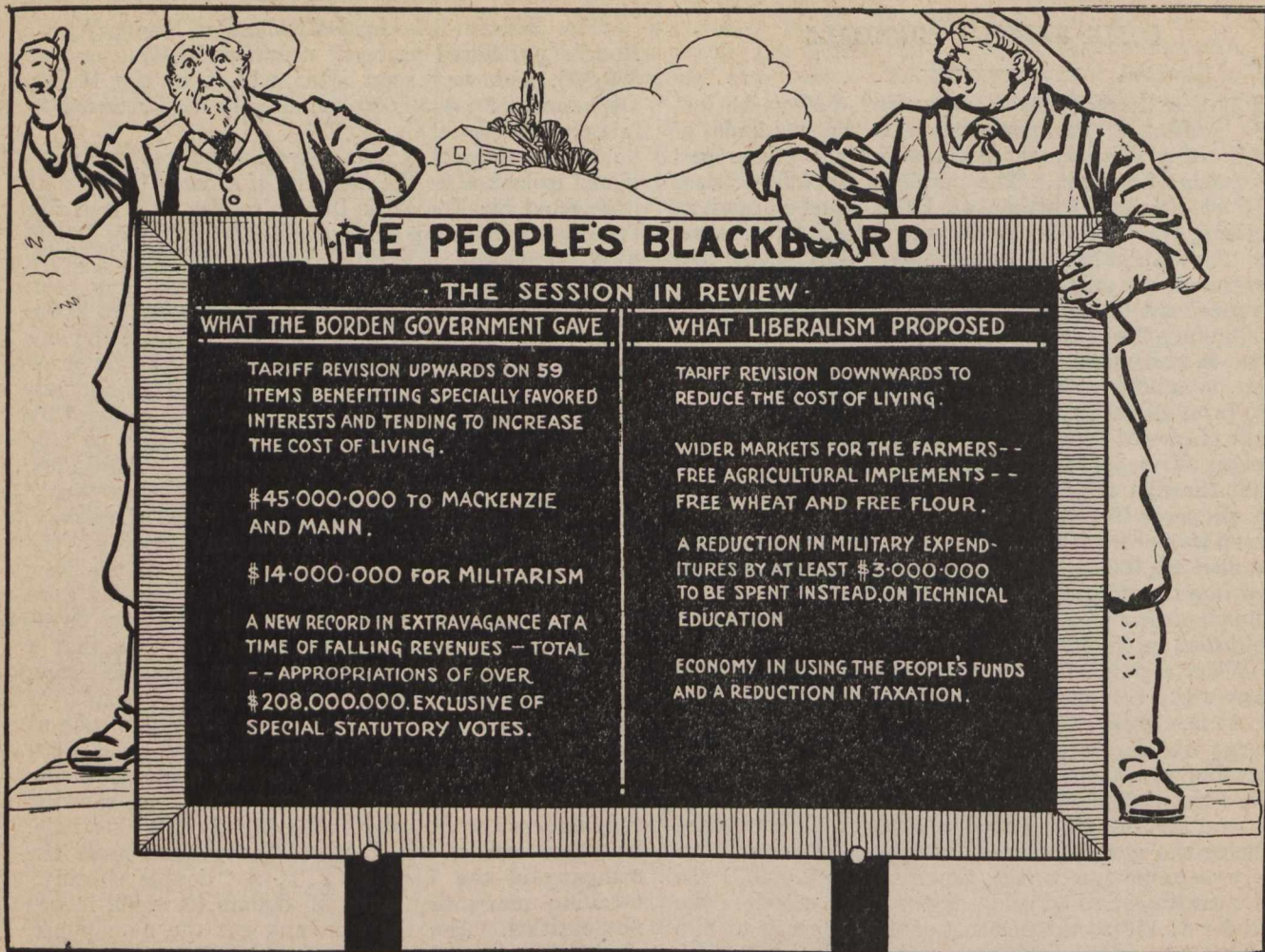
At Canning, N. S., the Government was so determined to look after the interests of a party friend that it rejected Sir Frederick Borden's offer of a free site for a public building and agreed instead to pay \$2,000 to N. W. Eaton, a defeated Tory candidate, for property he owned. This particular property has been declared to be worth only \$300 or \$400 but to make it appear as being worth more—and to make the site large enough for the proposed building—the Government offered \$1,100 for another piece of ground adjoining the Eaton land, an offer which was rejected by its owners on the score that \$1,100 was three or four times the amount honorable men should accept for the lot.

In some respects the Southampton Railway "deal" is worst of all. For this thirteen miles of railway, which was constructed by a company in which the chief figure was a Conservative member of the New Brunswick Legislature, the Borden Government gave a "double subsidy" of \$6,400 per mile under the terms of the Railway Subsidies Act which provides that a road receiving such assistance must cost, at least, \$21,400 per mile. A Government engineer sent over the road certified its cost as being \$22,954 a mile so that, apparently, the "double subsidy" had been earned. But when a law suit recently arose out of the line's construction sworn evidence was given showing that the cost of the road had been only \$12,100 a mile. In other words, the Borden Government gave the company of the Tory M. P. P. a "double subsidy" totalling many thousands of dollars to which it was not entitled. And the company got the money just about the same time that the Tory M. P. P. gave up his opposition to the candidature of a man chosen by the Government to contest a local by-election.

**DIARY OF THE MONTH.**

- June 1914.
- 1 **ONE THOUSAND UNEMPLOYED** march to the City Hall, REGINA, seeking work.
  - 2 **COLONEL SAM HUGHES** tells the Commons that **TECHNICAL EDUCATION** is **LESS VALUABLE THAN DRILL HALLS**.
  - 2 Motion of **SENATOR MURPHY, (C.)** for six months' hoist for bill extending provisions of Fenian Raid bounty act defeated by one vote.  
Amendment to the Government's Canadian Northern proposals offered by **SIR WILFRID LAURIER**, providing for **GOVERNMENT OWNERSHIP** of the railway, **DEFEATED** by 42 to 85.  
Amendment of **ALPHONSE VERVILLE**, Labor member for Maisonneuve, providing that no aid be granted Mackenzie and Mann until they agree to the appointment of a **CONCILIATION BOARD FOR VANCOUVER ISLAND LABOR TROUBLES** **DEFEATED** by 38 to 45 and Government's Canadian Northern bill passed "on division".
  3. Motion of **A. K. MACLEAN (L.)**, for six months' hoist for bill to reimburse the depositors of the Farmers' Bank defeated by 18 to 55.
  - 4 Inquiry into the Dugal charges against **PREMIER FLEMING**, of New Brunswick, and **H. F. McLEOD, CONSERVATIVE M. P.** for **YORK, N. B.**, begun at St. John.
  - 5 Motion of **J. H. SINCLAIR, (L.)**, for investigation into failure of other banks before reimbursement is granted to the depositors of the Farmers' Bank. Defeated.  
Bill to guarantee the bonds of the Grand Trunk Pacific to the amount of \$16,000,000 agreed to by the Commons.
  - 6 **LIBERAL SENATORS** set forth **objections to Canadian Northern** proposals of the Government and urge **reconsideration** of the measure.  
New Canadian loan of £5,000,000 **POORLY RECEIVED** in London and **ADVERSELY CRITICISED** by English newspapers. "Scandal" report of **G. HOWARD FERGUSON** on **TRENT VALLEY CANAL** criticised in the Commons by **HON. SAM HUGHES** as well as by Liberal members.
  - 8 Motion for **SIX MONTHS' HOIST** for bill to **REIMBURSE FARMERS' BANK DEPOSITORS** carried in the Senate by **VOTES OF CONSERVATIVE SENATORS**.  
**HON. WILLIAM FUGSLEY'S** motion of censure upon the Government for **MISMANAGEMENT** of the **NATIONAL TRANSCONTINENTAL** lost "on division".  
Senator Thomas Coffey, (L.), dies at London, Ontario.

- 9 **HON. J. D. REID**, acting Minister of Railways, tells the Commons that the **momentum grades** upon the Transcontinental, which had been praised by the Gutelius-Staunton report and condemned by the Liberals, are to be **ELIMINATED**.  
Canadian Northern bill **PASSES** in the Senate.  
Government's plan for a **VOLUNTEER NAVAL RESERVE** discussed in the Commons; Government's continued vacillation and dishonesty in dealing with the **NAVY QUESTION** condemned.
- 10 **LIBERAL** motion to **REDUCE THE MILITARY EXPENDITURES BY \$3,000,000** defeated by the Government majority in the Commons.  
Premier Borden gives notice of resolution for an address to the Imperial Parliament asking amendment of British North America Act to provide for **INCREASED WESTERN REPRESENTATION** in the **SENATE**.
- 11 Redistribution Bill and resolution regarding Senate representation discussed in the Commons; on motion of **E. M. Macdonald, (L.)**, Redistribution Bill amended to provide for **FOUR MEMBERS FOR PRINCE EDWARD ISLAND** if the necessary amendment to the British North America Act was made by Imperial Parliament.
- 12 Redistribution Bill **PASSED**.  
Senate **AMENDS** resolution regarding Western representation by providing that proposed change should not become effectual until the next Parliament; Government **REFUSES** to accept the amendment and thus kills the resolution.  
**HON. L. P. PELLETIER** rejects Senate amendment making increases in **POSTAL RATES** under the proposed Post Office Bill subject to the control of the Treasury Board and ratification by Parliament; proposal for **INCREASED WAGES FOR RAILWAY MAIL CLERKS** and other **POSTAL EMPLOYEES** defeated through **MR. PELLETIER'S ACTION**.  
**PARLIAMENT PROROGUED** by the Duke of Connaught.
- 21 Knighthoods conferred on **PREMIER BORDEN, HON. GEORGE E. FOSTER, SENATOR deBOUCHERVILLE, J. A. M. AIKENS, M.P.**, and **DR. T. G. RODDICK**, of Montreal.
- 23 Liberals of Argenteuil, Quebec, addressed at Lachute by **HON. RODOLPHE LEMIEUX, HON. SYDNEY FISHER, ANDREW PHILPS, M.L.A., J. A. C. ETHER, M.P.**, and **A. E. McMASTER**.
- 25 **W. G. BASHFORD, (L.)** elected in Provincial by-election in **NORTH QU'APPELLE, Sask.**, and **J. G. GARDINER, (L.)**, in **ROSTERN, Sask.**; North Qu'Appelle carried by the Liberals for the first time since 1905; Liberal majority in Rostern greatly increased.
- 29 **WHITNEY GOVERNMENT SUSTAINED** in Ontario; Government, 84; Liberals, 25; Labor, 1; Independent, 1; Liberals increase representation in the Legislature and reduce popular majority of the Government.



**COST OF LIVING, UNEMPLOYMENT AND THE TARIFF.**

THE June issue of the Labor Gazette brings up to date the people's argument against the Borden Government's policy of tariff revision upwards. The official figures of the Labor Department emphasize the twin evils of increasing cost of living and unemployment which the Government in its fiscal legislation of last session accentuated rather than ameliorated. "Labor conditions generally during May, were not as favorable as for the same period last year" says the Labor Gazette.

A few days ago the Department of Immigration announced in reply to a deputation of some five hundred of Ottawa's unemployed, who gathered before the Government offices seeking aid, that steps would be taken to deport, if necessary, the thousands of unemployed now seeking public charity in the cities.

In the same issue of the Labor Gazette the statistics given as to the cost of living in Canada show equally unsatisfactory conditions. The index number of the Department, giving the average wholesale prices on 272 commodities of general use, was 136.2 for the

month of May. In May of last year, it was 135.4. The working man's weekly budget for food last year averaged \$7.34. In 1910, it averaged \$6.95. For all necessary expenses the average weekly budget of the working man last year was \$14.024. In 1910, it was \$12.972.

In the United States where fiscal revision downwards is now having its logical effect on the cost of living, the index number of the Labor Department for May last was 8.6224. For the same month of last year it was 9.1394. In Great Britain for May it was 117.5 as compared with 122.4 in May of last year. In the United States there has been during the year a reduction of about 5 per cent. In Great Britain there has been a reduction of nearly 4 per cent.

In Canada alone has there been an increase. And in Canada alone has there been an increase in the tariff restrictions favoring monopoly and privilege at the expense of the masses of consumers and producers.

The people of Canada may draw the moral.

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